



efecte

2022 Q4 results webcast

1 March 2023



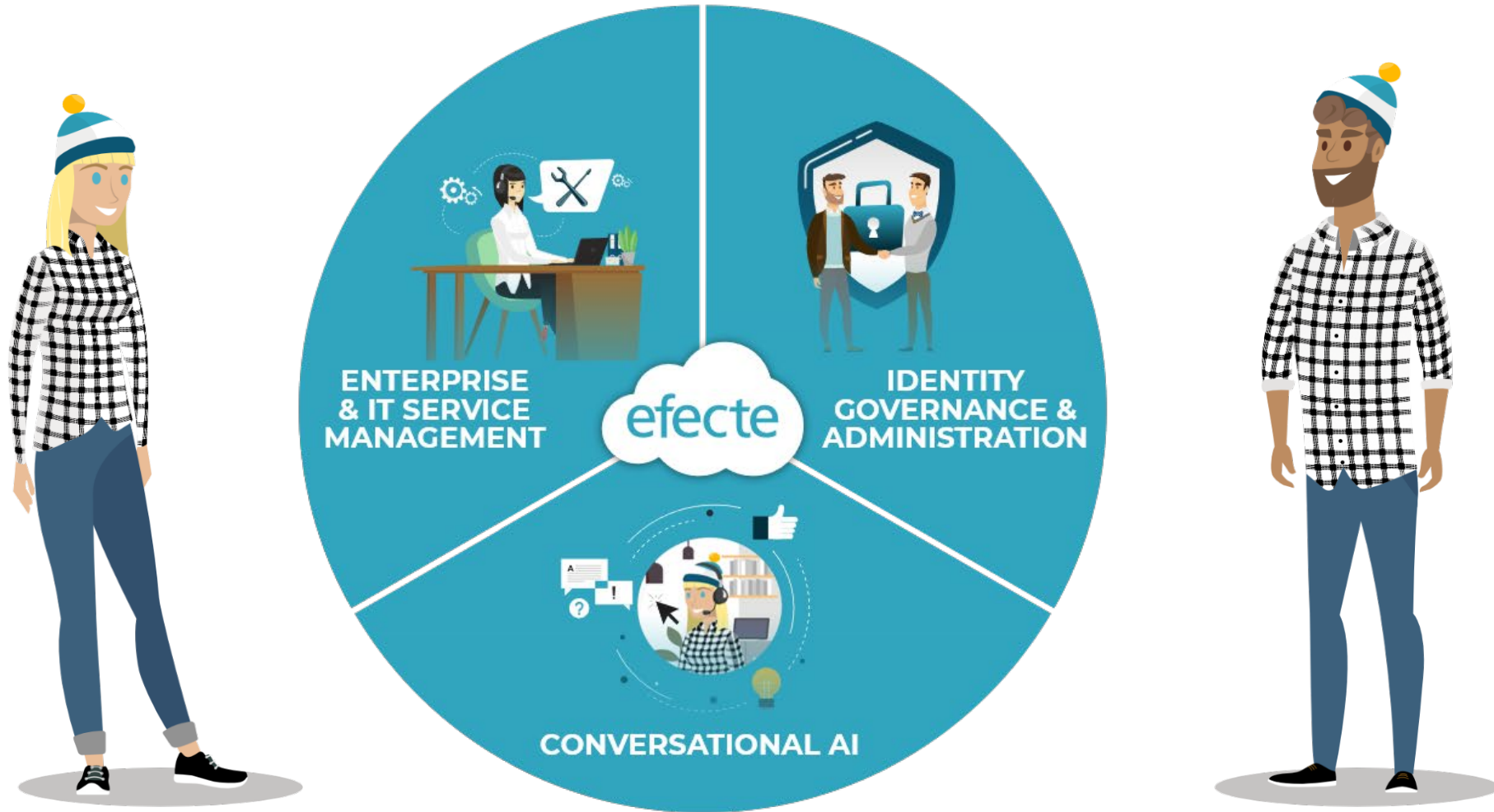
FORWARD LOOKING STATEMENTS

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.

