

Q3/2021 Investor Presentation

Gofore — Pure-play digital transformation consultancy



Disclaimer

This presentation includes forward looking statements which involve risks and uncertainty factors. These statements are not based on historical facts but relate to the company's future activities and performance. They include statements about future strategies and anticipated benefits of these strategies. These statements are subject to risks and uncertainties. Actual results may differ substantially from those stated in any forward looking statement. Gofore assumes no obligation to update or revise any information included in this presentation, except to the extent legally required.

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Presenting today



Mikael Nylund, CEO

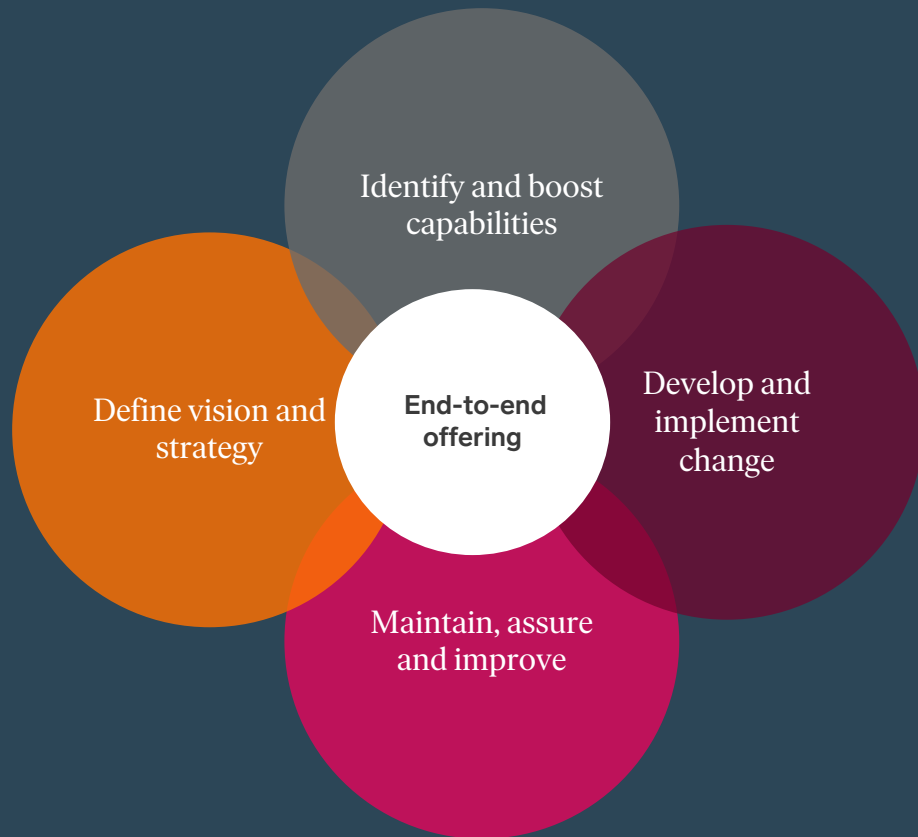


Teppo Talvinko, CFO

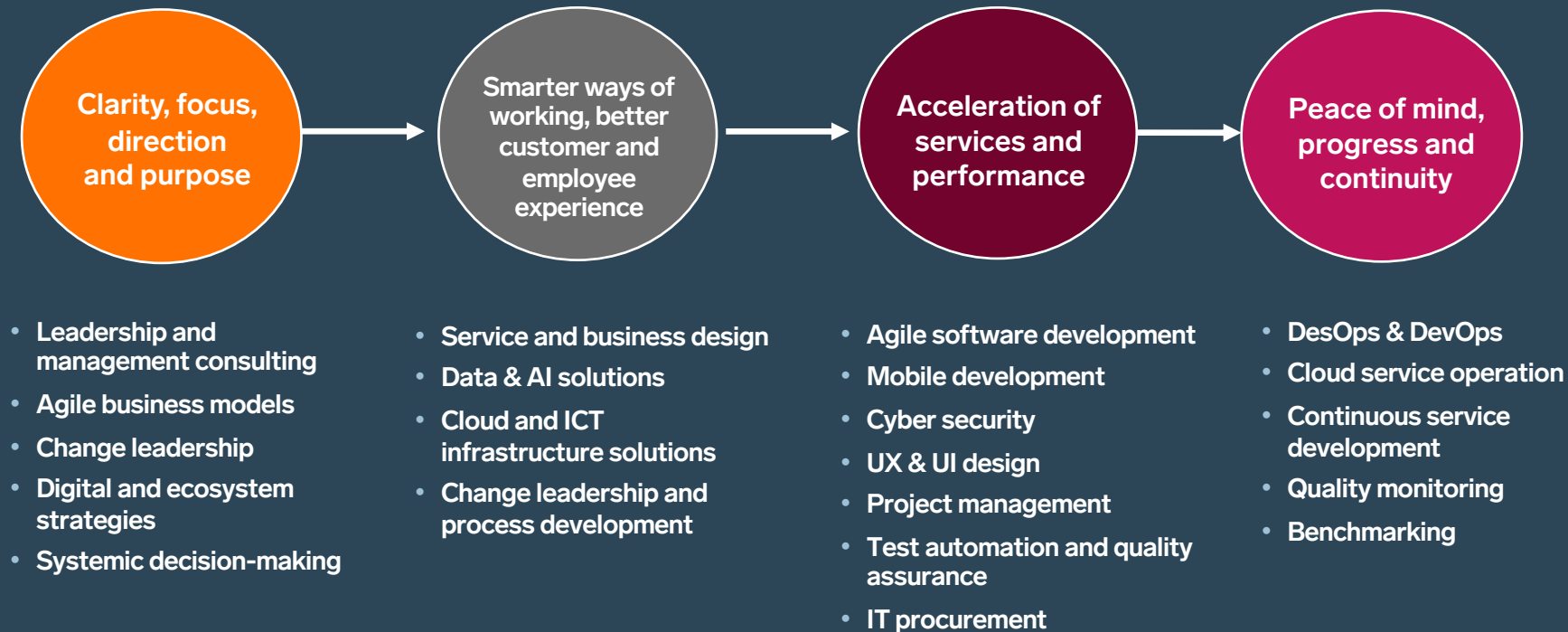
Gofore is a growing and
profitable digital
transformation consultancy.



