

Ratos Press Conference

Divestment of Bisnode

2020-10-08

Jonas Wiström

RATOS

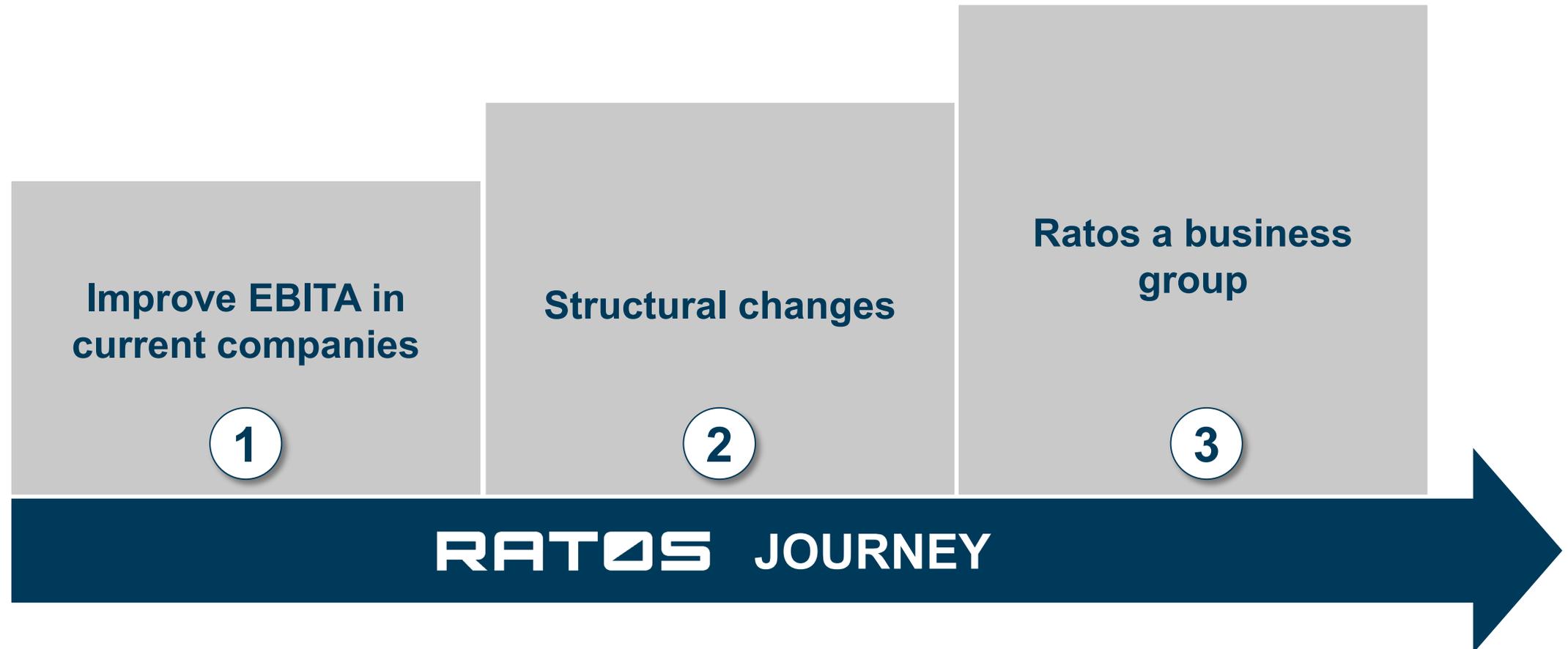
Agenda

- **Recap of Ratos Transformation**
- Divestment of Bisnode
- Next step of the Ratos Journey
- Stephen C Daffron, President of Dun & Bradstreet
- Q&A

