

Efecte 2021 results webcast

11 February 2022

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FORWARD LOOKING STATEMENTS

Certain sections of this presentation contain forward looking statements based on the Company's current expectations estimates projections and assumptions.

Words such as forecasts estimates expects plans and variations of these words and similar expressions are intended to identify forward looking statements which include but are not limited to, the Company's performance and profitability market growth and industry developments.

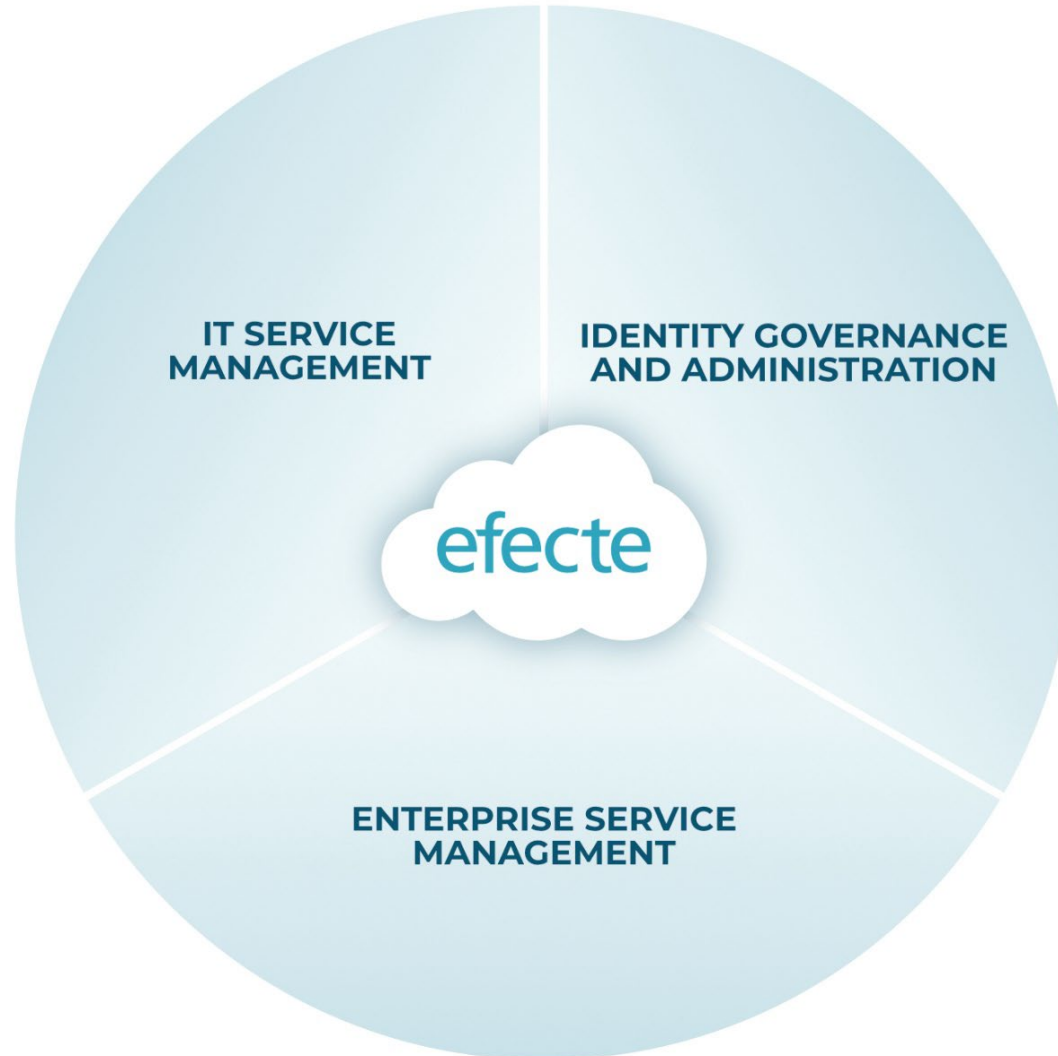
These statements involve certain risks and uncertainties which are difficult to predict and therefore actual future results and trends may differ materially from what is forecast in forward looking statements. The Company undertakes to update such statements with respect to new information and future events only within the limits of its statutory obligation to disclose information.