Whether our customers' challenge is big or small, we help them implement impactful change.



We develop new ways of thinking and capabilities at every stage of digital transformation journeys



We deliver digital solutions with positive societal impact

Selected examples



Digitalizing national service architecture

Creating a single point of contact platform for public services, provided to citizens, organizations and the government



Building a smarter education sector

Building a best-in-class digital services which facilitate information sharing and dialogue between families, education sector and service providers



Revolutionizing services for the labor market

Building AI assisted service to elevate matching jobs and job seekers to the next era



Accelerating the switch to electric cars

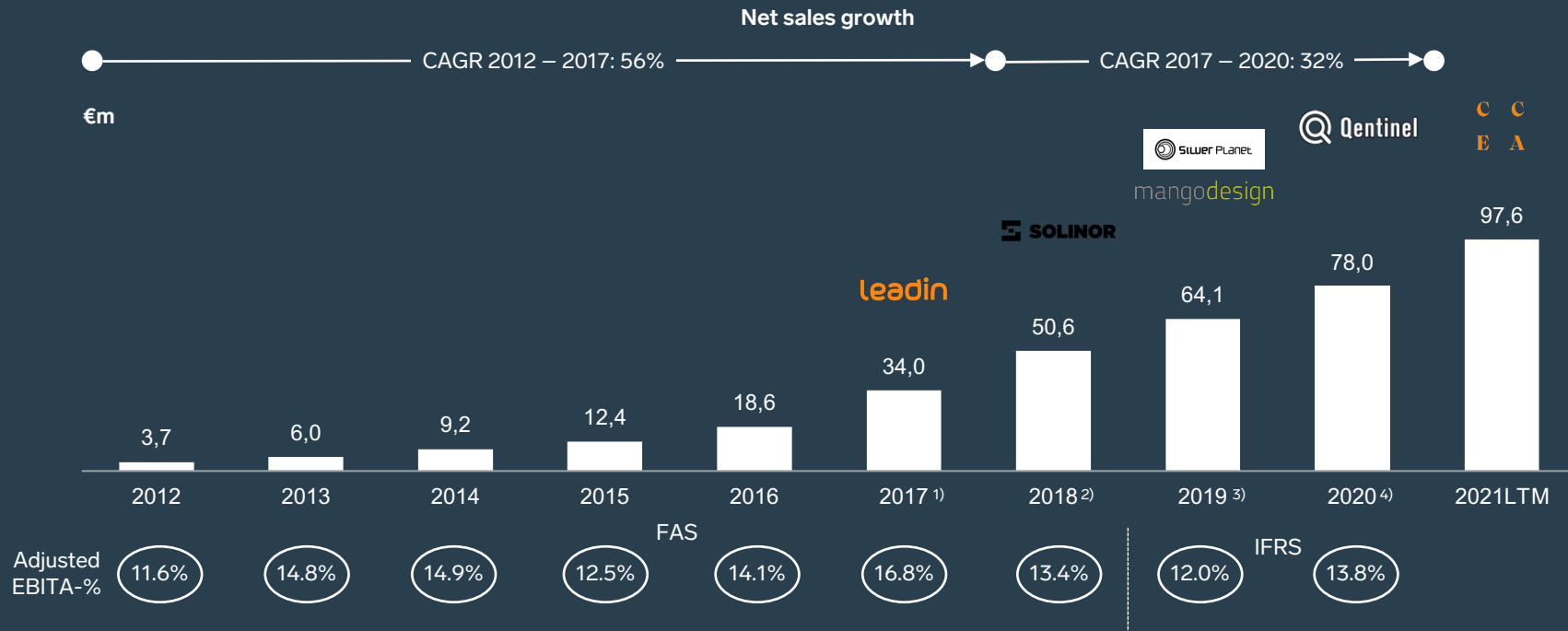
Improving the user experience of electric vehicle charging solutions through enhanced usability and service design support



Harnessing futures thinking to aid carbon sequestration

Modelling the ecosystem players and the potential future scenarios in combating global climate change

Growing and profitable



Note: 2012-2018 figures presented as FAS figures, 2019-2020 presented as IFRS figures. 1) Figures for the financial period in 2017 are not comparable to the financial period in 2016 due to changes in group structure; 2) The compared 2017 figures include the figures of Leadin Oy from 1 June 2017 onwards and the figures for Solinor Oy have been combined with the Gofore Group figures from 1 September 2018; 3) Silver Planet Oy figures are combined with the Gofore Group figures starting on 15 February 2019 and the figures for mangodesign Finke-Anlauff & Anlauff GbR:n starting on 1 July 2019. For the 2019 financial year, resale of cloud capacity has been marked as net figures in net sales, and as gross in the comparative period 2018 (approximately EUR 1 million); 4) Qentinel Finland Oy figures are combined with the Gofore Group figures starting on 1 September 2020.