We help people to digitalize & automate their work

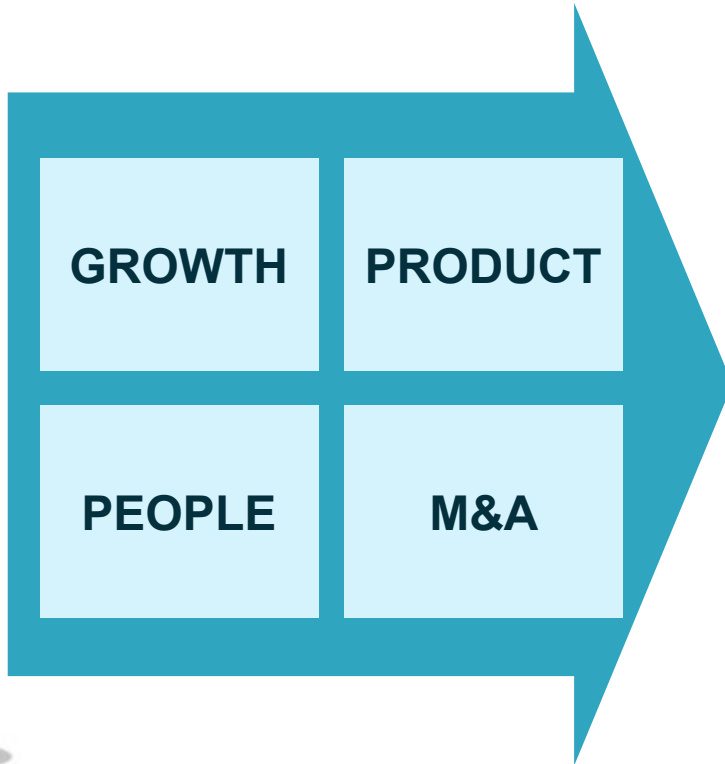




We are building the
**Leading European
Alternative** to the global
goliaths in our space

efecte

Our strategy and vision



Leading European Alternative

The undisputed #1 European service management vendor

By 2025:

35 MEUR
EBITDA > 10%

Eventually:

100 MEUR
EBITDA > 25%



Executing our strategy in Q4



- Total net sales grew by 22%
- SaaS growth 27%, driven by strong 23% organic growth
- Good new customer traction
- International SaaS +33%



- Investment continued and user experience modernization proceeded
- IGA solution proven through multiple successful go-lives
- Efecte Chat for Service Management – first customer deployments



- Maintained high employee satisfaction and low attrition (eNPS 59, 4% unmanaged)
- FTE headcount increased to 194, recruiting slowed down as planned



- IntelliWISE transaction and integration proceeded well
- Transaction related costs impacted profitability as planned

Our guidance for 2022 (updated 30.6.2022)

GUIDANCE	Q1/2022	Q2/2022	Q3/2022	Q4/2022	YEAR TO DATE 01-12/2022
SaaS growth ~ 25%					
Adjusted EBITDA margin > 0%					

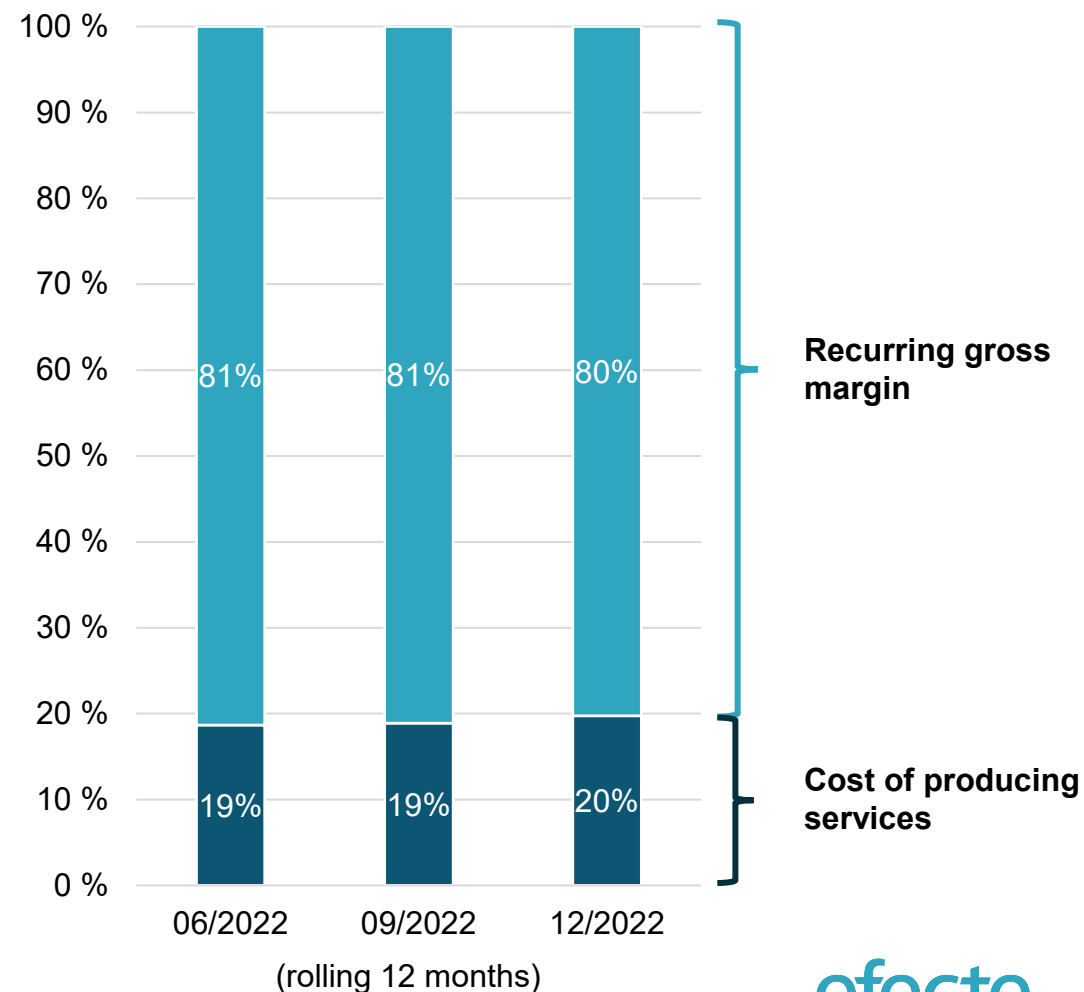
Performance vs. guidance

GUIDANCE	Q1/2022*	Q2/2022*	Q3/2022	Q4/2022	YEAR TO DATE 01-12/2022
SaaS growth ~ 25%	24%	24%	29%	27%	26%
Adjusted EBITDA margin > 0%	3%	2%	5%	-1%	2%

* Efecte updated its guidance on 30.6.2022. Previous guidance from 11 February 2022 until 30 June 2022 was: SaaS net sales is expected to grow over 20% and EBITDA to be positive, excluding costs from inorganic activities.

