ENENTO GROUP PLC

INTERIM REPORT

1.1.–30.9.2020

Building trust in the everyday.

ENENTO GROUP PLC, STOCK EXCHANGE RELEASE 6 NOVEMBER 2020 AT 11:00 A.M. EET

Enento Group's Interim Report 1.1. – 30.9.2020: Strong service development and good profitability in a challenging business environment

SUMMARY

July – September 2020 in brief

- Net sales amounted to EUR 36,7 million (EUR 36,7 million), an increase of 0,1 % (at comparable exchange rates a decrease of 1,0 %).
- Adjusted EBITDA excluding items affecting comparability was EUR 14,8 million (EUR 14,0 million), an increase of 5,7 % (at comparable exchange rates an increase of 4,4 %).
- Adjusted EBIT excluding items affecting comparability and amortisation from fair value adjustments related to acquisitions was EUR 12,4 million (EUR 12,0 million), an increase of 2,8 %.
- Operating profit (EBIT) was EUR 9,2 million (EUR 8,3 million). Operating profit included items affecting comparability of EUR 3,2 million (EUR 3,7 million), mainly arising from amortisation from fair value adjustments of EUR 3,1 million (EUR 3,0 million) related to acquisitions as well as M&A and integration expenses.
- New products and services represented 6,3 % (3,4 %) of net sales.
- Free cash flow amounted to EUR 11,0 million (EUR 12,5 million). The effect of items affecting comparability on free cash flow was EUR -0,6 million (EUR -0,9 million).
- Earnings per share were EUR 0,28 (EUR 0,25).
- Comparable earnings per share were EUR 0,38 (EUR 0,53)[1].
- On 6 November 2020, the Board of Directors decided on a capital repayment in accordance with the Board's authorisation, amounting to EUR 0,34 per share and with the payment date being 26 November 2020.

January – September 2020 in brief

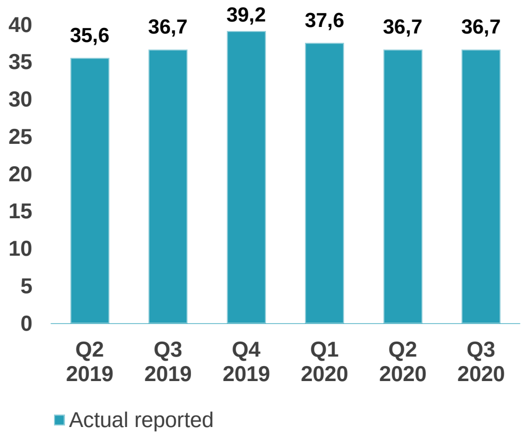
- Net sales amounted to EUR 111,1 million (EUR 106,8 million), an increase of 4,1 % (at comparable exchange rates an increase of 4,1 %).
- Adjusted EBITDA excluding items affecting comparability was EUR 39,7 million (EUR 37,9 million), an increase of 4,5 % (at comparable exchange rates an increase of 4,5 %).
- Adjusted EBIT excluding items affecting comparability and amortisation from fair value adjustments related to acquisitions was EUR 33,0 million (EUR 31,0 million), an increase of 6,4 %.
- Operating profit (EBIT) was EUR 21,7 million (EUR 20,0 million). Operating profit included items affecting comparability of EUR 11,3 million (EUR 11,0 million), mainly arising from amortisation from fair value adjustments of EUR 9,1 million (EUR 8,5 million) related to acquisitions as well as M&A and integration expenses.
- New products and services represented 5,2 % (3,9 %) of net sales.
- Free cash flow amounted to EUR 23,5 million (EUR 25,2 million). The effect of items affecting comparability on free cash flow was EUR -2,0 million (EUR -2,0 million).
- Earnings per share were EUR 0,66 (EUR 0,60).
- Comparable earnings per share were EUR 0,96 (EUR 0,88)[1].

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

KEY FIGURES

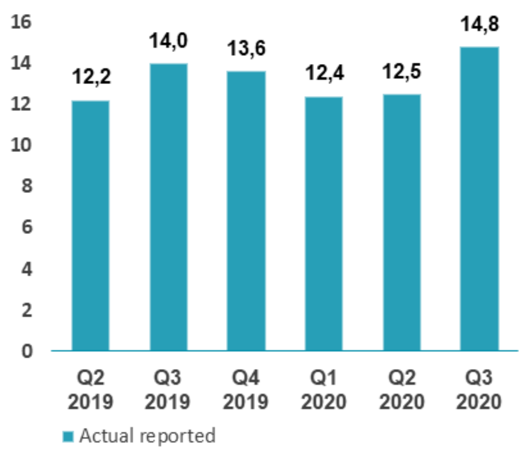
EUR million	1.7. – 30.9.2020	1.7. – 30.9.2019	1.1. – 30.9.2020	1.1. – 30.9.2019	1.1. – 31.12.2019
Net sales	36,7	36,7	111,1	106,8	146,0
Net sales growth, %	0,1	16,8	4,1	71,6	48,7
Operating profit (EBIT)	9,2	8,3	21,7	20,0	27,8
EBIT margin, %	25,1	22,7	19,6	18,8	19,0
Adjusted EBITDA	14,8	14,0	39,7	37,9	51,5
Adjusted EBITDA margin, %	40,3	38,1	35,7	35,5	35,3
Adjusted operating profit (EBIT)	12,4	12,0	33,0	31,0	42,6
Adjusted EBIT margin, %	33,7	32,8	29,7	29,1	29,2
New products and services of net sales, %	6,3	3,4	5,2	3,9	4,0
Free cash flow	11,0	12,5	23,5	25,2	32,1
Net debt to adjusted EBITDA, x	2,4	2,7	2,7	3,0	2,9

Net sales, EUR million



- The growth of net sales in the third quarter of 2019 was 0,1 % at reported exchange rates and -1,0 % at comparable exchange rates compared with the corresponding quarter of the previous year.
- The Digital Processes business area saw very strong growth thanks to new services and the high demand for real estate information services and the digital housing transaction service.
- The net sales of the SME and Consumers business area developed well, supported in particular by the strong sales of online consumer services in Sweden.
- The demand for the Risk Decisions business area's consumer-related risk management services declined in the third quarter due to the economic impacts of the coronavirus pandemic and the stricter interest rate cap regulation introduced in Finland.

Adjusted EBITDA, EUR million

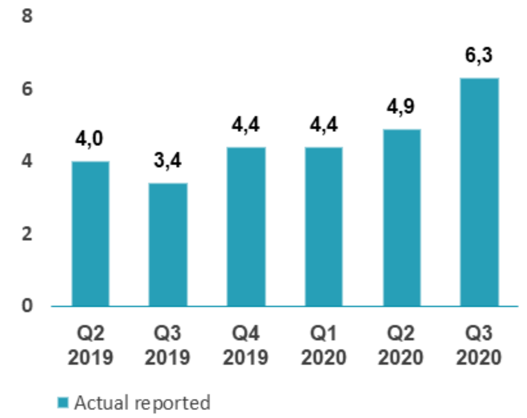


- The growth of adjusted EBITDA in the third quarter was 5,7 % at reported exchange rates and 4,4 % at comparable exchange rates compared with the corresponding quarter of the previous year.
- Adjusted EBITDA increased year-on-year, in spite of the moderate development of net sales, by cost synergies and the savings programme which was implemented as planned in response to the economic uncertainty caused by the coronavirus pandemic.
- Adjusted EBITDA margin was 40,3 % (38,1 %).

Adjusted operating profit (EBIT), EUR million

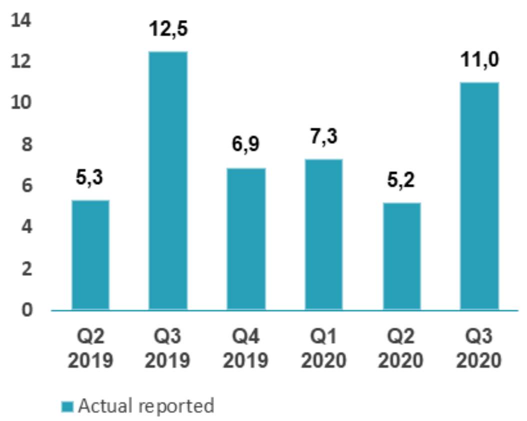
- Compared with the reference period, adjusted operating profit (EBIT) for the third quarter increased by 2,8 % at reported exchange rates and 1,4 % at comparable exchange rates.
- Amortisation related to capitalised development costs increased from the comparison period by EUR 0,5 million.
- Adjusted EBIT margin was 33,7 % (32,8 %).

New services' share of net sales, %



- New services accounted for 6,3 % of net sales in the third quarter.
- The share of net sales represented by new services has begun to grow in 2020 as planned, and the aim for the full year is to increase the share of net sales compared to the previous year.
- The Group has remained active in making service development investments in spite of the impacts of the coronavirus pandemic, and the investments are focused on the priorities outlined in the revised strategy.
- A total of 7 new services were launched in the third quarter.