Year 2021 in summary

- Financially strongest performance since IPO in 2017
- Invested in the product and the team to enable future growth
- Expanded reach in Europe through new partnerships
- Started evaluating M&A and opening of new direct markets



Efecte – the European Alternative



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What we promised



SaaS growth
21-24%



International expansion



EBITDA margin
1-6%

What we delivered

PROMISED



SaaS growth
21-24%



International
expansion



EBITDA margin
1-6%

RESULTS 10-12/2021

SaaS growth
24%

International
SaaS growth
43%

EBITDA margin
2%



RESULTS 2021

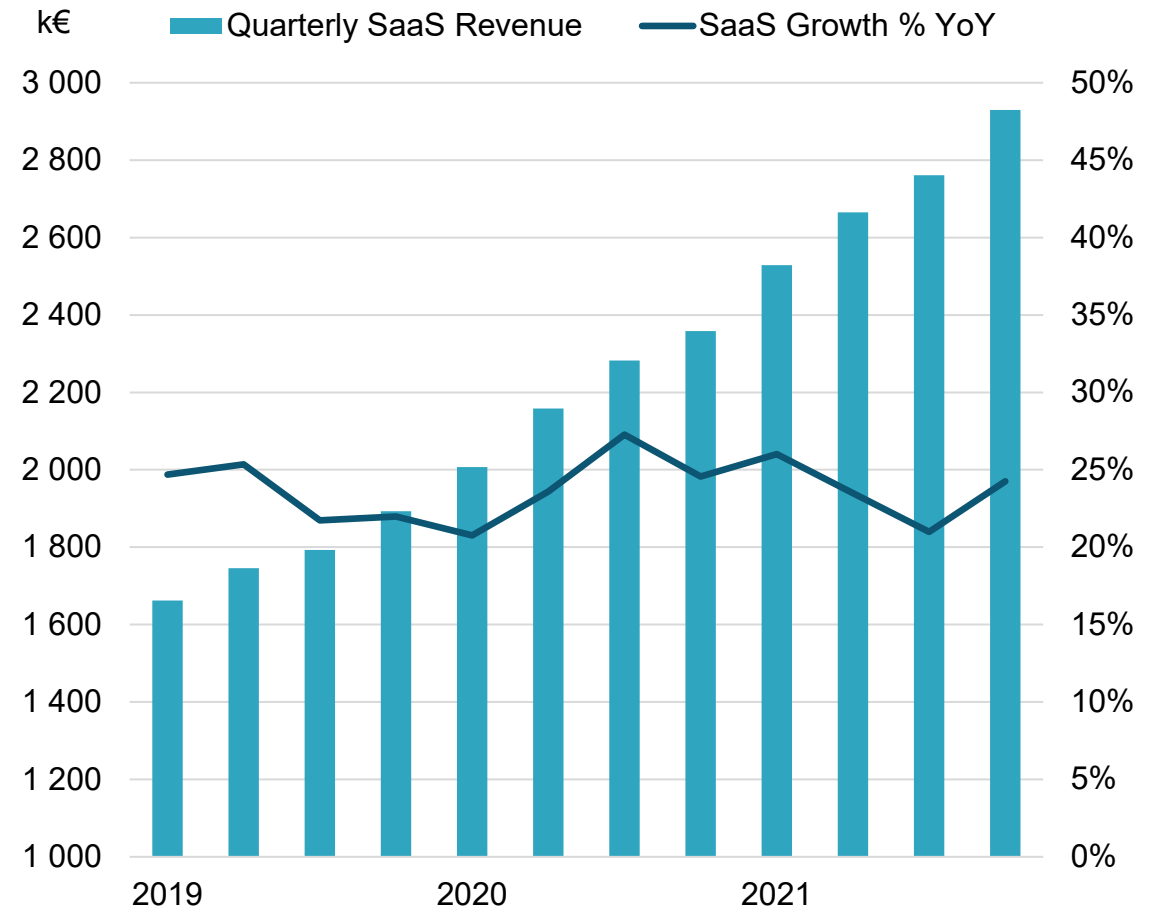
SaaS growth
24%

International
SaaS growth
38%

EBITDA margin
5%

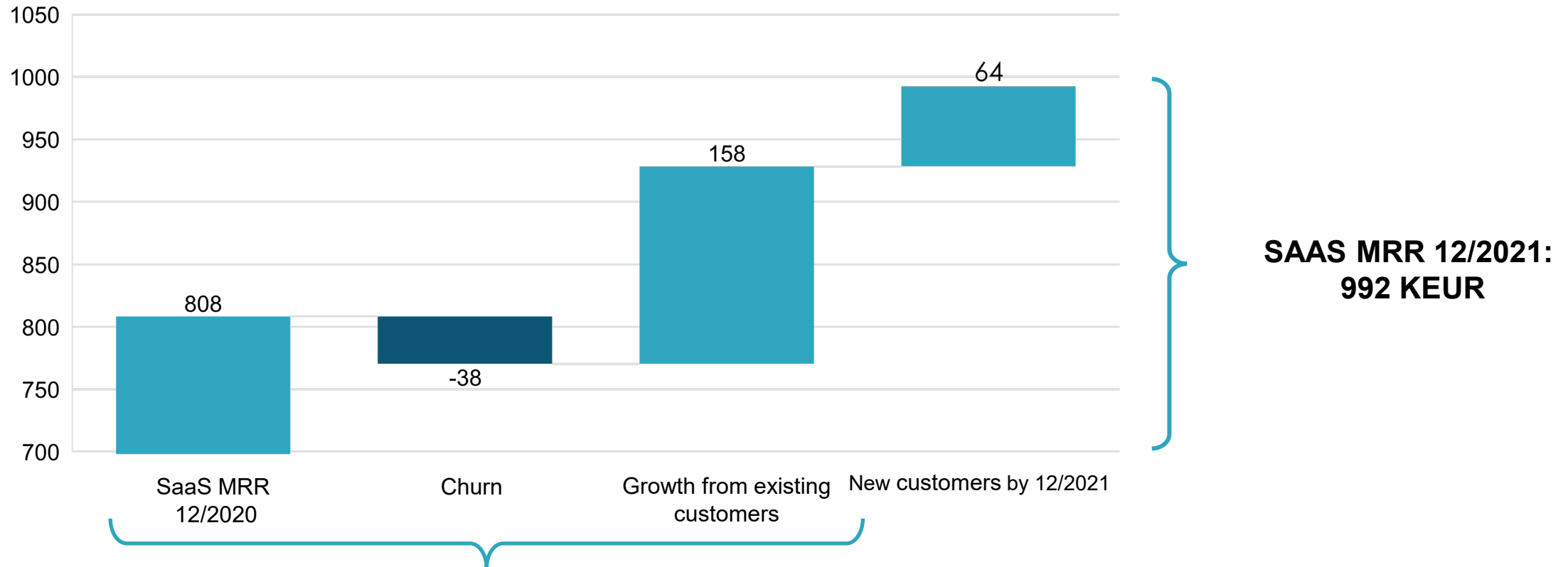
Consistent execution has paid off

- SaaS growth over 20% each quarter as listed company
- Steady growth % translates to exponential growth in absolute numbers
- SaaS share of total net sales increased already to 61% in 2021



Two engines of growth: existing and new customers

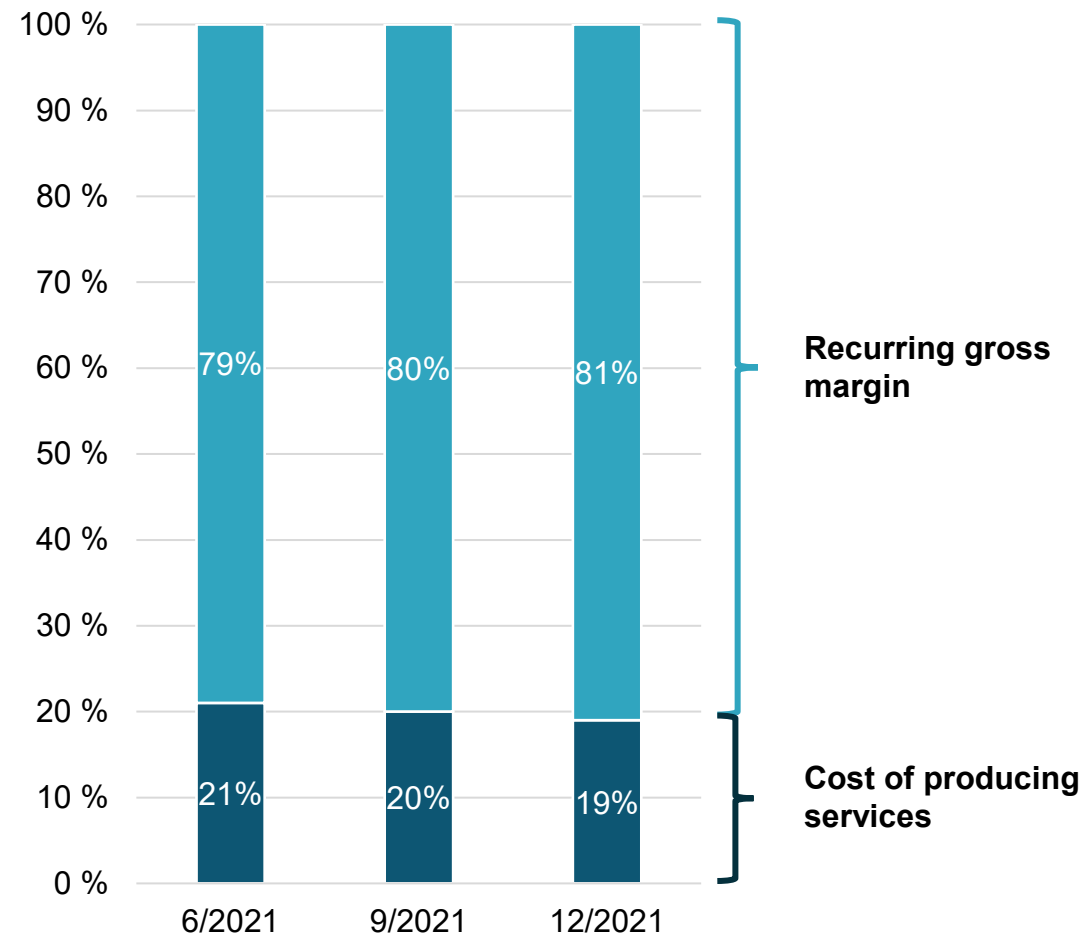
Sources of SaaS MRR growth (rolling 12 months)



