

TRIFORK[®]

Bringing enterprises into the future

SEB NORDIC SEMINAR IN COPENHAGEN

9 JANUARY, 2024



Images created with generative AI

TRIFORK.

... but not all
tech is future
proof yet!



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DISCLAIMER · IMPORTANT INFORMATION

This presentation contains forward-looking statements including, but not limited to, statements and expectations concerning expected or projected earnings, strategies, trends and developments. Forward-looking statements are statements (other than statements of historical fact) relating to future events and Trifork's expected, anticipated or planned financial and operational performance.

The words 'may', 'will', 'will continue', 'should', 'expect', 'foresee', 'anticipate', 'believe', 'estimate', 'plan', 'project', 'predict', 'intend', 'guidance' and 'outlook' or variations of these words, including negatives thereof, as well as other statements regarding matters that are not historical fact or regarding future events or prospects, constitute forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made.

Trifork has based these forward-looking statements on its current views with respect to future events and financial performance. These views involve a number of risks and uncertainties, which could cause actual results to differ materially from those predicted in the forward-looking statements and from the past performance of Trifork.

Although Trifork believes that the estimates and projections reflected in the forward-looking statements are reasonable, they may prove materially incorrect, and actual results may materially differ, e.g. as the result of risks related to the industry in general or Trifork in particular.

As a result, forward-looking statements should not be relied on as a prediction of actual results. Trifork undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by law.

PRESENTERS



CEO
Jørn Larsen

Year of joining	1996
Year of birth	1966
Nationality	Danish
Educational background	Mechanical engineering degree – Civil engineering degree in Computer Science – University of Aalborg
Professional background	Serial entrepreneur in the Nordic technology sector with co-foundation of >50 start-ups From 1996: Founder and CEO of Trifork 1994-1995: Project Manager with Dator A/S 1984-1989: Technical Naval engineer with Maersk
Other directorships and executive roles	Member of the Board of Directors of ExSeed Ltd. (Labs company), Dawn Health (Labs company), and &Money ApS (Labs company), Owner of Blackbird II ApS
Trifork ownership	19.8%



CFO
Kristian Wulf-Andersen

Year of joining	2007
Year of birth	1971
Nationality	Danish
Educational background	Bachelor in Economics – Aarhus Business School, Denmark
Professional background	1997-2007: Co-founder and CFO of the IT-infrastructure company Interprise Consulting A/S (acquired by Trifork) 1996-1999: IT consultant, trainer and management consultant at Siemens Nixdorf A/S / Siemens Business Services A/S 1989-2000: Officer at the Royal Danish Airforce
Other directorships and executive roles	CFO Trifork US, CFO Trifork Pty., member of the Board of Directors of EDIA B.V (Labs company)
Trifork ownership	1.2%

Trifork delivers NextGen tech solutions to industry leaders

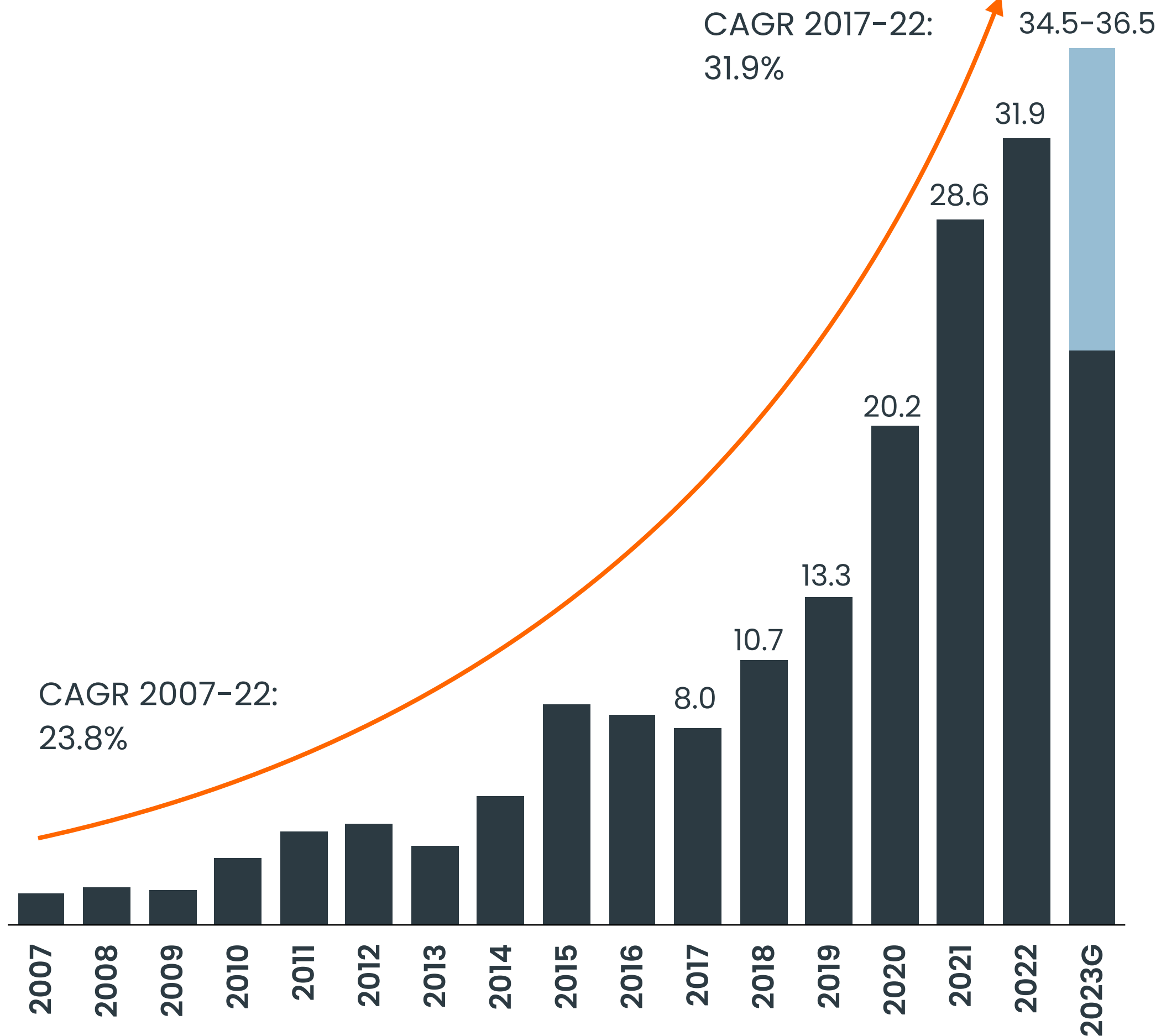
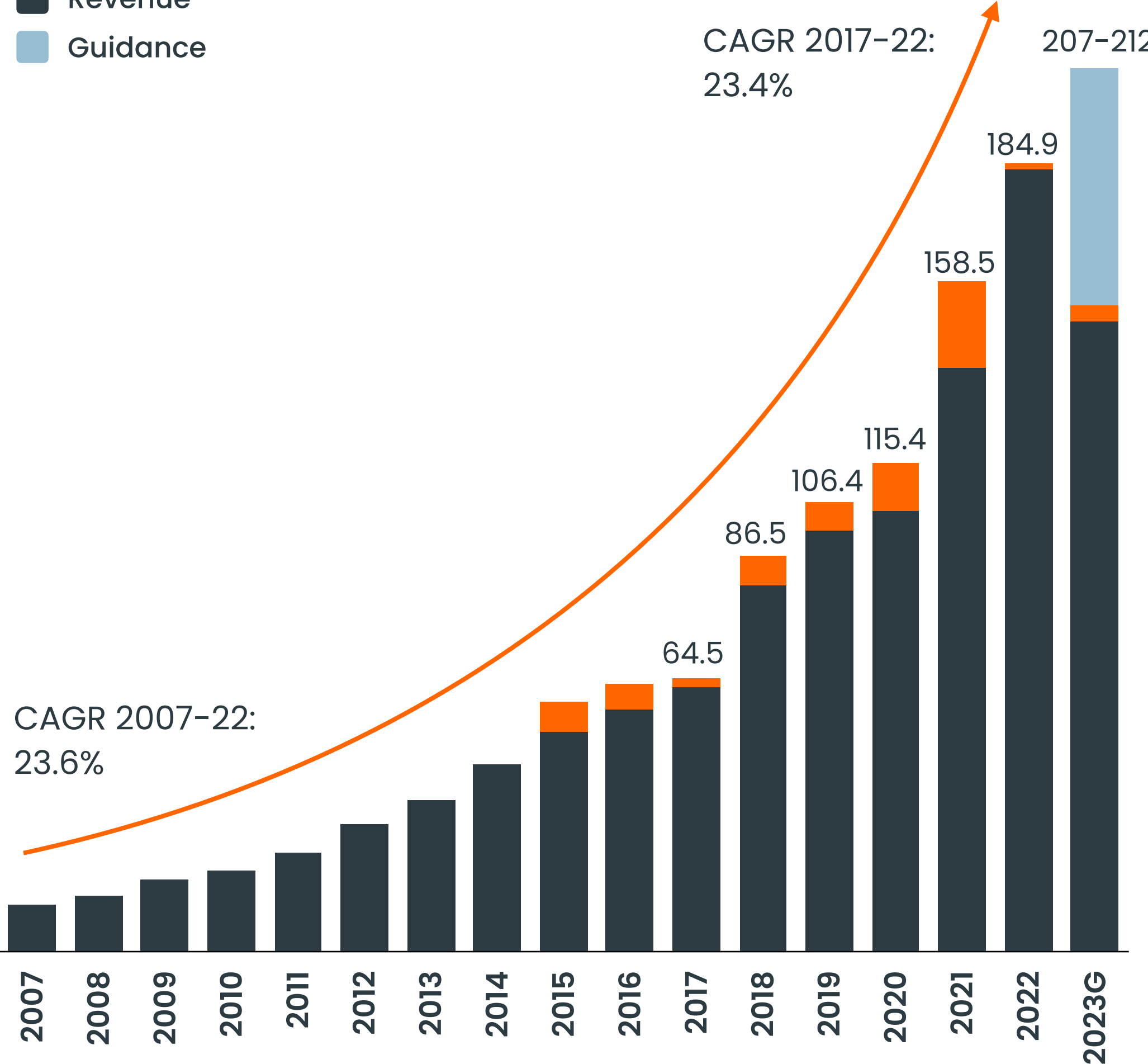


Mid-term target: 15-25% annual revenue growth

EUR m

- Revenue from acquisitions
- Revenue
- Guidance

- Adjusted EBITDA, Trifork Segment
- Guidance



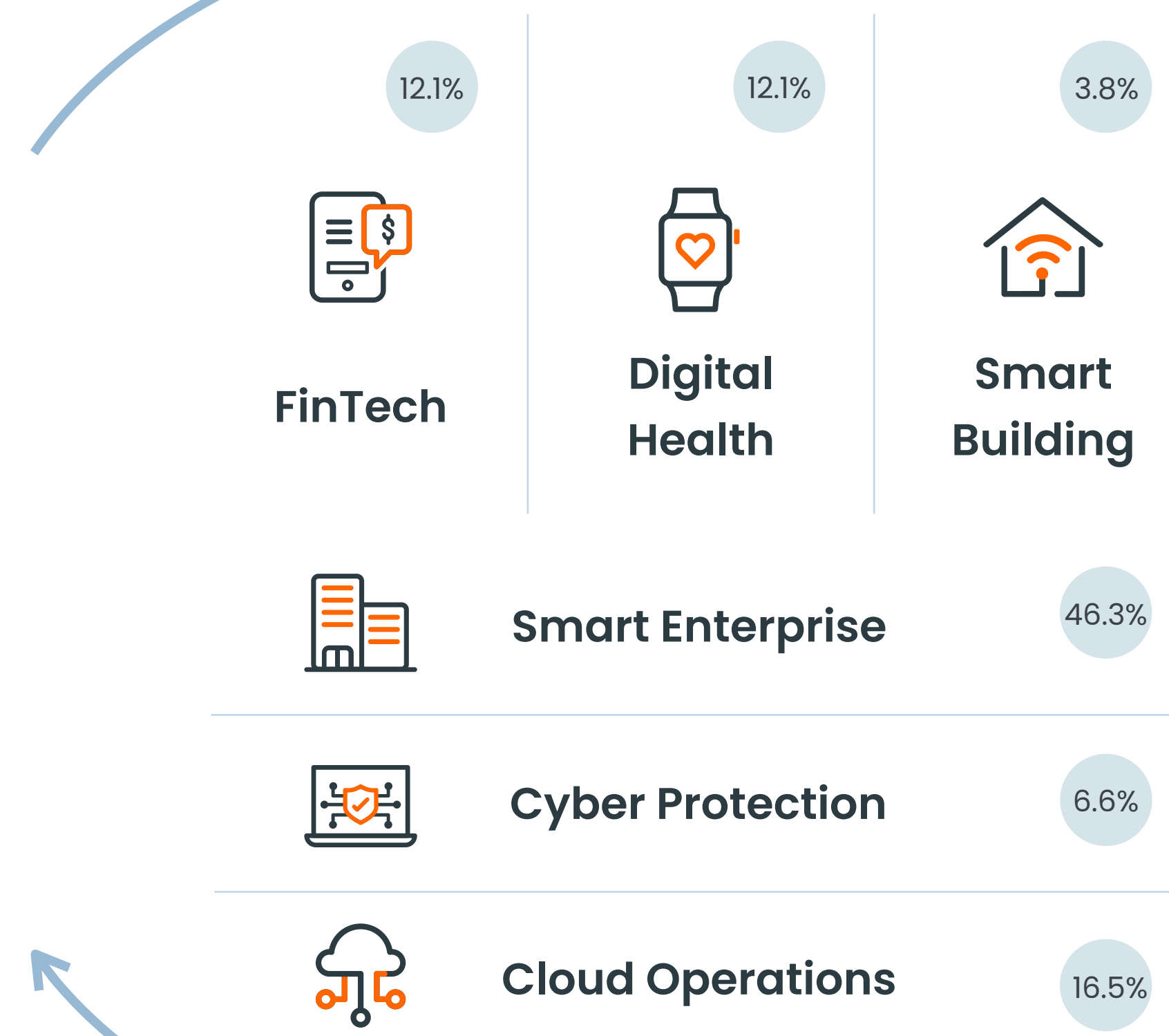
How are we organized?



Keeping solutions separate from products and R&D

Trifork segment

- Software solutions and services
- 72 individual business units
- 1,202 employees in 15 countries
- Majority ownership
- ~ 1/3 of sales from public sector
- ~ 3/4 of sales from time & material
- Steady and profitable double-digit growth paired with acquisitions

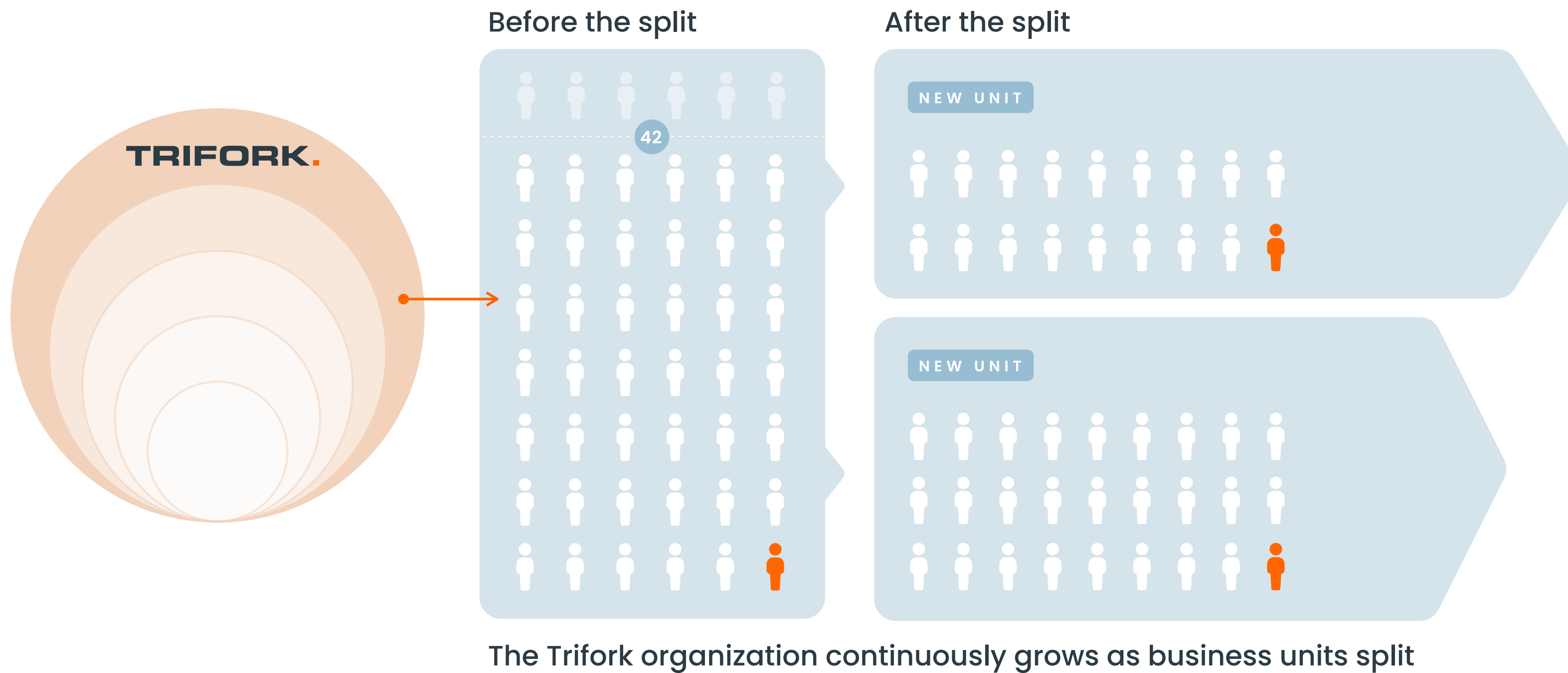


Trifork Labs







- Software products and platforms
- 21 strategic partnerships & startups
- Minority investments being Trifork's R&D
- Revenue synergies and supports innovation culture
- Current top 10 investments (93% of EURm 56.5 book value) are in good shape operationally and funding-wise
- EURm 70.5 realized gains since 2016⁽¹⁾