Free cash flow, EUR million



- Cash flow from operating activities before the change in working capital saw strong development in the third quarter. The change in net working capital had a negative effect on cash flow due to the payment of trade payables and other liabilities.
- Items affecting comparability decreased the cash flow from operating activities in the third quarter by EUR 0,6 million (EUR 0,9 million).

FUTURE OUTLOOK

Net sales: Enento Group expects net sales to grow in full year 2020, the growth rate however remaining below the long-term target range of 5–10 %.

EBITDA: Enento Group expects its adjusted EBITDA margin in full year 2020 to remain at the previous year's level.

Capital expenditure: Enento Group expects its capitalised product development and software expenses in 2020 to be at the previous year's level.

The outlook is based on the assumption that exchange rates remain at the current level.

JUKKA RUUSKA, CEO

Our business environment remains challenging in spite of the signals indicating a market recovery. The third quarter of the financial year 2020 was a quarter of low growth for Enento Group. Consolidated net sales amounted to EUR 36,7 million, representing a year-on-year increase of 0,1 % (at comparable exchange rates -1,0 %). Adjusted EBITDA increased by 5,7 % (at comparable exchange rates 4,4 %) and amounted to EUR 14,8 million. The Group's adjusted operating profit excluding items affecting comparability grew by 2,8 % (at comparable exchange rates 1,4 %) and amounted to EUR 12,4 million. The Group's net sales were supported in both markets by newly launched services. Their share of net sales continues to grow, amounting to 6,3 % of in the third quarter.

The development of net sales was accelerated particularly by the strong growth of the Digital Processes business area's real estate information services in both markets. In the SME & Consumers business area, growth was achieved in services sold directly to consumers, especially in the Swedish market. The net sales of the Customer Data Management business area increased moderately in both markets. The net sales of the Risk Decisions business area continued to decrease in both markets as the decline in economic activity reduced the use of our services. The temporary 10 per cent interest rate ceiling on consumer credit introduced due to the coronavirus crisis continues to have a negative impact on the demand for our services in the Finnish market.

We are making progress in line with our targets with regard to the launch of new services during the financial year, and we are on track for growth. For the comparison period last year the share of net sales represented by new services was 3,4%, for the full last fiscal year it was 4,4 %, and now it is 6,3 %. Our range of beneficial owner services grew in the Swedish market thanks to the launch of a monitoring service by which we help our clients update their customer information with beneficial owner information. In the Finnish market, we launched the Customer Pro target group tool. The tool offers more than 2,1 million items of up-to-date consumer contact details to help reach potential customers via digital marketing channels or telemarketing. The Corporate Responsibility Report service, which is the first tool on the market to shed light on the background of unlisted companies, is now also available in the business information online store in Finland.

For more than two years now, Enento has implemented the Nordic CX programme, which is aimed at maintaining and improving the customer experience and customer loyalty. We also measure our Net Promoter Score (NPS) on a daily basis to monitor our customers' perceptions of customer encounters with our sales and customer service functions. In the second and third quarters, we were unable to meet with our customers in the usual manner due to the coronavirus situation. In spite of that, our NPS score for customer encounters was very high at 70.

Understanding the customer experience is the key to success in service development. It is also a strategic priority for us. In addition to regular customer panels, we actively interview our customers to assess their needs, validate service development initiatives and pilot new services with small customer groups. Naturally, we also use our own services to gain deeper customer insight, starting from the basic information and financial data of companies and user profile specifications using the Business Filter Pro tool. We also help our customers find the right services to suit their needs using various service packages, for example. For us, the customer always comes first.

NET SALES

July – September

Enento Group's net sales in the third quarter amounted to EUR 36,7 million (EUR 36,7 million), increasing year-on-year by 0,1% at reported exchange rates and 1,0% at comparable exchange rates. Net sales from new products and services were EUR 2,3 million (EUR 1,2 million), representing 6,3% (3,4%) of the total net sales for the third quarter. The key drivers behind the development of net sales in the third quarter were service development, the strong growth of the Digital Processes business area based on new services and the high volume of real estate information services and housing transaction services, and the SME and Consumers business area's good development driven by online consumer services in Sweden. The development of net sales in the third quarter was kept moderate by the negative development of the demand for consumer-related risk management services in the Risk Decisions business area in both Finland and Sweden. The number of banking days with a volume effect was the same as last year in both of the main market areas, Finland and Sweden.

Net sales of the Risk Decisions business area amounted to EUR 22,9 million (EUR 24,1 million) in the third quarter. The business area's net sales decreased by 5,2 % at reported exchange rates and 6,7 % at comparable exchange rates compared with the corresponding quarter in the previous year. The demand for consumer-related risk management services decreased in both of the Group's main markets, Finland and Sweden, as the economic impacts of the coronavirus pandemic were reflected in the consumer credit market. The 10 per cent interest rate ceiling on consumer credit introduced in Finland had a negative impact on service demand in the third quarter and has led to some operators exiting the market entirely. The business area's development in the difficult general market situation was supported by new services, as their share of net sales increased substantially. The business area is maintaining a high level of service development activity, focused on high value-added services.

The net sales of the SME and Consumers business area amounted to EUR 9,0 million (EUR 8,6 million) in the third quarter. Compared with the corresponding quarter in the previous year, the net sales of the business area increased by 4,7 % at reported exchange rates and 4,6 % at comparable exchange rates. The development of online consumer services in Sweden remained strong and was supported by service development and successful marketing investments. In Finland, the updated omatieto.fi service solution for consumers continued to develop positively and the net sales of online business information reports saw strong development. The development of the Proff business in Norway was moderately positive in spite of the subdued market climate. The negative impacts of the coronavirus pandemic were seen in the business area particularly in the form of a significant contraction in the demand for display advertising, although demand began to recover towards the end of the quarter, supported by changes in the sales model.

The net sales of the Customer Data Management business area amounted to EUR 2,0 million (EUR 1,9 million) in the third quarter. Compared with the corresponding quarter in the previous year, the net sales of the business area increased by 4,5 % at reported exchange rates and 3,6 % at comparable exchange rates. The net sales of B2C customer management services continued to see very strong development in Finland in the third quarter thanks to active sales efforts. The net sales of B2B customer management services in Sweden grew thanks to the stable development of subscription services and the timing of ad hoc service sales. The business area is continuing its efforts to improve the efficiency of sales, and service development is focused on the Nordic service offering and the utilisation of unstructured data.

The net sales of the Digital Processes business area amounted to EUR 2,9 million (EUR 2,1 million) in the third quarter. Compared with the corresponding quarter in the previous year, the net sales of the business area increased by 40,0 % at reported exchange rates and 38,7 % at comparable exchange rates. The drivers of the business area's growth in the third quarter were new services and the positive development of volumes in the housing and real estate markets related services in both Finland and Sweden. The resulting positive effect on growth was reflected particularly in the strong development of the net sales of real estate and housing information services and Tambur, a digital housing transaction service that has achieved a high degree of market coverage. The business area achieved strong growth in spite of the coronavirus pandemic in an environment characterised by continued demand for housing market related digital services. The volumes of the housing valuation service for banks, launched last year in the Finnish market, saw strong growth and the development of the service is continuing with the aim of further automating banks' collateral management processes and expanding the scope of the valuation service. In Sweden, the Tambur housing transaction service has achieved a high coverage of the transaction volumes in the market, and investments to further develop the service are continuing in close cooperation with key customers.

January – September

Enento Group's net sales in the review period amounted to EUR 111,1 million (EUR 106,8 million), an increase of 4,1 % year-on-year at reported exchange rates and 4,1 % at comparable exchange rates. Net sales from new products and services were EUR 5,8 million (EUR 4,2 million), which was 5,2 % (3,9 %) of the total net sales for the review period. The key drivers of net sales growth in the review period were the strong development of the SME and Consumers business area, driven by the Proff acquisition and online consumer services in Sweden and the strong growth of the Digital Processes business area in both markets. The negative development of the demand for consumer-related risk management services in the Risk Decisions business area due to effects related to the coronavirus pandemic in both Finland and Sweden had a substantial negative impact on the development of net sales for the Group as a whole. The number of banking days with a volume effect was the same as last year in both of the main markets, Finland and Sweden.

The net sales of the Risk Decisions business area in the review period amounted to EUR 69,4 million (EUR 71,4 million). Compared with the corresponding period in the previous year, the net sales of the business area decreased by 2,8 % at reported exchange rates and 2,8 % at comparable exchange rates. The demand for consumer-related risk management services – and positive credit information in particular – developed favourably in Sweden in the first half of the review period, but the net sales for the full review period ultimately decreased year-on-year due to the negative effect of the economic impacts of the coronavirus pandemic on the consumer credit business starting from the latter part of the first quarter. In Finland, demand was negatively affected already in the first half of the review period by the stricter interest rate ceiling regulations on consumer credit introduced in the autumn 2019, and the negative impact of this regulatory change was exacerbated by the economic impacts of the pandemic and increasingly strict regulations on consumer credit in the second and third quarters. The scope of positive credit information and the development of related value-added services still hold significant growth potential in Finland, and positive credit information is being increasingly widely used in granting consumer credit. The development of business information services was good in Finland, particularly due to new services, and service demand was also boosted by the Finnish state's financial support measures for companies to mitigate the economic impacts of the coronavirus pandemic in the second quarter, as our decision services were used in the assessment and allocation of financial support. The development of net sales in the business area was supported during the review period by new services, as their share of net sales increased substantially.