NET RETENTION RATE: 115%

LTV/CAC and recurring gross margin developed positively

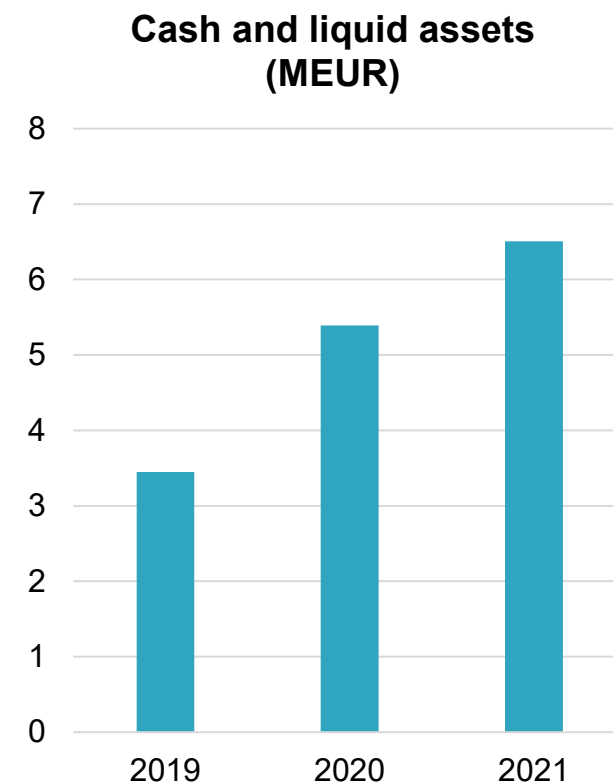
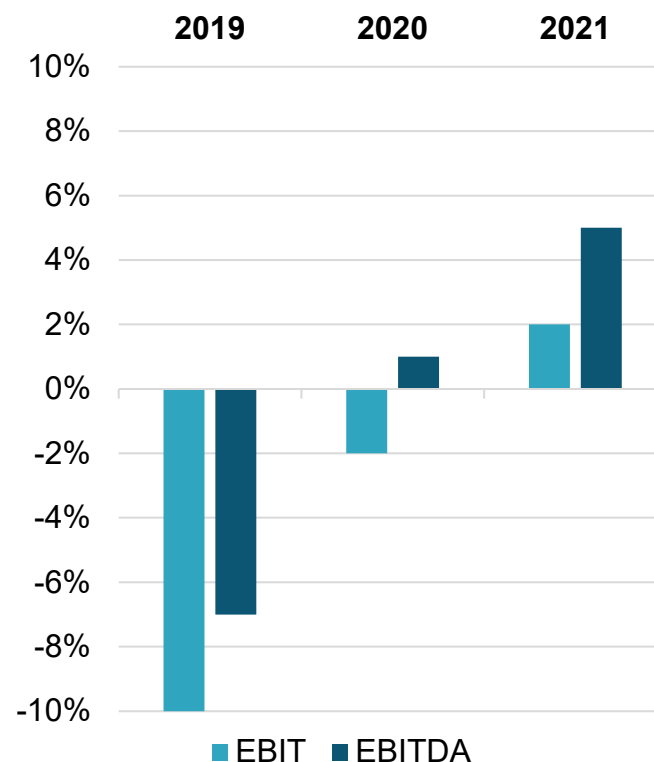
- LTV/CAC improved significantly, supported by a large order from the Social Insurance Institution of Finland (Kela) during Q4
- Recurring gross margin continued to improve



* LTV, CAC and recurring gross margin are reported on a rolling 12 months basis. Please see financial statements bulletin for calculation details.

Solid profitability and cash development

- Despite increasing investments, EBIT/EBITDA improved
- Profitability was supported by strong total net sales development driven by SaaS and Services growth
- Cash position developed favorably
- Year-over-year, share subscriptions with options strengthened our cash position by 0.9 million euro in the end of June
- This year, we expect investments to have a bigger impact on profitability, especially in the first quarter.



