

North Media A/S • FY 2020

Guidance for 2021 and ambitions for 2022-2023

Agenda

2020 highlights

Results by business area

- FK Distribution
- North Media Online
- Bekey

2021-23 strategy

- Priorities
- Acquisitions
- Financial ambitions

Guidance for 2021

Sustainability

Q&A



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Forward-looking statements

This presentation contains statements about the future, including expectations for 2021, which are inherently subject to risks and uncertainties that could cause actual results to differ materially from those expected.

Please see the section on risk and risk management on pages 44-45 of our 2020 Annual Report.

2020 highlights

Unchanged revenue

- FK: Revenue down by 2%
- Online and Bekey: Growth rates of 20% and 17%

Best EBIT performance ever

- Upward trending double-digit EBIT margins in FK and Online
- Bekey reduced loss despite market build-up

Improved cash flow

- Quick cash conversion thanks to low working capital
- Minor effect of COVID-19 deadline extensions

Net profit up by 49% to DKK 307m

- Return on securities of DKK 155m
- Dividend of DKK 5 per share

Group revenue, DKKm



EBIT before special items, DKKm



Cash flows from operations (DKKm)



2019 figures restated to reflect effect of discontinued operations

FK Distribution

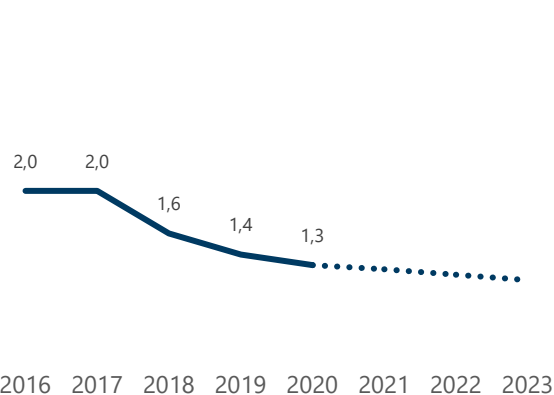


Household distribution of retail leaflets and local newspapers in Denmark. Digital offer platform.

2020 highlights

- Transition to one weekly distribution round
- COVID-19 impacted volumes in the spring
- Packing for 143,000 German households

Total volume of unaddressed mail (in billions)



- Volume decline levelling off after years of ~8% drop
- Still a need for mass communication in order to attract customers to physical stores
- Unique production and distribution system

Financial update

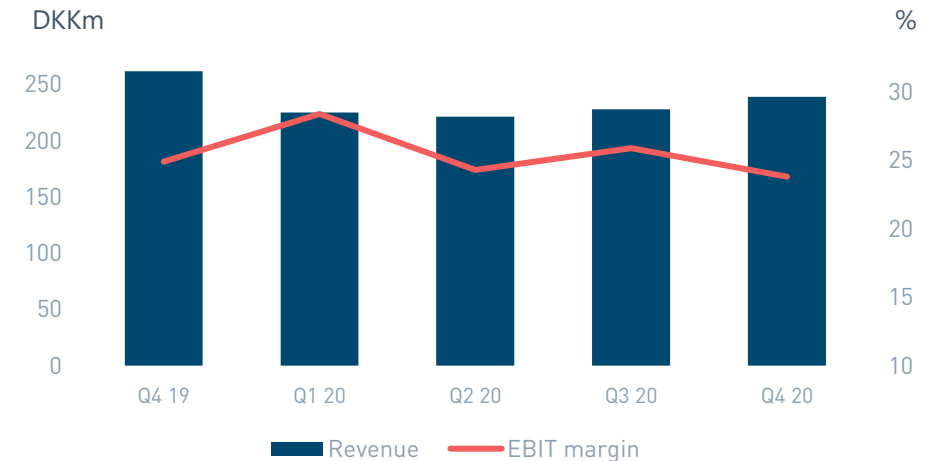
- Almost no change in revenue from leaflets
- Revenue from distribution of local newspapers reduced
- Increased contribution from digital, selected mail and packing
- Optimising packing, transport and distribution