The net sales of the SME and Consumers business area during the review period amounted to EUR 28,1 million (EUR 23,0 million). Compared with the corresponding period in the previous year, the net sales of the business area increased by 22,0 % at reported exchange rates and 22,7 % at comparable exchange rates. The Proff acquisition strengthened Enento Group's business information service offering aimed at the SME sector, and the consolidation of Proff's net sales into the SME and Consumers business area from the start of the third quarter of the previous year was a key factor in the reported year-on-year growth of the business area in the period under review. In addition to the growth effect of the Proff acquisition, the development of online consumer services in Sweden remained strong during the review period, supported by service development and successful marketing investments. Subscription-based online business information services developed favourably in Sweden, but the demand for display advertising declined substantially during the review period due to the coronavirus pandemic. In Finland, the sales of the updated omatieto.fi consumer service, online business information reports and certificates developed favourably during the period.

The net sales of the Customer Data Management business area in the review period amounted to EUR 5,8 million (EUR 6,1 million). Compared with the corresponding period in the previous year, the net sales of the business area decreased by 3,5 % at reported exchange rates and 3,5 % at comparable exchange rates. The net sales of B2C customer management services saw strong development in Finland during the review period thanks to active sales efforts. The volume of Emaileri's electronic communications services and the net sales of B2B customer management services in Sweden contracted. The net sales development of subscription-based B2B customer management services was stable in both market areas, but the volumes of ad hoc deliveries declined year-on-year. The business area is continuing its efforts to improve the efficiency of sales, and service development is focused on the Nordic service offering and the utilisation of unstructured data.

The net sales of the Digital Processes business area in the review period amounted to EUR 7,7 million (EUR 6,2 million). Compared with the corresponding period in the previous year, the net sales of the business area increased by 22,9 % at reported exchange rates and 22,9 % at comparable exchange rates. The business area's growth in the review period was driven by new services, the strong development of real estate information services and the digital housing transaction service Tambur and the positive development of the volume of compliance services in Finland. The volumes of the housing price estimation service for banks, launched last year in the Finnish market, saw strong development during the review period, as expected, and the development of the service is continuing with the aim of further automating the collateral management processes of banks. In Sweden, the Tambur housing transaction service has achieved a high coverage of the transaction volume in the market, and investments to further develop the service are continuing in close cooperation with key customers. The business area's service development is focused particularly on the digitalisation of data-intensive processes related to housing transactions and other aspects of housing.

FINANCIAL RESULTS

July – September

Enento Group's operating profit (EBIT) for the third quarter amounted to EUR 9,2 million (EUR 8,3 million). Operating profit included items affecting comparability of EUR 0,1 million (EUR 0,7 million), mainly arising from legal fees, and amortisation from fair value adjustments related to acquisitions of EUR 3,1 million (EUR 3,0 million).

Third-quarter adjusted EBITDA excluding items affecting comparability was EUR 14,8 million (EUR 14,0 million). Adjusted EBITDA increased by EUR 0,8 million at reported exchange rates and by EUR 0,6 million at comparable exchange rates.

Adjusted operating profit (EBIT) for the third quarter excluding items affecting comparability and amortisation from fair value adjustments related to acquisitions increased by EUR 0,4 million to EUR 12,4 million (EUR 12,0 million). Adjusted EBIT margin for the third quarter improved compared with the corresponding quarter in the previous year. Profitability improved in spite of the moderate development of net sales particularly due to cost synergies and the programme to adjust fixed costs, which was implemented as planned in response to the economic uncertainty caused by the coronavirus pandemic. Amortisation related to capitalised development costs increased compared with the corresponding quarter in the previous year.

The Group's depreciation and amortisation for the third quarter amounted to EUR 5,5 million (EUR 5,0 million). Of the depreciation and amortisation, EUR 3,1 million (EUR 3,0 million) resulted from amortisation from fair value adjustments related to acquisitions. The Group's depreciation on right-of-use assets (IFRS 16) in the second quarter amounted to EUR 0,6 million (EUR 0,6 million).

Net financial expenses in the third quarter were EUR 0,7 million (EUR 0,7 million). Financial expenses related to lease liabilities (IFRS 16) were EUR 0,0 million (0,0 million) in the third quarter, and recognised exchange rate losses amounted to EUR -0,0 million (EUR 0,0 million).

The Group's profit before income taxes for the third quarter was EUR 8,5 million (EUR 7,7 million).

The tax amount booked as expense for the third quarter was EUR -1,8 million (EUR -1,7 million).

The Group's profit for the third quarter was EUR 6,7 million (EUR 6,0 million).

January – September

Enento Group's operating profit (EBIT) for the review period amounted to EUR 21,7 million (EUR 20,0 million). Operating profit included items affecting comparability of EUR 2,1 million (EUR 2,5 million), mainly arising from amortisation from fair value adjustments of EUR 9,1 million (EUR 8,5 million) related to acquisitions as well as M&A and integration expenses.

Adjusted EBITDA for the review period excluding items affecting comparability amounted to EUR 39,7 million (EUR 37,9 million). Adjusted EBITDA increased by EUR 1,7 million at reported exchange rates and by EUR 1,7 million at comparable exchange rates.

Adjusted operating profit (EBIT) for the review period excluding items affecting comparability and amortisation from fair value adjustments related to acquisitions increased by EUR 2,0 million to EUR 33,0 million (EUR 31,0 million). The adjusted EBIT margin for the review period increased year-on-year. In the reference period, the adjusted EBIT margin was reduced by a write-down on capitalised development expenses arising from the closure of the UC KYC service (EUR -1,5 million). The development of profitability during the review period was supported by cost synergies as well as the implementation of the fixed cost adjustment programme planned for the financial year and announced by the Group in March. The growth of profitability was tempered by the acquired Proff business having a diluting effect on the EBIT margin, the marketing investments made in growing the sales of continuous subscription services and the Group's brand renewal as well as increased IT expenses. Amortisation related to capitalised development costs increased year-on-year, excluding the effect of the write-down on the UC KYC service (EUR 1,2 million).

The Group's depreciation and amortisation for the review period amounted to EUR 15,8 million (EUR 15,4 million). Of the depreciation and amortisation, EUR 9,1 million (EUR 8,5 million) resulted from amortisation from fair value adjustments related to acquisitions. The Group's depreciation of right-of-use assets (IFRS 16) during the review period amounted to EUR 1,7 million (EUR 1,7 million).

Net financial expenses during the review period were EUR 1,9 million (EUR 2,1 million). Financial expenses related to lease liabilities (IFRS 16) were EUR 0,1 million (0,1 million) in the review period, and recognised exchange rate gains amounted to EUR 0,1 million (EUR -0,1 million).

The Group's profit before income taxes for the review period was EUR 19,9 million (EUR 17,9 million).

The tax amount booked as expense for the review period was EUR -4,1 million (EUR -3,6 million).

The Group's profit for the review period was EUR 15,8 million (EUR 14,3 million).

CASH FLOW

In the review period, cash flow from operating activities amounted to EUR 29,5 million (EUR 31,7 million). The change in the Group's working capital was EUR -2,2 million (EUR 2,3 million). The impact of items affecting comparability on operating cash flow was EUR -2,0 million (EUR -2,0 million).

The Group paid EUR 4,2 million (EUR 4,0 million) in taxes during the review period.

Cash flow from investing activities for the review period amounted to EUR -6,8 million (EUR -15,0 million). The cash flow from investing activities consisted of acquisitions of property, plant and equipment and intangible assets.

Cash flow from financing activities for the review period amounted to EUR -16,2 million (EUR -24,5 million). The cash flow from financing activities for the review period consisted of an equity repayment and repayments of lease liabilities (IFRS 16).

STATEMENT OF FINANCIAL POSITION

At the end of the review period, the Group's total assets were EUR 537,7 million (EUR 542,9 million). Total equity amounted to EUR 307,8 million (EUR 302,8 million) and total liabilities to EUR 229,9 million (240,1 million). The change in equity mainly consists of the result for the review period and a translation difference included in comprehensive income, largely attributable to the depreciation of the Swedish krona and the repayment of equity. Of the total liabilities, EUR 164,0 million (EUR 175,2 million) were long-term interest-bearing liabilities. Of the total liabilities, EUR 22,5 million (EUR 24,6 million) were deferred tax liabilities, EUR 7.8 million (EUR 4.2) non-current pension liabilities, EUR 2,2 million (EUR 2,2 million) current interest-bearing lease liabilities and EUR 35,6 million (EUR 33,9 million) current non-interest-bearing liabilities. Goodwill amounted to EUR 348,9 million (EUR 347,4 million) at the end of the review period.

Enento Group's cash and cash equivalents at the end of the review period were EUR 25,9 million (EUR 24,7 million), and net debt was EUR 140,3 million (EUR 152,7 million).