Investments in product



IGA Starter solution



Next Generation Self-Service



Improved AI capabilities

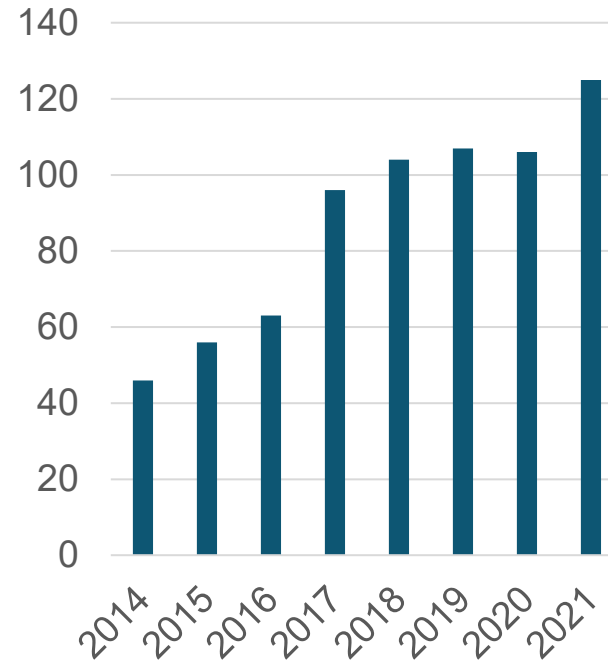


Enhanced integration capabilities



We are proud of our diverse and talented team

- People and culture are central to our success and were much in focus
- Active recruitment to support our growth ambitions
- Full time equivalent headcount +18%



eNPS

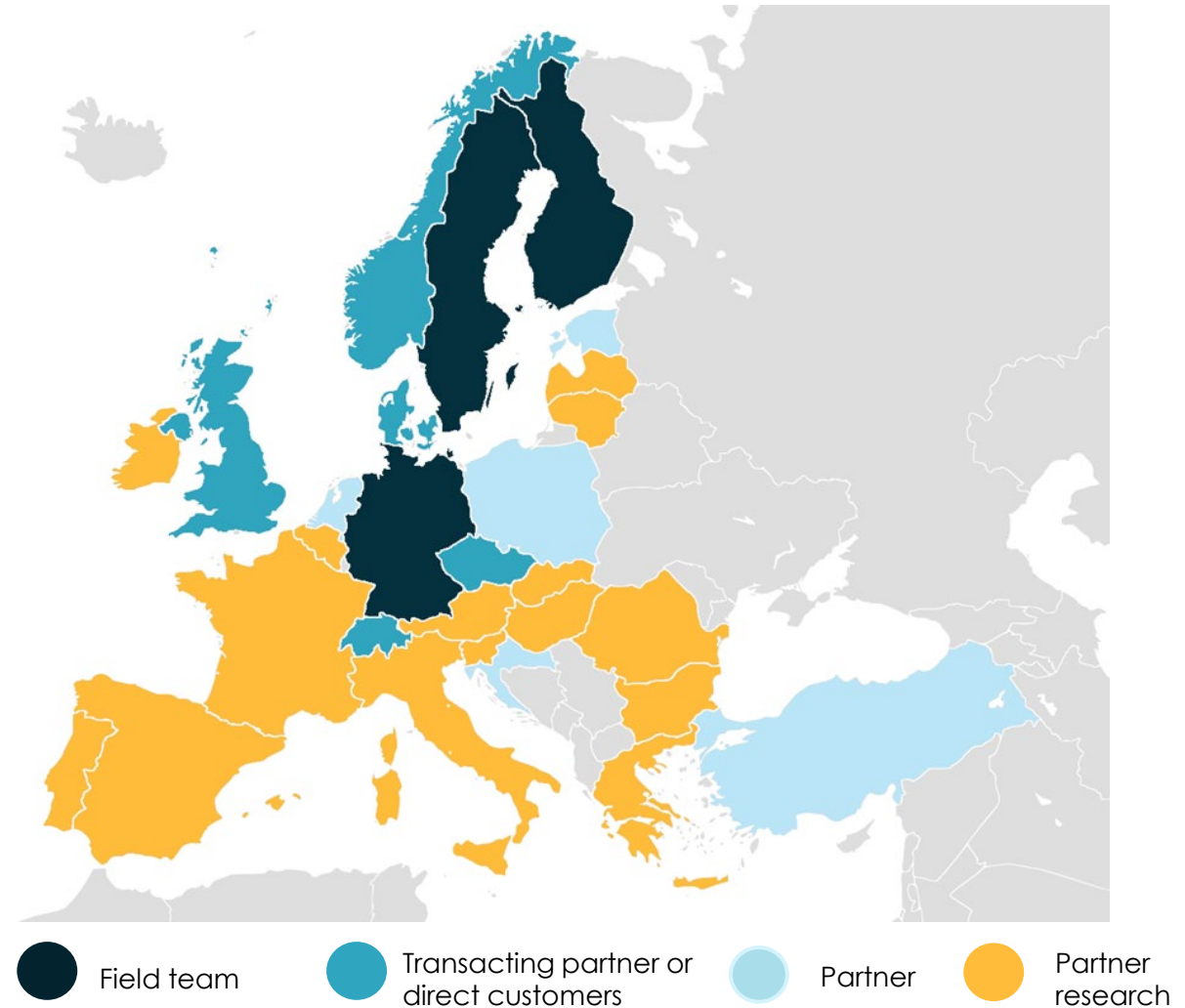
67

Attrition

< 10%

Go-to-market in Europe and beyond

- Solid demand for our ITSM, ESM and Identity Governance and Access (IGA) solutions across all markets
- Finland, Scandinavia and DACH continued to be our main markets while we also expanded our reach in new markets
- International share of total net sales increased to 25% (24%) as a result of strong growth internationally and in Finland
- We have customers or an official Efecte partner in 12 countries in Europe
- New customers in all markets, including first partner led deals in UK, Czech republic and Poland (order received after period)
- Exploring new direct markets in Europe to expand our reach





Guidance for 2022

SaaS net sales is expected to grow over 20% and EBITDA to be positive, excluding any potential costs from inorganic activities.

