



efecte

Q1/2021 results webcast

April 29th, 2021

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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.

Agenda

1. Q1 results

- Financial performance
- Product development
- European expansion
- Look ahead

2. Q&A

Efecte – the European Alternative in cloud-based service management



We help service organizations digitalize & automate their work:

- Be more agile
- Improve experience
- Save costs

What we promised

1. SaaS growth 20-24%

2. International expansion

3. EBITDA margin 1-4%

What we delivered

Results 1-3/2021

20-24% SaaS growth



SaaS +26%

International
expansion



Internat. SaaS +46%
First deal in UK

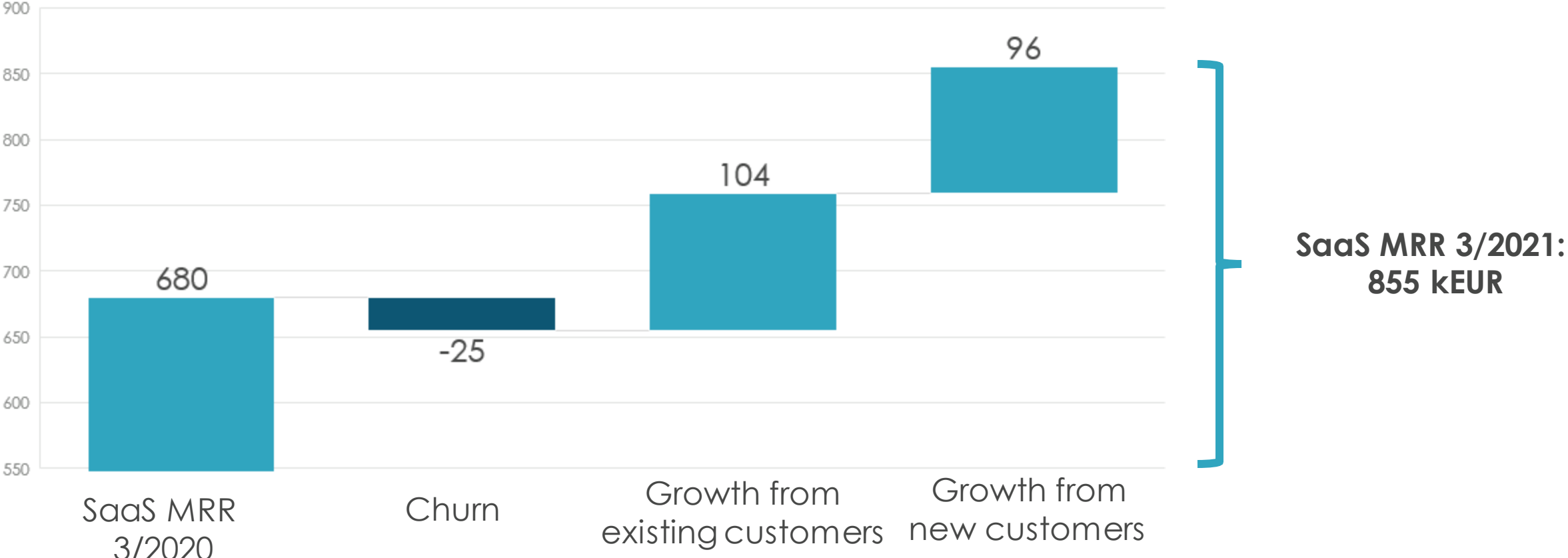
EBITDA margin 1-4%



EBITDA margin 4%

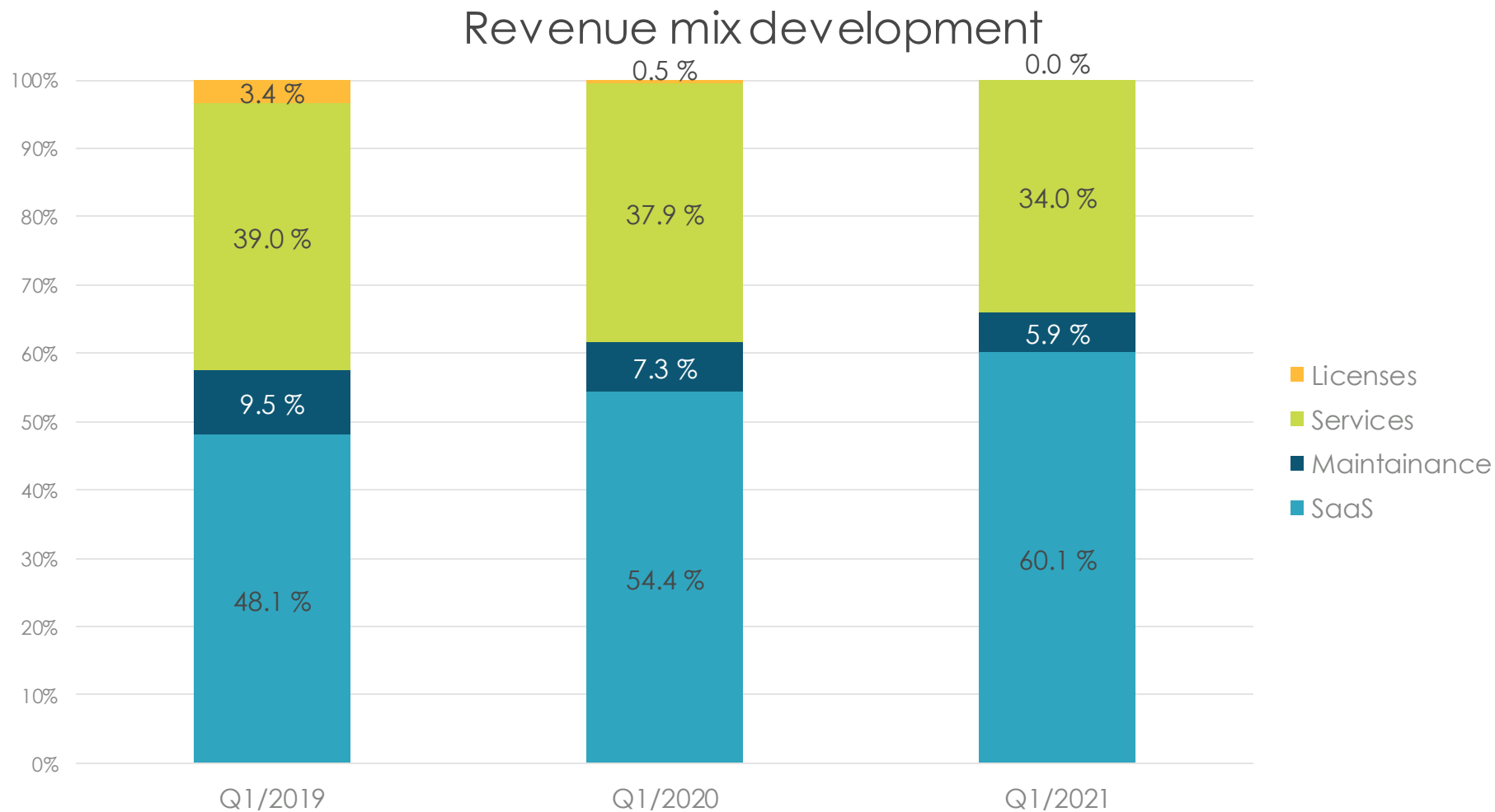
Growth from both existing and new customers

Sources of SaaS MRR growth (rolling 12 months basis)