Strong LTV/CAC and recurring gross margin

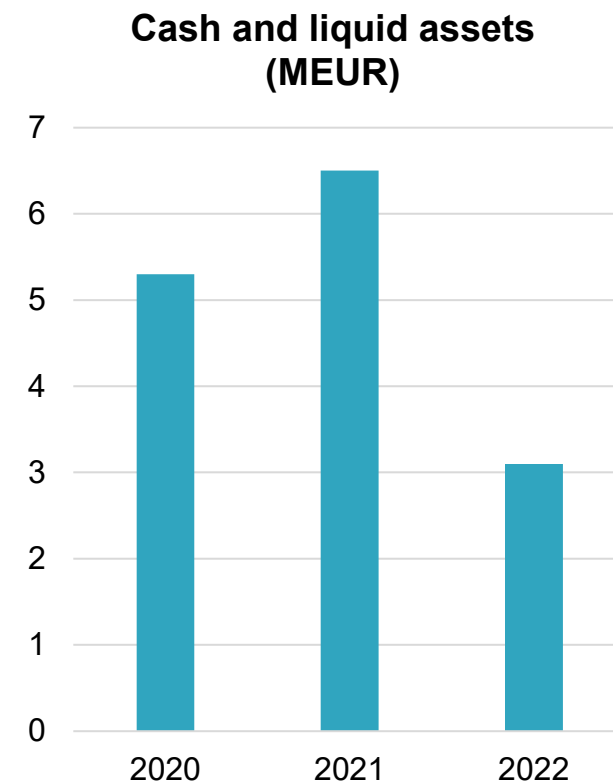
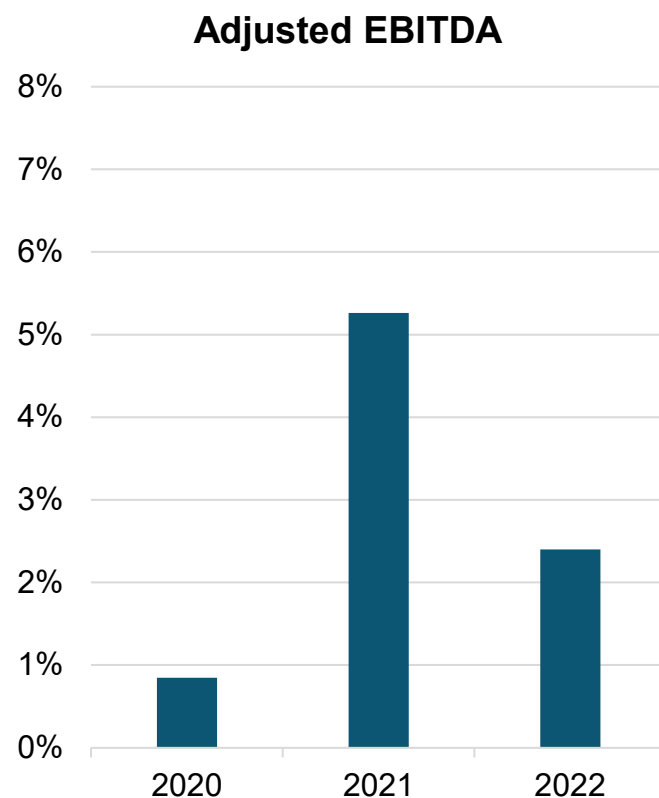
- Recurring gross margin stayed on healthy level
- LTV/CAC ratio was high as the rolling 12-month churn remained exceptionally low, increasing LTV



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

Profitability and cash development on track

- In line with our strategy, we continued investing in long-term growth as opposed to optimizing profitability in the short term
- Topline growth balanced increased costs and led to positive adjusted EBITDA
- The impact of the InteliWISE acquisition is visible in the year-over-year cash development



Q4 product highlights

Service Management (ITSM/ESM)

Next-gen self-service first general release

Plug-and-play dashboard for Microsoft PowerBI

Many UI & usability improvements

Identity Governance & Administration (IGA)