Our aim is always to be



**Growing and
profitable**



Constantly renewing



**Impactful and
responsible**



International

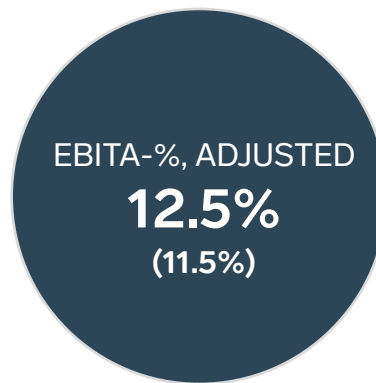
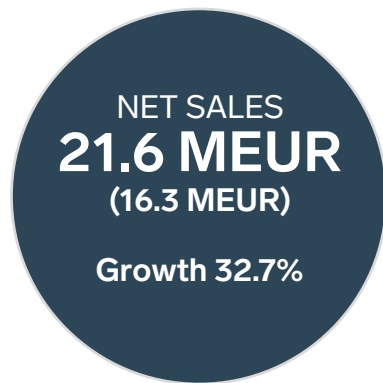


**Offering exceptional
customer and employee
experience**

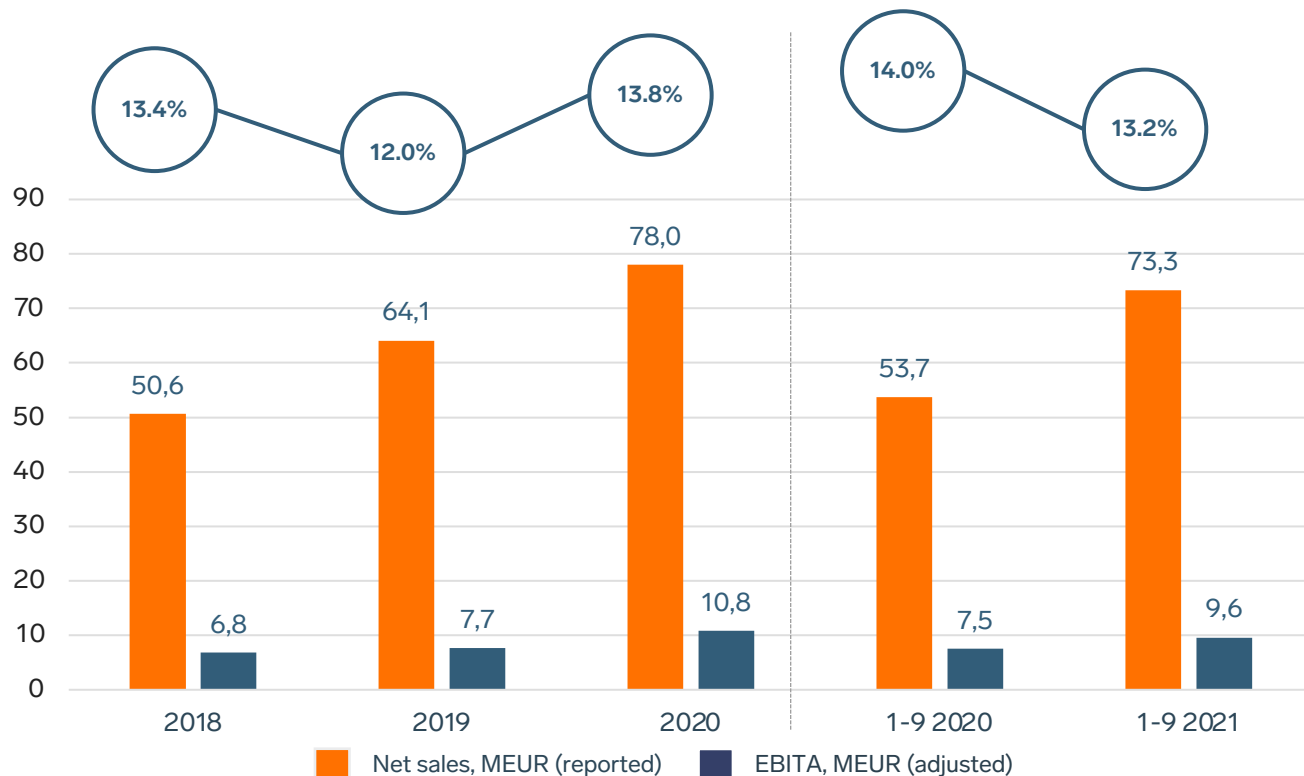
1 July–30 September
Business Review
2021