Teal organization: Big in a small way

72
BUSINESS UNITS







CCOs in each business area ensuring strategic direction and cross-unit cooperation

-  Digital Health CCO
-  FinTech CCO
-  Smart Building CCO
-  Smart Enterprise CCO
-  Cyber Protection CCO
-  Cloud Operations CCO

Principals of Teal

- 1 Self-managed business units with entrepreneurial mentality
- 2 Units of ideally up to 42 people
- 3 "Cell division" - business units split when a certain size is reached
- 4 "Living organism"

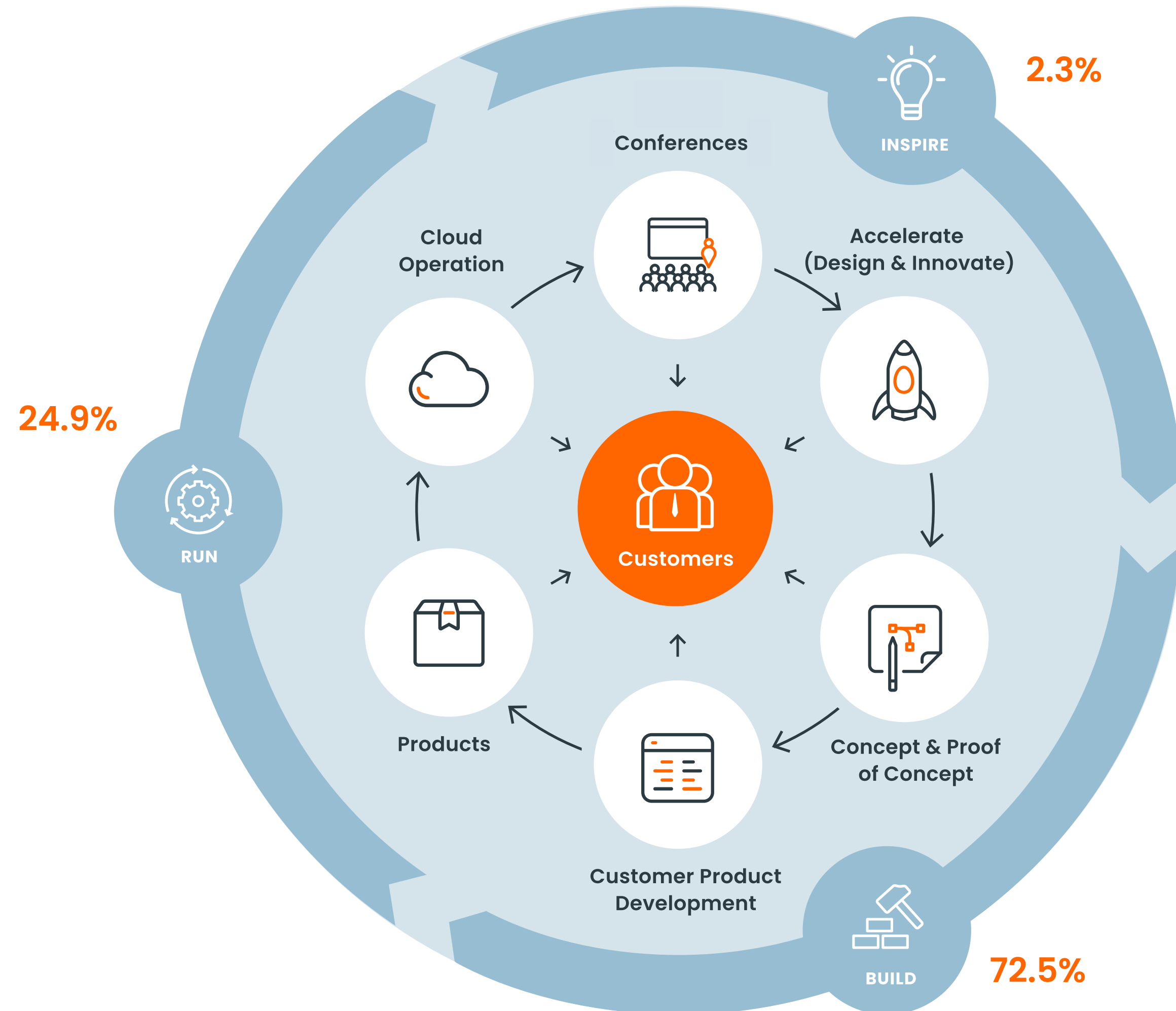
Benefits

-  Talent retention and attraction
-  Highly agile and scalable
-  P&L responsibility at the BU level
-  Low dependency on any single person

Customer-centric go-to-market model

9M 2023:

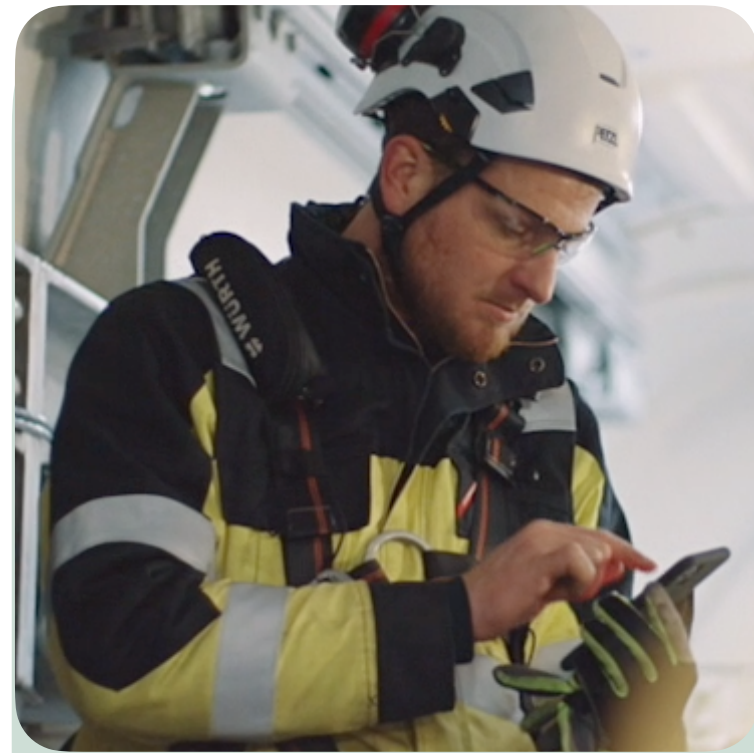
- **Recurring customers:** Around 1/4 of revenue (signed contracts for e.g. operations, cyber protection, service agreements, licenses, etc. - typically Run customers)
- **Repeat customers:** Around 1/2 of revenue (invoiced for at least two years in a row - typically Build customers)
- Many recurring and repeat customers have been with Trifork for more than ten years
- **New customers:** Around 1/4 of revenue (invoiced for less than two years and not on recurring contracts - typically Build customers).



Growing double-digit in a slower market - how?



CFO agenda is more important in 2023 and 2024



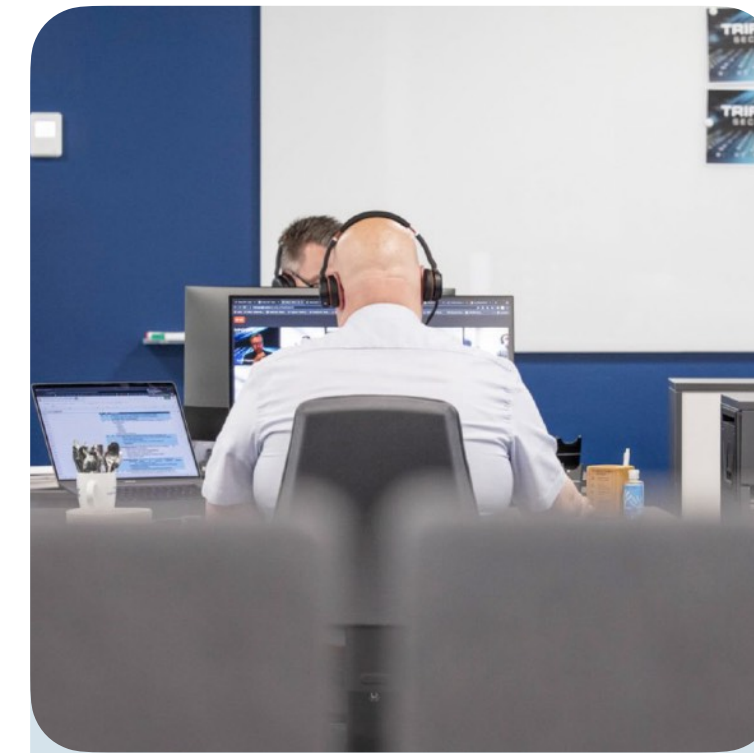
**Mobile devices
in field &
factory**



**Pressure on
healthcare
system**



**Sustainability
movement**



**Cyber
protection**



**Hybrid cloud
operations**

CFO AGENDA

Cost savings

Cost savings

Reducing emissions

NIS2 compliance

Cost flexibility
GDPR compliance

CEO AGENDA

Customer outcome
Happy employees

Improving care

Relevant to customers
and employees

Customer trust
Supplier trust

Customer trust

OUR EXPERTISE

ERP
systems

Enterprise
applications

User
experience

IT roadmap

Data
processes

AI

Machine
learning

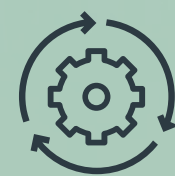
Penetration
testing

Quality
intelligence

“Ride-along” is a key element in our Enterprise strategy

TOTAL SALES GROWTH 9M/23: 14.9%⁽¹⁾
ORGANIC SALES GROWTH 9M/23: 11.7%

WHAT WE DO



We approach C-level and get “invited inside” to understand their processes



We suggest a list of tech innovations, focus on cost savings with short ROI



We build (some of) the suggestions



Gen AI image

WHAT WE GET

Innovation partner instead of bidding for standard specs



Gets customers into Inspire-Build-Run flywheel and creates repeat business opportunities



Deeper understanding of value creation leads to better pricing



US has become an integral part of our growth strategy

US

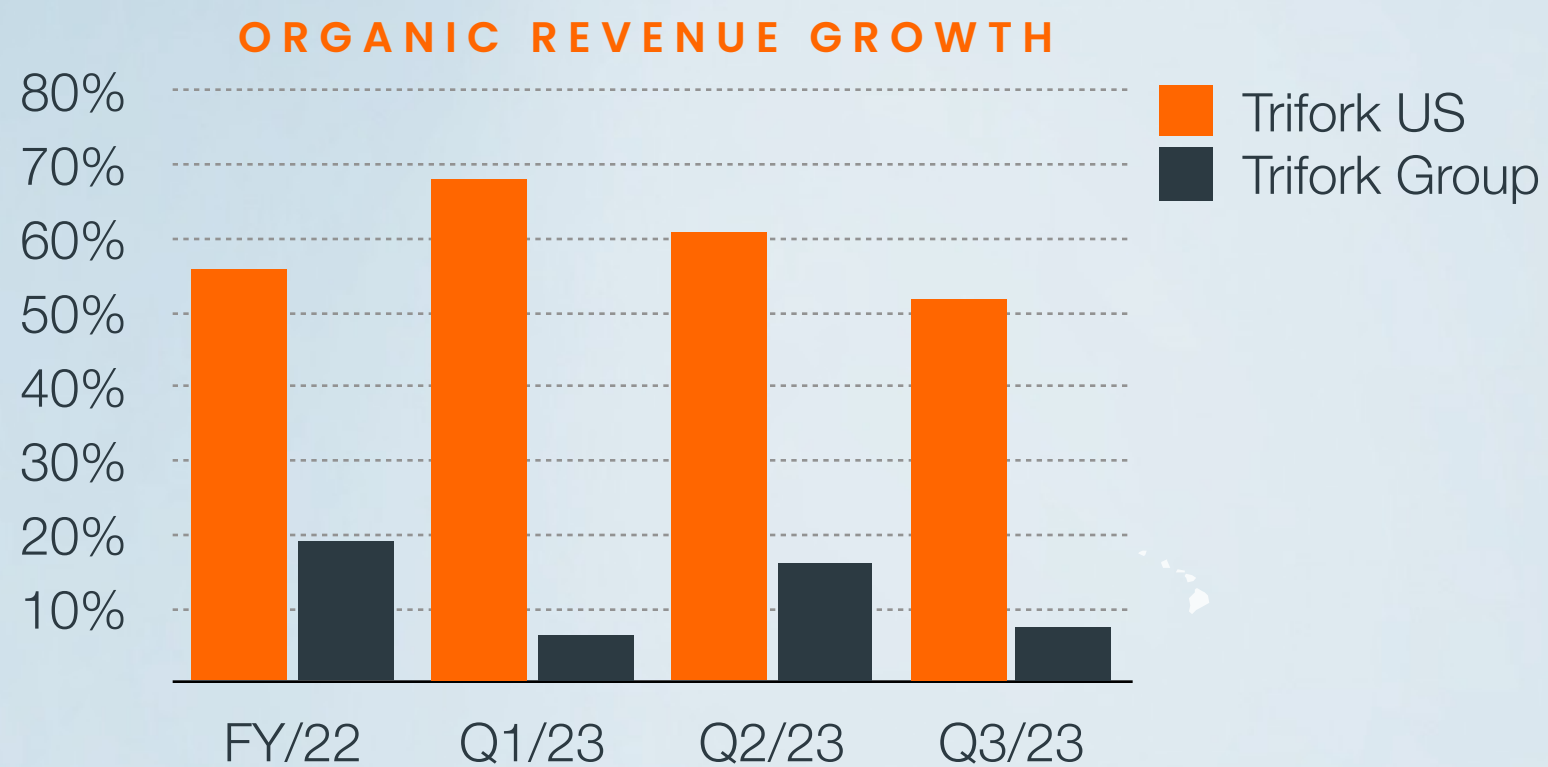
- A true NextGen market
- 2022 revenue: EUR 6.8m (4% of Group)
- Q2 2023: Hired Karan Yadav as CEO of Trifork US (senior exec. from Apple and SAP with focus on Enterprise)
- Focus on Chicago and enterprises running on SAP and Apple
- Import Smart Enterprise domain expertise from Europe
- Continue building on AI expertise in reducing costs and improving workflow decisions with "add-on" solutions
- Potential acquisitions
- Nurture strategic partnerships

Europe

- Export public capabilities from Denmark
- Deeper local penetration in selected business areas
- Mainly organic growth with bolt-on acquisitions

Nordics

- Deeper local penetration in our six business areas
- Mainly organic growth with bolt-on acquisitions

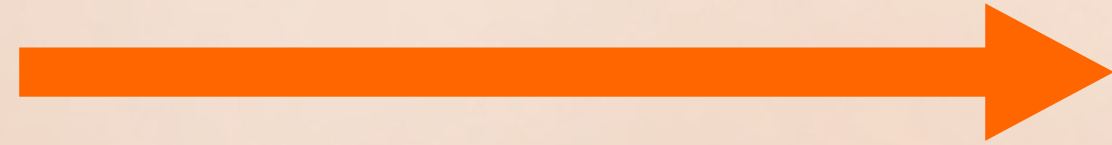


AI - what does it mean for Trifork?