CAPITAL EXPENDITURE

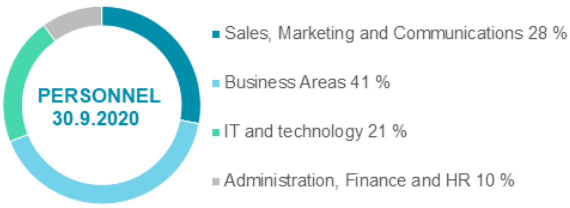
The majority of Enento Group's capital expenditure is related to the development of products and services as well as investments in IT infrastructure. Other capital expenditure mainly comprises purchases of company cars and office equipment. The Group's gross capital expenditure in the review period amounted to EUR 8,4 million (EUR 7,9 million). Capital expenditure on intangible assets was EUR 7,6 million (EUR 7,6 million) and capital expenditure on property, plant and equipment was EUR 0,8 million (EUR 0,3 million).

The product development activities of Enento Group involve development of the product and service offering. During the review period, the capitalised development and software costs of the Group amounted to EUR 7,4 million (EUR 7,6 million). The Group had no material research activities.

PERSONNEL

The average number of personnel employed by Enento Group during the third quarter of the year was 422 (455). At the end of the review period, the number of people employed by Enento Group was 421 (420), of whom 167 (173) worked in the Finnish companies, 211 (208) in the Swedish companies, 42 (38) in the Norwegian company and 1 (1) in the Danish company. The change in the average number of personnel in the Swedish subsidiaries is mainly due to the outsourcing of UC Affärsfakta AB's telesales operations.

During the review period, the personnel expenses of the Group amounted to EUR 26,9 million (EUR 29,1 million) and included an accrued cost of EUR 504 thousand (EUR 690 thousand) from the management's long-term incentive plan. More details on the management's long-term incentive plan are provided in section 2.6. Transactions with related parties in the notes to the condensed interim report.



Key figures describing the Group's personnel:

PERSONNEL	1.7. – 30.9.2020	1.7. – 30.9.2019	1.1. – 30.9.2020	1.1. – 30.9.2019	1.1. – 31.12.2019
Average number of personnel	422	455	425	437	428
Full time	409	439	412	426	417
Part time and temporary	13	16	13	11	11
Geographical distribution					
Finland	167	164	168	162	162
Sweden	211	252	212	262	246
Norway	43	38	43	13	19
Denmark	1	1	2	0	1
Wages and salaries for the period (EUR million)	6,0	6,1	19,9	21,3	28,5

OTHER EVENTS DURING THE REVIEW PERIOD

Annual General Meeting of 12 June 2020

The Annual General Meeting held on 12 June 2020 confirmed the financial statements for the financial period ended on 31 December 2019 and discharged the members of the Board of Directors and the Chief Executive Officer from liability.

The Annual General Meeting approved the Board of Directors' proposal to distribute funds of EUR 0,61 per share. The equity repayment was paid to shareholders registered in the company's shareholder register maintained by Euroclear Finland Ltd on the record date of the payment on 16 June 2020. The Annual General Meeting set 25 June 2020 as the payment date.

The Annual General Meeting authorised the Board of Directors, at its discretion, to resolve on the distribution of funds to shareholders as equity repayment from the reserve for invested unrestricted shareholders' equity of the company up to a maximum of EUR 0,34 per share. The authorisation is valid until the next Annual General Meeting, however not past 30 June 2021.

The Annual General Meeting resolved to amend the company's articles of association regarding the trade name. The Annual General Meeting resolved to amend the trade name of the company to be Enento Group Oyj.

In accordance with the proposal of the Shareholders' Nomination Board, the Annual General Meeting resolved that the Board of Directors will consist of six members. In accordance with the proposal of the Shareholders' Nomination Board, Petri Carpén, Patrick Lapveteläinen, Carl-Magnus Månsson, Martin Johansson and Tiina Kuusisto were re-elected as members of the Board of Directors. Minna Parhiala was elected as a new member of the Board of Directors.

The Annual General Meeting resolved that the Chairperson of the Board of Directors be remunerated EUR 51 000 annually and that the members of the Board of Directors be remunerated EUR 36 000 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. No remuneration is paid to the members of the Shareholders' Nomination Board. Reasonable travel expenses for attendance to meetings are paid to Board members and members of the Shareholder's Nomination Board.

Authorised Public Accountants firm PricewaterhouseCoopers Oy was selected as the auditor of the Company, and Authorised Public Accountant Martin Grandell as the auditor in charge. The auditor's fee is paid according to a reasonable invoice approved by the Audit Committee of Board of Directors.

Authorisation for issue of shares

The Annual General Meeting authorised the Board of Directors to resolve on one or more issuances of shares, which include the right to issue new shares in the company or to transfer the company's treasury shares. The authorisation covers up to a total of 1 500 000 shares. The Board of Directors was also authorised to decide on a directed issuance of shares in the company. The authorisation is proposed to be used for material arrangements from the company's point of view, such as financing or implementing business arrangements or investments or for other such purposes determined by the Board of Directors in which case a significant financial reason for issuing shares would exist.

The Board of Directors was authorised to resolve on all other terms and conditions of the issuance of shares, including the payment period, grounds for the determination of the subscription price and subscription price or allocation of shares free of charge or that the subscription price may be paid, besides in cash, also by other assets either partially or entirely.

The authorisation is effective for 18 months from the close of the Annual General Meeting, until 12 December 2021. The authorisation revoked the share issue authorisation granted to the Board of Directors by the Annual General Meeting on 28 March 2019.

Enento Group Plc's Board of Directors decided on 11 February 2019 on a directed share issue related to the reward payment from the performance period 2015–2018 of the Matching Share Plan 2015 and from the performance period 2016–2018 of the Performance Share Plan 2016. In the share issue, 39 328 new Enento Group Plc shares were issued without consideration to the key employees participating in the Matching Share Plan 2015 and the Performance Share Plan 2016 in accordance with the terms and conditions of each plan. The decision on a directed issue of shares was based on the authorisation given to the Board of Directors by the Annual General Meeting on 22 March 2018.

Enento Group Plc's Board of Directors decided on 10 February 2020 on a directed share issue related to the reward payment from the performance period 2018–2019 of the Matching Share Plan 2018. In the share issue, 13 769 new Enento Group Plc shares were issued without consideration to the key employees participating in the Matching Share Plan 2018 in accordance with the terms and conditions of the plan. The decision on a directed issue of shares was based on the authorisation given to the Board of Directors by the Annual General Meeting on 28 March 2019.

Authorisation for repurchasing own shares

The Annual General Meeting authorised the Board of Directors to decide on the repurchase of a maximum of 1 500 000 of the company's own shares, in one or several instalments. The shares 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 programme 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 authorisation, the Board of Directors decides on any other matters related to the repurchase of shares.

The authorisation is effective for 18 months from the close of the Annual General Meeting, until 12 December 2021. The authorisation revoked the authorisation to repurchase the company's shares granted to the Board of Directors by the Annual General Meeting on 28 March 2019. The authorisation has not been used as of 6 November 2020.

Meeting of the Board of Directors on 12 June 2020

The organisational meeting of the Board of Directors elected from among its members Patrick Lapveteläinen as Chairperson of the Board of Directors.

The Board of Directors has in its organisational meeting evaluated the independence of the Directors according to the Finnish Corporate Governance Code. The Board noted that all members of the Board are independent of the company and all except Patrick Lapveteläinen and Martin Johansson are independent of the significant shareholders. The Board of Directors noted the company is in compliance with recommendation 10 of the Corporate Governance Code concerning the independence of Board members.

EVENTS AFTER THE REVIEW PERIOD

Dispute between Enento Group and Eniro resolved by arbitration on 1 October 2020

On 16 August 2019, Enento Group Plc announced it had received a claim for additional compensation from Eniro AB in relation to Enento's acquisition of Proff companies from Eniro's subsidiaries Eniro Sverige AB, Eniro Holding AS and Eniro Danmark A/S.
Eniro presented in its claim that the purchase price set out in the agreement and upon which the transaction was consummated was incorrect due to a "clerical error" on Eniro's side. The transaction

was announced on 20 May 2019 and it entered into effect on 1 July 2019. Enento Group deemed the claim to be without any merit.

The dispute was settled by the Arbitration Institute of the Stockholm Chamber of Commerce. The Arbitration award was given on 1 October 2020 and according to the award Enento Group will pay Eniro SEK 23,713,421 and interest until the payment date and costs relating to the Arbitration for EUR 131,874. Enento Group will present the payment in items affecting comparability in the fourth quarter of 2020.

Board of Directors' decision on 6 November 2020 regarding the distribution of funds

The Annual General Meeting on 12 June 2020 authorised the Board of Directors, at its discretion, to resolve on the distribution of funds to shareholders as equity repayment from the reserve for invested unrestricted shareholders' equity of the company up to a maximum of EUR 0.34 per share. The authorisation is valid until the next Annual General Meeting, however not past 30 June 2021.