IGA Enterprise package

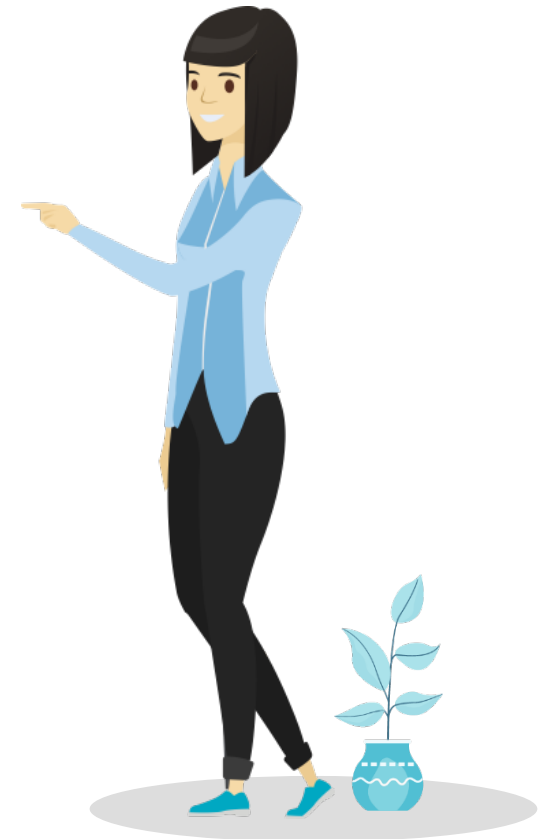
Strong Authentication powered by Signicat

Number of go-lives

Conversational AI

New Efecte Chat for Service Management – first integrated product with first customer deployments

New QR Code solution PoC



Efecte strengthens its market leader position in Europe

Enterprise Service Management solutions



Vendor name	Market presence	Growth rate	Customer traction
Atlassian	Medium	High	Good
BMC	Big	High	Good
Broadcom	Medium	Low	Good
DCON	Small	Medium	Strong
Efecte	Medium	High	Strong
FNT	Small	Low	Good
IBM	Medium	Low	Medium
IFS	Small	Low	Good
Ivanti	Medium	High	Strong
Micro Focus	Big	Medium	Good
Microsoft	Medium	Medium	Good
SAP	Medium	Medium	Medium
ServiceNow	Very Big	Very High	Good
TopDesk	Medium	Very High	Strong
USU	Medium	High	Strong

Improved market presence from small in 2022 to medium in 2023

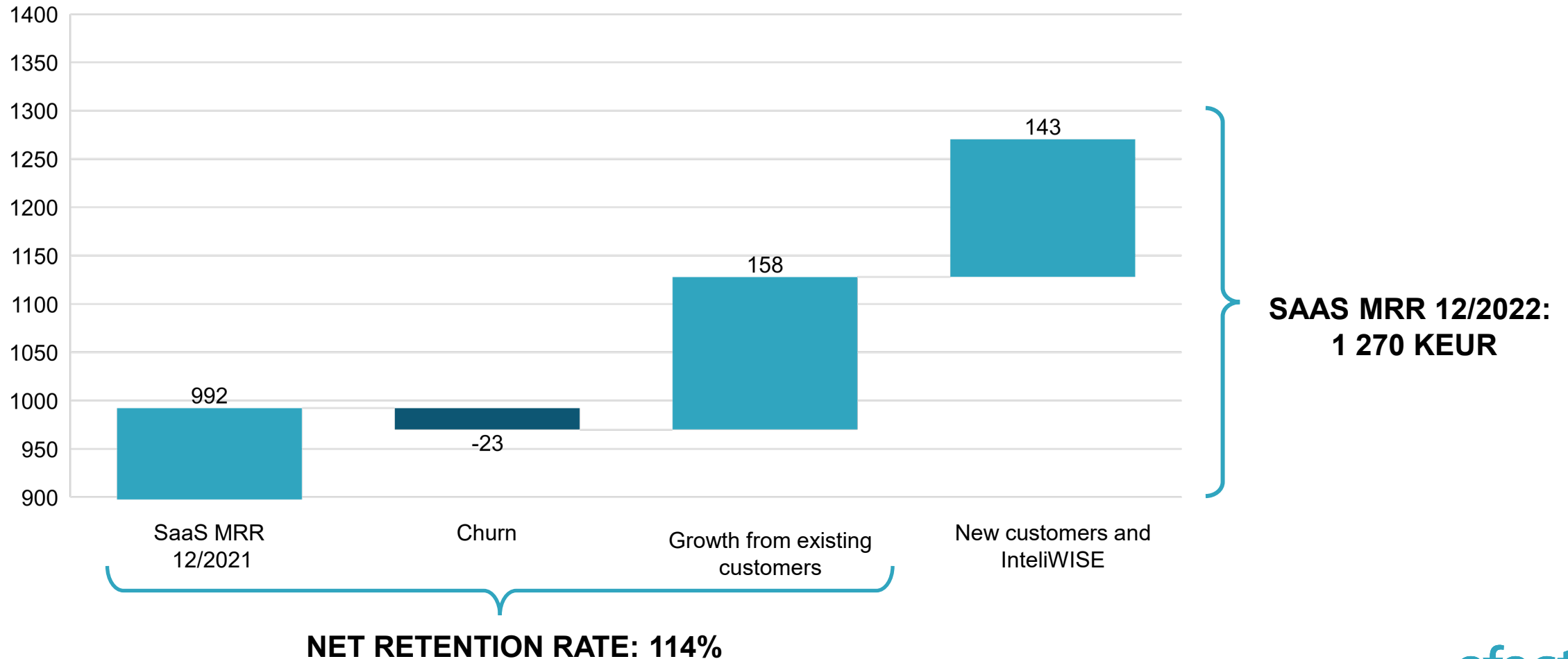
#1 customer satisfaction badge, new in 2023