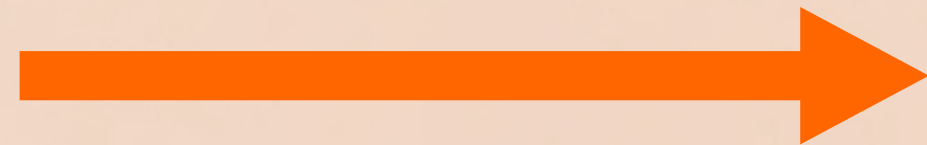
AI will drive demand for NextGen tech expertise

AI is not magic



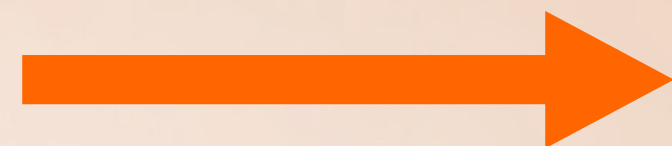
AI is data and math, not human intelligence

AI is not revolution



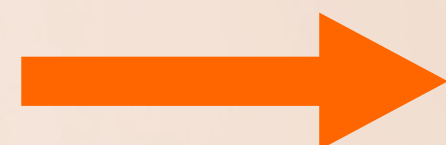
AI is evolution and a tool to achieve faster and more effective problem solving

AI hype driven by the introduction of user-friendly interfaces like ChatGPT



Housebuilders did not become obsolete after the emergence of more efficient electric power tools... Similarly, NextGen tech experts will continue to be in high demand with the penetration of AI

AI models: Garbage in, garbage out!
Most organizations do not have sufficient data structure in place to obtain meaningful value from AI

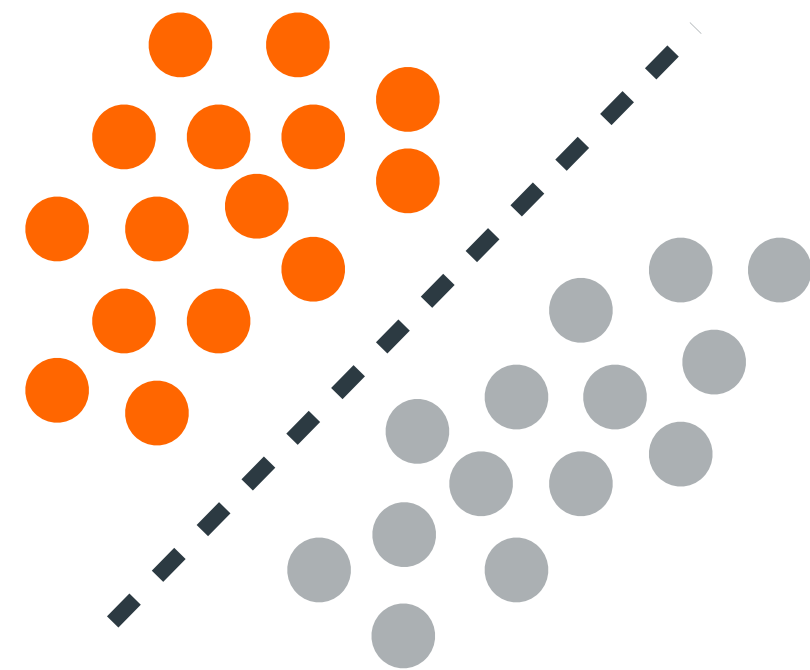


Increased demand for Trifork's capabilities within ERP systems, architecture, IoT, development, operations, security, etc.



Two types of AI with different purposes and impact

DISCRIMINATIVE AI



What is discriminative AI?

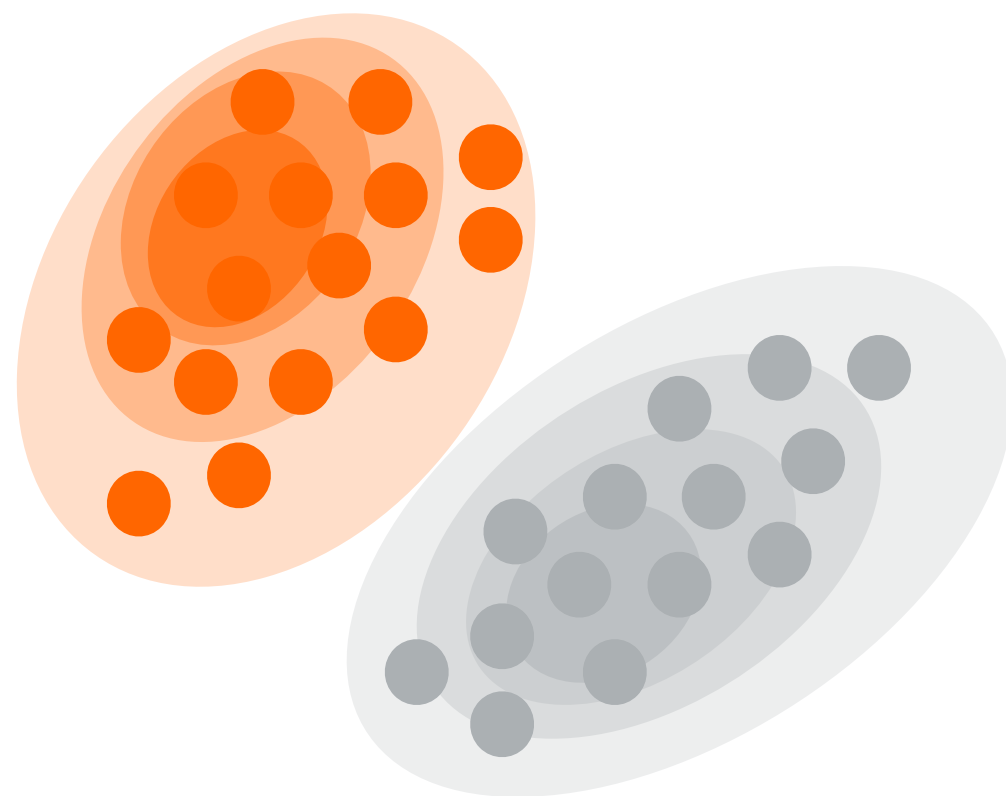
- Discriminative models divide the data space into classes by learning the decision boundaries
- Neural networks used for pattern recognition in data, image recognition, computer vision, natural language processing, handwriting recognition, time series analysis, and more.
- Works well for supervised learning, e.g. ERP data, chatbots, repetitive processes in the physical world.



Current revenue driver for Trifork

- Railway: Automatic detection of signs
- Manufacturing: Quality control
- Insurance: Fraud detection
- Insurance: Customer service assistant
- Airport: Baggage handling
- Offshore: Corrosion detection
- Healthcare: Second opinion on treatment

GENERATIVE AI



What is generative AI?

- Generative models understand how data is embedded into the space
- Generates new data samples based on the probability distribution of the training data
- E.g. clustering images based on similarities, generating new images or software code, or exploring multi-dimensional data
- Works well for unsupervised learning but results depend on human guidance and domain expertise



Current efficiency driver for Trifork

- Can assist in low-value parts of coding (simple problems), marketing material, etc.
- Potentially a strong revenue driver in 1-2 years when gen AI matures from the hype phase and quality improves
- Sell less hours
- Sell more domain expertise, IP, and value-based

Flexible capital allocation towards mid- and long-term value creation

Organic growth

- Mid-term target: 10-15% annual organic growth over a three-year period
- Organic growth historically 2/3 of total growth
- 2023: Increased hiring of business developers and sales people to offset slower market
- Launching new business units

M&A

- Mid-term target: 15-25% total annual growth incl. M&A
- M&A historically 1/3 of total growth
- Historically funded by own cash flows and little debt
- Valuations have become more reasonable
- Improved M&A pipeline

Debt management

- Q3/23: Net interest-bearing debt to adj. EBITDA of 0.5x
- Mid-term target to stay below 1.5x
- Can exceed 1.5x temporarily due to e.g. M&A

Trifork Labs

- Trifork's R&D through product companies that are co-financed by other investors
- Strong historical track record
- Focus on strategic investments
- Focus on strong synergies with Trifork's six business areas

Shareholder returns

- 25% of net cash profit belonging to shareholders (dividends and buybacks)
- Subject to capital needed for growth and maintaining gearing target

Q3 update



Top 10 of Labs book value remains in good shape

Position 1-5

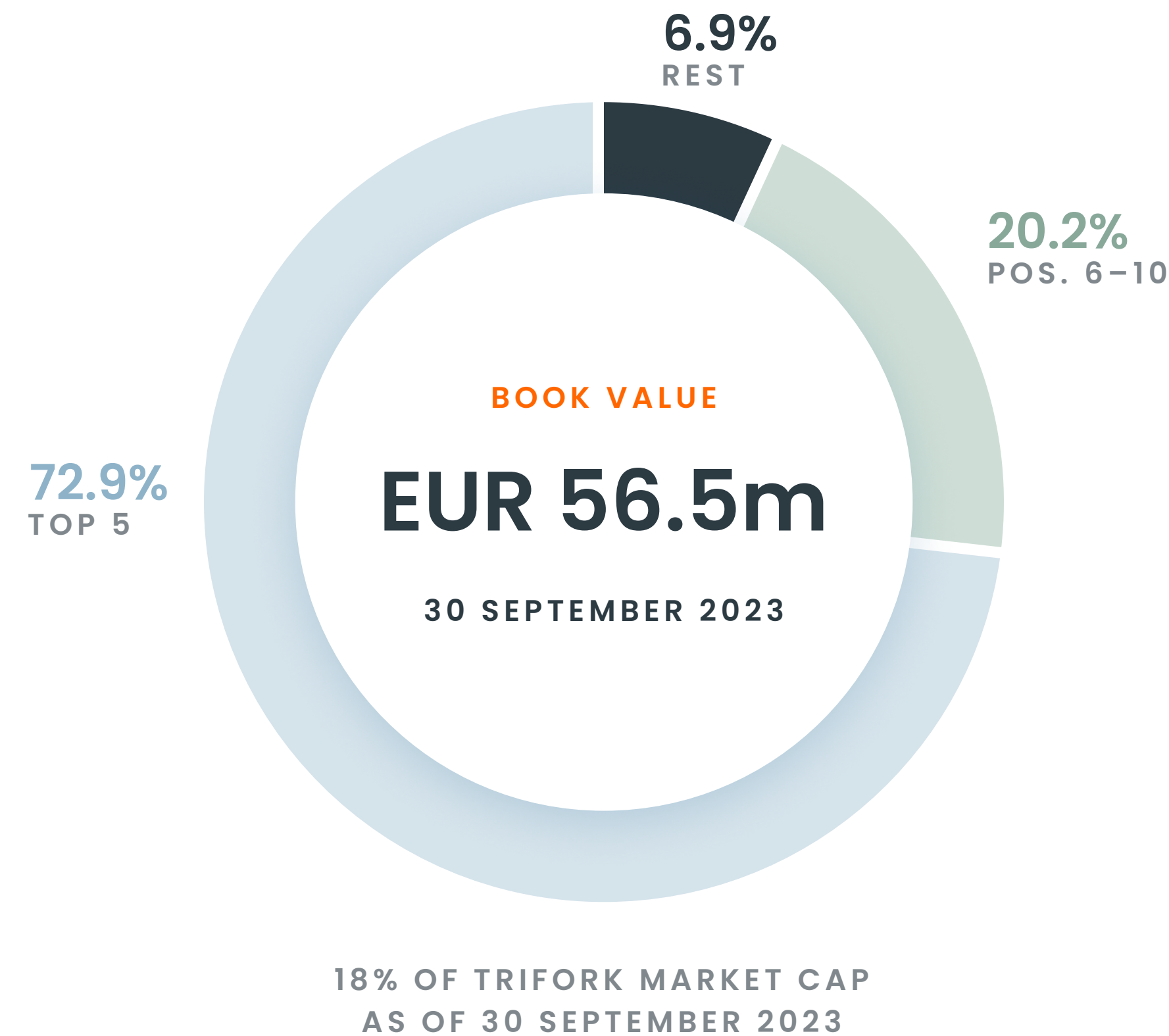
ALPHABETIC ORDER

- AxonIQ**
Software development framework
- C4 Media**
Software media and conferences
- Dawn Health**
Regulated software for pharma and medtech
- Promon**
Cyber protection for apps
- XCI**
Cyber crime investigation

Position 6 – 10

ALPHABETIC ORDER

- &Money**
NextGen fintech solutions
- Arkyn Studios**
Field and factory SaaS on top of SAP
- Develco**
Innovative electronics and embedded software
- ExSeed Health**
Software as medical device for fertility testing
- Visikon**
Digital health education of patients



Orange bar: Growing profitably and paying dividend

Yellow bar: Control over cash burn, owned by enterprise/PE

Blue bar: Funding for at least 12 months

Green bar: Funding round within 12 months, operationally well-performing

After the close of Q3, Trifork announced an investment in Bluespace Ventures AG which is expected to enter the top 10.

2023 guidance maintained

	Trifork Group revenue	Trifork Segment adj. EBITDA	Trifork Group EBIT	Trifork Group NIBD/adj. EBITDA
Guidance 2023 <small>(UPDATED ON 5 OCTOBER 2023)</small>	EURm 207–212 12.0% – 14.7% growth ¹	EURm 34.5–36.5 16.3% – 17.6% margin	EURm 20.5–22.5 9.7% – 10.9% margin	No guidance
Mid-term target <small>3 YEARS ROLLING (UNCHANGED)</small>	15–25% annual growth 10–15% organic growth	Margin improvement	Margin improvement	Up to 1.5x May temporarily exceed depending on M&A opportunities