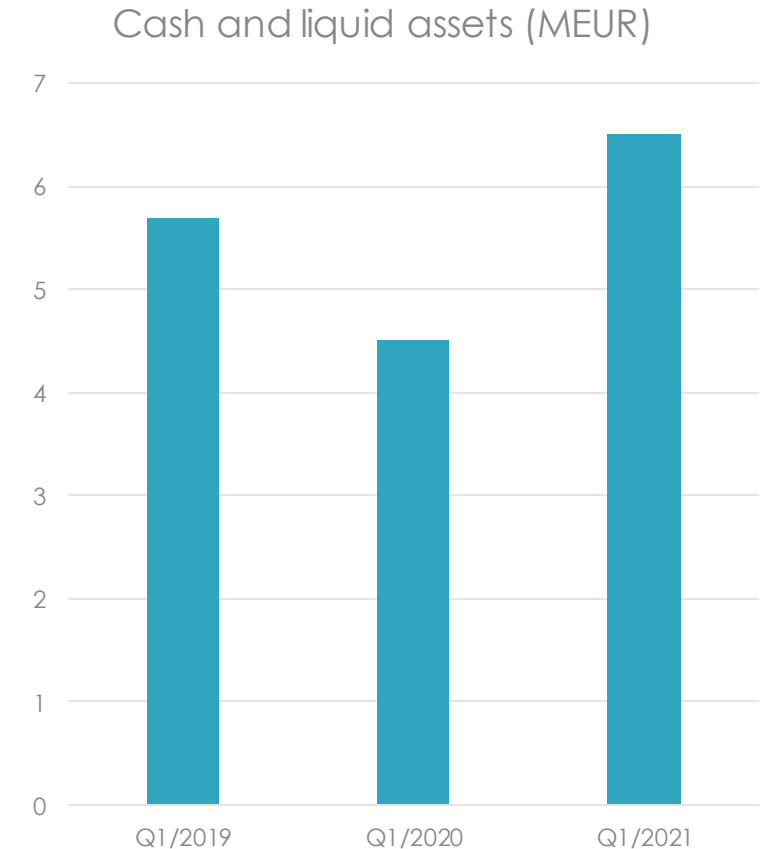
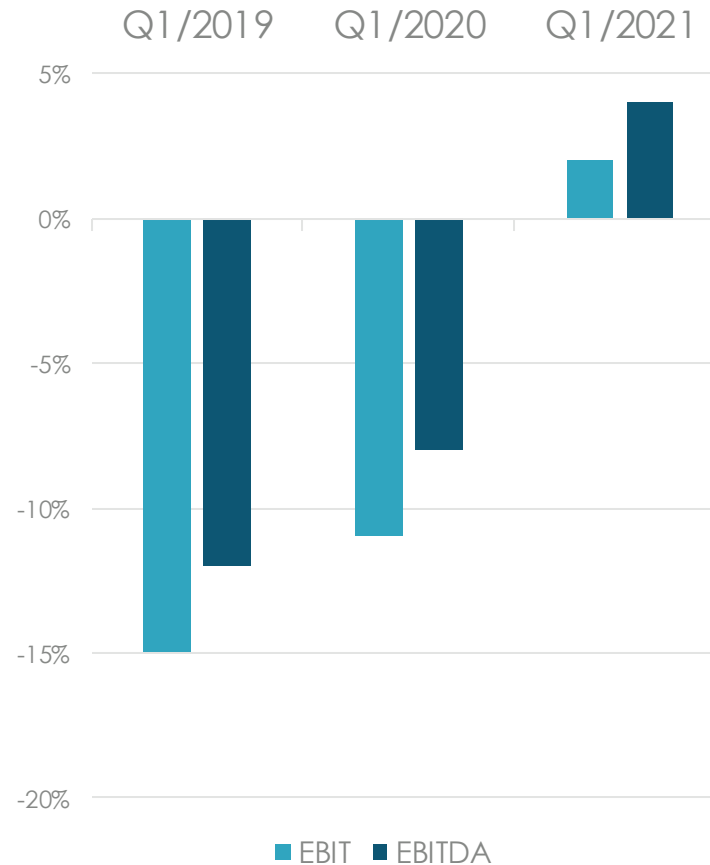
Net retention rate: 112%