Key financial highlights of Q3/2021



Net sales and profitability 2018 – 9/2021

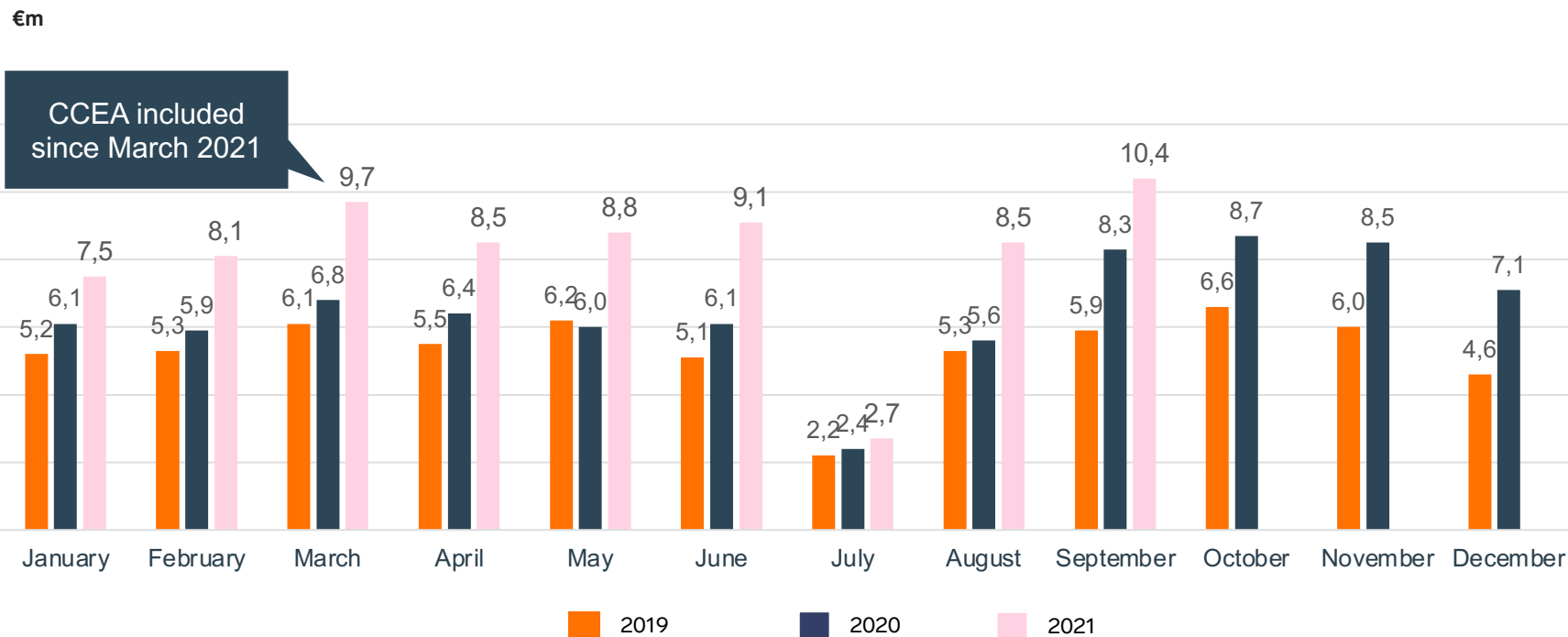


1-9/2021 growth YoY

Total	37%
Finland	41%
International	5%
Public sector	19%
Private sector	86%

Note: 2018 figures presented as FAS figures; 2019-2020 figures presented as IFRS figures.

Monthly net sales development 2019 – 9/2021



Quarterly development

Group	Q1 2021 ¹	Q2 2021	Q3 2021	Q4 2021
Net sales, MEUR	25.2	26.4	21.6	
EBITA, MEUR, adjusted	3.5	3.4	2.7	
EBITA-%, adjusted	13.9%	13.0.%	12.5%	
Group	Q1 2020	Q2 2020	Q3 2020 ²	Q4 2020
Net sales, MEUR	18.8	18.6	16.3	24.3
EBITA, MEUR, adjusted	3.2	2.5	1.9	3.3
EBITA-%, adjusted	16.8%	13.3%	11.5%	13.5%
Growth-%	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Net sales, growth-%	34.1%	42.5%	32.7%	
EBITA, adjusted, growth-%	10.7%	39.5%	44.3%	

¹⁾ CCEA Ltd. figures have been combined with the Gofore Group figures from 1 March 2021.

²⁾ Qentinel Finland Oy figures have been combined with the Gofore Group figures from 1 September 2020.

Avenues to reach the growth targets

Growth in Finland

1. *Become #1 in digital transformation business for the public sector*
2. *Become tier 1 service provider for several Top 100 private firms*

International growth

1. *Grow with international clients served from Finland*
2. *Expand physical presence and operations in Germany*

Disciplined M&A

1. *Keep up M&A growth at least at the historical pace*
2. *Acquire targets that fit to Gofore strategy*

20% total annual growth

~10% annual organic growth

Growing portfolio of large customers in and outside Finland

Increasing presence outside Finland, reaching >10% in 2025

Growth in Finland

International growth

Disciplined M&A

- Sales to private sector clients increased 86% in 1-9/2021 YoY, (92% in H1/2021 YoY)
- Strong position among public sector clients, long-term agreements and good outlook in terms of customer demand
- Positive development of average hourly price continued – +3.7% in 1-9/2021 YoY, (+3.2% in H1/2021 YoY)
- Excellent billing rate towards the end of Q3/2021 mirrored demand
- Positive trend in organic growth during 2021

Significant customer agreements

- New framework agreements with the **Finnish Tax Administration** for technical project management services (EUR 10–12 million, 6 years¹⁾, and management consulting (EUR 8 million²)
- The **City of Helsinki** selected Gofore as its development partner for the Education Division (up to EUR 3 million³)
- New framework agreement with the **City of Espoo** (EUR ~25 million, 7 years⁴) for consultancy services in supporting digital transformation
- Agreement extension with **Elisa Corporation** (EUR ~1 million per year) for integrated software quality assurance and testing

¹⁾ Announced on 21 January 2021; ²⁾ Announced on 10 March 2021;
³⁾ Announced on 29 March 2021; ⁴⁾ Announced on 30 March 2021.