Source: Research in Action, 2023

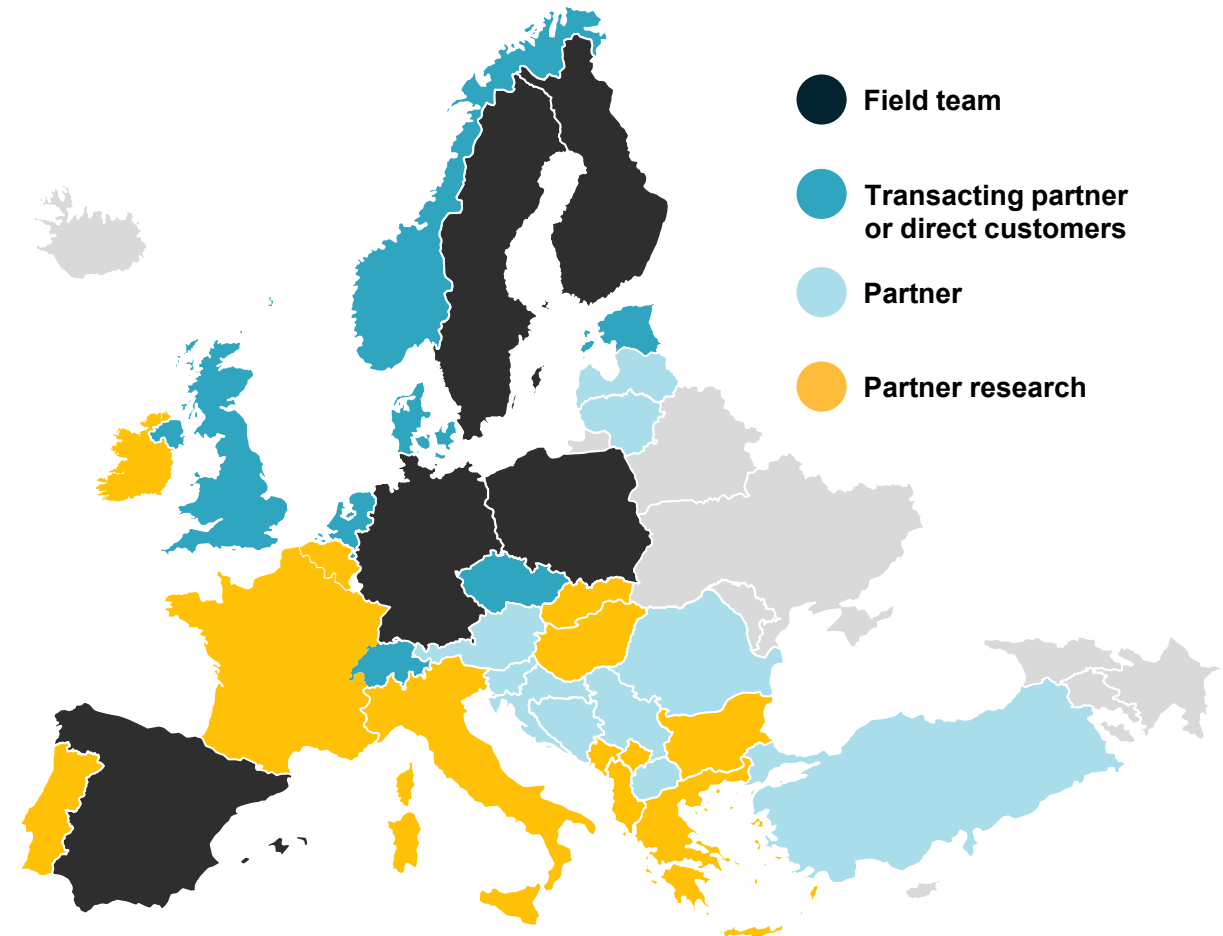
Growing with existing and new customers

Sources of SaaS MRR growth (rolling 12 months)



Go-to-market in Europe and beyond

- SaaS growth continued at 27% during Q4, of which 23% was organic - MRR grew 28% YoY
 - Our focus on the public sector paid off and Finland delivered the biggest highlights in Q4
 - Solid services performance driven by go-lives of both commercial and public sector customers across Europe
- Despite some slowness in customer decision making across our markets we finished the year strong
 - For example, we signed 9 new customers out of Poland
- During 2022 we signed 40 new customers, of which 21 through partners (+9 from Poland)
- New Markets turned already into a meaningful contributor to new orders in 2022
- Churn remained exceptionally low at 2.3%, but we expect churn to return to normal levels during 2023





Guidance for 2023

SaaS net sales is expected to grow over 20% and adjusted EBITDA to be positive.

Growth Drivers for 2023

- Market growth across our portfolio (ITSM, ESM, IGA and CAI)
- Expansion of Efecte use and use cases in existing customers, supported also by our new broader portfolio
- New customer acquisition with direct sales and partner channel
- Pricing adjustments to address inflation
- Churn expected to return to normal levels



2022 ESG Report Released

<https://investors.efecte.com/sites/default/files/efecte-plc-esg-report-2022.pdf>

Our team

Efecte culture is all about our people. It's a special group of people and a special culture. Our people create the foundation on everything we do. In today's competitive talent market, our success is dependent on recruiting and retaining the right talent.