SaaS transformation continued



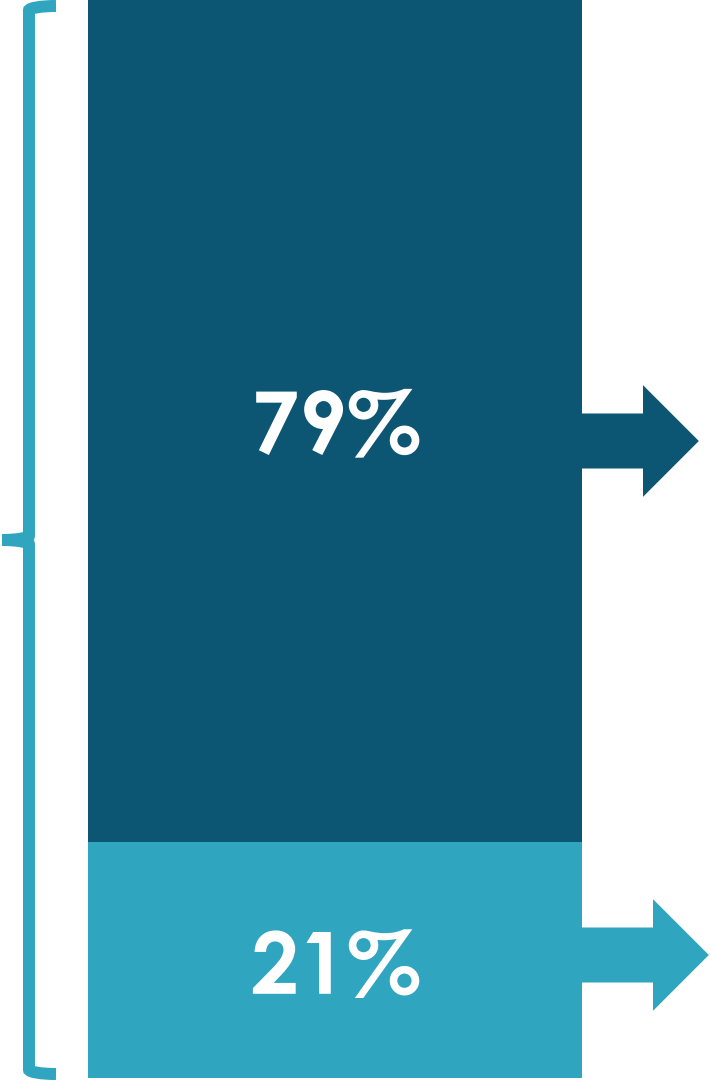
Profitability improved

- Strong SaaS growth in Q1
- Total net sales grew also double digits, supported by best services quarter since beginning of the pandemic
- Investments in long-term growth prioritized over short-term profitability
- Growing cash position enables us to consider both organic and in-organic investments



Recurring business provided a healthy margin

Rolling 12 month
SaaS +
Maintenance
revenue:
10.3 MEUR



Recurring gross margin

- Costs of:
- support
 - cloud infrastructure
 - cloud operations
 - third party licenses