Growth in Finland

International growth

Disciplined M&A

- Sales outside Finland affected by Covid-19, but now gradually recovering
- New customer agreements and stronger foothold in Europe; e.g. OECD and European Patent Office
- Customer investment activity in Germany increasing across the board, both current and new customers



Growth in Finland

International growth

Disciplined M&A

- Acquisition of CCEA Ltd. completed in March 2021 – integration of acquired business progressing as planned
- Qentinel Finland Ltd. (acquired in September 2020) rebranding to Gofore Verify proceeding
- Successful completion of directed share issue of 1,000,000 new shares; raising EUR 19 million
- Strengthening the Gofore team specifically for German market activities

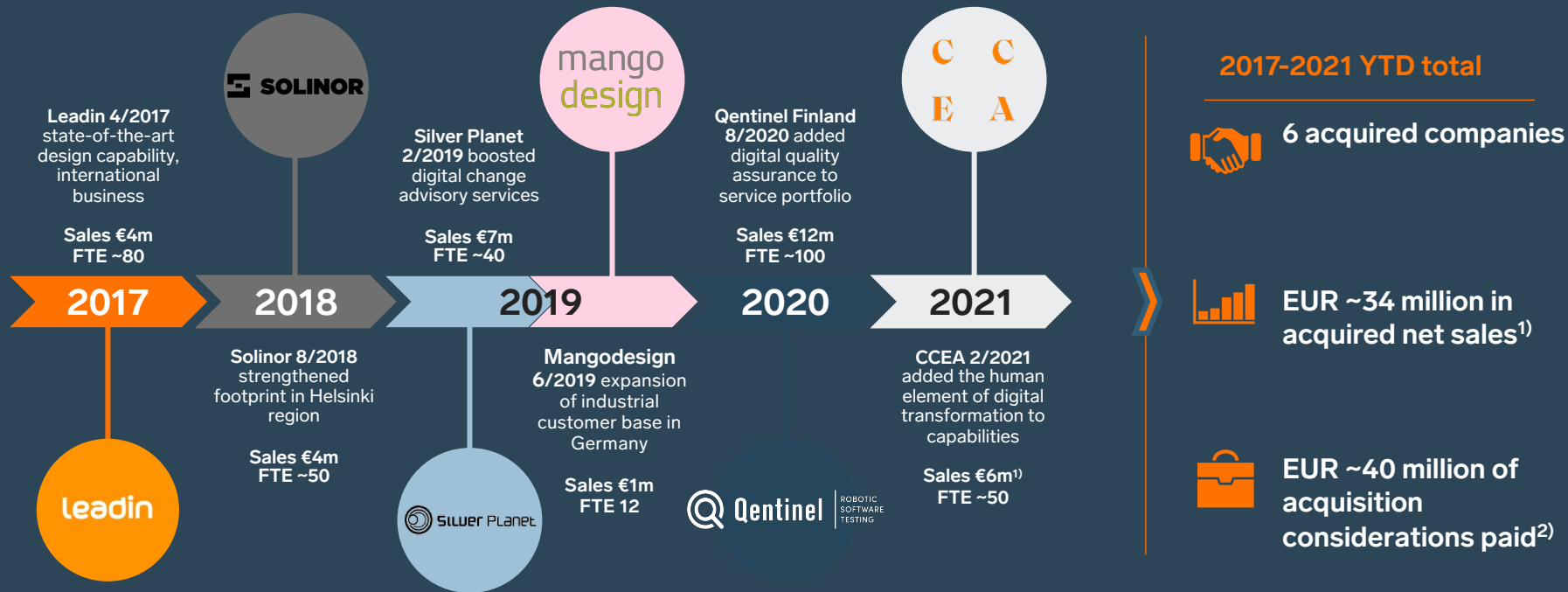


Growth in Finland

International growth

Disciplined M&A

Gofore has followed a disciplined M&A strategy over the past years



1) Including EUR 0.4m net sales of Celkee Ltd.; 2) Including additional purchase price paid for Gentinel Finland on 31 March 2021

Changes in the labour market continue to affect the industry

TRENDS AND DRIVERS	GOFORE STRENGTHS	RECENT ACTIVITY <i>Selected highlights</i>	RECENT RESULTS <i>Selected highlights</i>
<ul style="list-style-type: none"> • Receding Covid-19 pandemic • Freelance and location-independent work, remote work and similar models have proliferated, propelled by the pandemic • Continued competition for talent 	<ul style="list-style-type: none"> • Well-positioned as an ecosystem player • Strong, awarded culture • Continued focus on employee experience and employer brand visible in sustained employee engagement 	<ul style="list-style-type: none"> • Constantly renewing recruiting efforts • Future of work – readiness for individually tailored workplaces • Own collective labour agreement to facilitate flexibility 	<ul style="list-style-type: none"> • Number of job applications received up ~29% in H1/2021 from H1/2020 • ~200 new recruits Jan-Sept 2021 • 7th in YPAI (Young Professional Attraction Index), Gofore in TOP 10 over the past years • Gofore TOP3 employer brand in Finland (Duunitori)

Questions and discussion

GOFORÉ

Key investment highlights

GOFORE

1

Gofore ideally positioned as a digi-native in the accelerating digital transformation

2

Pure-play next-gen offering with strong customer satisfaction

3

Tech-native culture supports scalability and efficiency

4

Resilient client base and strong revenue visibility

5

Outstanding historical growth, margins and cash flow

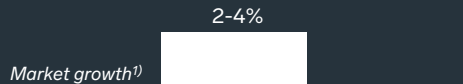
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Strategy geared for continued growth and value creation