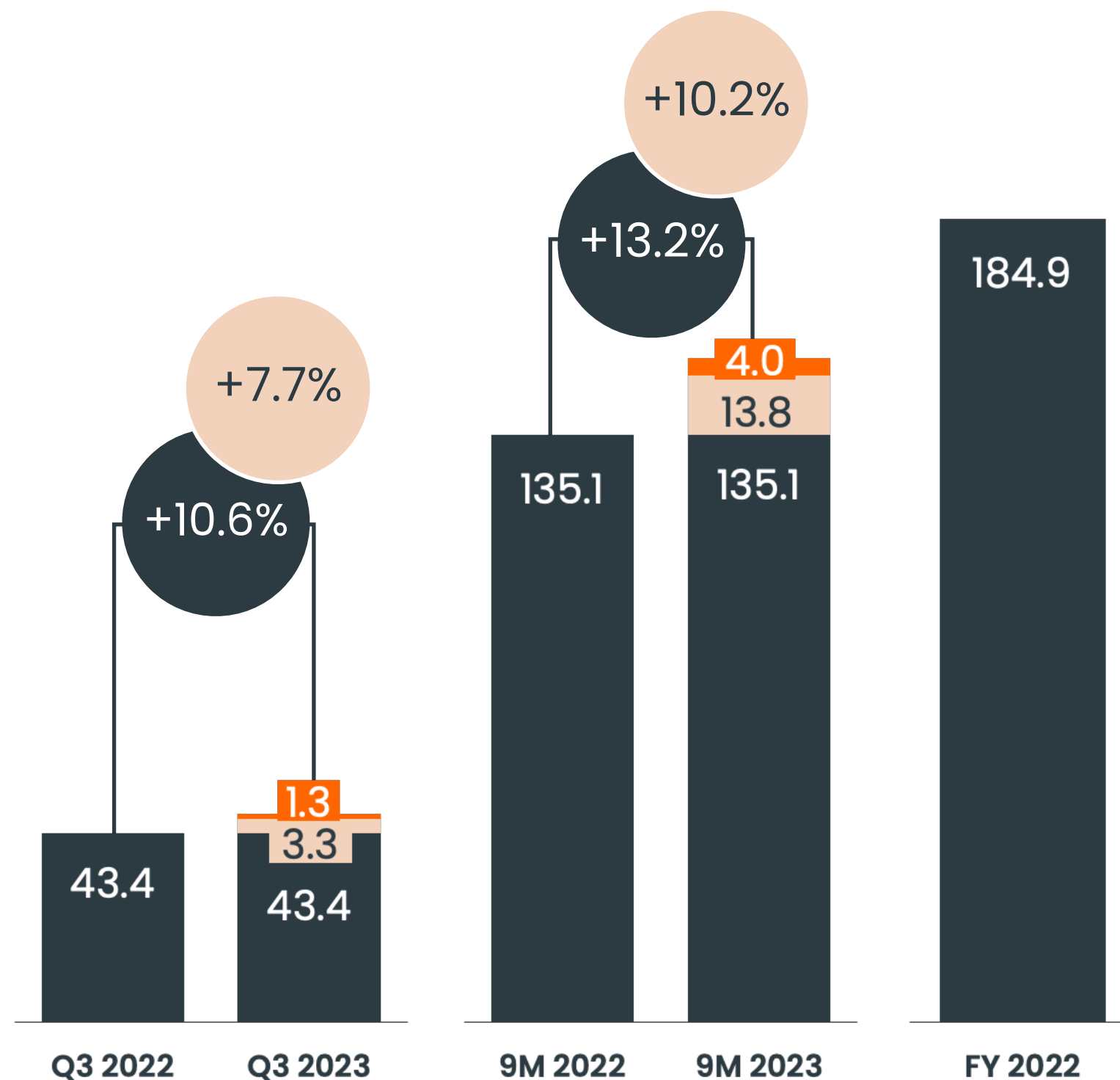
Financial highlights in Q3

REVENUE GROWTH

KEY FINANCIALS

KEY STATISTICS

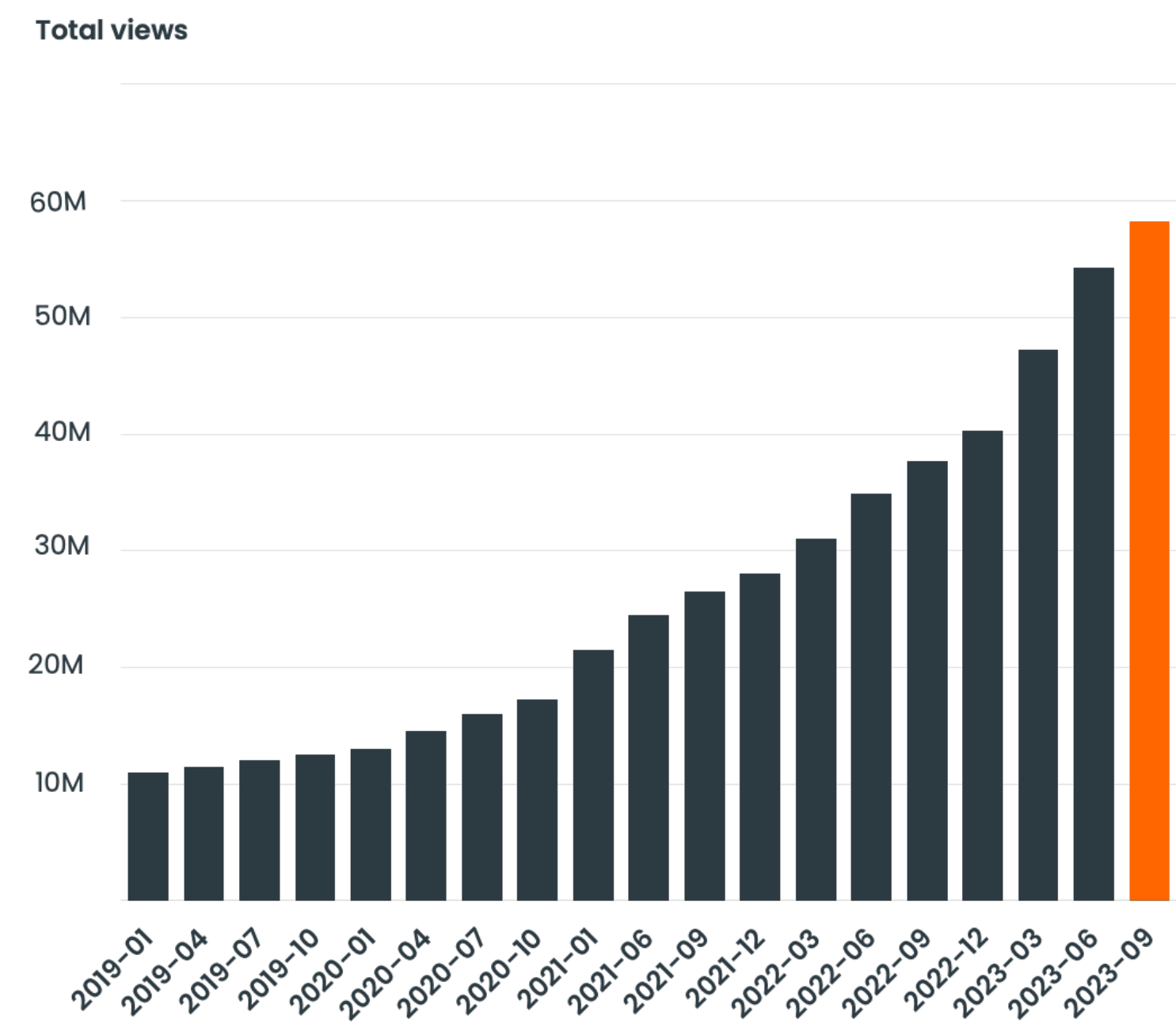
- Organic growth
- Inorganic growth



EURm 48.0 Q3/2023 revenue	7.7%⁽¹⁾ Q3/2023 organic revenue growth
EURm 7.0 Q3/2023 Trifork segment adjusted EBITDA	14.5% Q3/2023 Trifork segment adjusted EBITDA margin
EURm 3.1 Q3/2023 Trifork Group EBIT	6.6% Q3/2023 Trifork Group EBIT margin
EURm 15.9 Net interest-bearing debt at 30 Sept 2023	0.5x Leverage ratio (NIBD / Adj. EBITDA)

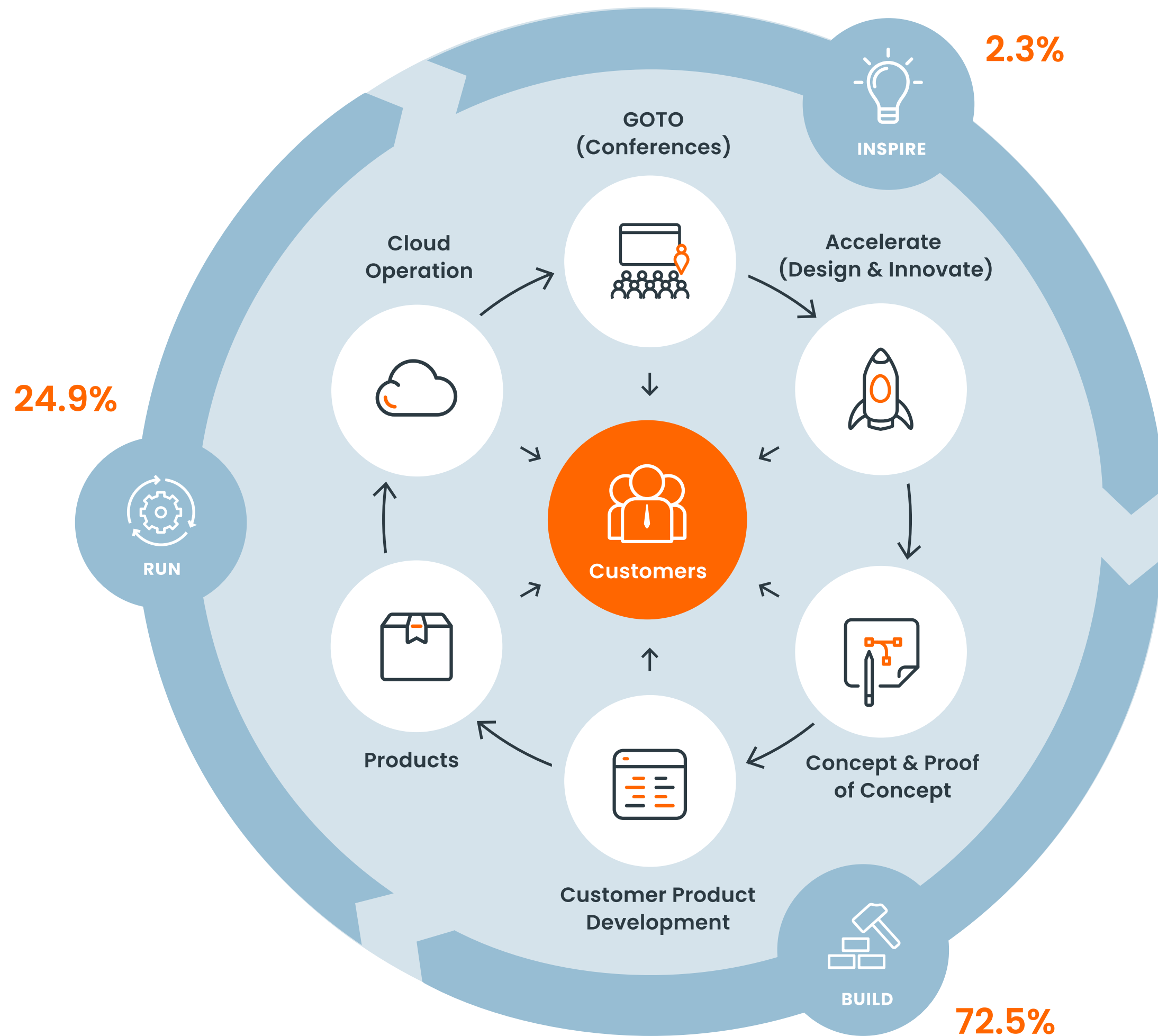
- 72 business units
- 1,202 headcount
- 21 active startups
- 58.2m video views online

GOTO YouTube & Instagram views



1) Adjusting for non-core hardware and third-party license revenues, organic sales growth was 8.2% in Q3 and 11.7% for 9M

Performance update Q3



Inspire

- Q3 is seasonally a slow quarter for conferences
- Sponsorships and ticket purchases still hit by corporate cost savings
- We are planning to slow down conference investments
- Satisfactory growth in our online tech universe GOTO - now 58m total views

Build

- US continues to exhibit high double-digit growth
- Organic growth of 4.8% is below our expectations (Q3/22: 17.1%)
- New customers accounted for 31% of revenue (9M/23: 25%, FY/22: 21%)
- Growth driven by Smart Enterprise (12.6%)
- Adj. EBITDA margin in Q3 of 18.5% (Q3/22: 22.9%) primarily due to more investments in market and business development

Run

- Satisfactory organic growth of 20.9% in core Run business driven by Cloud Operations when excluding sales of non-core third-party software licenses and hardware
- License and support sales on our own products grew the most
- Solid adj. EBITDA margin in the quarter of 23.2% (Q3/22: 19.0%)

Main events in Q3



Organization

- 1,115 FTEs on average (Q3/22: 985) and 1,202 employees in total (Q3/22: 1,044)
- Employee churn was 14.1%⁽¹⁾ (Q2/23: 13.6%, Q1/23: 14.3%)
- Sick leave 9M/23 was 2.1% (9M/22: 2.5%)
- Acquisition of 20.0% minority stake in Nine A/S took Trifork's ownership to 90.0%. Nine consists of 160 employees and has shown a good growth and profit development
- We moved into our new office building Porten in Nordhavn, Copenhagen



Trifork Labs

- Follow-on investment in Arkyn Studios – software products for SAP enterprises
- Unrealized gain of EUR 0.3m due to currency fluctuation, realized gain of EURm 0.2 due to dividend received from two of our profitable startup companies
- The majority of book value is in good shape operationally, well-funded, and supported by strong owners



Events with effect after Q3

- Acquired 100.0% of Chapter 5, a Danish company with strong capabilities in Fintech solutions. The acquisition is consolidated from the beginning of October 2023
- Invested in Bluespace Ventures AG, an existing Trifork customer within digital health in Switzerland. Will be reported under Trifork Labs from Q4



BUSINESS AREA: SMART ENTERPRISE



Biodiversity protection with AI

- 1,844 Danish species of animals, plants, and fungus risk extinction ⁽¹⁾
- Protecting biodiversity by using AI to identify and mitigate invasive alien plant species along roads in Denmark, Sweden, and Iceland
- Existing manual monitoring in service vehicles is sporadic and insufficient
- Trifork leverages its extensive experience in AI and image analysis for this project
- The solution involves vehicle-mounted cameras using AI for constant invasive alien plant species identification, enabling automatic, real-time data collection for road authorities.
- Extension under way to monitor occurrence of dead animals on the roads to build preventive measures in the most affected locations

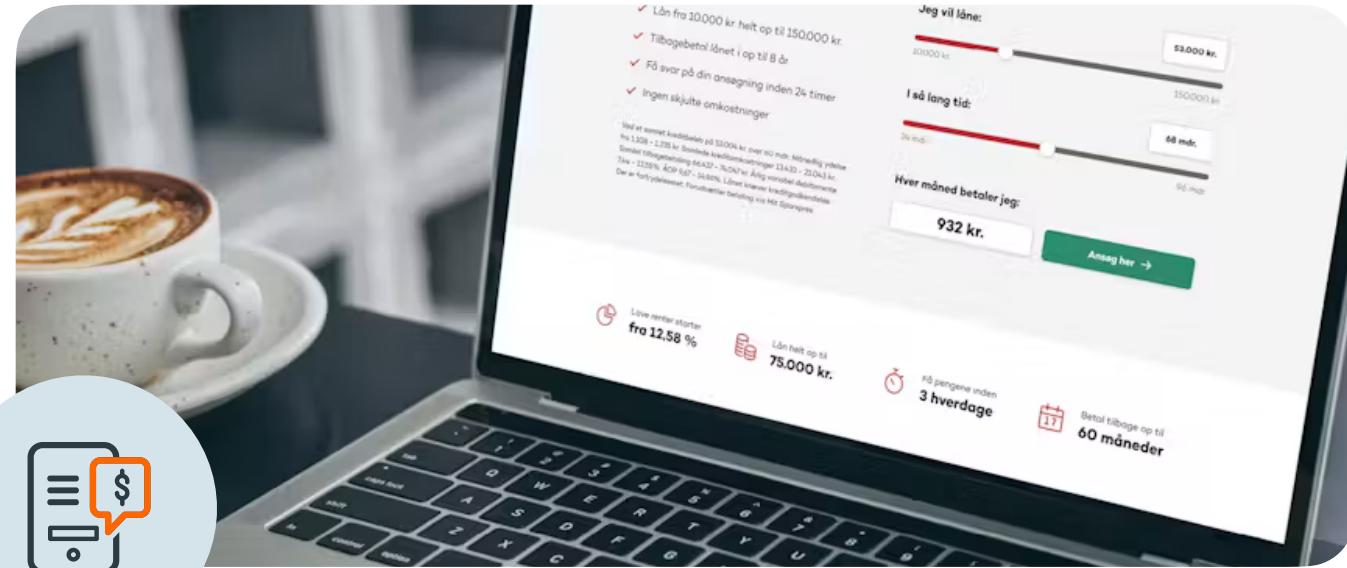


“It is a project that takes time and requires thoroughness. The goal is to make the algorithms so good that we can register the invasive alien plant species before, during, and after blooming in all kinds of weather and light conditions.”



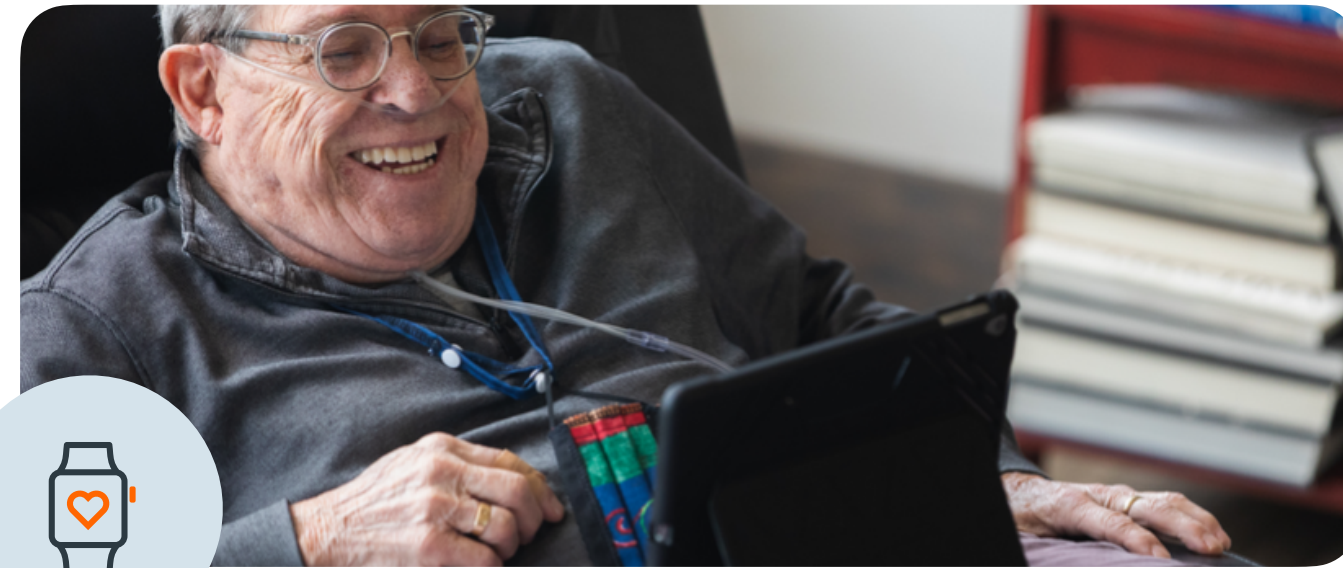
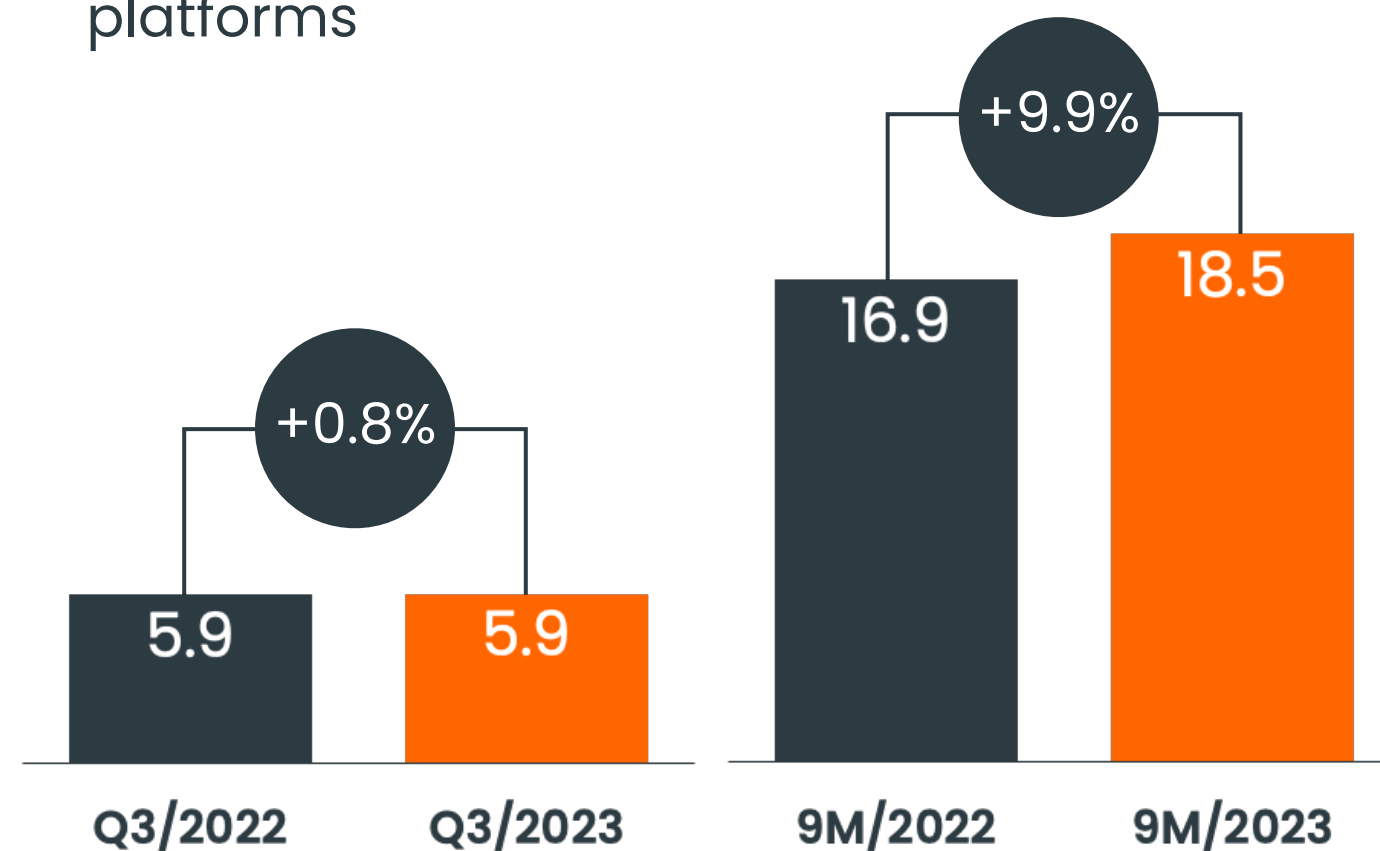
Christina Steenbeck
BIOLOGIST
DANISH ROAD DIRECTORATE