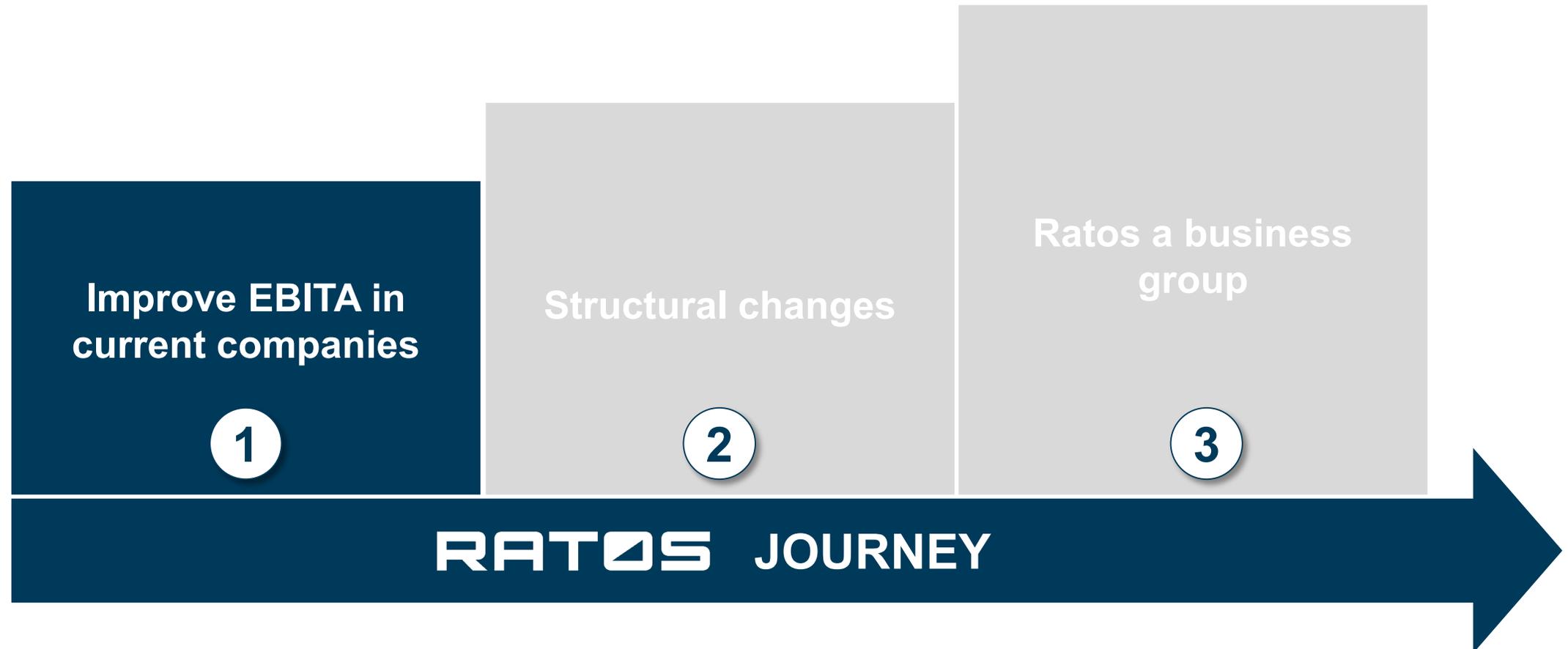
Where we are heading

**A business group that enables
independent mid sized companies to
excel by being part of something larger**

Our transformation journey



Our transformation journey



EBITA building blocks

Structure

(Hard)

Processes

(Harder)

Culture

(Hardest)

EBITA building blocks

Structure ✓ (Hard)

- Right CEO
- Right COB
- Ratos Business council
- Ratos business executive leadership programme

- Decentralized P&L
- No Matrix
- Majority of the Exec. team should consist of line managers

Processes (Harder)

Culture (Hardest)

EBITA building blocks

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(Hard)

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Processes

(Harder)

- Monthly business reviews
- Monthly forecast model
- Attractive Incentive plans
- Benchmarking
- Ratos network

- Customer surveys
- Employee surveys

Culture

(Hardest)