1

Gofore ideally positioned as a digi-native in the accelerating digital transformation

Traditional IT services *Business support*



Long implementation cycles

IT to support operations

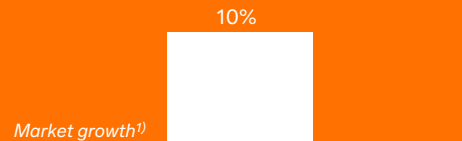
Cost savings

Offshoring

IT system maintenance

IT generalists

New digital services *Business development*



Agile development

Technology as competitive advantage

Resilience and new business

Value creation by networked talent

Transformation capabilities

GOFORE

1) Management estimate

2 Pure-play next-gen offering for agile digital transformation

100% legacy-free consulting and development services

Lead



ADVISORY

**Digitally native
advisory**

Create



**SERVICE
DESIGN**



**AGILE
DEVELOPMENT**



**CLOUD,
DATA &
ANALYTICS**

**Design and technology development services
for digital transformation**

Verify



**QUALITY
VERIFICATION**

**Automated
testing for
connected IT**

Good Growth – model and metrics for sustainable business development

Continuously developing offering for transformation projects of all sizes

2

Excellent customer experience proof of our ability to add value in digital transformation – driving strong customer growth

Gofore is a strategic partner for its customers, accelerating digital change

Excellent customer experience

NPS¹⁾



B2B average = 37

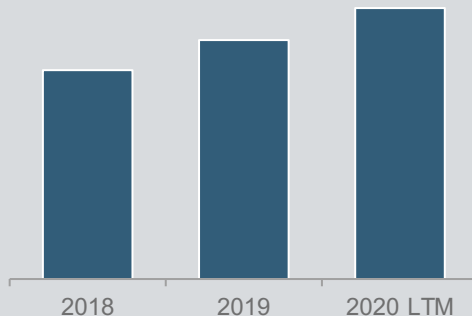
Q3 2019

Q2 2020

Top customers are growing

Top-10 clients' average revenue (€m)²⁾

~1.3x



2018

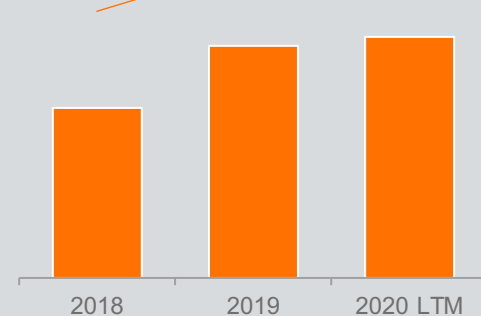
2019

2020 LTM

Increasing number of large clients

of customers with >€0.5M annual revenue

~1.4x



2018

2019

2020 LTM

1) NPS = Net Promoter Score; 2) Top-10 clients by revenue for the period

2

Long-term relationships with a diverse and growing client base

Public (74% of sales¹⁾)

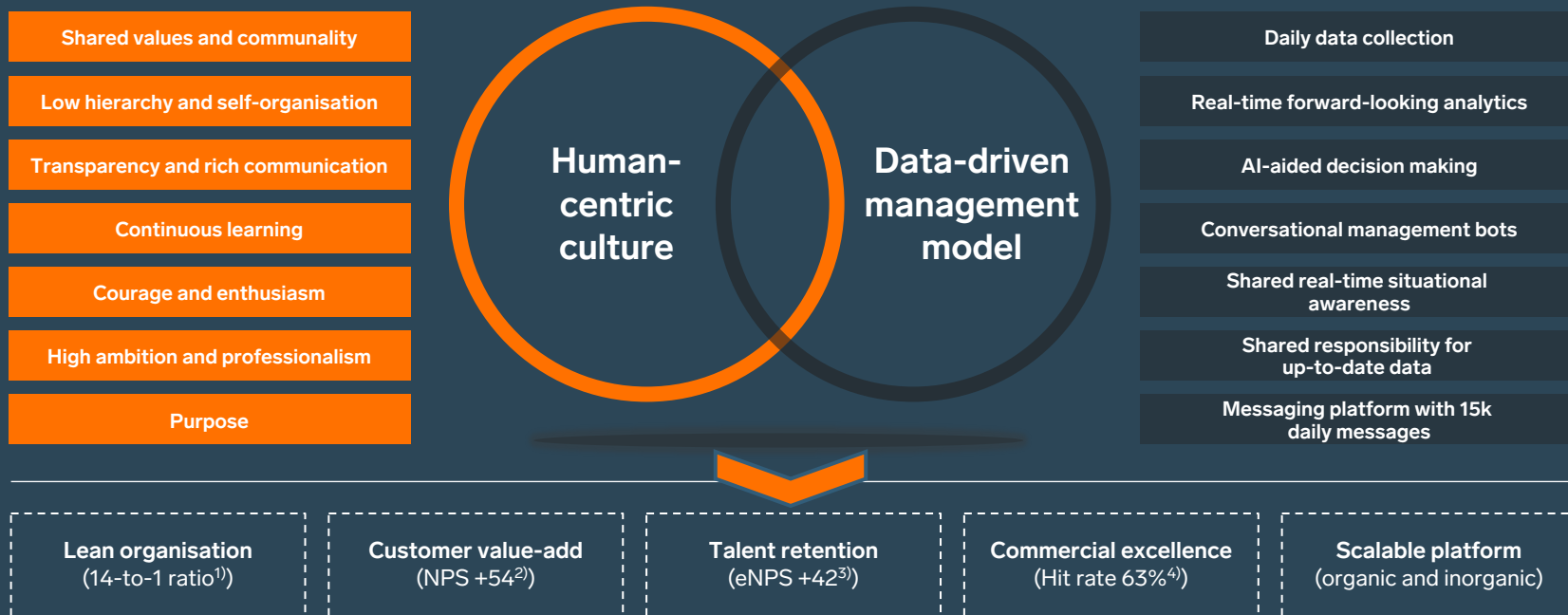
Private (26% of sales¹⁾)