Revenue and EBIT margin bsi

2020

Revenue
913.6
DKKm

EBIT bsi
233.7
DKKm



North Media Online



2020 highlights

- BoligPortal: More rentals, new services
- Ofir: More job postings at better prices after efficiency enhancements

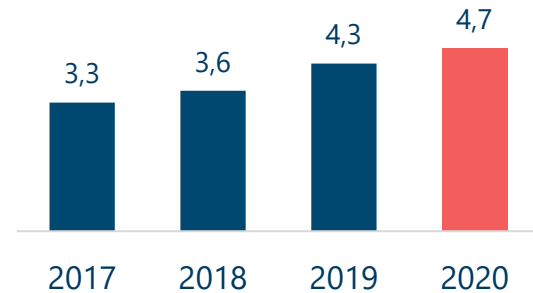
Financial update

- 20% growth overall – Ofir reporting 24% growth
- Three-fold increase: EBIT margin at 22.3%
- Best EBIT ever; Ofir reporting first profit in Q4 2020

Home rentals on BoligPortal (thousands)



Visitors on Ofir.dk (millions)

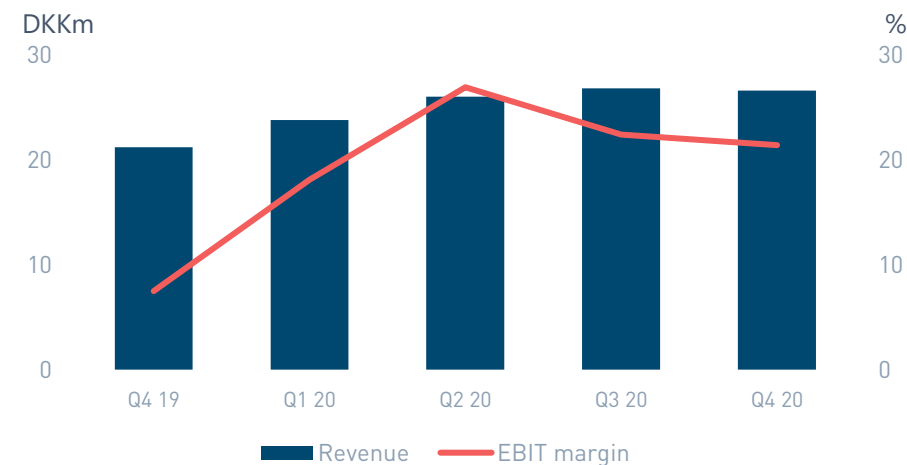


Revenue and EBIT margin bsi

2020

Revenue
103.2
DKKm

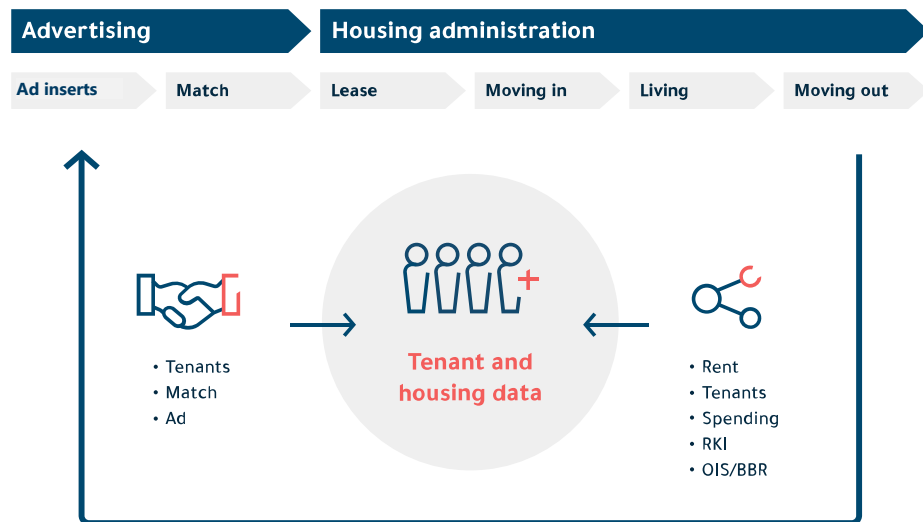
EBIT bsi
23.0
DKKm



2020 highlights

- New differentiated services
- Offer supplementary services from service providers
- New platform for tenants and landlords launched in January 2021