EBITA building blocks

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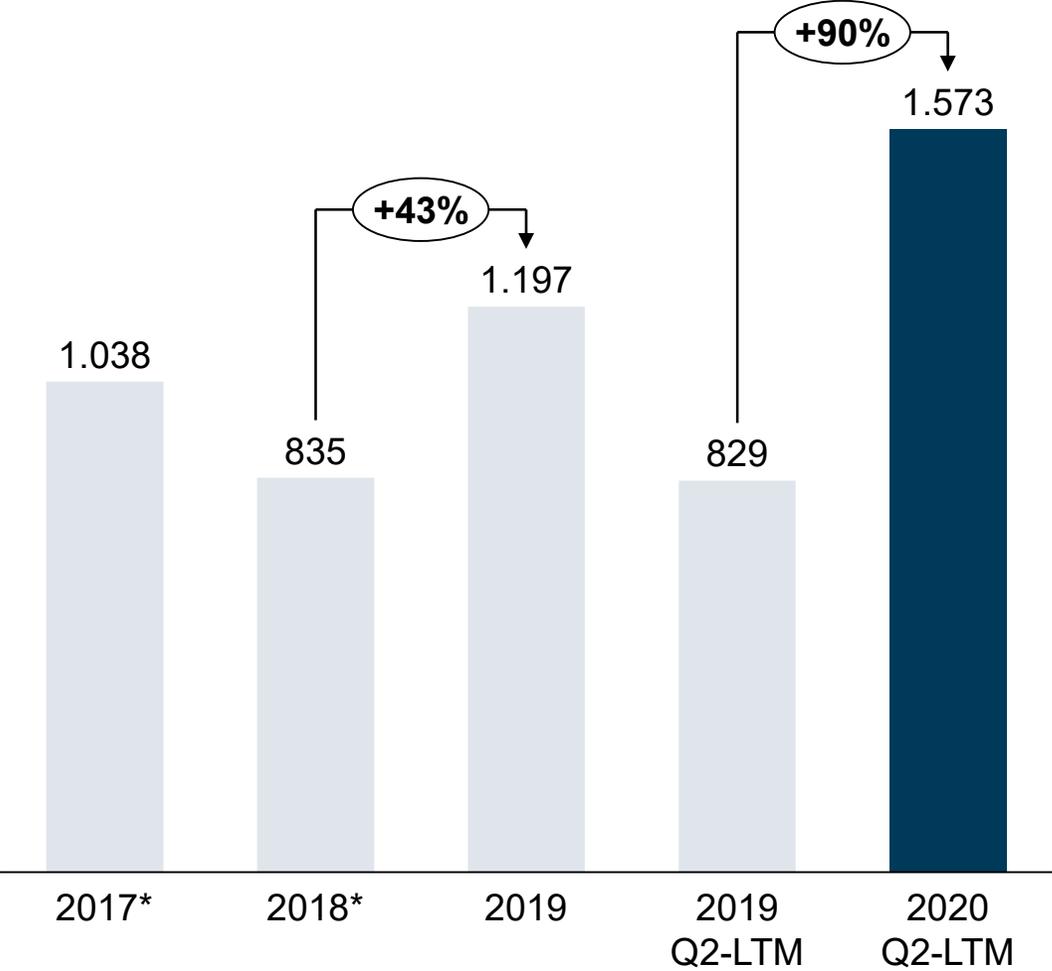


- What does good look and feel like?
- Trust
- It's all about people
- Speed
- Simplicity
- Part of something larger
- Build on strengths
- Execution 80% & Strategy 20%