Business area highlights in Q3



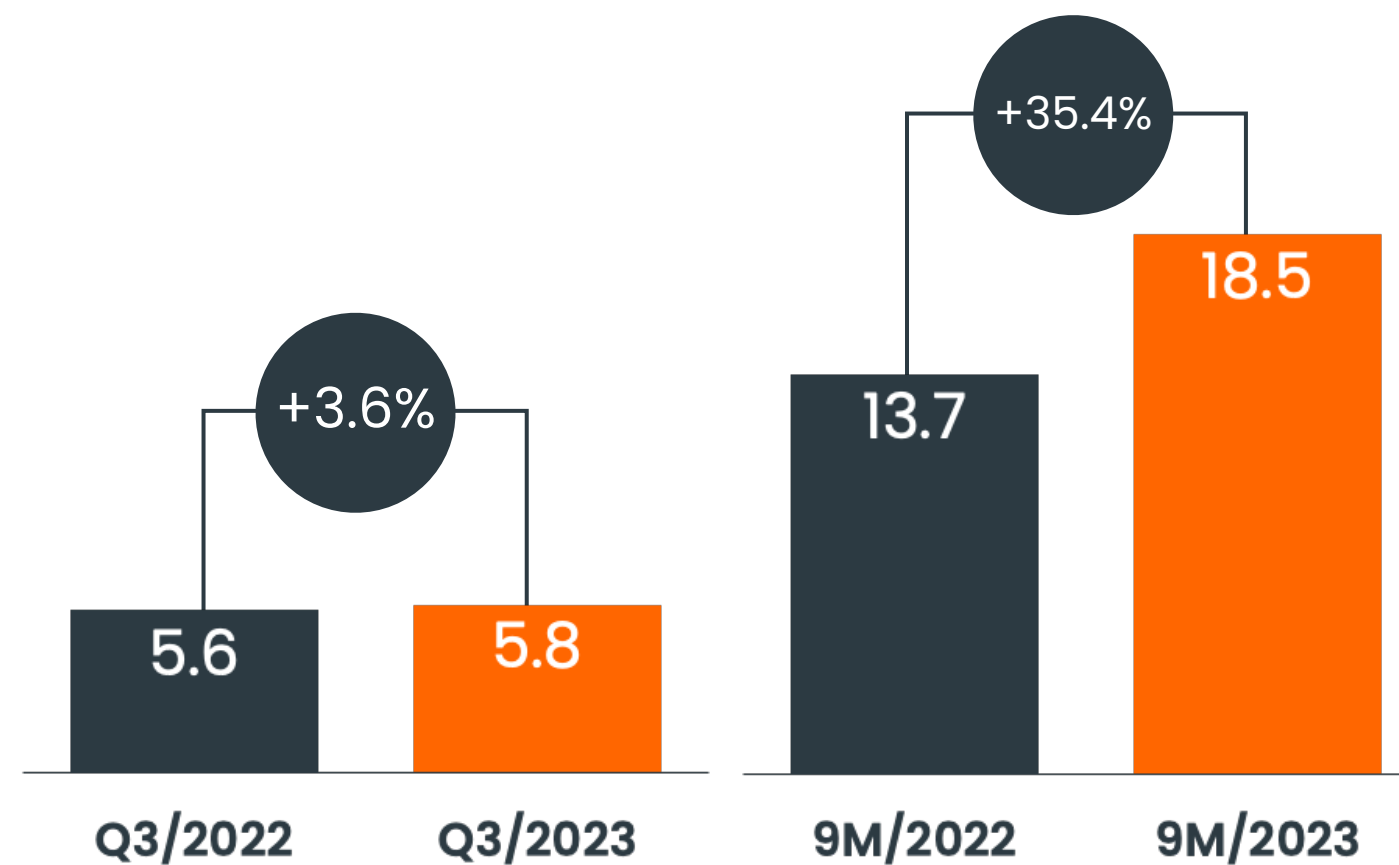
FinTech 12.1%

- Carve-out of IT applications and implementation with new pension company
- Wins in AML and ESG reporting in financial sector
- Increased demand for card and payment platforms



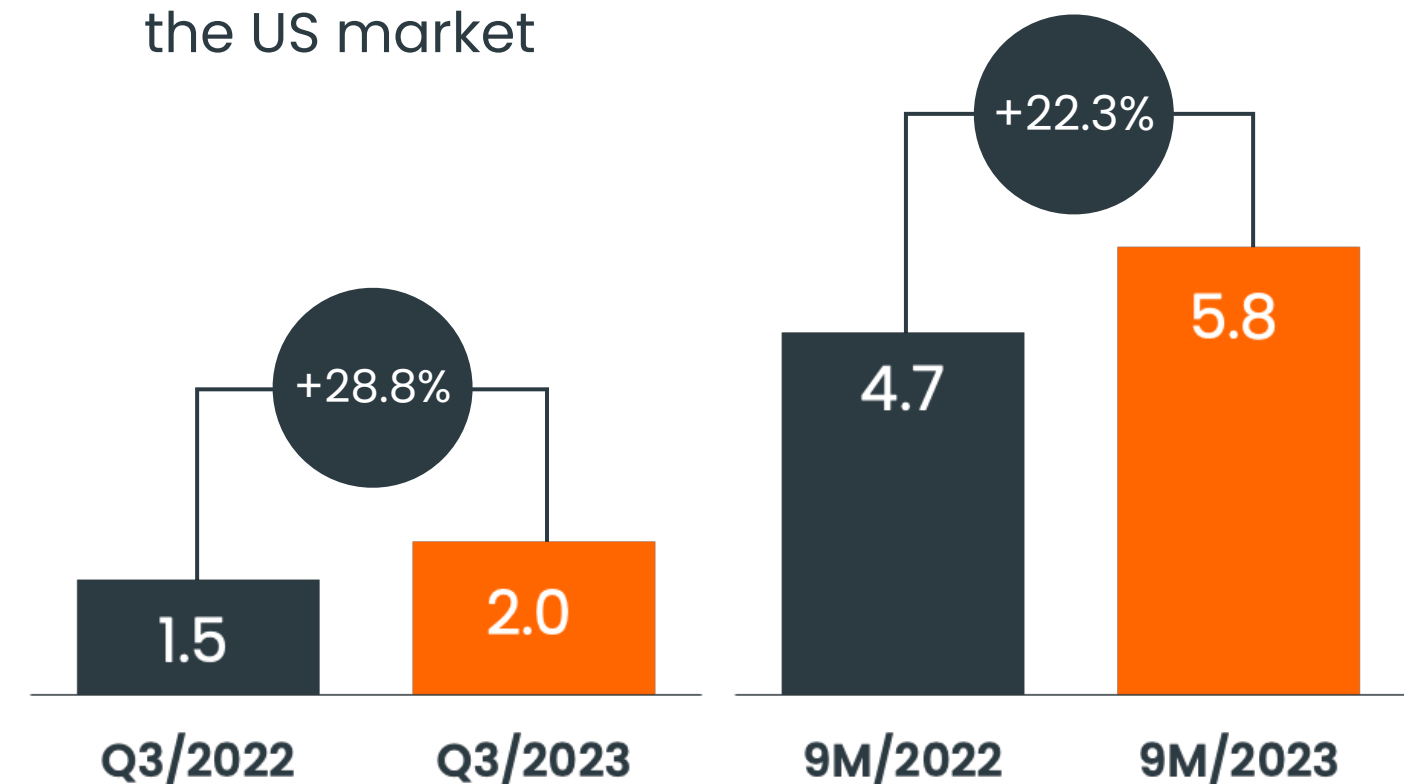
Digital Health 12.1%

- Launched onboarding for Swiss Post of the electronic patient record in six Swiss cantons
- ISO 13485 compliance, QMS stage 2 approved
- Workshops with Steno Diabetes Center Aarhus & Copenhagen Municipality



Smart Building 3.8%

- First Trifork Dataplatform delivery
- First US based customer signed to reduce power consumption on technical building components
- New communication protocol implemented in pilot for large equipment manufacturer to the US market

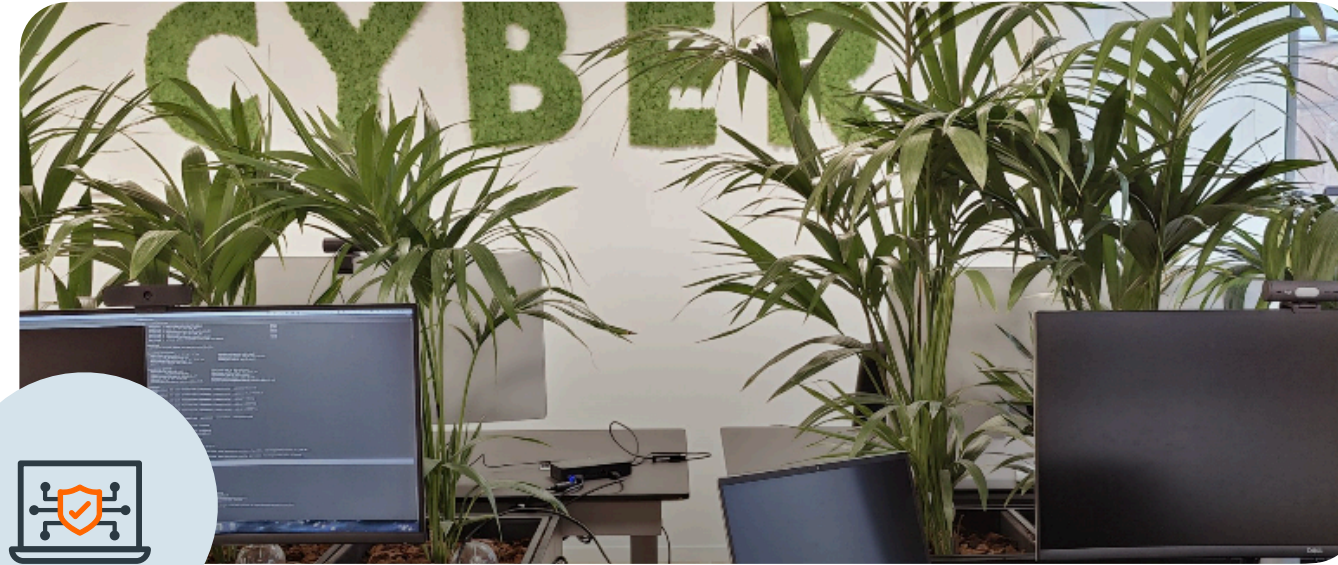
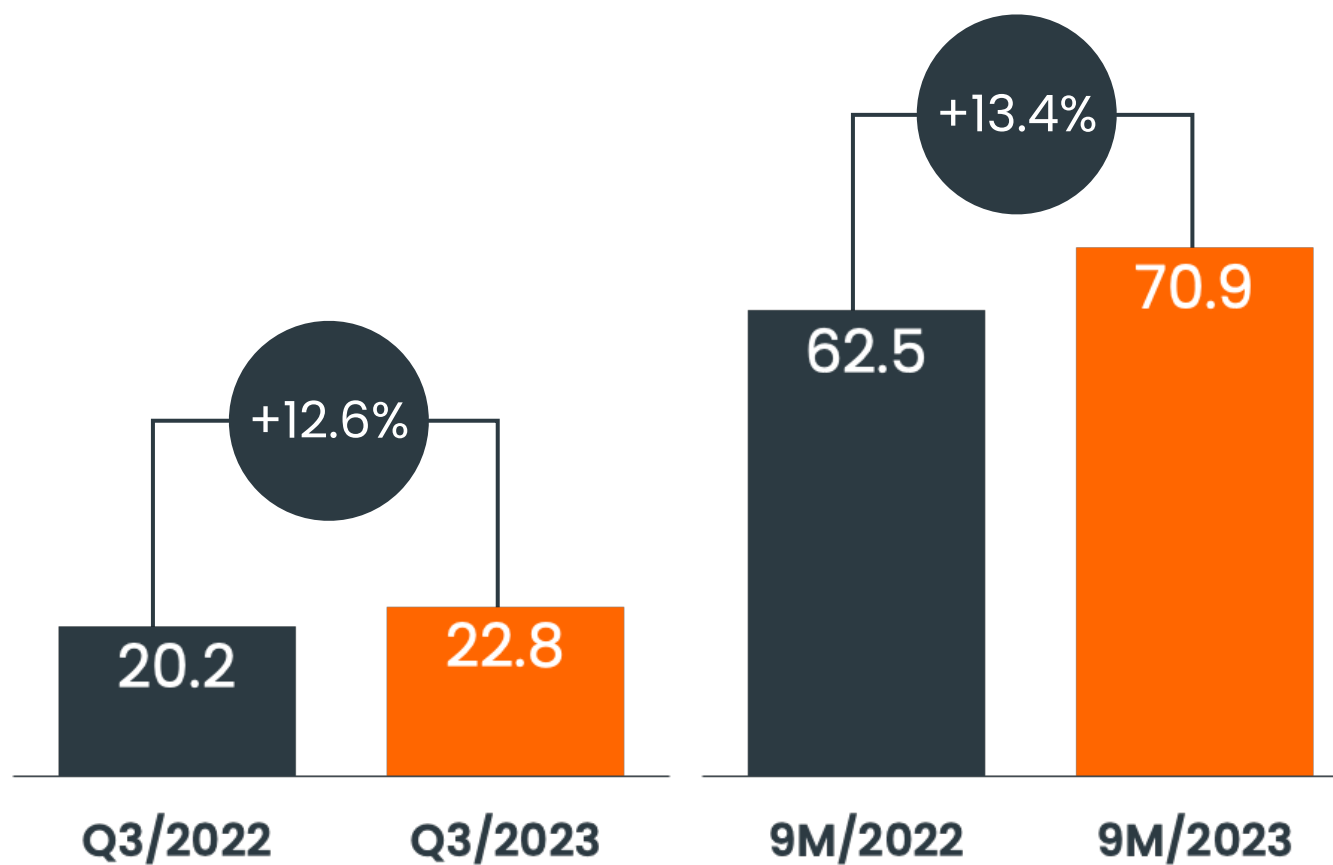