BoligPortal expanding its value chain



Financial update

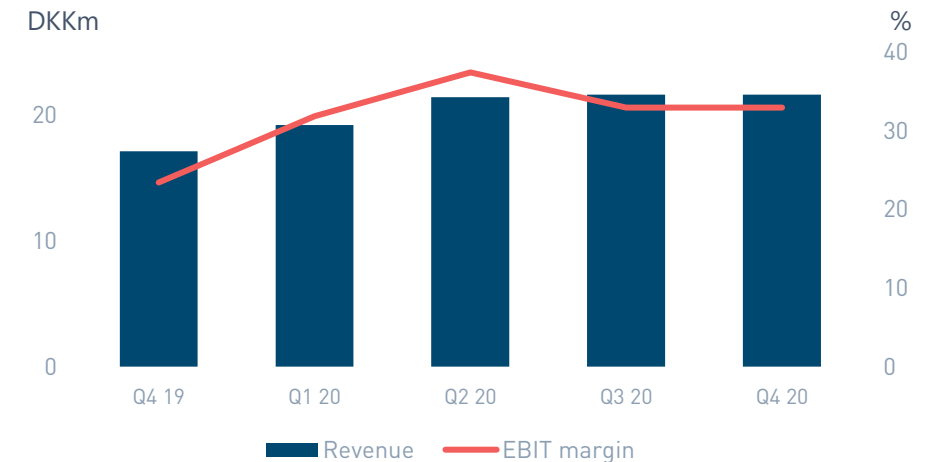
- Revenue up 15% in Denmark – up 60% in Sweden
- Growing proportion of services at good margins
- EBIT up by 72%

Revenue and EBIT margin bsi

2020

Revenue
82,3
DKKk

EBIT bsi
27.2
DKKk

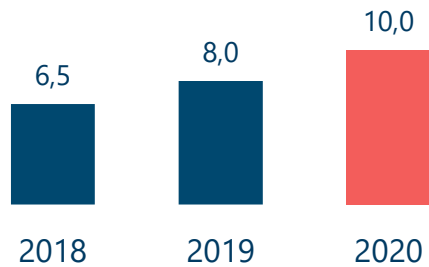




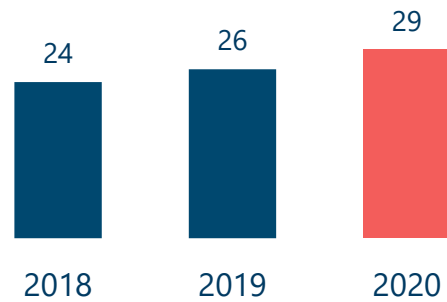
2020 highlights

- Strengthened market-leading position in homecare segment
- 25% increase in doors opened
- Building up the stairwells segment
- Access to 200,000 multi-storey units in Greater Copenhagen

Number of doors opened (millions)



Danish municipal customers (number)