Product highlights

Completed
Efecte Whistleblower solution



AI powered category suggestions
with **Virtual Coach**

Enterprise Service Management - Tools and Services

ESM Tools Providers

Rising Star Germany

ISG Provider Lens™

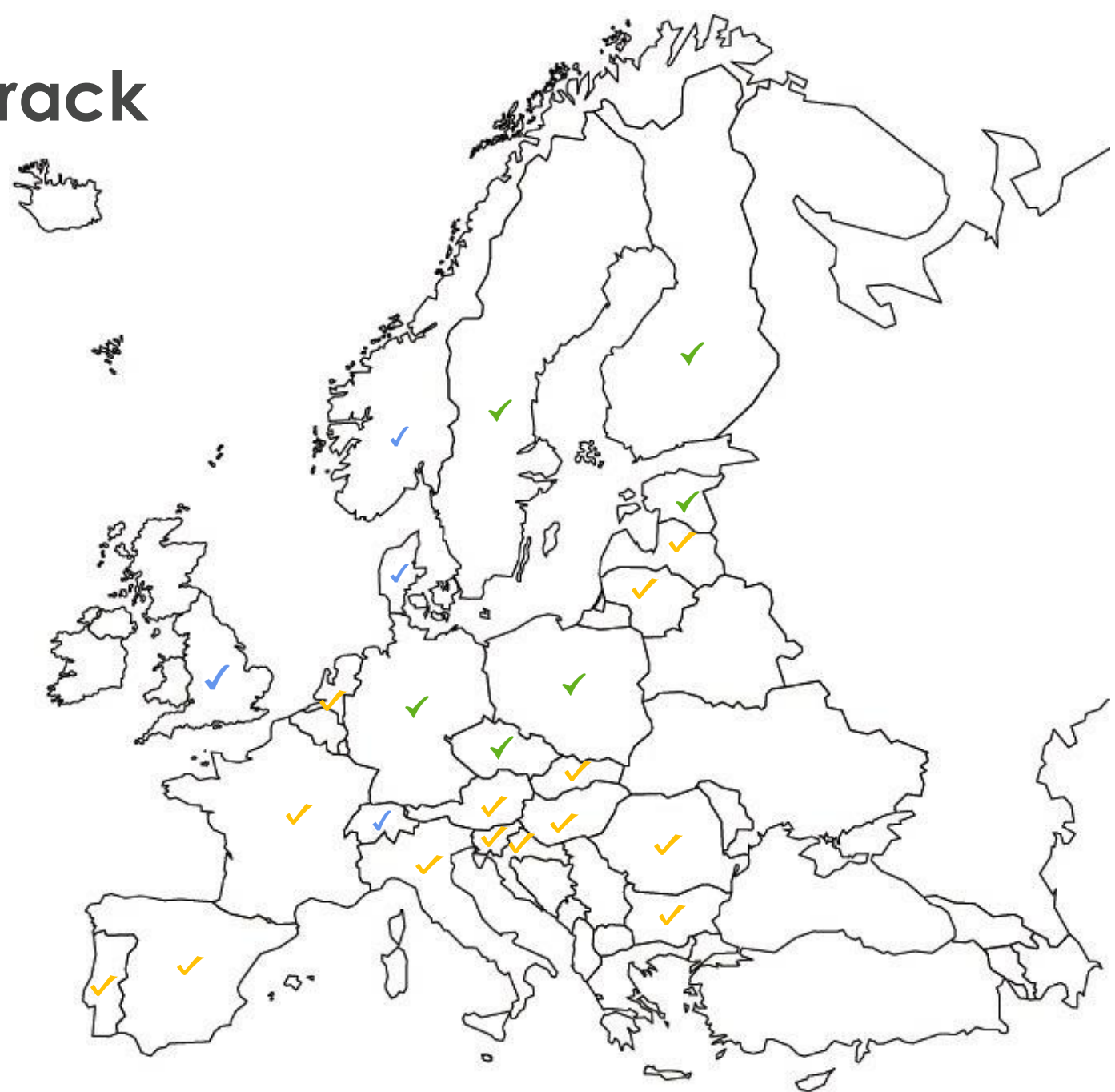
Quadrant Study



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European expansion on track

- International SaaS growth of 46% in Q1 driven by **DACH & Scandinavia**
- **New markets** model based on digital go-to-market and local partners continued to develop
- Signed Solutia as a partner in the **Czech Republic** and established discussion with prospects in multiple countries
- Started building new markets sales pipeline and received **first order in the UK**



✓ = Field/Customers ✓ = Existing Field/Partner ✓ = New Market Research

Financial targets, 2021 guidance, dividend policy

Long-term financial targets

Efecte aims for over 20% annual organic growth of SaaS net sales on average in 2020 - 2023. Substantial investments in international growth and product development will decrease operating profit in the next few years, but the company aims for a double-digit operating profit percentage by the end of the strategy period.