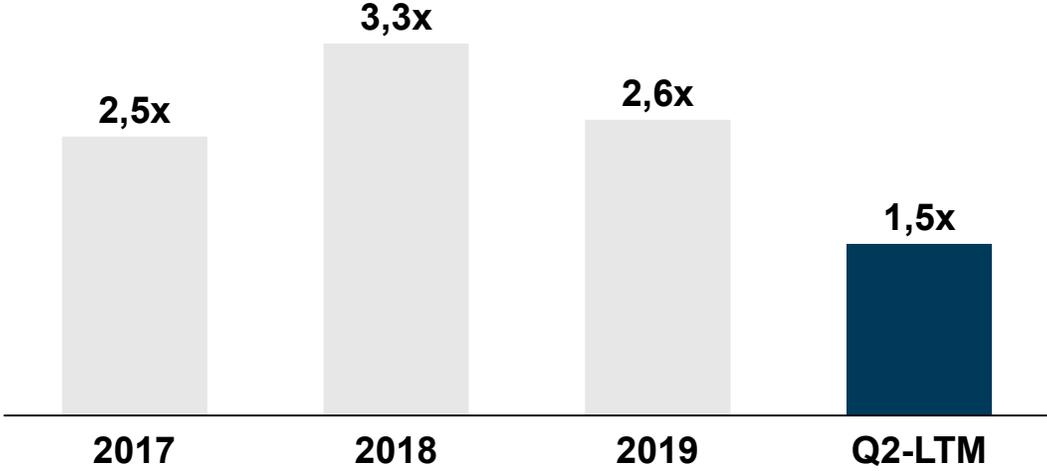
Financial Development

EBITA

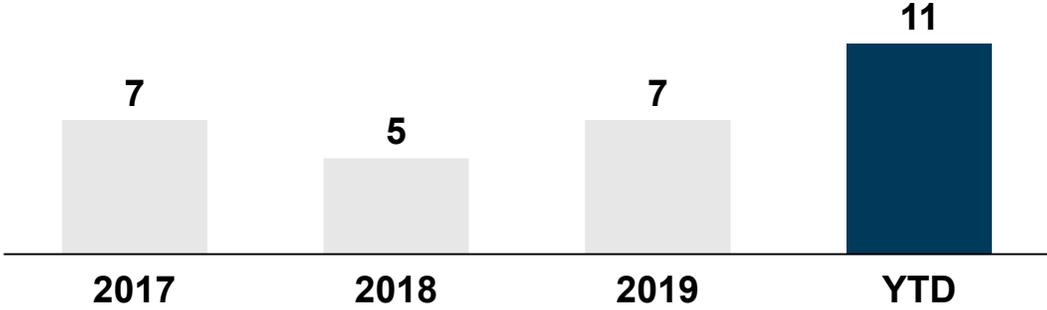
(Ratos business areas, Ratos's holding MSEK)



Consolidated leverage
(Excluding IFRS 16, including Ratos cash)



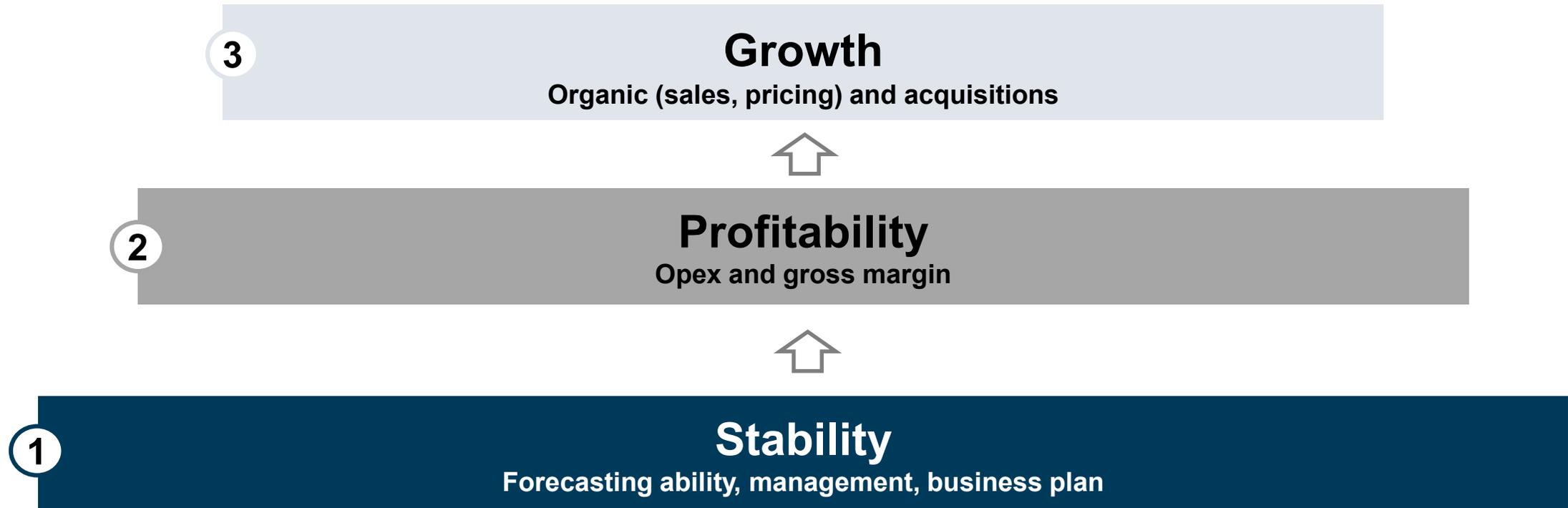
of companies improving result vs. previous period