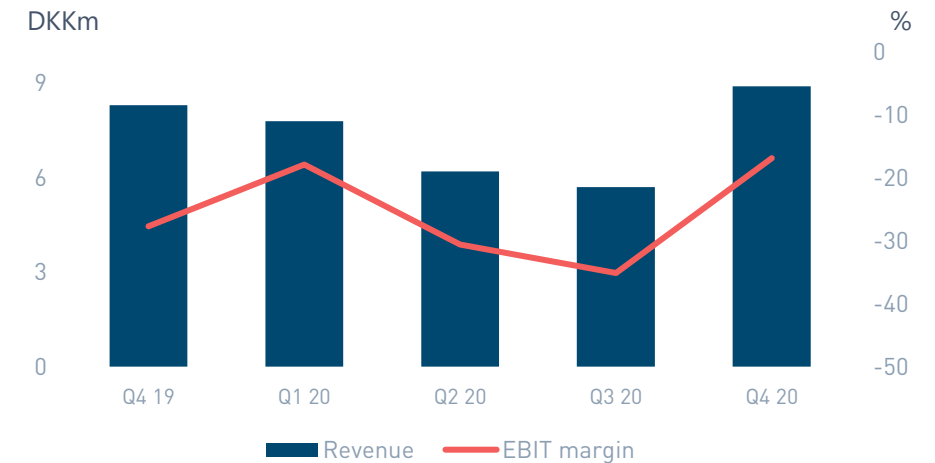
Financial update

- 23% growth in homecare services
- Homecare segment profitable
- SmartRelays: DKK 6m costs charged against income, DKK 9m capitalised

Revenue and EBIT margin bsi

2020

Revenue
28.6
DKK
EBIT bsi
-6.8
DKK



Group strategy 2021-23

Creating value by investing in digital transformation and profitable growth



Last Mile



Strategic focus areas

- Strengthen core business services
- Selected mail and unaddressed mail
- Increase operational efficiency
- Expand business relationship with Deutsche Post
- Explore other opportunities in international markets



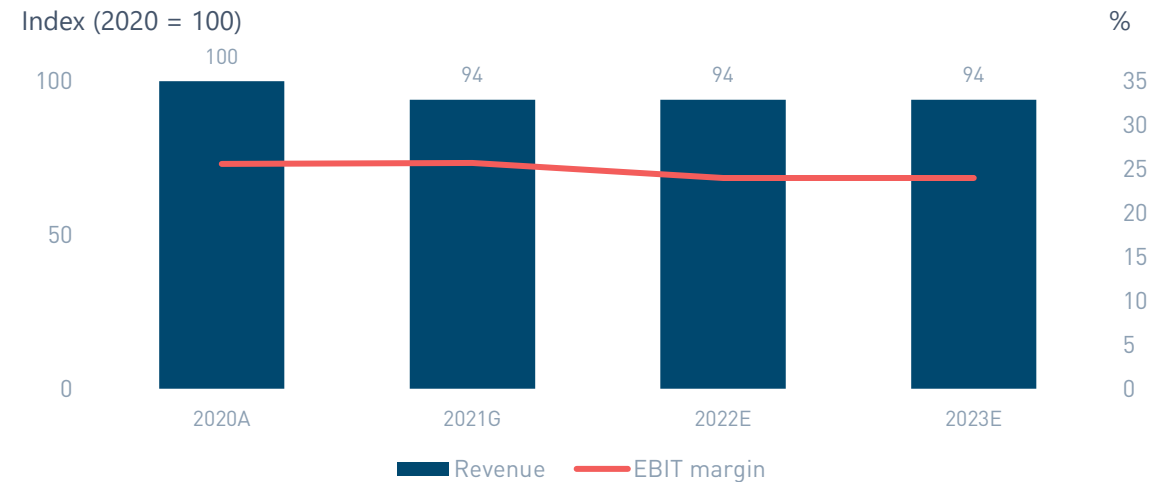
Guidance for 2021

- Revenue: DKK 840m-870m
- EBIT before special items: DKK 210m-230m

Ambitions for 2022-2023

- Revenue: As in 2021
- EBIT margin 2023: Stable at around 24%

Indexed revenue and EBIT margin (2020A–2023E)



Digital Services

 BoligPortal ofir.dk



Strategic focus areas

- Sustained growth based on well-established digital platforms and infrastructure
- Upscaling in Denmark
- Upscaling internationally

Up to DKK 200m for acquisitions

- Synergies with existing businesses in current markets
- International expansion