On 6 November 2020, the Board decided, in accordance with the authorisation, on a capital repayment of EUR 0,34 per share, totalling EUR 8 162 400,74, to be paid from the reserve for invested unrestricted shareholders' equity. The capital repayment will be paid to a shareholder registered in the Company's shareholders' register held by Euroclear Finland Ltd on the payment record date of 10 November 2020. The payment will be made on 26 November 2020.
.

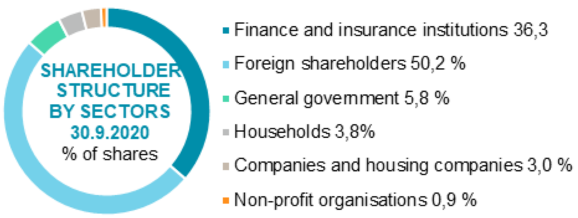
SHARES AND SHAREHOLDERS

The Company 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 incorporated in the book-entry securities system maintained by Euroclear Finland Ltd.

A total of 13 769 new shares were subscribed for in Enento Group Plc's share issue directed to the company key personnel without payment. The shares were registered in the Trade Register on 26 February 2020. After the registration, the company's shares totalled 24 007 061. The new shares produce the right to dividends and other distribution of assets as well as other shareholder rights as of the registration date 26 February 2020. Trading in the new shares commenced on 27 February 2020.

On 30 September 2020, the total number of shares was 24 007 061 (23 993 292), and the share capital of the company amounted to EUR 80 000 (EUR 80 000).

According to the book-entry securities system, the company had 2 985 (2 707) shareholders on 30 September 2020. A list of the largest shareholders is available on the company's investor pages at enento.com/investors.



SHARE-RELATED KEY FIGURES			
EUR (unless otherwise stated)	1.1. – 30.9.2020	1.1. – 30.9.2019	1.1. – 31.12.2019
Share price development			
Highest price	40,30	30,40	34,70
Lowest price	24,20	22,00	22,00
Average price	31,45	25,51	26,56
Closing price	34,00	26,70	31,50
Market capitalisation, EUR million	816,2	640,6	755,8
Trading volume, pcs	3 512 941	1 909 010	2 509 597
Total exchange value of shares, EUR million	110,5	48,7	66,6

FLAGGING NOTIFICATIONS AND MANAGERS' TRANSACTIONS

Flagging notifications in the review period

Notification according to Chapter 9, Paragraph 10 of the Securities Markets Act on 12 August 2020

Enento Group Plc received an announcement on 11 August 2020 referred to in Chapter 9, Section 5 of the Securities Markets Act, according to which the holding of Kayne Anderson Rudnick Investment Management LLC in Enento Group Plc had fallen below the threshold of 5 %. The holding of Kayne Anderson Rudnick Investment Management LLC amounts to 1 197 290 shares, corresponding to 4,99 % of the Company's shares and voting rights.

Notification according to Chapter 9, Paragraph 10 of the Securities Markets Act on 18 September 2020

Enento Group Plc received an announcement on 18 September 2020 referred to in Chapter 9, Section 5 of the Securities Markets Act, according to which the holding of Swedbank AB in Enento had fallen below the threshold of 5 % on 18 September 2020. According to the notification, Swedbank AB's holding in Enento was 0 per cent of Enento's total share capital.

Notification according to Chapter 9, Paragraph 10 of the Securities Markets Act on 22 September 2020

Enento Group Plc received an announcement on 21 September August 2020 referred to in Chapter 9, Section 5 of the Securities Markets Act, according to which the holding of Kayne Anderson Rudnick Investment Management LLC in Enento Group Plc had exceeded the threshold of 5 % on 18 September 2020. Kayne Anderson Rudnick Investment Management LLC's holding had increased to 1 855 662 shares, corresponding to 7,73 per cent of Enento's total share capital.

Managers' transactions

Transactions by Enento Group's management during the review period have been published as Stock Exchange Releases and they can be read on the company's investor pages at enento.com/investors

RISKS AND UNCERTAINTIES IN THE NEAR FUTURE

The demand for the Group's products and services depends on the activity of the business operations of its customers. Slow economic growth or a declining economy may result in a weakening demand for the services of Enento Group. In addition, regulatory changes that reduce the lending ability of the Group's customers may have a negative effect on the demand for the Group's services and products.

Due to the COVID-19 pandemic, severe and extensive restrictions have been placed at the state level in the Nordic countries. These restrictions have significant impacts on economic activity. The Group has assessed the risks and uncertainties arising from the restrictive measures. Due to the extraordinary situation, the Group's ability to predict the potential effects on the demand for its services has been reduced. The potential business impacts of the pandemic-related risks that affect demand factors are managed by proactive cost adaptation measures and contingency plans. The Group expects the increase in credit risk to be limited because a significant proportion of the Group's customers are financially sound companies in the financial industry, whose credit risk is assessed to be low by the Group. For managing liquidity risk, the Group has unused credit arrangements and the Group does not have any external loans maturing before October 2023.

The exchange rate risk arising from the volatility of the Nordic currencies is primarily managed by operational means. Sales and purchases are mainly generated in the operating currency of each Group company. As a result, the Group is not exposed to significant transaction risk. The Group manages translation risk by financing its business operations outside Finland in the local currency. This means that changes in operating profit arising from the fluctuation of exchange rates can be partly offset by changes in financing costs. The Group's reporting currency is the euro and the Group has significant business operations denominated in the Swedish krona and the Norwegian krone. Consequently, changes in exchange rates have an impact on the development of the Group's reported net sales, EBITDA and profit.

A general tendency to seek cost savings in business activities and the tightening competition in the Group's business sector may cause downward pricing pressure, which may have a negative effect on revenue and profit.

Enento Group believes that its continued success will be influenced by its ability to meet customers' needs through the development of products and services that are easy to use and that seek to increase customers' business process efficiency, offer cost savings, and facilitate better business decisions. Potential deficiencies in the management of the product development portfolio, as well as a shortage of development resources, may delay the introduction of new services or enhancements to the market and therefore weaken the Group's results.

Well-functioning information technology and good availability of services are essential conditions for the business operations of Enento Group. Notwithstanding the current solutions for high availability and protection solutions in accordance with best practices, the realisation of external or internal threats can never be completely eliminated. The realisation of risks of this kind could result in misuse, modification or illegal publication of information and could have legal consequences or cause reputational harm, loss of revenue, claims or regulatory actions.

Helsinki, 6 November 2020

ENENTO GROUP PLC
Board of Directors

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CONDENSED INTERIM FINANCIAL STATEMENTS AND NOTES 1.1. – 30.9.2020

The figures presented in this Interim Report are unaudited. The amounts presented in the Interim Report are rounded, so the sum of individual figures may differ from the sum reported.

1. Consolidated statement of comprehensive income, financial position, cash flows and changes in equity

CONSOLIDATED STATEMENT OF INCOME

EUR thousand	1.7. – 30.9.2020	1.7. – 30.9.2019	1.1. – 30.9.2020	1.1. – 30.9.2019	1.1. – 31.12.2019
Net sales	**36 732**	**36 681**	**111 100**	**106 769**	**145 957**
Other operating income	150	99	510	132	293
Materials and services	-6 265	-6 435	-18 893	-18 194	-24 499
Personnel expenses[1]	-8 108	-8 778	-26 906	-29 088	-38 574
Work performed by the entity and capitalised	562	492	1 960	1 567	2 218
Total personnel expenses	*-7 545*	*-8 286*	*-24 946*	*-27 520*	*-36 356*
Other operating expenses	-8 358	-8 735	-30 251	-25 734	-37 111
Depreciation and amortisation	-5 508	-4 981	-15 771	-15 433	-20 503
Operating profit	**9 207**	**8 343**	**21 749**	**20 020**	**27 782**
Finance income	4	13	259	113	154
Finance expenses	-734	-692	-2 120	-2 221	-3 029
Finance income and expenses	-731	-679	-1 861	-2 108	-2 875
Profit before income tax	**8 476**	**7 664**	**19 888**	**17 912**	**24 906**
Income tax expense	-1 754	-1 686	-4 085	-3 601	-5 197
Profit for the period	**6 722**	**5 978**	**15 803**	**14 311**	**19 710**
Items that may be reclassified to profit or loss:					
Translation differences on foreign units	-2 074	-3 491	-4 620	-11 707	-5 305
Hedging of net investments in foreign units	456	776	746	2 660	1 186
Income tax relating to these items	-91	-155	-149	-532	-237
	-1 709	**-2 870**	**-4 023**	**-9 579**	**-4 357**
Items that will not be reclassified to profit or loss					
Remeasurements of post-employment benefit obligations	-	-	-	-	-3 634
Income tax relating to these items	-	-	-	-	749
	-	**-**	**-**	**-**	**-2 885**
Other comprehensive income for the period, net of tax	**-1 709**	**-2 870**	**-4 023**	**-9 579**	**-7 242**
Total comprehensive income for the period	**5 013**	**3 108**	**11 780**	**4 732**	**12 467**