Strategy update

- We will publish an update to our strategy, including updated long-term financial targets in March
- We will cover the strategy update in more detail in our Capital Markets Day on the 9th of March 2022

Q & A



Appendix

Efecte – the European Alternative

We help service organizations digitalize & automate their work:



Be more agile



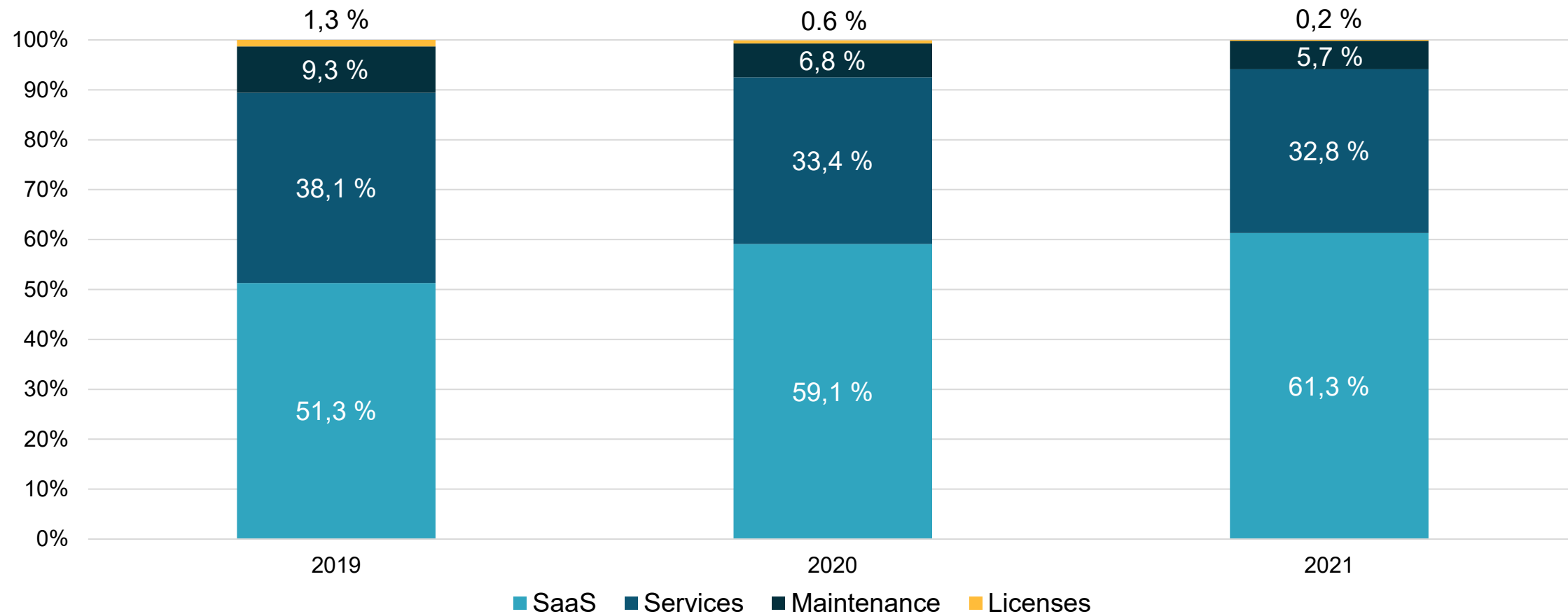
Improve experience



Save costs



Share of SaaS continued to increase

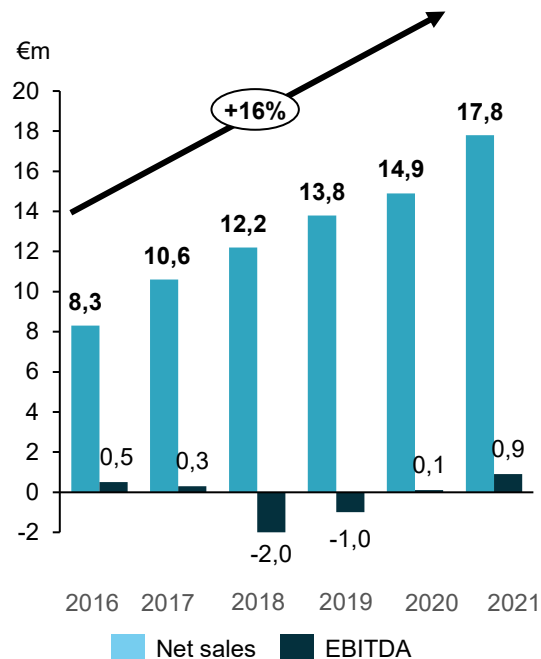


Key figures

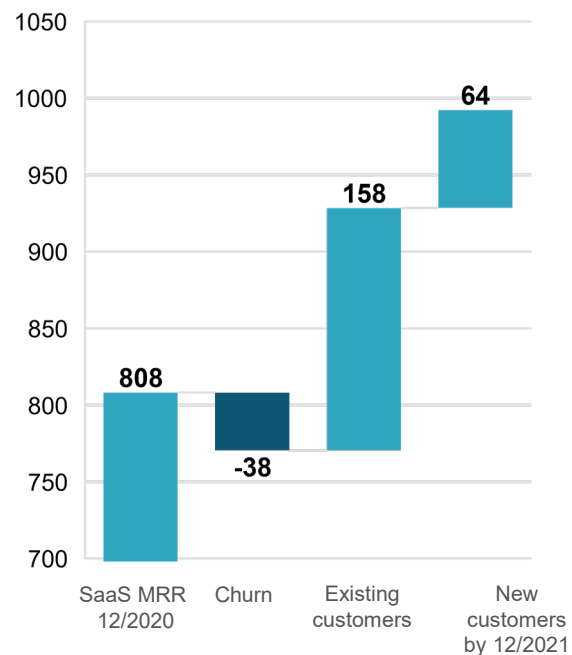
1000 EUR	10-12/2021	10-12/2020	2021	2020
Net sales	4 853	4 042	17 764	14 888
EBITDA	95	171	935	126
EBITA	-34	46	450	-314
SaaS MRR	992	808	992	808

Efecte financial summary

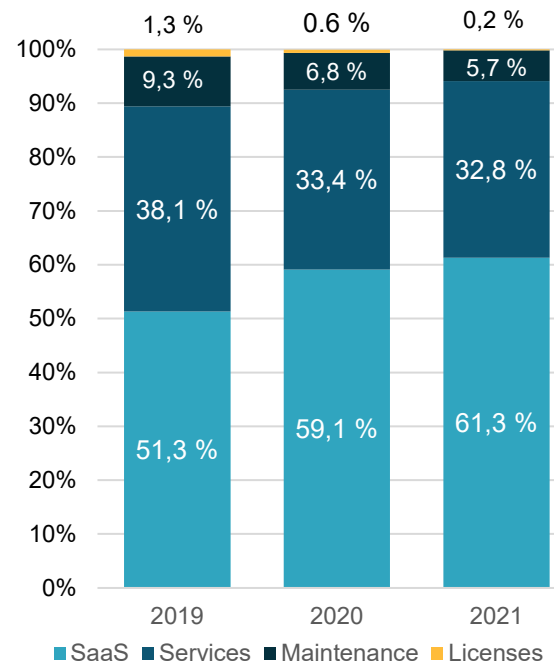