In 2022, we succeeded in maintaining a high employee satisfaction, attract new talent, grow people and build world class teams. We ended with 36% higher headcount than the year before.

InteliWISE made our team stronger than ever not only through new talent but also through internationalization and diversity.

Key Metrics

Metric	12/2022
Number of employees at end of the period (full-time equivalent)	194
Employee attrition (unmanaged)	4,34%
Employee engagement measured by eNPS	59
Number of different nationalities	14
Ratio of women to men among personnel	29% / 71%
Ratio of women to men among technical personnel	18% / 82%
Ratio of women to men among Board	40% / 60%
Ratio of women to men among leadership team	33% / 67%
Ratio of fixed term to permanent employees (fixed / permanent)	9% / 91%

ESG Report 2022

Data protection and privacy

- Our business is based on the processing of our customers data. In addition, large portion of the processed data is personal data. When it comes to privacy, meeting and exceeding customer expectations is a core aspect of our business
- We process our customers' personal data only when it is necessary to carry out activities agreed with our customers. We do not use customers' personal data for any secondary purposes.
- We have appointed a data protection officer (DPO) in all countries of our operations and comply with all applicable data protection regulation.
- During 2022, we introduced annual mandatory data protection trainings and tests for all employees
- Further information on Efecte's processing of personal data can be found at <https://www.efecte.com/privacy-policy>

“Cloud on your own terms”

A key part of Efecte's offering is our "cloud on your own terms" deployment model, where the customer has full control where and how their data is hosted, without sacrificing the benefits of cloud-based software. With this deployment model, our customers can meet their employees' and customers' increasing demands for privacy, security and data location - without compromises.