EUR thousand	1.7. – 30.9.2020	1.7. – 30.9.2019	1.1. – 30.9.2020	1.1. – 30.9.2019	1.1. – 31.12.2019
Profit attributable to:					
Owners of the parent company	6 722	5 978	15 803	14 311	19 710
Total comprehensive income attributable to:					
Owners of the parent company	5 013	3 108	11 780	4 732	12 467
Earnings per share attributable to the owners of the parent during the period:					
Basic, EUR	0,28	0,25	0,66	0,60	0,82
Diluted, EUR	0,28	0,25	0,66	0,60	0,82

[1]Personnel expenses include accrued expenses related to the long-term incentive plan to the management in the following amounts: third quarter 1 July–30 September 2020 EUR 156 thousand, the reference period 1 July–30 September 2019 EUR 240 thousand, the review period 1 January–30 September 2020 EUR 504 thousand and the reference period 1 January–30 September 2019 EUR 690 thousand.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousand	30.9.2020	30.9.2019	31.12.2019
ASSETS			
Non-current assets			
Goodwill	348 948	347 354	351 368
Other intangible assets	127 941	134 148	135 460
Property, plant and equipment	2 213	2 269	2 356
Right-of-use assets	7 923	10 046	9 591
Deferred tax assets	418	778	740
Financial assets and other receivables	76	179	86
Total non-current assets	**487 519**	**494 774**	**499 601**
Current assets			
Account and other receivables	24 306	23 365	23 328
Cash and cash equivalents	25 918	24 743	20 361
Total current assets	**50 223**	**48 108**	**43 688**
Total assets	**537 742**	**542 882**	**543 289**

EUR thousand	30.9.2020	30.9.2019	31.12.2019
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	80	80	80
Invested unrestricted equity reserve	325 529	340 173	340 173
Translation differences	-3 616	-4 816	407
Accumulated losses	-14 144	-32 658	-29 985
Equity attributable to owners of the parent	**307 848**	**302 779**	**310 675**
Share of equity held by non-controlling interest	0	0	0
Total equity	**307 848**	**302 780**	**310 675**
Liabilities			
Non-current liabilities			
Financial liabilities	164 040	175 187	166 225
Pension liabilities	7 813	4 179	7 915
Deferred tax liabilities	22 480	24 592	24 137
Total non-current liabilities	**194 333**	**203 959**	**198 277**
Current liabilities			
Financial liabilities	2 192	2 235	2 276
Advances received	10 957	10 274	10 247
Account and other payables	22 412	23 635	21 814
Total current liabilities	**35 561**	**36 144**	**34 337**
Total liabilities	**229 894**	**240 103**	**232 614**
Total equity and liabilities	**537 742**	**542 882**	**543 289**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent						
EUR thousand	Share capital	Invested unrestricted equity reserve	Translation differences	Accumulated losses	Total	Share of equity held by non-controlling interests	Total equity
Equity at 1.1.2020	**80**	**340 173**	**407**	**-29 985**	**310 675**	**0**	**310 675**
Profit for the period	-	-	-	15 803	15 803	-	15 803
Other comprehensive income for the period							
Hedging of net investments	-	-	746	-149	597	-	597
Defined benefit plans	-	-	-	-	-		-
Translation differences	-	-	-4 769	149	-4 620	-	-4 620
Total comprehensive income for the period	-	-	-4 023	15 803	11 780	-	11 780
Transactions with owners							
Distribution of funds	-	-14 644	-	-	-14 644	-	-14 644
Management's incentive plan	-	-	-	37	37	-	37
Equity at 30.9.2020	**80**	**325 529**	**-3 616**	**-14 144**	**307 848**	**0**	**307 848**

	Attributable to owners of the parent						
EUR thousand	Share capital	Invested unrestricted equity reserve	Translation differences	Accumulated losses	Total	Share of equity held by non-controlling interests	Total equity
Equity at 1.1.2019	**80**	**351 690**	**4 592**	**-35 071**	**321 290**	**0**	**321 290**
Profit for the period	-	-	-	14 311	14 311	-	14 311
Other comprehensive income for the period							
Hedging of net investments	-	-	2 299	-172	2 127	-	2 127
Defined benefit plans	-	-	-	-	-		-
Translation differences	-	-	-11 707	-	-11 707	-	-11 707
Total comprehensive income for the period	-	-	-9 408	14 139	4 732	-	4 732
Transactions with owners							
Distribution of funds	-	-11 517	-	-11 277	-22 794	-	-22 794
Management's incentive plan	-	-	-	-449	-449	-	-449
Equity at 30.9.2019	**80**	**340 173**	**-4 816**	**-32 658**	**302 779**	**0**	**302 779**

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR thousand	1.7. – 30.9.2020	1.7. – 30.9.2019	1.1.– 30.9.2020	1.1.– 30.9.2019	1.1. – 31.12.2019
Cash flow from operating activities					
Profit before income tax	8 476	7 664	19 888	17 912	24 906
Adjustments:					
Depreciation and amortisation	5 508	4 981	15 771	15 433	20 503
Finance income and expenses	731	679	1 861	2 108	2 875
Profit (-) / loss (+) on disposal of property, plant and equipment	-28	-28	-124	-49	-66
Management's incentive plan	156	240	-185	-449	-289
Other adjustments	-30	-91	1	-187	-177
Cash flows before change in working capital	14 814	13 444	37 212	34 767	47 752
Change in working capital:					
Increase (-) / decrease (+) in account and other receivables	1 160	2 651	-1 197	-1 486	-618
Increase (+) / decrease (-) in account and other payables	-1 460	-382	-978	3 786	2 191
Change in working capital	-300	2 269	-2 176	2 300	1 573
Interest expenses paid	-104	-68	-1 330	-1 538	-2 755
Interest income received	4	-0	29	161	201
Income taxes paid	-1 255	-1 035	-4 235	-3 970	-4 852
Cash flow from operating activities	**13 158**	**14 610**	**29 501**	**31 721**	**41 920**
Cash flows from investing activities					
Purchases of property, plant and equipment	-126	-1	-739	-309	-779
Purchases of intangible assets	-2 158	-2 140	-6 541	-7 622	-11 638
Purchases of subsidiaries, net of cash acquired	-	-7 327	-	-7 327	-7 327
Proceeds from sale of property, plant and equipment	117	175	496	273	370
Cash flows from investing activities	**-2 168**	**-9 294**	**-6 784**	**-14 985**	**-19 374**
Cash flows from financing activities					
Proceeds from interest-bearing liabilities	-	-	-	-	-
Repayments of interest-bearing liabilities	-574	-593	-1 555	-1 683	-12 216
Dividends paid and other profit distribution	-1 350	-	-14 644	-22 794	-22 794
Cash flows from financing activities	**-1 924**	**-593**	**-16 200**	**-24 476**	**-35 010**
Net increase / decrease in cash and cash equivalents	**9 067**	**4 723**	**6 517**	**-7 741**	**-12 464**
Cash and cash equivalents at the beginning of the period	17 064	20 202	20 361	33 215	33 215
Net change in cash and cash equivalents	9 067	4 723	6 517	-7 741	-12 464
Translation differences of cash and cash equivalents	-213	-182	-960	-732	-390

Cash and cash equivalents at the end of the period	**25 918**	**24 743**	**25 918**	**24 743**	**20 361**

2. Notes

2.1. Accounting policies

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies and methods applied in the Interim Report are the same as those applied in the financial statements for the financial year ended 31 December 2019.

The preparation of financial statements in accordance with IFRS requires Enento Group's management to use estimates and assumptions that affect the reported amounts of assets and liabilities, as well as the reported amounts of income and expenses for the review period. In addition, it is necessary to exercise judgment in applying the accounting policies. Because estimates and assumptions are based on the understanding as at the end of the interim period, they include risks and uncertainties. The actual results may differ from the estimates and assumptions made. Critical accounting estimates and judgments are disclosed in more detail under Note 3 to the consolidated financial statements for the year 2019.

The foreign subsidiaries' income statements and cash flows have been converted into euro on a monthly basis using the monthly average exchange rate issued by the European Central Bank, and balance sheets have been converted using the exchange rate issued by the European Central Bank on the end date of the period. Conversion of the profit for the period using different exchange rates for the income statement and balance sheet causes a translation difference in the balance sheet recognised in equity. The change in equity is recognised in other comprehensive income.

The amounts presented in the interim report are consolidated figures. The amounts presented are rounded, so the sum of individual figures may thus differ from the sum reported. The figures presented in this interim report are unaudited.

Changes in accounting policies

There were no changes in accounting policies during the review period.

New standards and interpretations not yet adopted

Enento Group adopts new and amended standards and interpretations on their effective date or, if the date is other than the first day of the financial year, from the beginning of the subsequent financial year.

The IFRS standards and IFRIC interpretations that have already been published but are not yet in effect are not expected to have a material impact on Enento Group.