Business area highlights in Q3



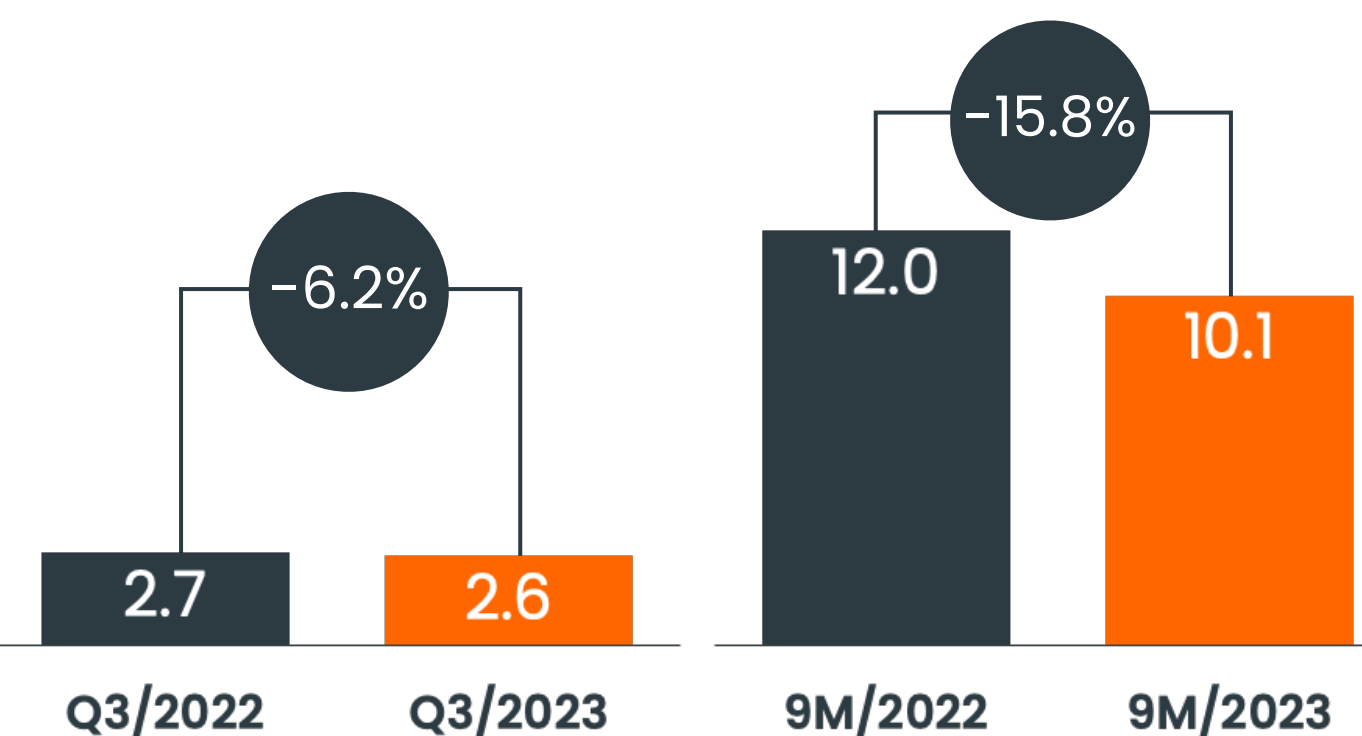
Smart Enterprise **46.3%**

- Self service portal for Evida
- Store exit portal for REMA 1000 showing that customer has payed in self-scan app
- Quality management system released for a large manufacturing company



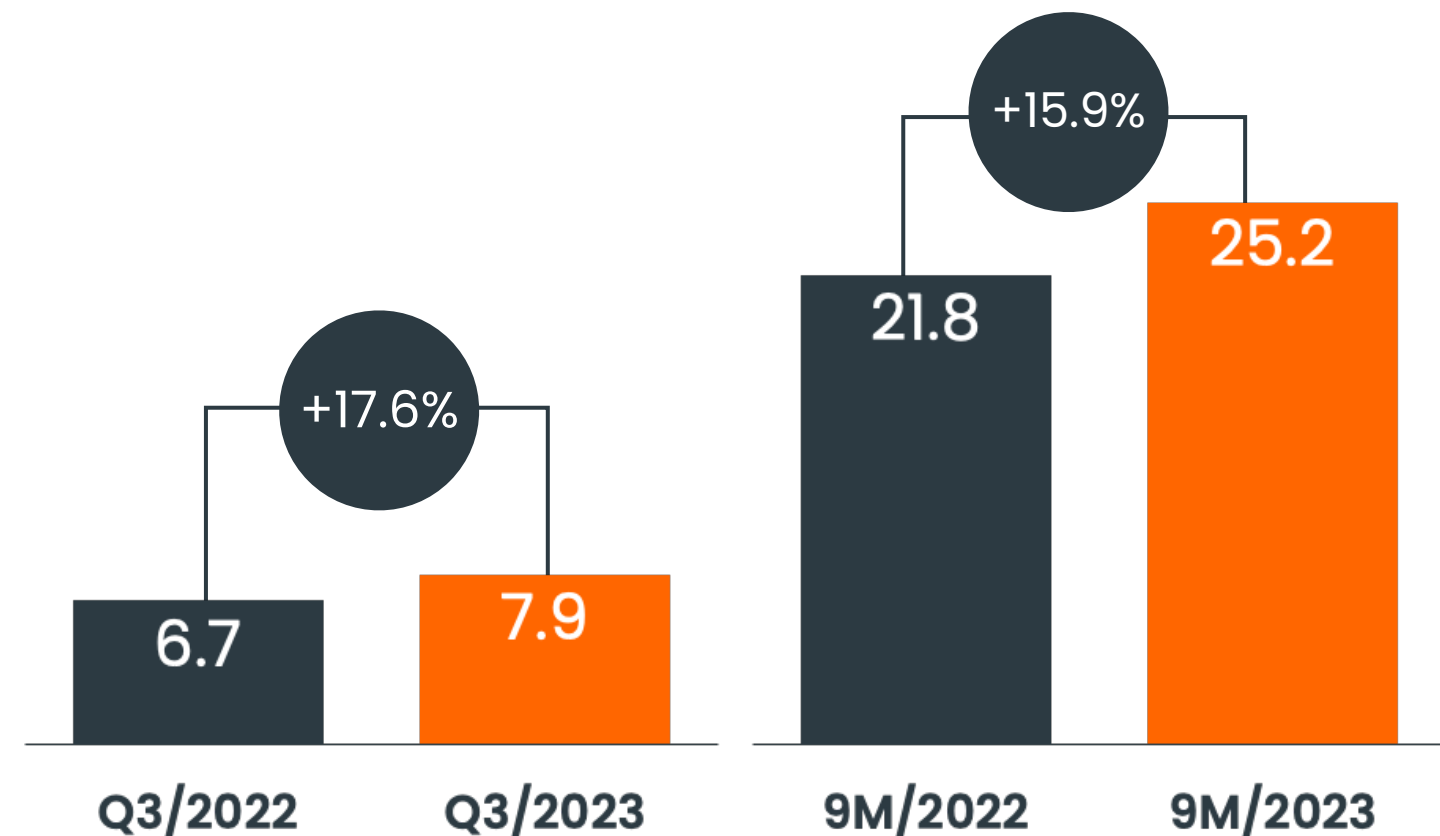
Cyber Protection **6.6%**

- Several events focused on NIS2 requirements
- New security operations center customers
- Conversion of large customers to a unified log management and SIEM system
- Awarded Elite Partner status from Splunk and initiated partnership with PECB on training



Cloud Operations **16.5%**

- Business mix continue to shift towards more recurring revenues
- High demand for Cloud Native standardized services
- Investments made in preparation for NIS2



ESG update Q3

Hired ESG Manager

- Our new lead ESG manager started in September
- Will help us achieve industry-leading ESG results and reporting

Environment

- Committed to Science Based Targets initiative
- Joined forces with Race for Oceans to deliver AI and robotics to remove plastic on beaches worldwide ([link](#))
- Became a member of Energy Cluster Denmark - organization working towards making Denmark a green energy country

Social

- Participation in multiple events aimed at getting young people interested in software technologies
- 1,202 employees from more than 48 countries
- Employee churn of 14.1% (Q2 LTM: 13.6%, Q1: 14.3%)⁽¹⁾
- Underrepresented gender of 23.9%
- Average age of 38.7

Governance

- Continuous development of data gathering that allows for more relevant ESG disclosure
- Continuous awareness training e.g. NIS2 training of leaders, management, and board



Trifork works on the development of AI-steered robots for cleaning beaches from plastic pellets.

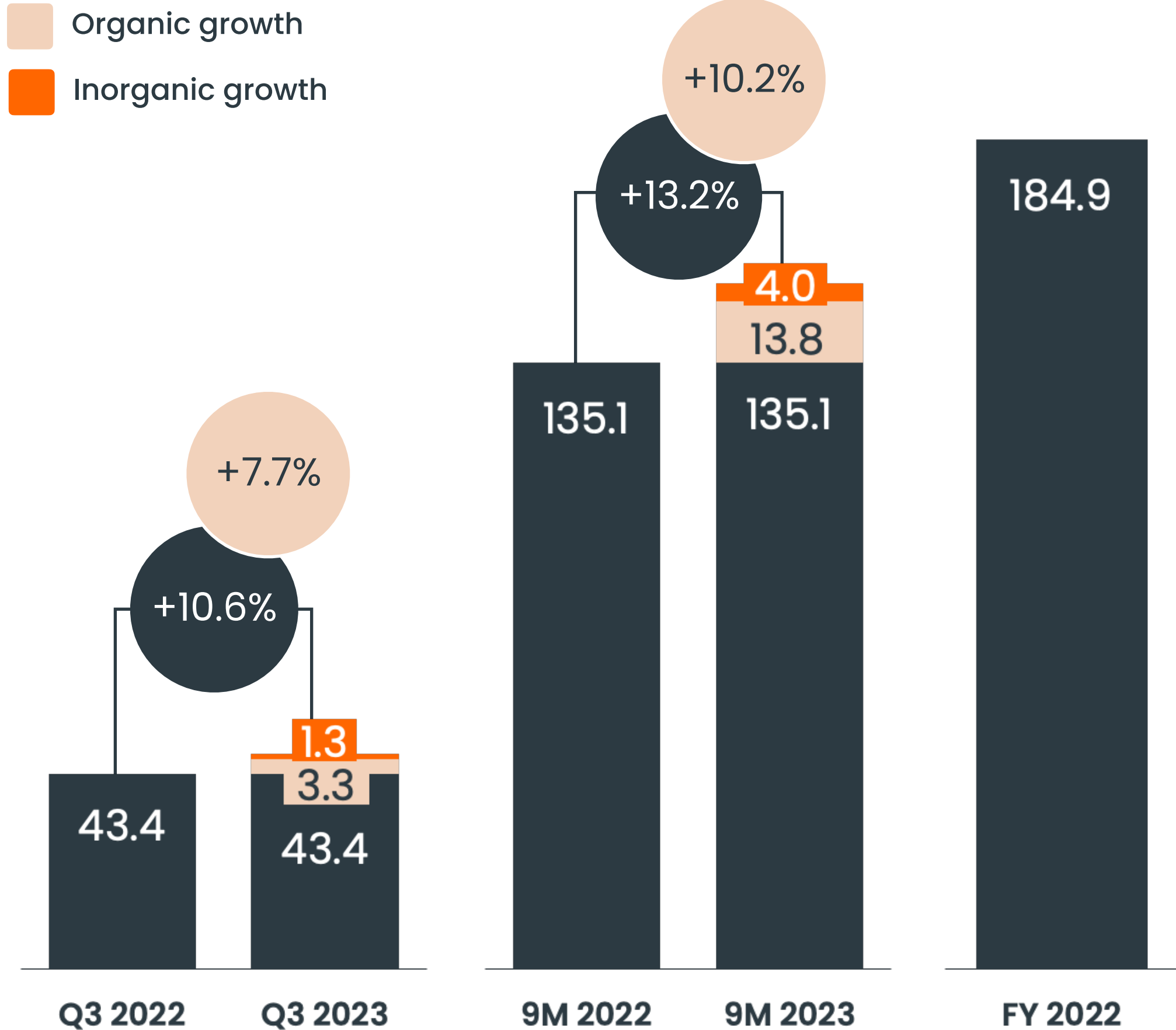
Picture: Race for Oceans

Trifork Group / Trifork Segment performance

Q3 2023

- Revenue of EURm 48.0 equal to 10.6% revenue growth
- Adjusting for non-core hardware and third-party license revenues in Run, organic growth was 8.2% in Q3 and 11.7% for 9M
- US and Switzerland continued exhibiting high growth rates
- Our largest market, Denmark, saw 11.9% organic revenue growth in Q3 with the highest growth once again coming from the private sector.
- As usual, no revenue from Trifork Labs included in revenue, as Trifork only holds minority stakes in Labs companies

REVENUE

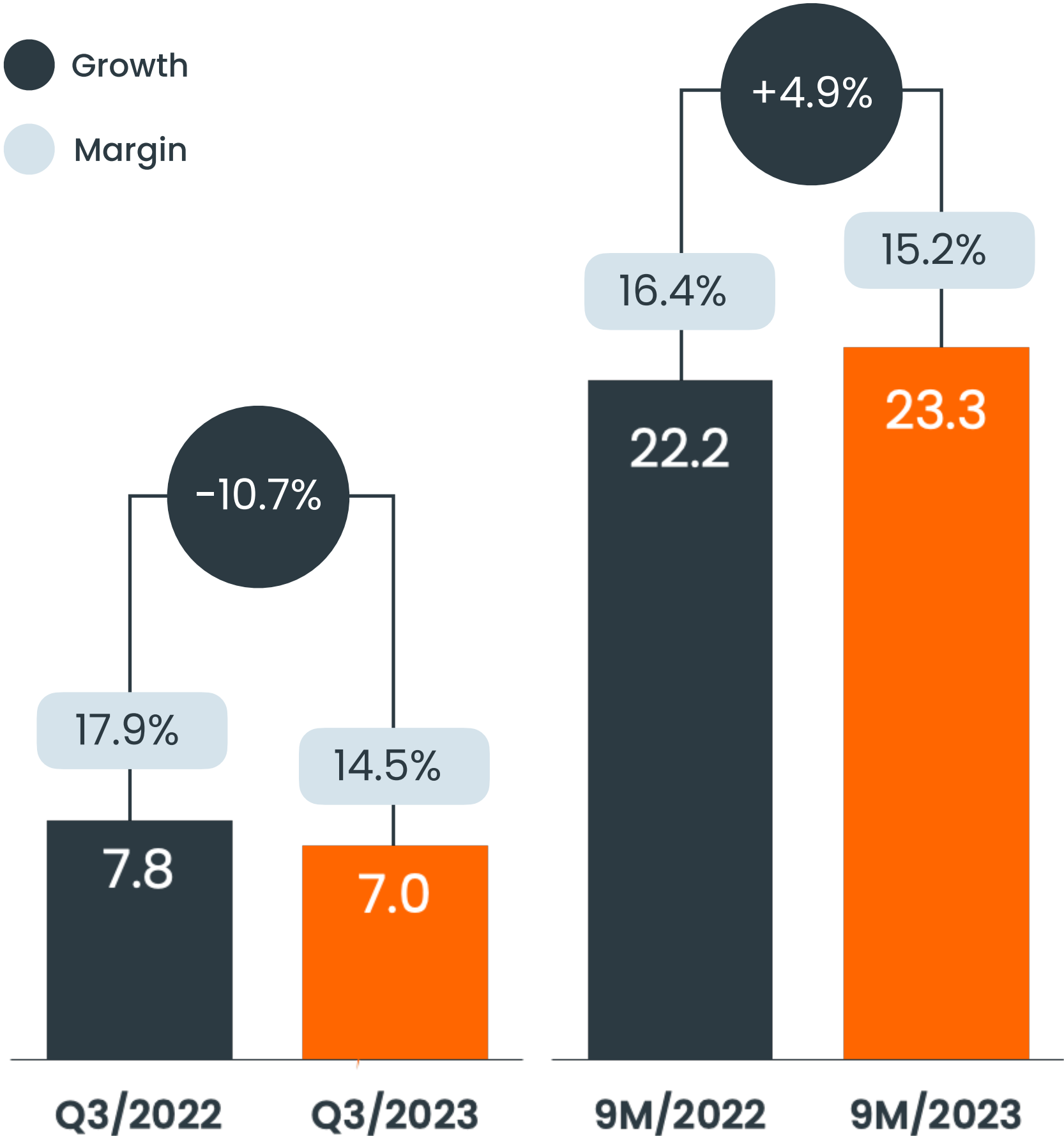


Trifork Segment performance

ADJUSTED EBITDA

Q3 2023

- **Adj. EBITDA**
 - No adjustments for special items in the quarter or in Q3/22
 - Continued investments in sales initiatives resulted in a decline in Q3/23 vs. Q3/22
 - **EURm 7.0**, equal to margin of **14.5%** (Q3/22: 17.9%)