Guidance for 2021 (unchanged)

SaaS net sales is expected to grow 20-24% and EBITDA margin to be 1-4%.

Dividend policy

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

Illustration of net sales and profitability development, based on long-term targets *

	2018	2019	2020	2021	2022	2023
Net sales	12.2 M€	13.8 M€	14.9 M€			>20 % CAGR of SaaS in 2020–2023
Profitability	EBITDA -16 %	EBITDA -7 %	EBITDA 1 %			Double-digit EBIT-%
Financing	IPO 2017	IPO 2017	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.



Q&A

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A top-down view of a person's hand with a ring and bracelet using a mouse on a desk. A keyboard, notebook, and pen are also visible on the desk. The image has a blue tint.

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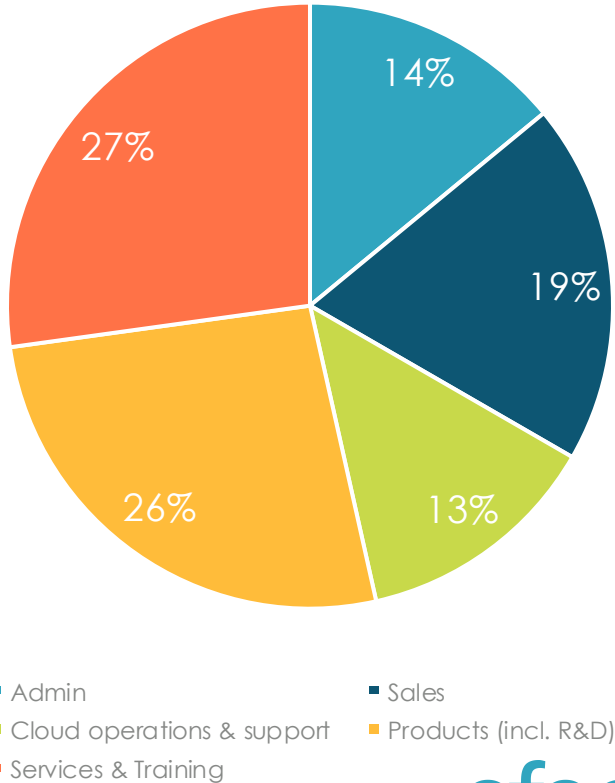
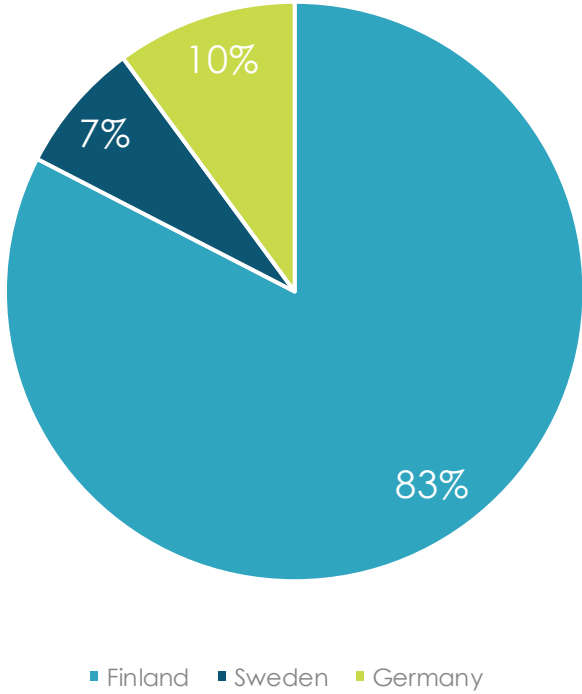
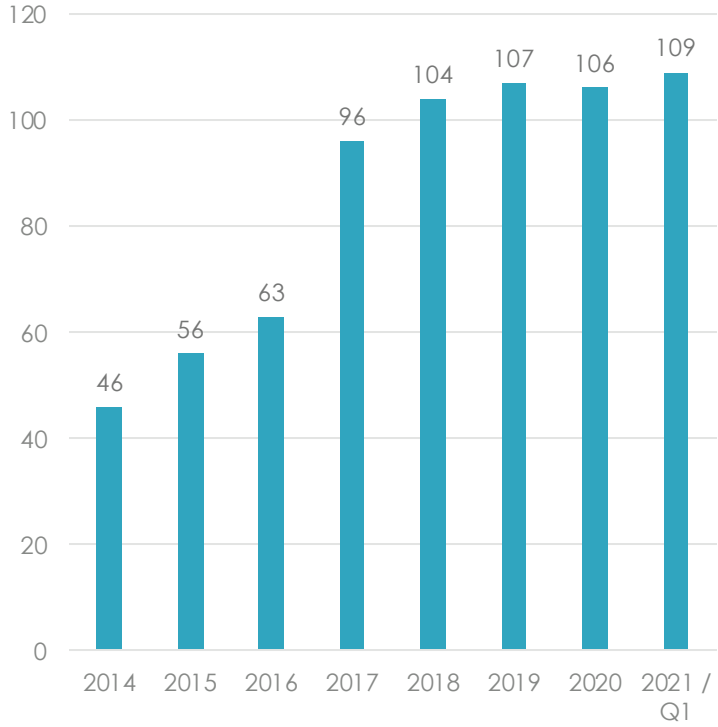
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Appendix