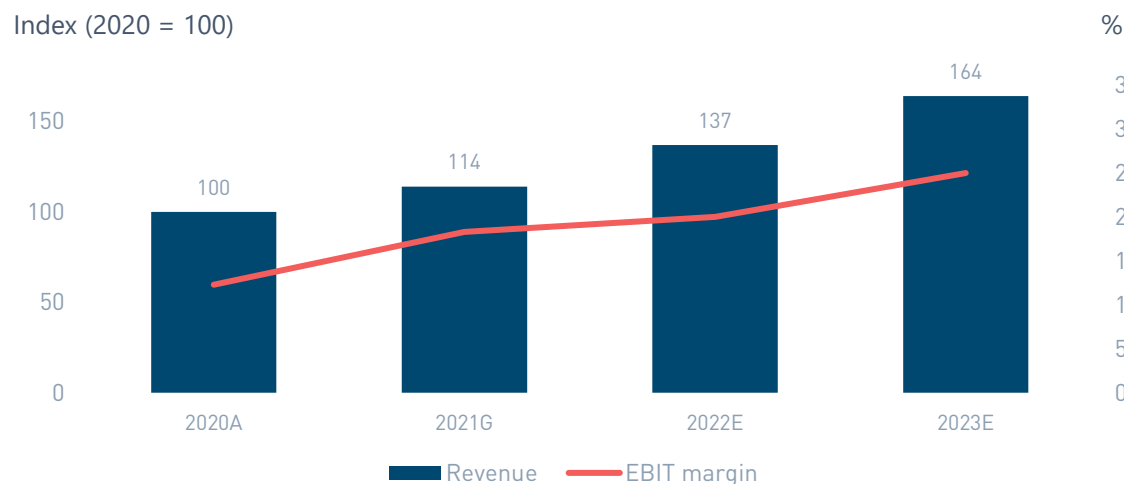
Guidance for 2021

- Revenue: DKK 145m-155m
- EBIT before special items: DKK 25m–30m

Ambitions for 2022-2023

- Revenue: ~20% annual growth (ex. acquisitions)
- EBIT margin: ~25% by 2023 (ex. acquisitions)

Indexed revenue and EBIT margin (2020A–2023E)



Digital Services

BoligPortal

- Develop integrated services as supplement to marketplace
- Secure stable income via recurring revenue
- Roll out service concepts and service agreements in Sweden

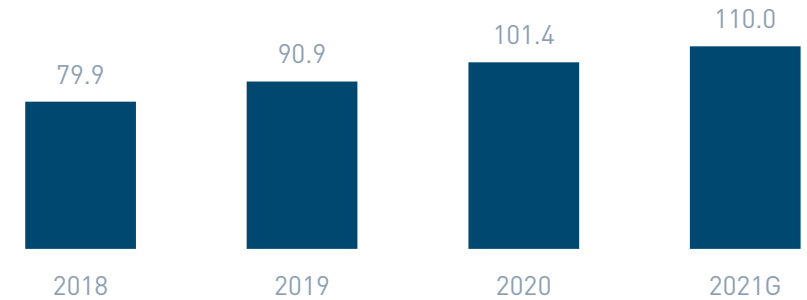
ofir.dk

- Win market share, build new customer groups
- Strengthen sales efforts and branding
- Optimise platform and use of data

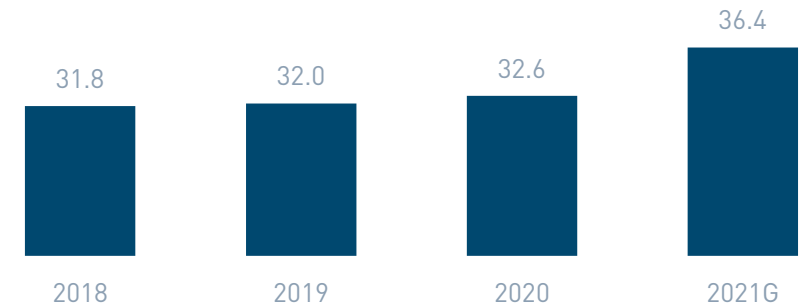
bekey

- Win contracts with distributors and home delivery services
- Increase coverage in Greater Copenhagen, market entry in other major cities
- Internationalisation: Agent concept in homecare segment and analyse Stairwells concept