Continue to focus on our current companies

Ratos priority

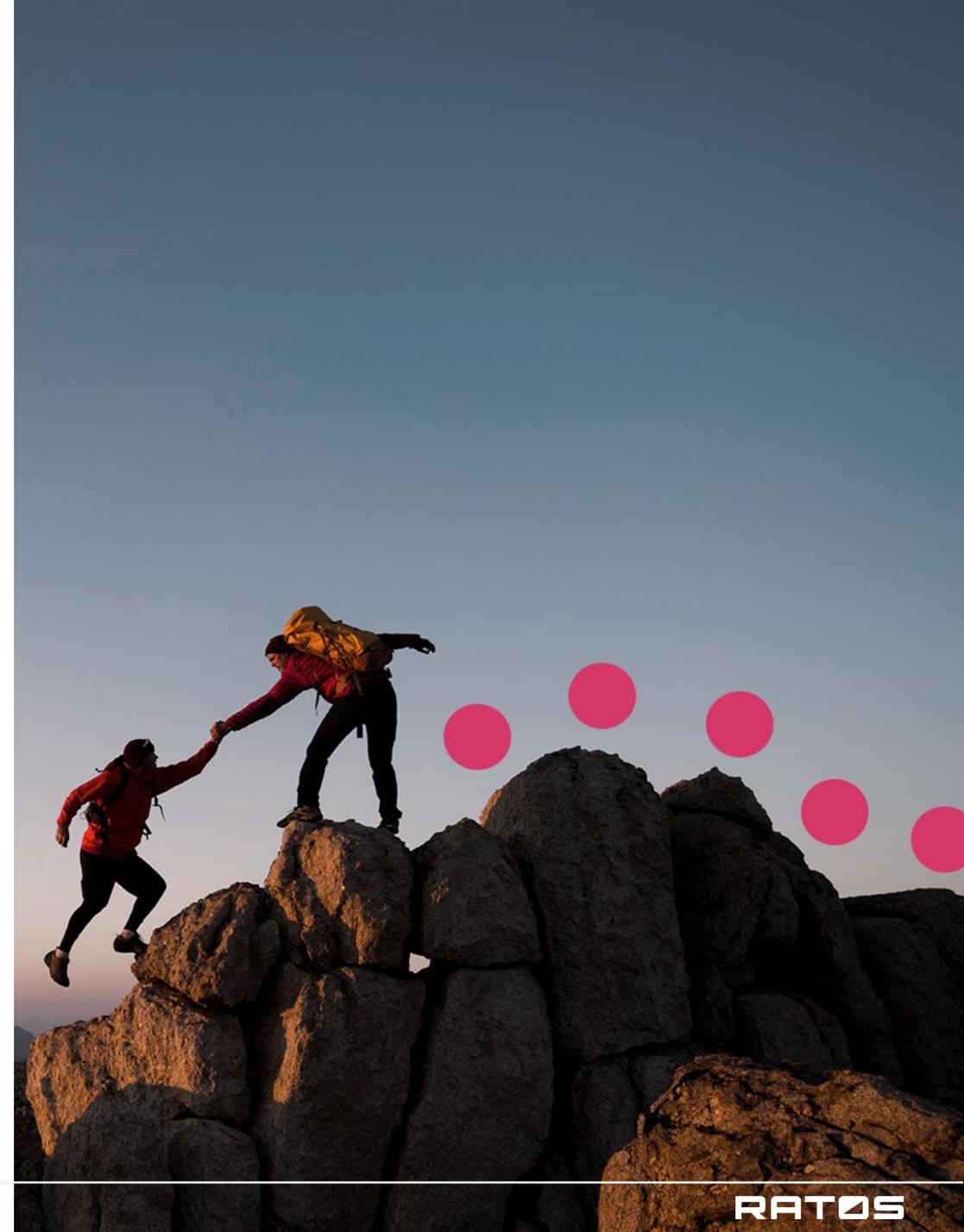


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Successful Bisnode transformation

- Since 2016, Bisnode has achieved stability and profitability with improved EBITA margin from 7-14% and improved cash conversion
- Stability and profitability achieved by:
 - Divesting non-core products
 - Cost reduction & efficiency measures
 - Investing in new products & functions
 - Integrate and reposition offering and brand
- Customer Net Promoter Score
 - 2016: 6, 2018: 14 and 2020: 39
- Employee Net Promoter Score
 - 2016: -16, 2018: 20 and 2020: 22