1) 2020 figure; 2) 2017 public vs. private sales split percentages based on pro-forma net sales and applied to reported net sales

3

Tech-native platform underpinning scalability and efficiency



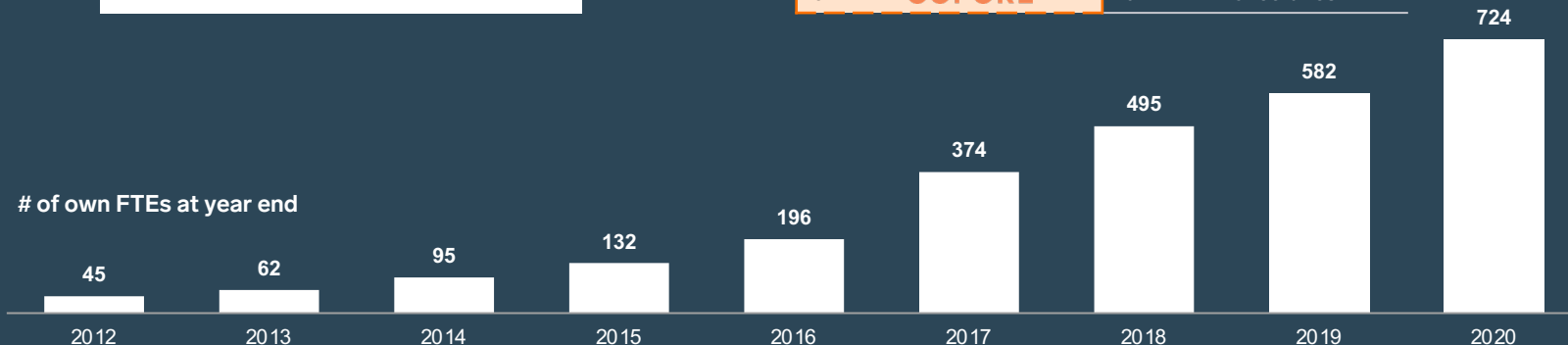
1) Customer-facing vs. non-customer-facing employee ratio Feb-2021; 2) Q2 2020; 3) eNPS = Employee Net Promoter Score, Q4 2019; 4) Average public and private sector hit rate by value 2018-2020

3

Strong employer brand further supports talent acquisition and retention



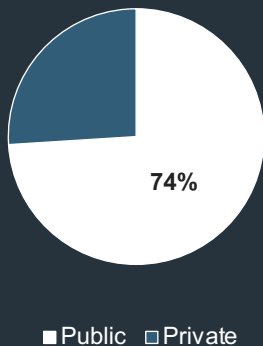
YPAI 2020 Young Professional Attraction Index 2020			
1	Supercell	6	Reaktor
2	Futurice	7	Microsoft
3	Google	8	Fazer
4	KONE	9	Vincit
5	GOFORE	10	Konecranes



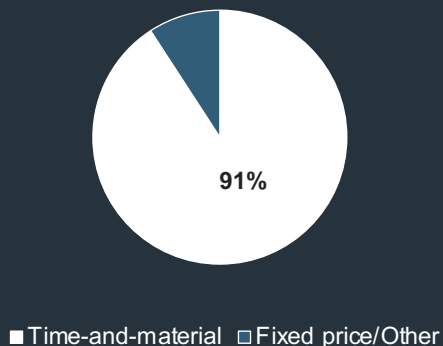
4

Resilient client base and strong revenue visibility

74% public share with
~3-5 year average contract length¹⁾:
Resilient client base

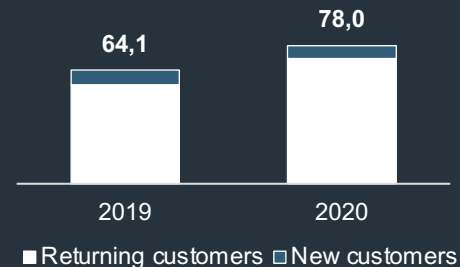


91% of revenue is time-and-material²⁾:
Limited execution risk



~90% of revenue from returning
customers³⁾:
Predictable revenue

Net sales (€m)