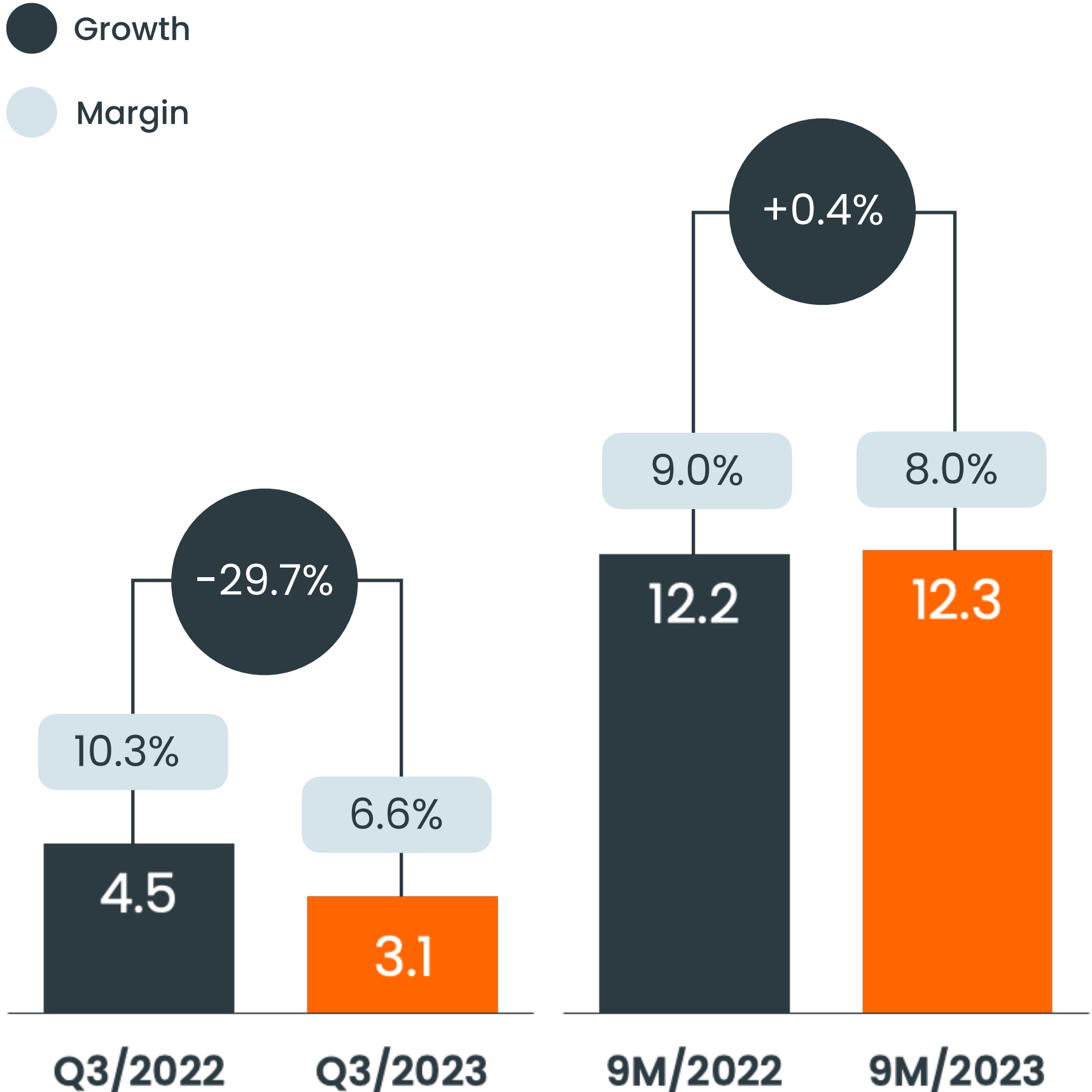
Trifork Group performance

Q3 2023

- EBIT

- No special items in the quarter or in Q3/22
- Small increase in depreciations and amortizations from IBE acquisition
- 6.6%** margin (Q3/22: 10.3%) impacted by investments in business development
- While we always aim to achieve decent margins, in this slower business environment, our main priority is maintaining revenue growth

EBIT

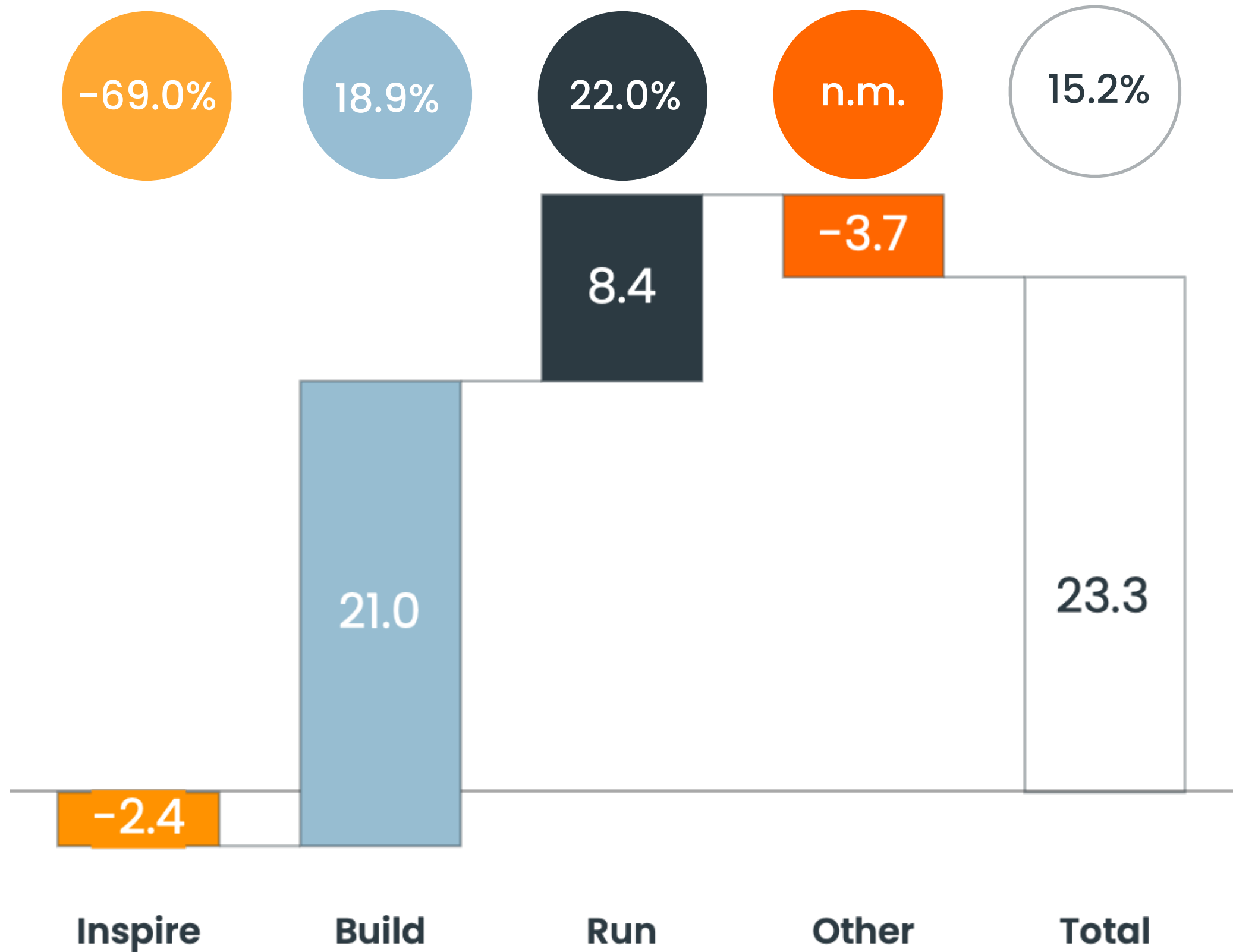
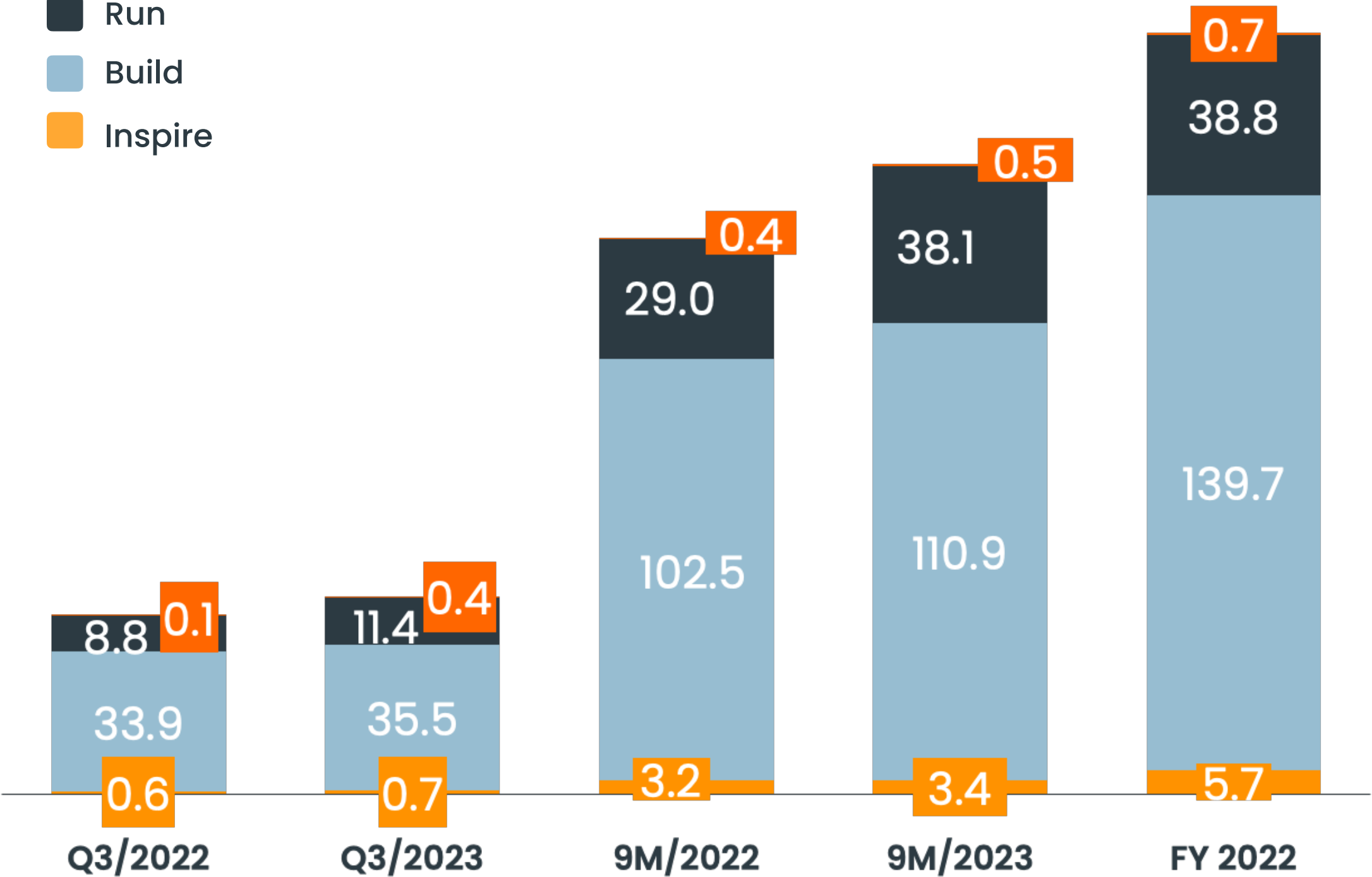


Trifork Segment performance

REVENUE BY SUB-SEGMENTS (EURM)

ADJ. EBITDA AND MARGINS BY SUB-SEGMENT IN 9M/23

- Other
- Run
- Build
- Inspire



Inspire performance

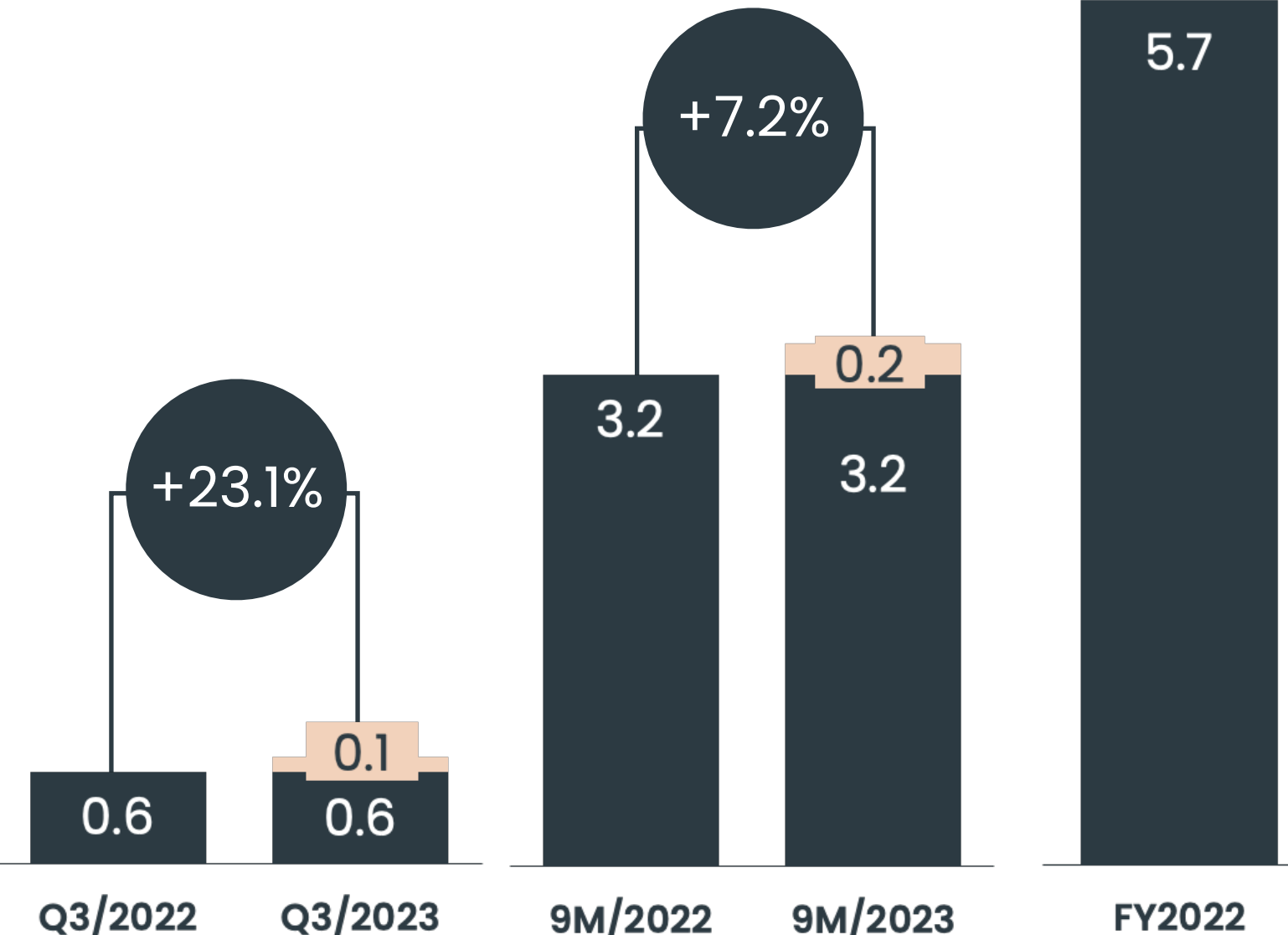
REVENUE

ADJUSTED EBITDA

Q3 2023

- Seasonally quiet quarter for conferences
- Revenue increased slightly compared to the same period in 2022 - but not enough to cover the additional cost invested in increasing the organization and activities.
- Started preparations to scale down conference activities to match slower market demand
- We continue to believe in our vision of creating an online community, where millions of software engineers can find videos and articles on all the latest topics. With scale, this will be an attractive place for software companies to advertise their developer tools.

