

North Media

Økonomisk Ugebrev
investorkonference

★ **NORTH MEDIA** A/S



Today's presenters

Disclaimer

This presentation and related comments contains statements about the future, including expectations for 2024, which are inherently subject to risks and uncertainties that could cause actual results to differ materially from those expected.



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Group CFO



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Group CDO

Agenda















1. Our businesses
2. H1 2024 financial highlights
3. Management structure enabling growth
4. Spotlight: Digitalisation

In the spotlight: Digitalisation



The mean to increase customer value, sustainable growth and efficiency enabling scale and acquisitions

North Media at a glance

Unit	Last mile			Digital services		
Platform						
Customers	 <p>Retailers, other advertisers and local newspapers</p>			 <p>Letting agents and landlords</p>	 <p>Employers</p>	 <p>Homecare, distributors etc.</p>
Reach*	<p>Nationwide distribution of ~1.2 billion leaflets, local newspapers and direct mail in Denmark</p>	<p>Digital platform with >100 million views of leaflets and catalogues</p>	<p>Nationwide distribution of ~1.2 billion leaflets, and local newspapers in Sweden</p>	<p>Mediation of >121,000 rented housing in Denmark</p>	<p>Dissemination of >39,000 job postings</p>	<p>Digital access solutions >16 million door openings in Denmark and Norway</p>
End-user	 <p>Consumers in a broad sense</p>			 <p>Home seekers</p>	 <p>Job seekers</p>	 <p>Households</p>

*2023 figures

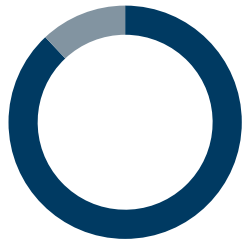
Group financial highlights H1 2024

Revenue, DKKm

678

(2023: 478)

Digital Services
12%



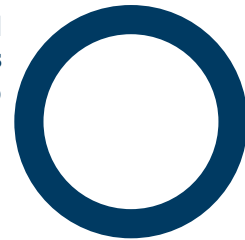
Last Mile
88%

EBITDA, DKKm

97

(2023: 94)

Digital Services
0%



Last Mile
100%

EBITDA margin, %

14.3

(2023: 19.7)

Cash flow, DKKm

-13

(2023: 81)

Capital resources, DKKm

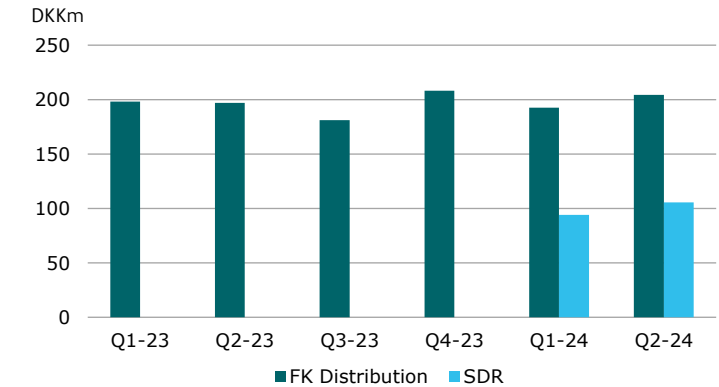
1,012

(2023: 941)

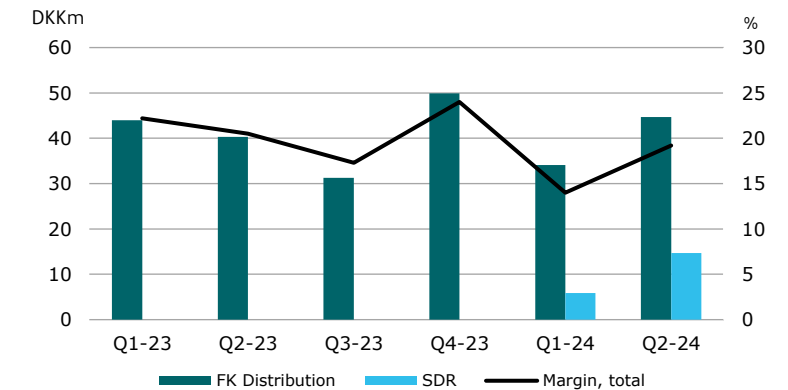
Satisfactory H1 performance

- Integration of SDR on track
- FK Distribution revenue development positively impacted by higher volume trend and local newspaper revenue decline lower than expected
- EBITDA increase driven by higher revenue and despite integration costs
- EBIT impacted by higher fixed costs in FK Distribution and non-cash write-down of IT system in SDR