Group key figures

MEUR	1-3/2021	1-3/2020	2020
Net sales	4.2	3.7	14.9
EBITDA	0.2	-0.3	0.1
EBIT	0.1	-0.4	-0.3
SaaS MRR (1000 eur)	855	680	808

Employees



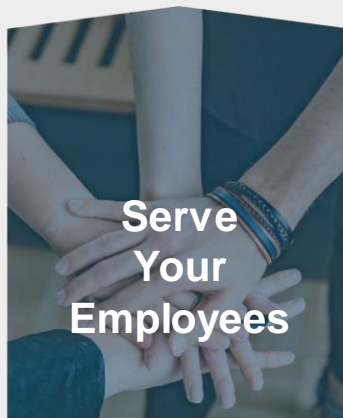
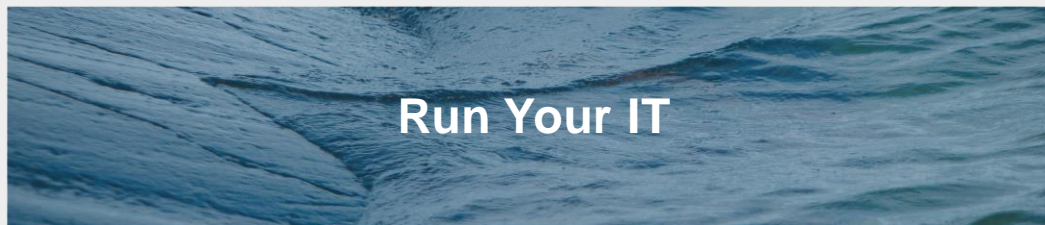
Summary: Efecte as an investment

1. Growing market

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

2. SaaS business model

Scalability and predictability through recurring revenue and solid unit economics



3. Proven product

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

4. International growth

Confidence through success in first phase of international strategy



SaaS growth
1-3/2021

26%



International SaaS
growth 1-3/2021

46%



Net sales
2020

14.9 M€

SaaS share of net
sales (1-3/2021)

60%



Employees
3/2021

109

A close-up photograph of tall, golden-brown grasses against a clear blue sky at sunset. The grasses are in sharp focus in the foreground, while the background is softly blurred. The text 'Thank You!' is centered in a white, elegant serif font.

Thank You!

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