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Q & A





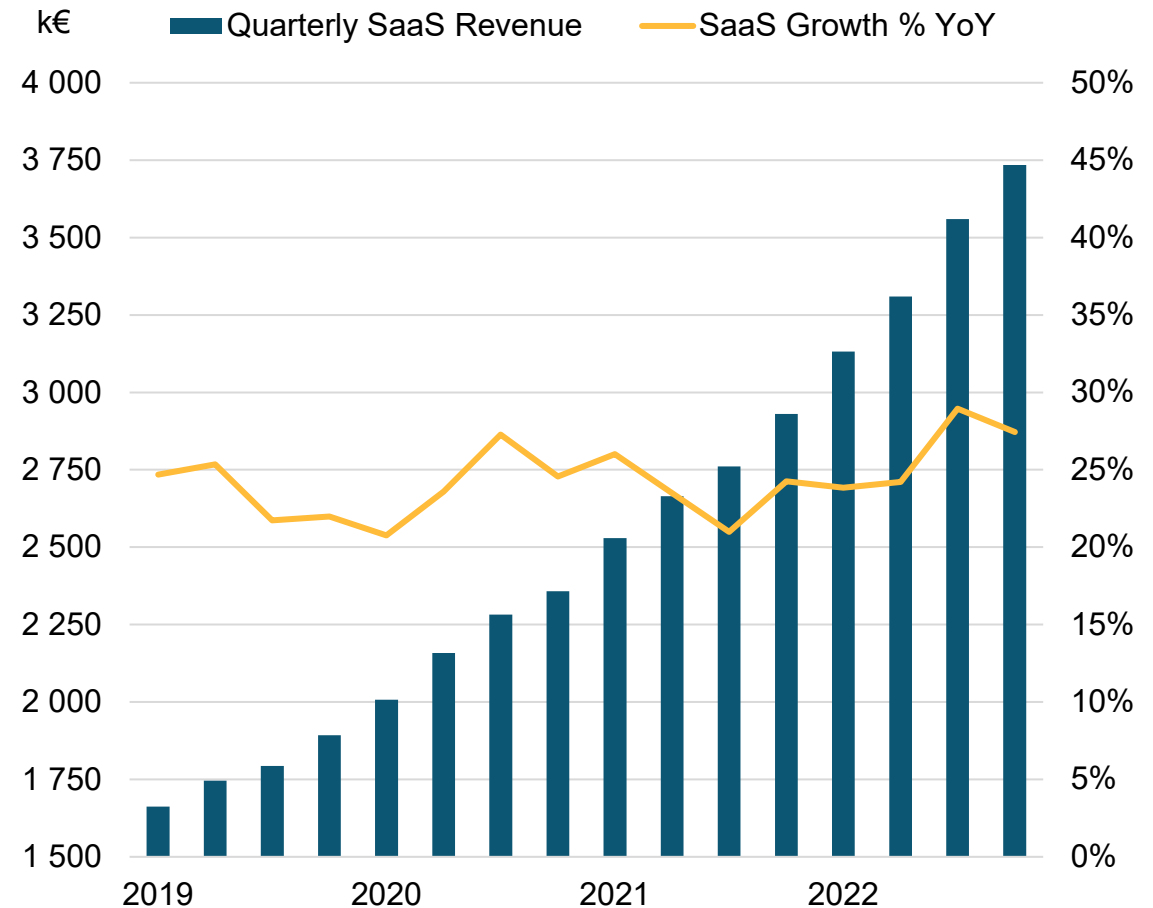
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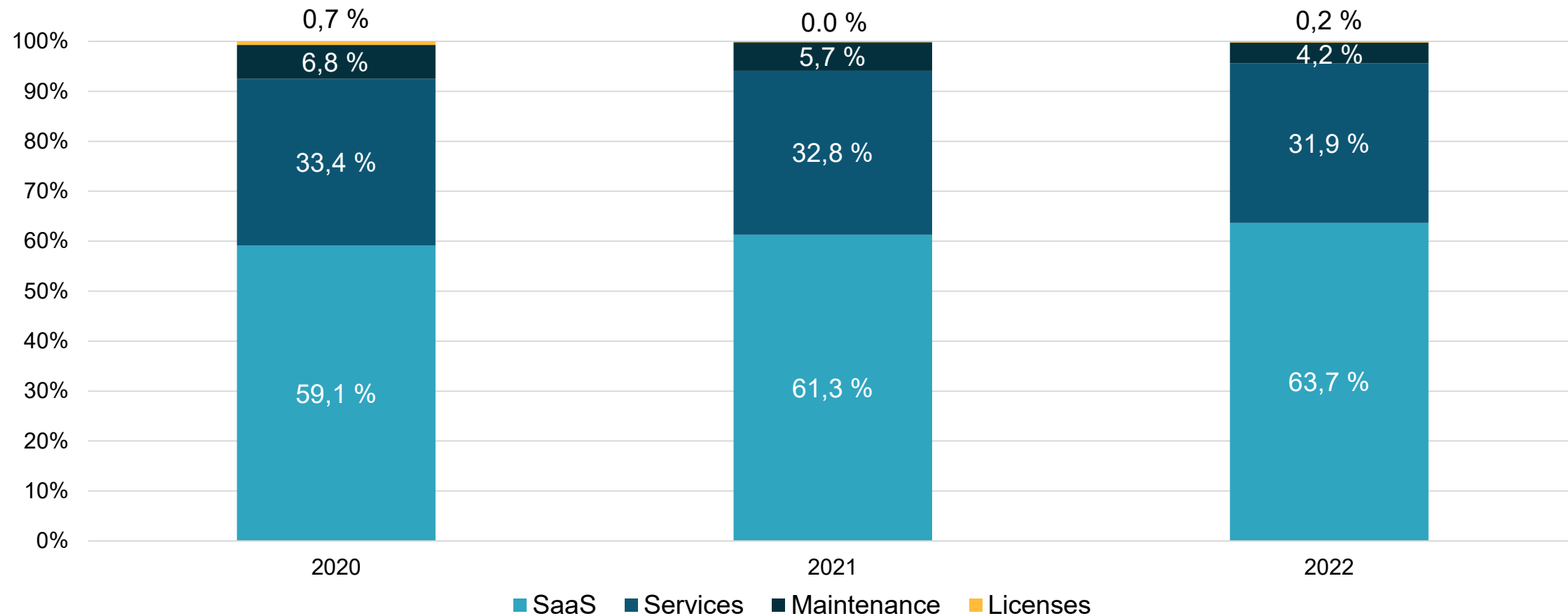
Appendix

Compounding SaaS growth

- SaaS growth over 20% for 21 quarters, each quarter as listed company
- Steady growth % translates to exponential growth in absolute numbers



Share of SaaS continued to increase



Key figures

1000 EUR	Q4/2022	Q4/2021	2022	2021
Net sales	5 910	4 853	21 607	17 764
EBITDA	-184	95	-13	935
Adjusted EBITDA	-42	95	519	935
EBIT	-488	-38	-864	431
SaaS MRR	1 270	992	1 270	992

Summary: Efecte as an investment

01 GROWING MARKET

European Alternative to global players in a cloud ITSM/ESM, CIA and IGA 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

Expanding presence across EMEA through opening new direct and partner-led markets

SaaS growth
2022

26%

International SaaS
growth 2022

36%

Net sales
2022

21.6 M€

SaaS ARR
(12/2022)