Steady revenue and profitability development



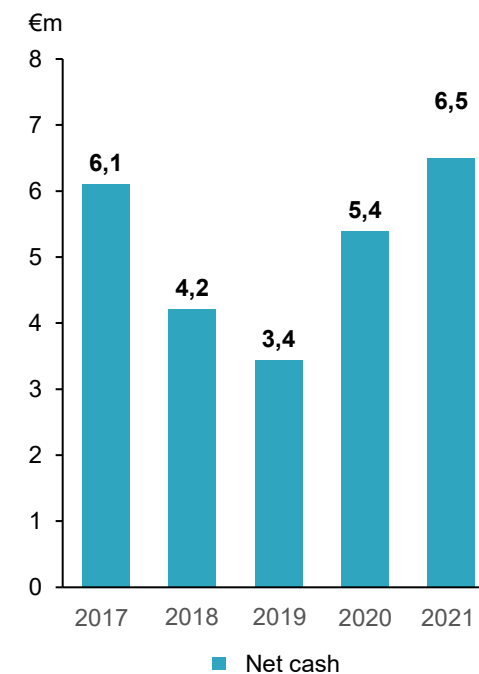
Growth from new and existing customers



Share of SaaS growing



Net cash trending positively



24 %

Avg. total SaaS growth 2021

38 %

Avg. international SaaS growth 2021

81 %

Recurring gross margin as of 2021

8.3

LTV/CAC as of 2021

115 %

Net retention rate (2021)

0

Interest bearing debt in 2021

> 300

Customers

< 10 %

Employee attrition

125

Employees (2021)

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Summary: Efecte as an investment

01 GROWING MARKET

European Alternative to global players in a cloud ITSM and ESM market growing double digits

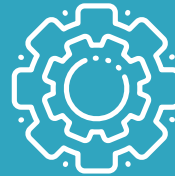
02 SAAS BUSINESS MODEL

Scalability and predictability through recurring revenue and solid unit economics