BoligPortal: Home rentals arranged (thousands)

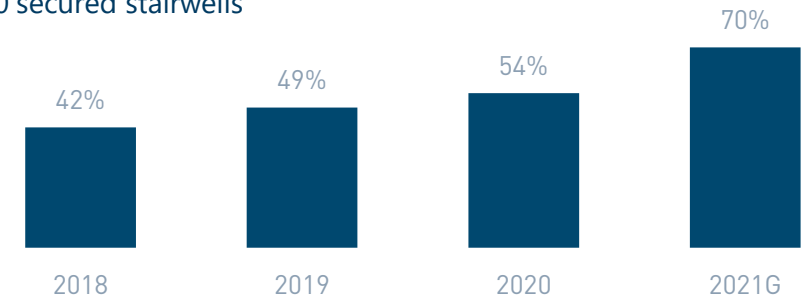


Ofir: Number of jobs posted (thousands)



Bekey: Coverage in Greater Cph – percentage of stairwells with SmartRelay

~45,000 secured stairwells

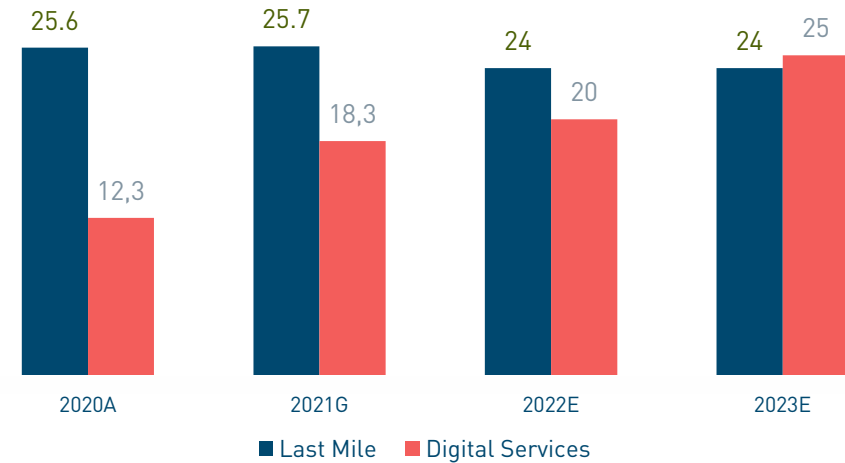


Ambitions 2022-23

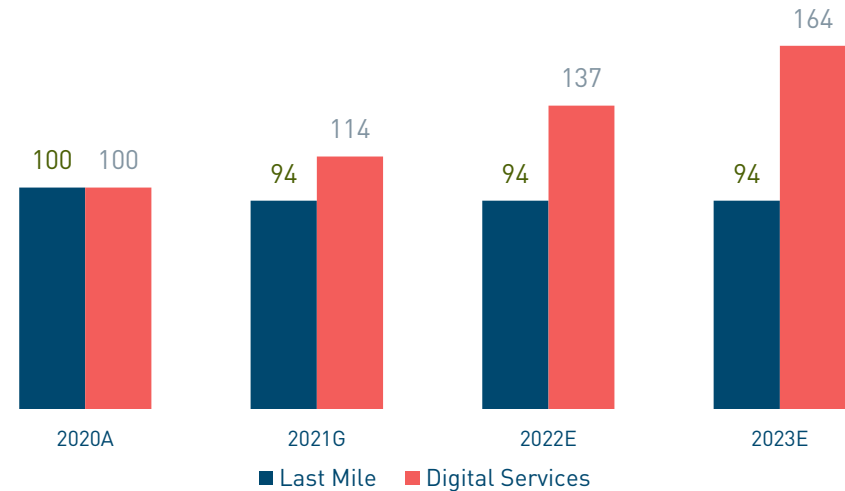
North Media A/S

- Revenue: ~3% annual organic growth rate
 - Stable revenue in Last Mile
 - ~20% growth in Digital Services
- EBIT margin: ~24% by 2023 (ex. acquisitions)
- Investments/acquisitions: Up to DKK 200m
- Ambition to pay dividend of DKK 5 per share for each financial year 2021–2023