Growth

Profitability ✓

Stability ✓

Bisnode ready for growth

Consolidation is a necessary next step

- Having achieved stability and profitability, Bisnode is set for growth
- The data & analytics market is under consolidation driven by economies of scale and increasingly global customers
- Bisnode expansion would require significant investments on a stand-alone basis. Too high risk. Bisnode revenue from D&B products approx. 33%
- Taking part in a consolidation by investing 1 bn SEK is therefore an attractive route to growth and value creation



Powerful business combination

Strong combination of footprint & capabilities

- Bisnode is a member of the Dun & Bradstreet Worldwide Network since 2003
- Bisnode and D&B has complementary geographical footprint and capabilities
- The acquisition is expected to result in cost and revenue synergies
- Continued value creation for Ratos through investment in D&B



Details of the transaction

- Enterprise value of 7200 MSEK, excl leasing, equivalent to 13,8 EV/EBITA LTM as of Q2 2020
- Estimated equity value attributable to Ratos of approximately 3900 MSEK* (excl dividend of 175 MSEK)
 - 75% MSEK will be paid in cash and
 - 25% MSEK through D&B shares
- Completion of the deal is subject to regulatory clearance

* Final equity value and net consideration subject to final closing calculation at closing date

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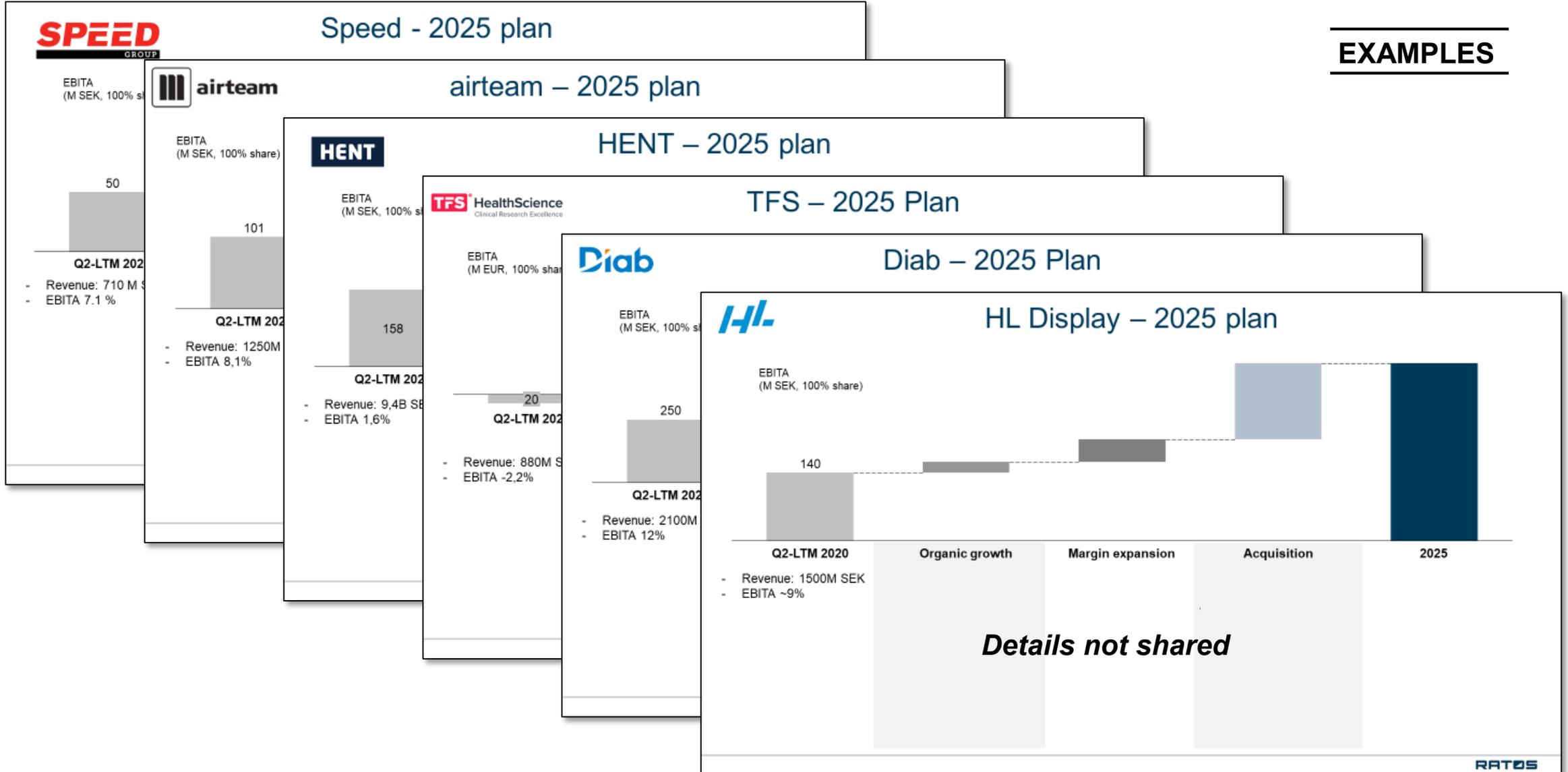
Continue to grow EBITA -including acquisitional growth