RUN YOUR IT



Serve Your Employees



Run Your Business



Delight Your Customers

03 PROVEN PRODUCT

Low churn and ability to win new deals in different markets including Germany have shown competitiveness

04 INTERNATIONAL GROWTH

Confidence through success in international strategy

SaaS growth
2021

24%

International SaaS
growth 2021

38%

Net sales
2021

17.8 M€

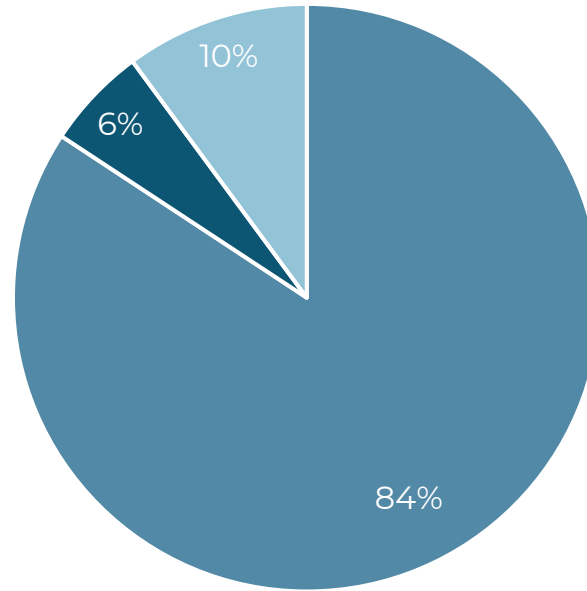
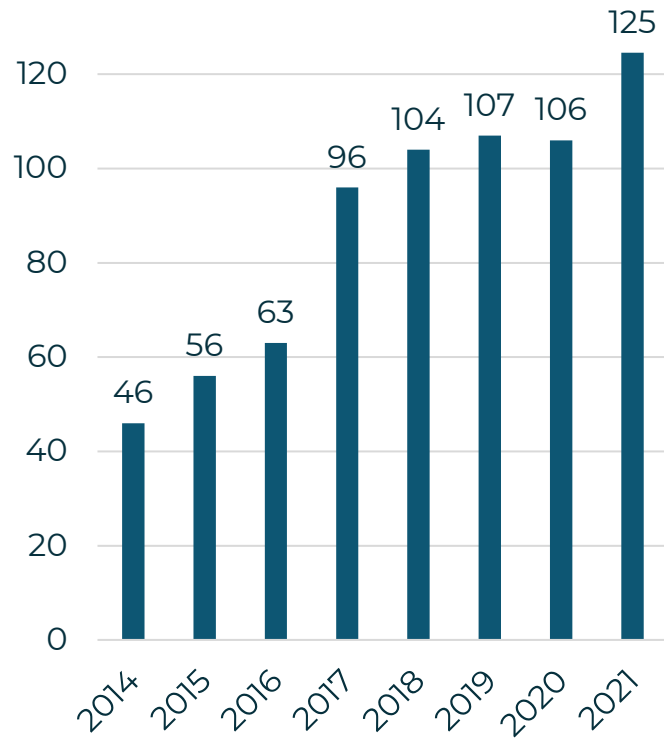
SaaS ARR
(12/2021)

11.9 M€

Employees
12/2021

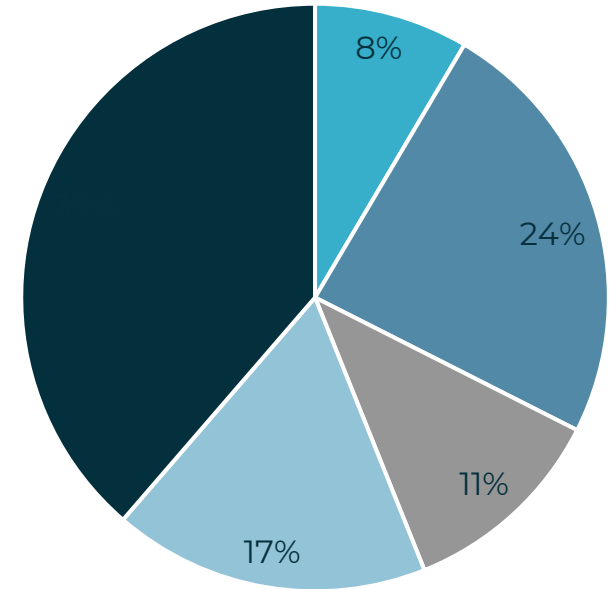
125

Team in numbers



■ Finland ■ Sweden ■ Germany

Our central team in Finland acts globally supporting customers, partners and sales in all markets and includes the headcount responsible for our new markets operation.



■ Admin ■ Sales & marketing ■ Cloud operations & support ■ Products (incl. R&D) ■ Services & Training

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Thank you.