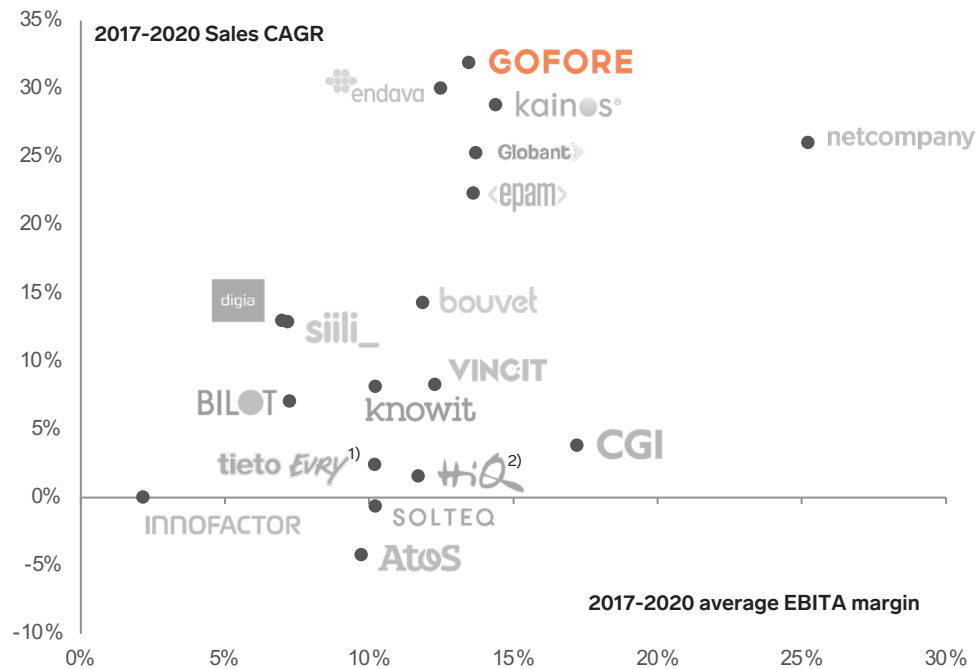
1) Based on company's customer agreements; 2) 2020 figure; 3) Returning customers defined as customers generating revenue two years in a row

5 Strong margins with further upside



5

Strong track record in delivering strong profitable growth



GOFORE

Net sales CAGR
2017-2020
32%

EBITA-%
2020
13.8%

Cash conversion³⁾
2020
94%

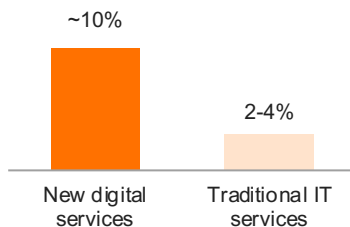
Note: 1) Adjusted for EVRY merger; 2) 2017-2019 average; 3) Calculated as (EBITDA – Capex excl. M&A) / EBITDA
Source: FactSet, Company materials

6

Clear roadmap for continued strong growth

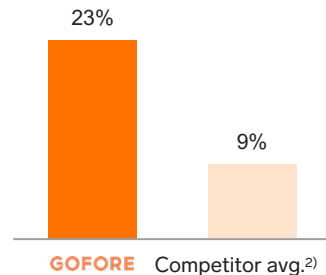
New digital services market growth

Annual market growth 2020-2025¹⁾



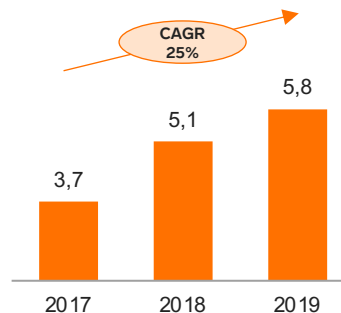
Market share growth and private sector growth

Organic growth of competitors 2017-19



Export strong public and industry sector expertise

Gofore international sales (€m)



Disciplined M&A

2017
leadin

State-of-the-art design capability, international business

2018
SOLINOR

Strengthened presence in Helsinki region

2019
SILVER PLANET
mangodesign

Boosted digital change advisory, strengthened offering in GER

2020
Qentinel

Entry to digital quality assurance

2021
C C
E A

Added a human-centered element to digital transformation

1) Management estimate based on Statista total Finnish IT services market growth of 4.3% for 2020-2025 (excluding COVID-19 impact); 2) Including Siili, Vincit, TietoEvy, HiQ

Long-term target to continue rapid and profitable growth

Gofore financial targets and dividend policy

Growth

>20% annual net sales growth,
of which organic growth
accounts for
approximately half

Profitability

15% EBITA margin

Dividend

At least 40% of annual
net profit

Guidance 2021 (unchanged)

Gofore estimates that, for the full year 2021, net sales will increase compared to 2020, and Adjusted EBITA will increase compared to 2020.

Gofore will continue to report and comment on its net sales development on a monthly basis.



APPENDIX



Key figures

In thousands of EUR, unless otherwise stated	2019	2020 ¹
Net sales	64,066	77,953
Growth of net sales, %	26.7%	21.7%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	9,223	12,329
Earnings before interest, taxes, depreciation and amortisation (EBITDA) margin, %	14.4%	15.8%
Operating profit before amortisation of goodwill (EBITA), adjusted	7,710	10,778
Operating profit before amortisation of goodwill (EBITA)	7,296	9,908
Operating profit before amortisation of goodwill (EBITA), margin, %	11.4%	12.7%
Operating profit (EBIT)	6,620	8,750
Operating profit (EBIT) margin, %	10.3%	11.2%
Profit for the period	5,096	6,903

¹⁾ Qentinel Finland Oy figures have been combined with the Gofore Group figures from 1 September 2020.

Key figures

In thousands of EUR, unless otherwise stated	2019	2020 ¹
Earnings per share (EPS), undiluted, euros	0.37	0.49
Equity ratio, %	58.1%	47.0%
Net gearing, %	-31.9%	-15.4%
Return on equity (ROE), %	18.7%	20.2%
Return on investment (ROI), %	17.2%	18.1%
Average overall capacity, FTE	517	597
Average subcontracting, FTE	54	83
Number of employees at the end of the review period	582	724

¹⁾ Qentinel Finland Oy figures have been combined with the Gofore Group figures from 1 September 2020.

Pioneering an
ethical digital
world.

GOFORE