2.2. Net sales

NET SALES BY BUSINESS AREA

EUR thousand	**1.7. – 30.9.2020**	**1.7. – 30.9.2019**	**1.1. – 30.9.2020**	**1.1. – 30.9.2019**	**1.1. – 31.12.2019**
Risk Decisions	22 883	24 146	69 449	71 417	95 486
SME and Consumers	8 977	8 575	28 128	23 047	33 931
Customer Data Management	1 975	1 890	5 842	6 056	8 127
Digital Processes	2 896	2 069	7 681	6 249	8 413
Total	**36 732**	**36 681**	**111 100**	**106 769**	**145 957**

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

2.3. Equity

CHANGES IN NUMBER OF SHARES	Number of shares	Total number of shares
1.1.2019		**23 953 964**
Shares issued to the management's incentive system	39 328	23 993 292
30.9.2019		**23 993 292**
1.1.2020		**23 993 292**
Shares issued to the management's incentive system	13 769	24 007 061
30.9.2020		**24 007 061**

A total of 13 769 new shares were subscribed for in Enento Group Plc's share issue directed to the company key personnel without payment. The shares were registered in the Trade Register on 26 February 2020. The new shares produce the right to dividends and other distribution of assets, as well as other shareholder rights, as of the registration date 26 February 2020. Trading in the new shares commenced on 27 February 2020. The issuance of shares related to share-based remuneration is disclosed in the notes to the condensed financial statements, in Note 2.6 Transactions with related parties.

A total of 39 328 new shares were subscribed for in Enento Group Plc's share issue targeted at the company's key personnel without payment. The new shares were registered in the Trade Register on 8 March 2019 and they produced the right to dividends and other distribution of assets, as well as other shareholder rights, as of the registration date. Trading in the new shares commenced on 11 March 2019. The issuance of shares related to share-based remuneration is disclosed in the notes to the condensed interim report, in Note 2.6 Transactions with related parties.

For the financial year 2019, Enento Group Plc distributed EUR 0,61 of funds per share, totalling EUR 14,6 million. The equity repayment was paid on 25 June 2020.

For the financial year 2018, Enento Group Plc distributed EUR 0,95 of funds per share, totalling EUR 22,8 million. The dividend and equity repayment were paid on 11 April 2019.

2.4. Financial liabilities

FINANCIAL LIABILITIES OF THE GROUP

EUR thousand	30.9.2020	30.9.2019	31.12.2019
Non-current			
Loans from financial institutions	158 152	167 289	158 797
Lease liabilities	5 888	7 898	7 428
Total	**164 040**	**175 187**	**166 225**
Current			
Lease liabilities	2 192	2 235	2 276
Total	**2 192**	**2 235**	**2 276**
Total financial liabilities	**166 232**	**177 422**	**168 501**

Of the loans from financial institutions, EUR 95,5 million (EUR 105,4 million) were EUR-denominated and EUR 62,6 million (EUR 61.8 million) were SEK-denominated on 30 September 2020.

Enento Group Plc's unsecured financing consists of a term loan of EUR 160 million and a revolving credit facility of EUR 20 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 loans mature in October 2023. At the end of the review period, the Company had used EUR 0 (EUR 10 million) of its credit facility.

To facilitate efficient cash management in the Group, a multi-currency cash pool arrangement was implemented in 2019 with Danske Bank A/S. An overdraft of EUR 15,0 million was included in the cash pool arrangement. The overdraft had not been utilised on 30 September 2020.

The loans include a financial covenant reviewed on a quarterly basis, which is Net debt to EBITDA calculated in accordance with the financing agreement. The ratio of the Group's net debt, as defined in the financing agreement, to EBITDA adjusted according to the terms of the financing agreement was 2,6 (2,9) on 30 September 2020. The covenant limit in accordance with the financing agreement was 3,5 (4,0) on 30 September 2020.

2.5. Lease agreement commitments

LEASE AGREEMENT COMMITMENTS

EUR thousand	30.9.2020	30.9.2019	31.12.2019
No later than 1 year	-	43	223
Total	**-**	**43**	**223**

Lease agreement commitments are not shown for the interim period, unless the lease period is 12 months or less or the value of the lease agreement is low. Group does not report low value agreements or IT service agreements as minimum rents.

2.6. Transactions with related parties

Related parties of the Group consist of group entities and shareholders having a significant influence over the Group. The shareholders who have had the right to nominate a representative in the Company's Board of Directors are considered as 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.

THE FOLLOWING TRANSACTIONS WERE CARRIED OUT WITH RELATED PARTIES

1.1. – 30.9.2020 EUR thousand	Sales of goods and services	Purchases of goods and services	Finance income and expenses
Shareholders having a significant influence over the Group	8 979	-317	-541
Total	**8 979**	**-317**	**-541**

30.9.2020 EUR thousand	Receivables	Liabilities
Shareholders having a significant influence over the Group	1 772	53 180
Total	**1 772**	**53 180**

1.1. – 30.6.2019 EUR thousand	Sales of goods and services	Purchases of goods and services	Finance income and expenses
Shareholders having a significant influence over the Group	8 712	-421	-598
Total	**8 712**	**-421**	**-598**

30.6.2019		
EUR thousand	**Receivables**	**Liabilities**
Shareholders having a significant influence over the Group	1 427	56 102
Total	**1 427**	**56 102**

Transactions with related parties have been carried out on an arm's length basis. During the review period, the Group's related party transactions with key persons in management and members of the Board of Directors consisted of normal salaries and fees.

Long-term incentive plans for the management

Long-term incentive plan for the management 2018–2021

The target group of the share-based long-term incentive plan decided on by the Board of Directors in August 2018 includes approximately 40 key persons of Enento Group, including the members of the Executive Team. In order to participate in the plan and receive an award, the participant must purchase Enento Group Plc's shares or allocate previously held Enento shares to the programme in the number determined by the Board of Directors.

The possible award for the commitment period depends on the continuation of employment or service at the time of payment of the award and meeting of the shareholding requirement. The award for the commitment period will be paid after the end of the commitment period in 2020. Furthermore, the possible award for the performance period is based on total shareholder return (TSR) on Enento Group Plc share and the Group's adjusted EBITDA in 2020. The award for the performance period will be paid in two increments in 2021.

Awards payable under the plan will not total more than the value of approximately 300 000 Enento Group Plc shares, including also the amount paid in cash. For the review period, an accrued expense of EUR 316 thousand (EUR 664 thousand) has been recognised in personnel expenses.

Long-term incentive plan for the management 2020–2022

In December 2019, the Board of Directors decided on a new share-based long-term incentive plan for key persons of Enento Group. The target group of the plan includes approximately 35 key persons, including the members of the Executive Team.

The incentive plan consists of one performance period covering the calendar years 2020–2022. The potential rewards from the plan will be paid partly in Enento Group Plc shares and partly in cash after the end of the performance period. The potential rewards are based on the achievement of targets set for the total shareholder return (TSR) of the Enento Group Plc share and the Group's cumulative adjusted EBITDA in 2020–2022. The rewards are also dependent on the continuation of the participants' employment or service contracts at the time of payment.

Awards payable under the plan will not total more than the value of approximately 100 000 Enento Group Plc shares, including also the amount paid in cash. For the financial year, an accrued expense of EUR 188 thousand (EUR 0) has been recognised in personnel expenses.

NOTE 1. KEY FINANCIAL INFORMATION FOR THE GROUP

Enento Group Plc presents alternative performance measures as additional information for key performance measures in the consolidated statements of income, financial position and cash flows prepared according to IFRS to reflect the financial development of its business operations and to enhance comparability from period to period. According to the management's view, alternative performance measures provide substantial supplemental information on the result of the Group's operations, financial position and cash flows to the management and investors, securities analysts and other parties. Alternative performance measures are not, as such, included in the consolidated financial statements prepared according to IFRS, but they are derived from the IFRS consolidated financial statements by adjusting items in the consolidated statements of income, financial position and cash flows and/or by proportioning them to each other. Alternative performance measures should not be considered as a substitute for measures in accordance with IFRS. All companies do not calculate alternative performance measures in a uniform way. Therefore, the company's alternative performance measures are not necessarily comparable with similarly named performance measures of other companies.

The alternative performance measures of this interim report have been calculated applying the same principles as presented in the Board of Directors' Annual Report for 2019.