Revenue



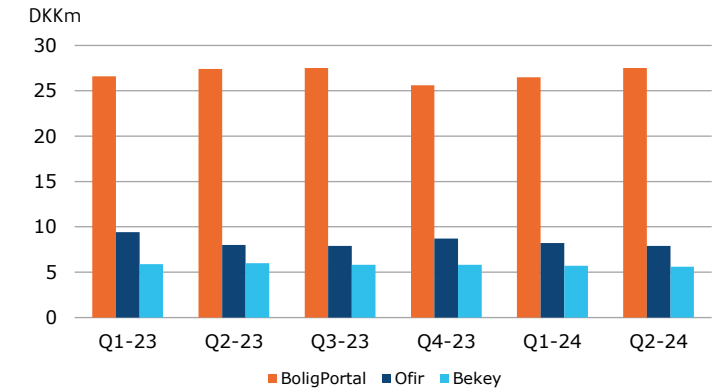
EBITDA



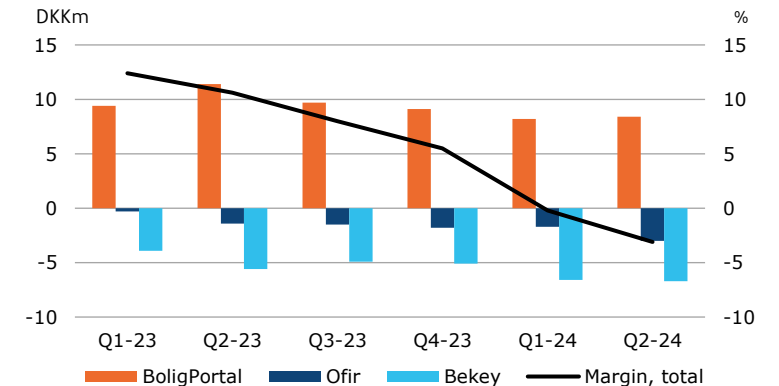
H1 performance as expected

- Flattish revenue development in all businesses
- BoligPortal mitigated expected lower advertising fees by increased revenue from tenants and new products. DataInsights segment in positive development
- Earnings impacted by higher costs related to the transformation towards a full rental housing platform in BoligPortal and reassessment of the strategic foundation for Ofir and Bekey

Revenue



EBITDA



Full-year outlook 2024 adjusted in August

DKKm	Revenue	EBITDA	EBIT
Group	1,320-1,365 (previously 1.310-1.355)	150-175 (previously 170-200)	75-100 (previously 95-125)
Last mile	1,155-1,190 (previously 1,145-1,180)	160-175 (previously 175-195)	97-112 (previously 112-132)
Digital services	165-175 (unchanged)	-2 to 8 (previously 0-10)	-7 to 3 (previously -5 to 5)

Comments

- Group revenue range was raised, driven by FK Distribution's performance in H1 2024.
- Group EBITDA and EBIT were lowered due to increased costs related to accelerated implementation of technologies to sort, pack and distribute leaflets in Sweden, and decision to develop the 'minetilbud' platform for other markets, starting with Sweden by end-2024.
- Additional assumptions presented in the 2023 Annual Report are in all essentials unchanged.

Management structure enabling growth



1

Faster decision-making processes and more homogeneous strategic execution

2

Uniform principles for all companies in terms of volume, quality and growth

3

HR and Digitalisation anchored in executive board to boost uniform development and value creation

4

Clear areas of responsibility to keep traction and drive progress

Digitalisation

The mean to increase customer value, sustainable growth and efficiency enabling scale and further acquisitions

In the spotlight

Our digitalisation ambitions as fundament for scale and growth

Strengthening of customer value and operational efficiency

1

Develop innovative and leading digital products

2

Significantly reduce complexity and strengthen operational efficiency

3

Prepare North Media for further scale and business acquisitions

4

Strengthen ability to meet significantly increased regulation and reporting requirements

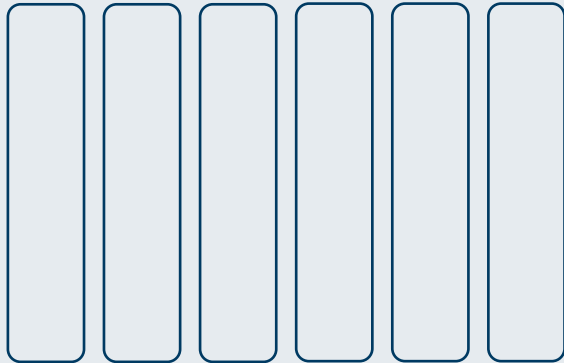
5

Strengthen people competencies and talent attraction

In the spotlight

From local technology and system autonomy...

6x
business responsibility and complexity



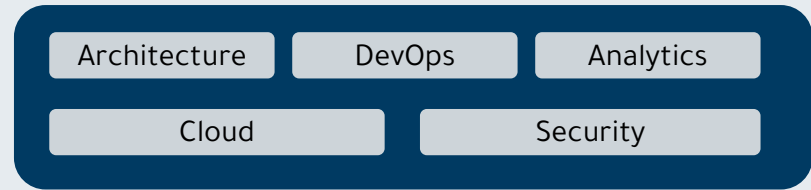
... to shared tech foundation to increase focus on customer value creation and operational efficiency

Business focus on customer value



...

Group operational efficiency



Reduced complexity through uniform principles

What AI means to our business

Artificial Intelligence (AI) has and will impact us - we have created the foundation and started development

- Continuous identification of AI impact and opportunities to enable customer value creation and operational efficiency
- Investment in generative AI enterprise solution (closed environment) for employees to generate business ideas, drive product development and optimise operational processes
- Clear governance principles for use case evaluation, approval and appropriate training

Examples

Enhanced
customer
experiences

Personalised
customer
journeys

Chatbots and
virtual
assistants

Increased
coding
efficiency

In the spotlight

Recap of ambitions

Strengthening of customer value and operational efficiency

1

Develop innovative and leading digital products

2

Significantly reduce complexity and strengthen operational efficiency

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Prepare North Media for further scale and business acquisitions

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Strengthen ability to meet significantly increased regulation and reporting requirements

5

Strengthen people competencies and talent attraction

Foundation for growth in place

with continued focus on shareholder value

1

Shareholder return,
DKKm

451

past five years

2

Capital resources,
DKKm

1,012

end-Q2 2024

3

Management structure
to develop North Media

4

members with clear
responsibilities

4

Digitalisation strategy to
increase customer value,
sustainable growth and
efficiency enabling scale
and further acquisitions



Q&A

Thank you

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