- 1 As we have **stabilized** our companies...
- 2 ...and they generate acceptable **profitability**
- 3 It is now time to focus on **growth**, both organically and through acquisitions



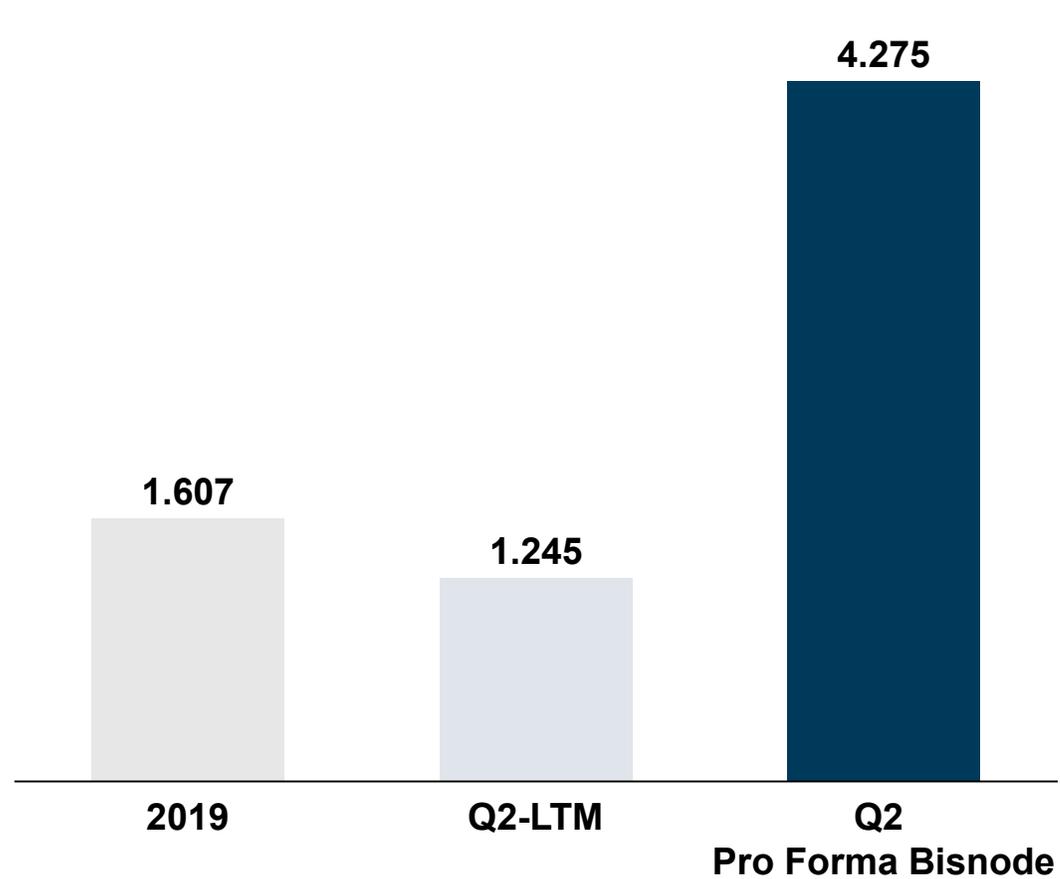
Ambitions plans across our portfolio

EXAMPLES

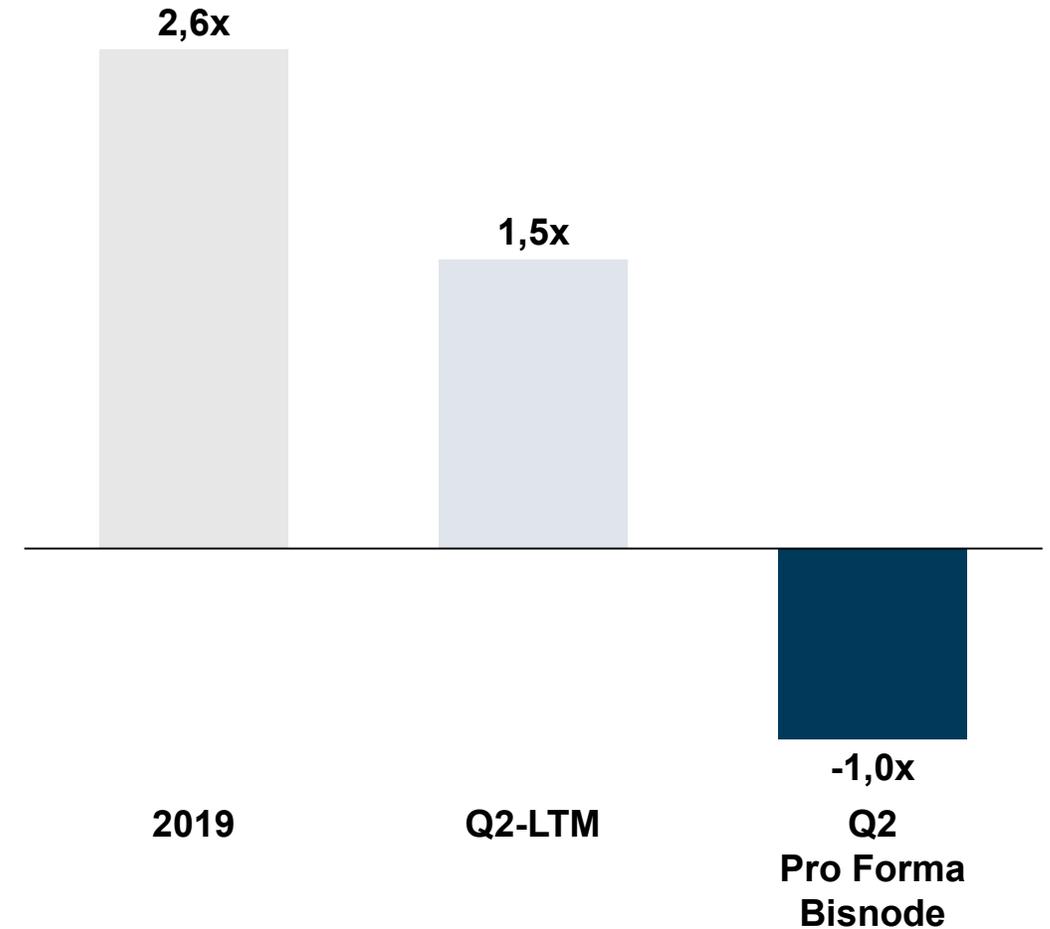


The divestment of Bisnode gives us the financial strength to grow EBITA

Ratos AB Cash
(M SEK)



Consolidated leverage
(Excluding IFRS 16, including Ratos cash)



My task

To increase shareholder value in a growing Ratos

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Coming together to create a Business Intelligence powerhouse

dun & bradstreet



Founded in 1841



A global presence with operations in North America, Europe and Asia



Dun & Bradstreet's Data Cloud contains comprehensive information on more than 360 million total businesses and is compiled from approximately 16,000 sources worldwide



Approximately 135,000 clients, including approximately 90% of the Fortune 500 and 80% of the Fortune 1000



4,000 employees



TOGETHER

Strategic Partners for nearly two decades

Owned presence in **27 markets across North America, Europe and Asia**, and coverage across 243 countries via the Worldwide Network alliances

Approximately **250,000 clients**, with a presence in 340 of the Global 500's headquartered markets

6,000 employees

Bisnode

Founded in 1989

Long-standing Worldwide Network Partner, with ~33% of revenues from D&B solutions

Headquartered in Sweden with operations across Europe in 19 markets

Direct access to high quality data, including 33 million companies from 550+ sources

Approximately 110,000 clients, from Government agencies to small and mid-sized companies as well as global corporations

2,000 employees



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Q&A