KEY INCOME STATEMENT AND CASH FLOW FIGURES AND RATIOS

EUR million	1.7. – 30.9.2020	1.7. – 30.9.2019	1.1. – 30.9.2020	1.1. – 30.9.2019	1.1. – 31.12.2019
Net sales	36,7	36,7	111,1	106,8	146,0
Net sales growth, %	0,1	16,8	4,1	71,6	48,7
EBITDA	14,7	13,3	37,5	35,5	48,3
EBITDA margin, %	40,1	36,3	33,8	33,2	33,1
Adjusted EBITDA	14,8	14,0	39,7	37,9	51,5
Adjusted EBITDA margin, %	40,3	38,1	35,7	35,5	35,3
Operating profit (EBIT)	9,2	8,3	21,7	20,0	27,8
EBIT margin, %	25,1	22,7	19,6	18,8	19,0
Adjusted operating profit (EBIT)	12,4	12,0	33,0	31,0	42,6
Adjusted EBIT margin, %	33,7	32,8	29,7	29,1	29,2
Free cash flow	11,0	12,5	23,5	25,2	32,1
Cash conversion, %	74,6	94,1	62,7	71,0	66,4
Net sales from new products and services	2,3	1,2	5,8	4,2	5,9
New products and services of net sales, %	6,3	3,4	5,2	3,9	4,0
Earnings per share, basic, EUR	0,28	0,25	0,66	0,60	0,82
Earnings per share, diluted, EUR	0,28	0,25	0,66	0,60	0,82
Earnings per share, comparable, EUR[1]	0,38	0,35	0,96	0,88	1,20

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

KEY BALANCE SHEET RATIOS					
EUR million	1.7. – 30.9.2020	1.7. – 30.9.2019	1.1. – 30.9.2020	1.1. – 30.9.2019	1.1. – 31.12.2019
Balance sheet total	537,7	542,9	537,7	542,9	543,3
Net debt	140,3	152,7	140,3	152,7	148,1
Net debt to adjusted EBITDA, x	2,4	2,7	2,7	3,0	2,9
Return on equity, %	8,8	7,9	6,8	6,1	6,2
Return on capital employed, %	7,8	7,0	6,2	5,5	5,8
Gearing, %	45,6	50,4	45,6	50,4	47,7
Equity ratio, %	58,4	56,8	58,4	56,8	58,3
Gross investments	2,3	2,1	7,3	7,9	12,4

Matching of alternative key figures to the closest IFRS key figure

EBITDA AND ADJUSTED EBITDA

EUR thousand	1.7. – 30.9.2020	1.7. – 30.9.2019	1.1. – 30.9.2020	1.1. – 30.9.2019	1.1. – 31.12.2019
Operating profit	**9 207**	**8 343**	**21 749**	**20 020**	**27 782**
Depreciation and amortisation	5 508	4 981	15 771	15 433	20 503
EBITDA	**14 715**	**13 324**	**37 520**	**35 453**	**48 284**
Items affecting comparability					
M&A and integration related expenses	6	411	1 905	1 272	1 961
Redundancy payments	-12	249	47	1 216	1 202
Legal actions	78	-	187	-	99
Total items affecting comparability	72	659	2 139	2 488	3 263
Adjusted EBITDA	**14 786**	**13 983**	**39 659**	**37 941**	**51 547**

EBIT AND ADJUSTED EBIT

EUR thousand	1.7. – 30.9.2020	1.7. – 30.9.2019	1.1. – 30.9.2020	1.1. – 30.9.2019	1.1. – 31.12.2019
Operating profit	**9 207**	**8 343**	**21 749**	**20 020**	**27 782**
Amortisation from fair value adjustments related to acquisitions	3 095	3 038	9 133	8 535	11 572
Items affecting comparability					
M&A and integration related expenses	6	411	1 905	1 272	1 961
Redundancy payments	-12	249	47	1 216	1 202
Legal actions	78	-	187	-	99
Total items affecting comparability	72	659	2 139	2 488	3 263
Adjusted operating profit	**12 374**	**12 040**	**33 021**	**31 043**	**42 616**

FREE CASH FLOW

EUR thousand	1.7. – 30.9.2020	1.7. – 30.9.2019	1.1. – 30.9.2020	1.1. – 30.9.2019	1.1. – 31.12.2019
Cash flow from operating activities	**13 158**	**14 610**	**29 501**	**31 721**	**41 920**
Paid interest and other financing expenses	104	68	1 330	1 538	2 755
Received interest and other financing income	**-4**	0	-29	-161	-201
Acquisition of tangible assets and intangible assets	-2 284	-2 141	-7 280	-7 930	-12 417
Free cash flow	**10 974**	**12 537**	**23 522**	**25 168**	**32 057**

Calculation formulas for alternative performance measures

FORMULAS FOR KEY FIGURES

EBITDA	Operating profit + depreciation and amortisation
Items affecting comparability	Material items outside the ordinary course of business that concern i) M&A and integration-related expenses, ii) redundancy payments, iii) compensations paid for damages, (iv) external expenses arising from significant regulatory changes and (v) legal actions.
Adjusted EBITDA	EBITDA + items affecting comparability
Adjusted operating profit (EBIT)	Operating profit excluding amortisation 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 twenty-four 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
Cash conversion, %	$\frac{\text{Free cash flow}}{\text{EBITDA}} \times 100$
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, %	$\frac{\text{Profit (loss) for the period}}{\text{Total equity (average for the period)}} \times 100$
Return on capital employed, %	$\frac{\text{Profit (loss) before taxes + Financial expenses}}{\text{Total assets - Non-interest-bearing liabilities (average for the period)}} \times 100$
Gearing, %	$\frac{\text{Interest -bearing liabilities - cash and cash equivalents}}{\text{Total equity}} \times 100$
Equity ratio, %	$\frac{\text{Total equity}}{\text{Total assets - Advances received}} \times 100$
Earnings per share, basic	Profit for the period attributable to the owners of the parent company divided by weighted average number of shares in issue

Earnings per share, diluted	Profit for the period attributable to the owners of the parent company divided by weighted average number of shares in issue taken 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 amortisation from fair value adjustments related to acquisitions and their tax impact divided by weighted average number of shares in issue
Gross investments	Gross investments are fixed asset acquisitions with long-term effect, from which no sales of property or disposal of business have been deducted. As a general rule, fixed assets comprise tangible assets and intangible assets

Purpose of use of alternative performance measures

EBITDA, adjusted EBITDA and adjusted EBIT are presented as alternative performance measures, as they, according to the company's view, enhance the understanding of the Group's results of operations and are frequently used by analysts, investors and other parties.

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

Free cash flow, cash conversion and gross investments are presented as alternative performance measures, as they provide, according to the company's view, a good insight into the needs relating to the Group's business cash flow and are frequently used by analysts, investors and other parties.

Net debt, net debt to adjusted EBITDA, return on equity and return on capital employed are presented as alternative performance measures, as they are, according to the company's view, useful measures of the Group's ability to obtain financing and pay its debts, and they are frequently used by analysts, investors and other parties.

Gearing and equity ratio are presented as alternative performance measures, as they, according to the company's view, reflect the level of risk related to financing and help to monitor the level of capital employed in the Group's business.

Comparable earnings per share is presented as an alternative performance measure, as it, according to the Company's view, helps to reflect the profit attributable to the owners.

Quarterly consolidated statements of income

CONSOLIDATED STATEMENT OF INCOME						
EUR thousand	**Q3 2020**	**Q2 2020**	**Q1 2020**	**Q4 2019**	**Q3 2019**	**Q2 2019**
Net sales	**36 732**	**36 730**	**37 638**	**39 188**	**36 681**	**35 565**
Other operating income	150	175	186	161	99	8
Materials and services	-6 265	-6 532	-6 097	-6 305	-6 435	-6 150
Personnel expenses	-8 108	-9 171	-9 627	-9 486	-8 778	-10 481
Work performed by the entity and capitalised	562	709	689	650	492	510
Total personnel expenses	*-7 545*	*-8 463*	*-8 938*	*-8 835*	*-8 286*	*-9 972*
Other operating expenses	-8 358	-11 205	-10 688	-11 377	-8 735	-8 660
Depreciation and amortisation	-5 508	-5 285	-4 979	-5 070	-4 981	-5 771
Operating profit	**9 207**	**5 420**	**7 122**	**7 762**	**8 343**	**5 021**
Finance income	4	6	250	41	13	90
Finance expenses	-734	-740	-646	-808	-692	-701
Finance income and expenses	-731	-734	-396	-767	-679	-611
Profit before income tax	**8 476**	**4 686**	**6 726**	**6 995**	**7 664**	**4 410**
Income tax expense	-1 754	-1 023	-1 308	-1 596	-1 686	-877
Profit for the period	**6 722**	**3 663**	**5 419**	**5 399**	**5 978**	**3 533**
Items that may be reclassified to profit or loss:						
Translation differences on foreign units	-2 074	13 691	-16 237	6 402	-3 491	-4 256
Hedging of net investments in foreign units	456	-3 228	3 518	-1 474	776	996
Income tax relating to these items	-91	646	-704	295	-155	-199
	-1 709	**11 108**	**-13 423**	**5 222**	**-2 870**	**-3 460**
Items that will not be reclassified to profit or loss						
Remeasurements of post-employment benefit obligations	-	-	-	-3 634	-	-
Income tax relating to these items	-	-	-	749	-	-
	-	**-**	**-**	**-2 885**	**-**	**-**
Other comprehensive income for the period, net of tax	**-1 709**	**11 108**	**-13 423**	**2 337**	**-2 870**	**-3 460**
Total comprehensive income for the period	**5 013**	**14 771**	**-8 004**	**7 736**	**3 108**	**73**
Profit attributable to:						
Owners of the parent company	6 722	3 663	5 419	5 399	5 978	3 533
Total comprehensive income attributable to:						
Owners of the parent company	5 013	14 771	-8 004	7 736	3 108	73
Earnings per share attributable to the owners of the parent during the period:						
Basic, EUR	0,28	0,15	0,23	0,23	0,25	0,15
Diluted, EUR	0,28	0,15	0,23	0,22	0,25	0,15

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