15.2 M€

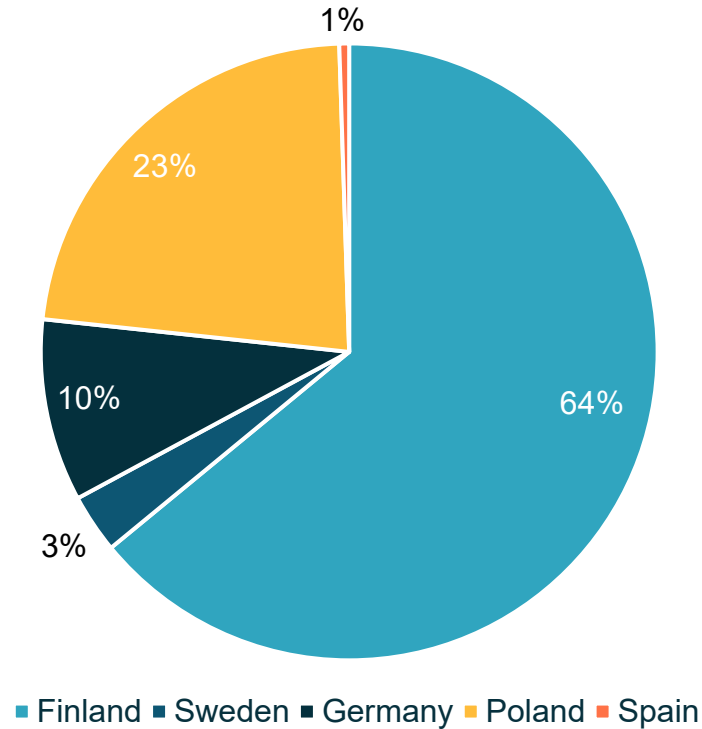
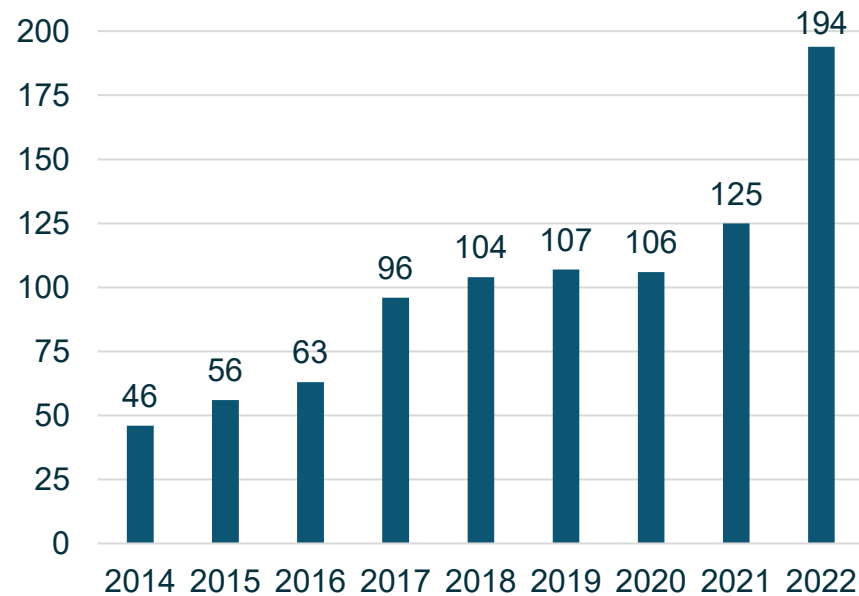
Employees
2022

194

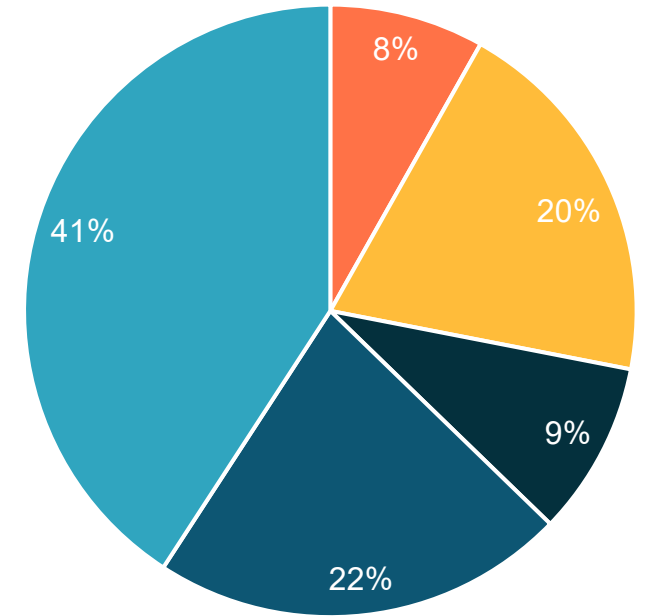
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Team in numbers

- We are pleased with the organic part of growing our team
- With low attrition, year-over-year headcount grew by 55% of which 20 percentage-points came organically



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

Financial targets, 2022 guidance, dividend policy

Long-term financial targets

By 2025, grow organically to 35 MEUR total net sales, maintain an average SaaS growth of over 20% and reach double-digit EBITDA margin.

Through organic growth and acquisitions, become eventually the largest European service management vendor with total net sales over 100 MEUR and EBITDA margin exceeding 25%.

Guidance for 2023

SaaS net sales is expected to grow over 20% and adjusted EBITDA to be positive.

Dividend policy

According to its strategy, Efecte will invest substantially in growth in the next few years, due to which the company does not aim to pay dividends for the foreseeable future.

Organic growth scenario	2020	2021	2022	2023	2024	2025
Net sales	14.9 M€	17.8 M€	21.6 M€			>35 MEUR
Profitability	EBITDA 1 %	EBITDA 5 %	Adjusted EBITDA 2 %			Double-digit EBITDA margin
Financing	Cash flow	Cash flow	Cash flow	Cash flow	Cash flow	Cash flow

** This illustration shows a hypothetical scenario based on Efecte's Long-term Financial Targets and should not be considered as guidance regarding the expected development of Efecte's business or financials.*

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Thank you.