Profit margin (%)



Indexed revenue performance (2020=100)



Guidance for 2021

Last Mile

Revenue	EBIT bsi
840-870	210-230
DKKm	DKKm

FK Distribution

- Product development
- Expand business relationship with Deutsche Post

Digital Services

Revenue	EBIT bsi
145-155	25-30
DKKm	DKKm

BoligPortal

Revenue:	DKK 93m-97m
EBIT bsi:	DKK 31m-33m

Ofir

Revenue:	DKK 24-27m
EBIT bsi :	DKK 1m-2m

Bekey

Revenue:	DKK 28m-31m
EBIT bsi :	DKK 7m-5m loss

Consolidated financial highlights

(2020)

Revenue

DKK 985_m-1,025_m
(DKK 1,045m)

EBIT before special items

DKK 230_m-255_m
(DKK 240m)

Structured approach to sustainability

We focus on the individual, and we contribute to sustainable communities as an employer, market player and corporate citizen

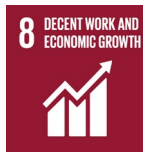
Focus on the individual

Personal data
Sustainable communities
Less red tape
Safety and security



A sustainable labour market

Job creation
Diversity and inclusion
Good health and safety environment
Proper working conditions



Responsible market player

Quality control
Responsible marketing
Fair competition
Supplier management



Reduced environmental impact

Transport
Choice of materials
Recycling
Energy consumption



Questions?

Events planned for H1 2021

- 26 March:** Annual General Meeting
- 31 March:** Nordea/HC Andersen Capital Small and Mid Cap seminar
- 7 April:** ABGSC Small & Mid Cap Seminar
- 5 May:** Interim report Q1 2021

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Thank you for your attention

Financial highlights

Financial results (DKKm)	2020	2019
Revenue	1,045.4	1,045.6
EBITDA	270.4	193.2
Amortisation and depreciation	30.2	27.3
EBIT before special items	240.2	165.9
Special items, net	0.0	4.1
Operating profit (EBIT)	240.2	170.0
Return on securities	154.5	122.1
Net financials	-5.5	-11.6
Profit on continuing business	303.0	211.5
Profit/Loss on discontinued operations	3.5	-6.2
Net profit for the year	306.5	205.3

Cash flows

Cash flows from operating activities	218.6	132.1
Cash flows from investing activities	-47.2	-31.3
Cash flows from financing activities	-110.4	-83.0

Gross margin

59.3% (2019: 50.0%)

EBIT margin bsi

23.0% (2019: 15.9%)

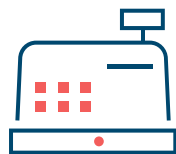
Return on securities

37.9% (2019: 45.6%)

Return on equity

39.5% (2019: 33.9%)

Platforms for transactions



Retailers, other types of advertisers
and local newspapers



Letting agents and
landlords



Employers



Distributors,
homecare staff etc.

FK Distribution

North Media Online

Bekey

Last Mile



Digital Services

Nationwide
distributions of
1.3 billion
leaflets, local newspapers
and direct mail

Digital
platform with
> 100m
views of leaflets
and catalogs

FK
DISTRIBUTION

Mediation of
> 100,000
rented housing i DK

 BoligPortal
 BostadsPortal

Dissemination of
> 33,000
job postings

ofir.dk

Digital acces solutions
> 10m
annual number of
doors open

bekey

Consumers in a broad sense

Home seekers

Job seekers

Households