Organic growth



Build performance

REVENUE

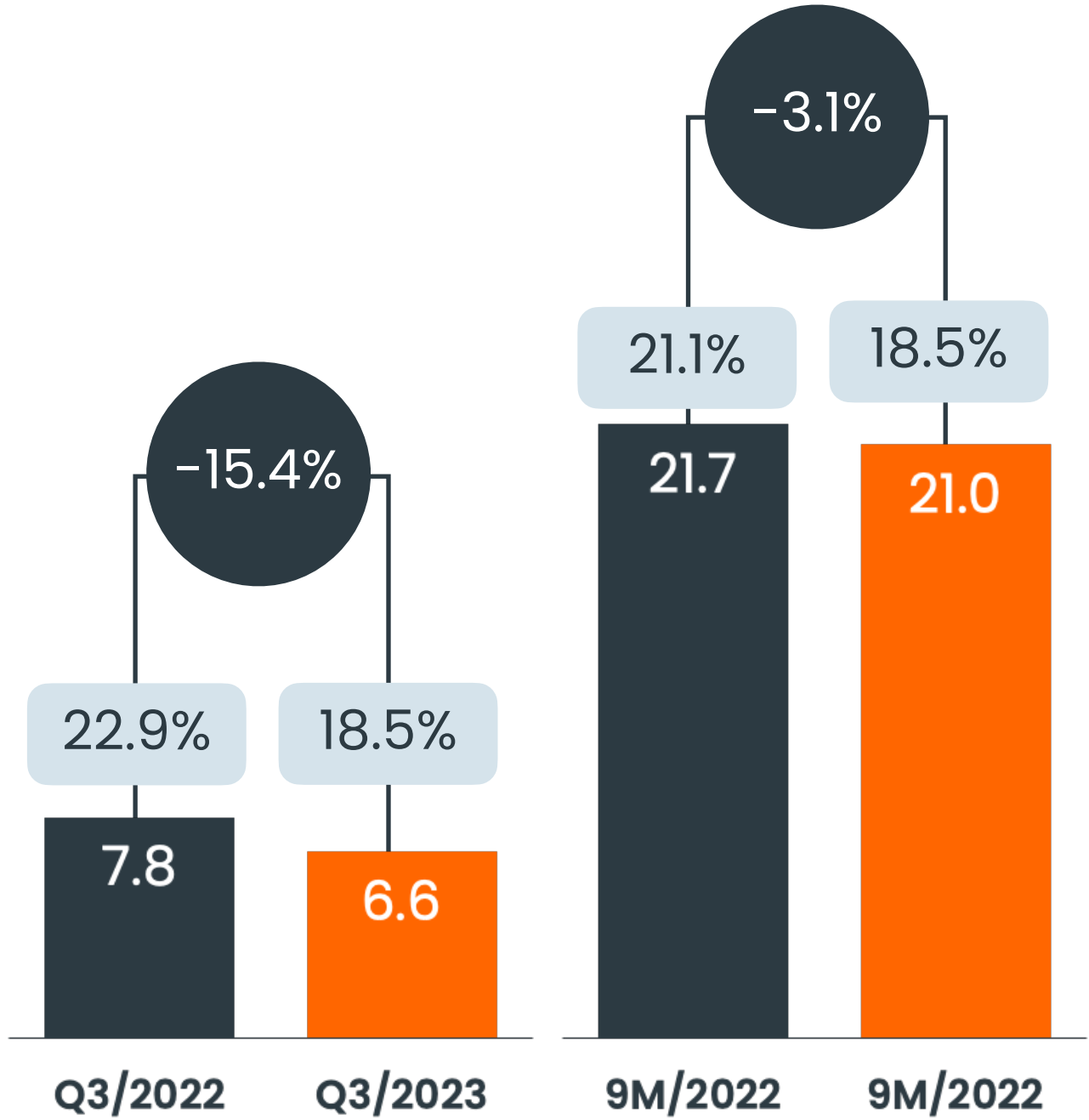
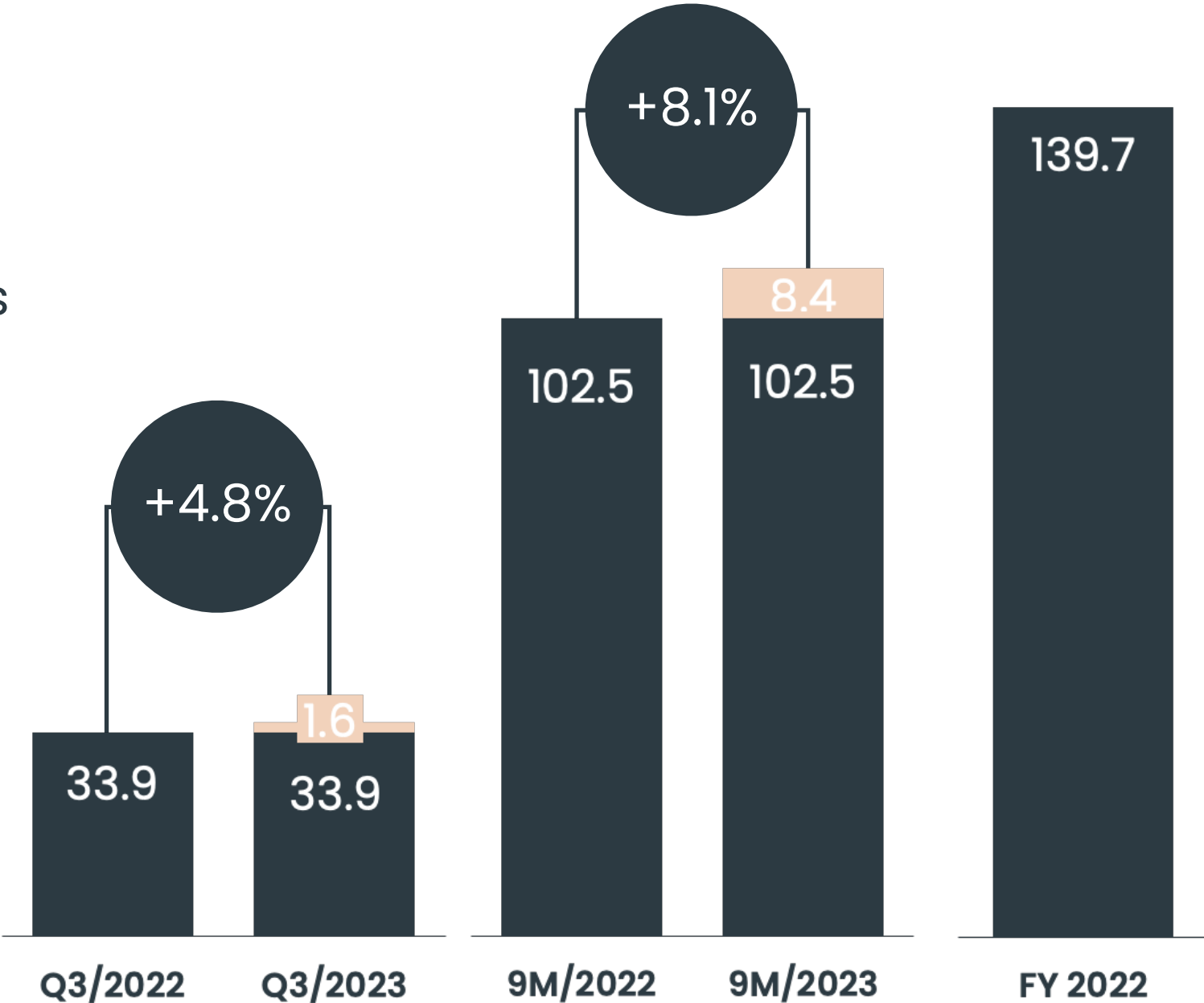
ADJUSTED EBITDA

Q3 2023

- EURm 35.5 revenue corresponding to 4.8% growth, which was all organic
- Growth primarily driven by Smart Enterprise in the quarter, with good performance in Denmark, Switzerland, and US
- Adj. EBITDA margin declined compared to Q3/22 as we continue to invest in growth initiatives

Organic growth

Margin

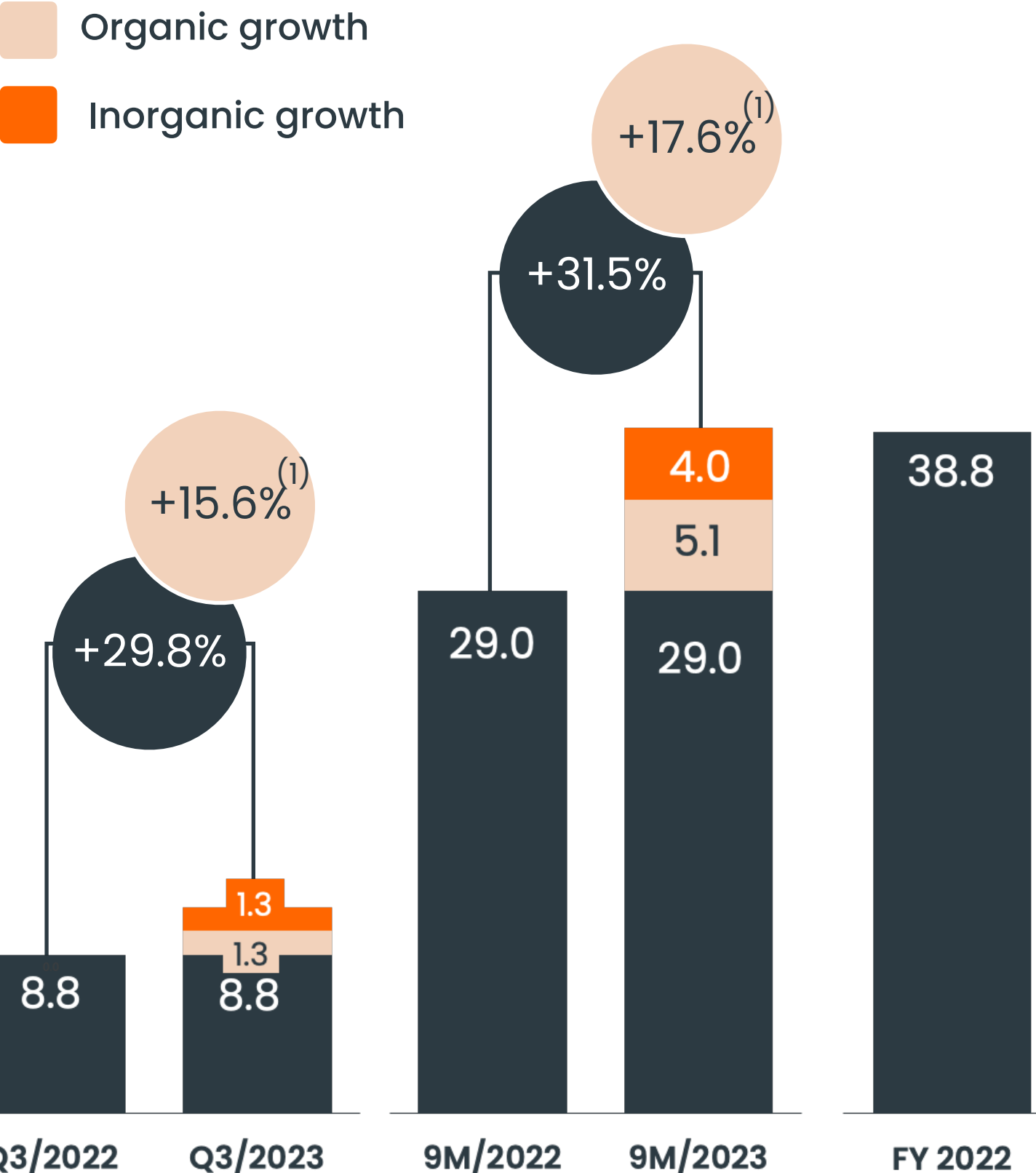


Run performance

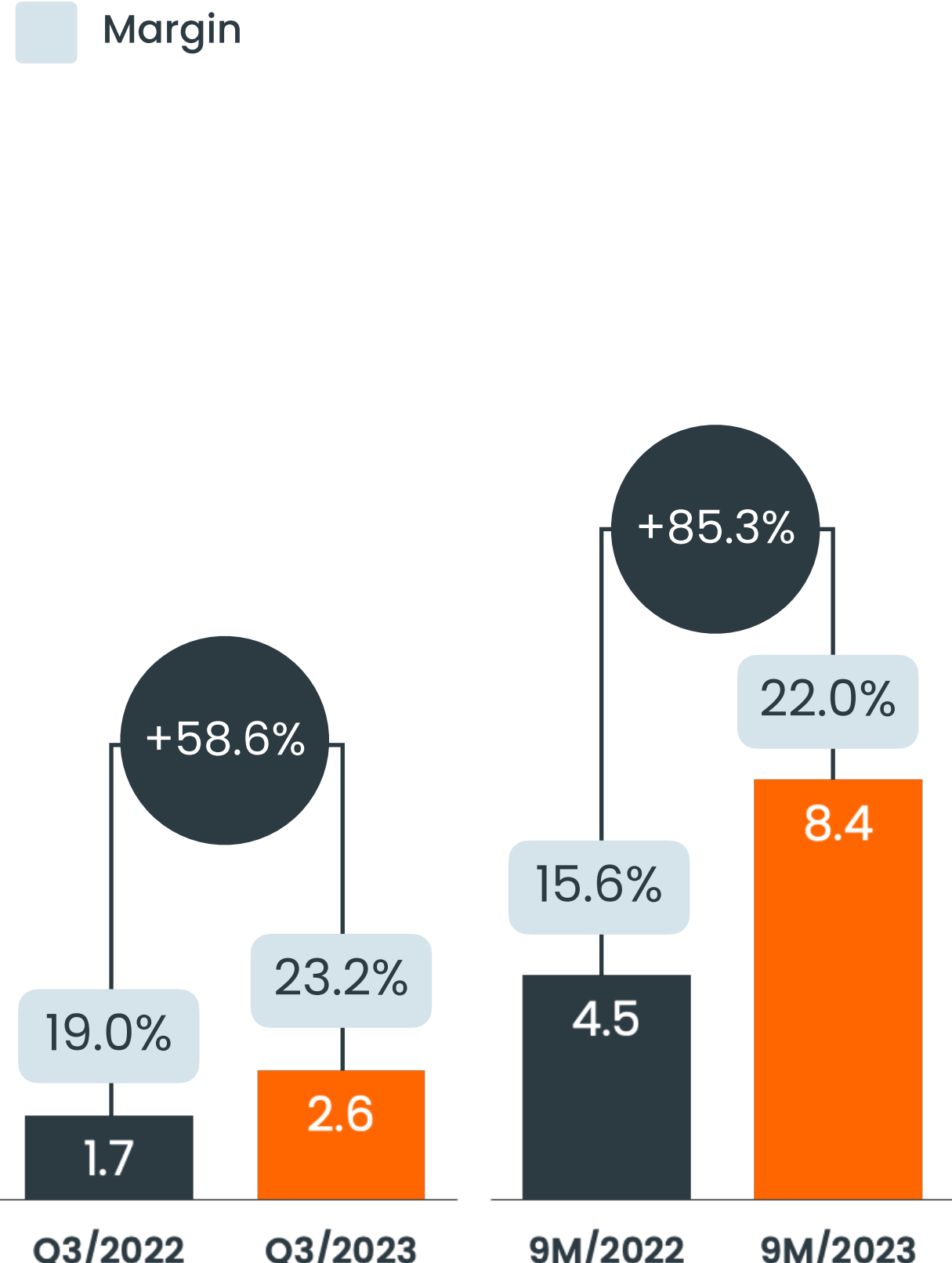
Q3 2023

- 29.8% revenue growth
- 15.6% organic revenue growth
- 20.9% organic growth if adjusted for aperiodic and non-core hardware and third-party licenses
- Inorganic contribution of 14.3% from acquisition of IBE in Switzerland
- Most Run-based revenue is recurring and comes from sales of Trifork's own products and related services
- Strong adj. EBITDA margin of 23.2% (Q2/22: 19.0%)

REVENUE

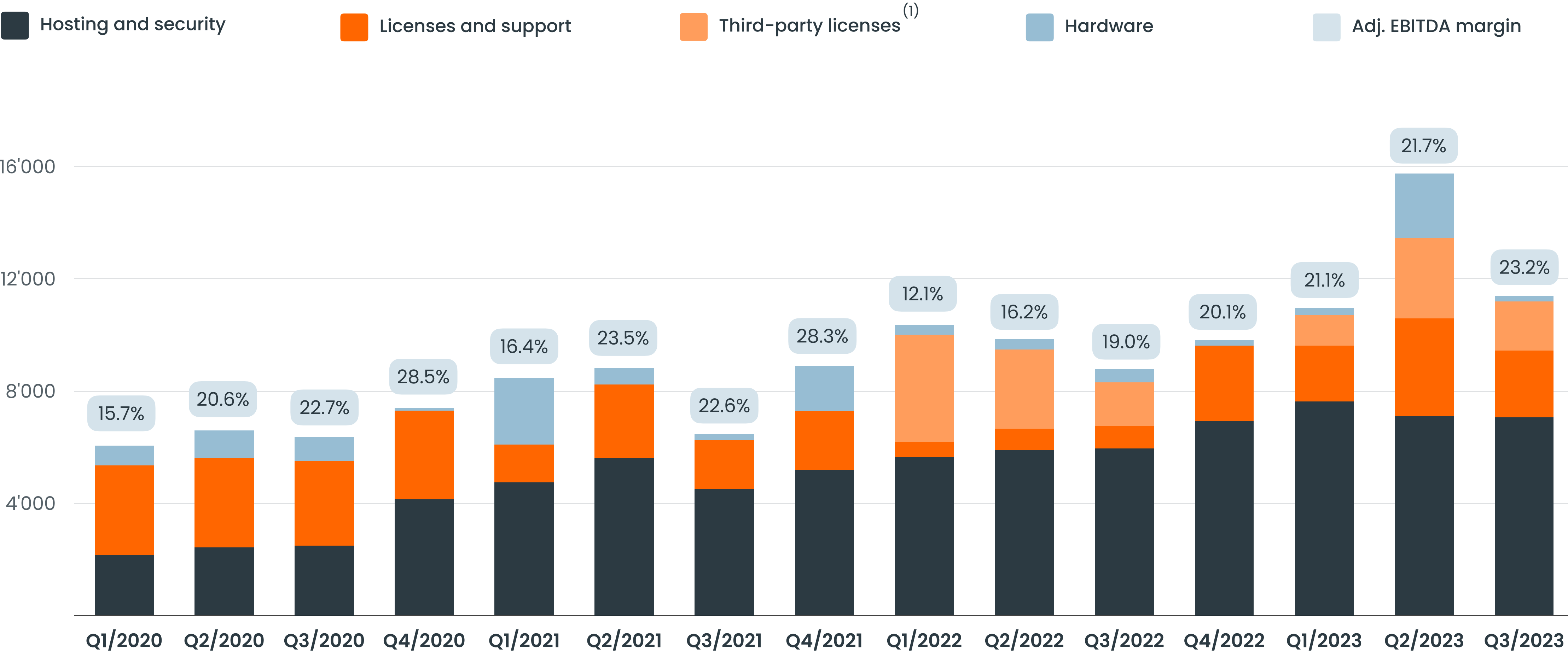


ADJUSTED EBITDA



1) Adjusting for hardware and third-party license revenues, organic revenue growth was 20.9% for Q3/2023 and 30.6% for 9M/2023.

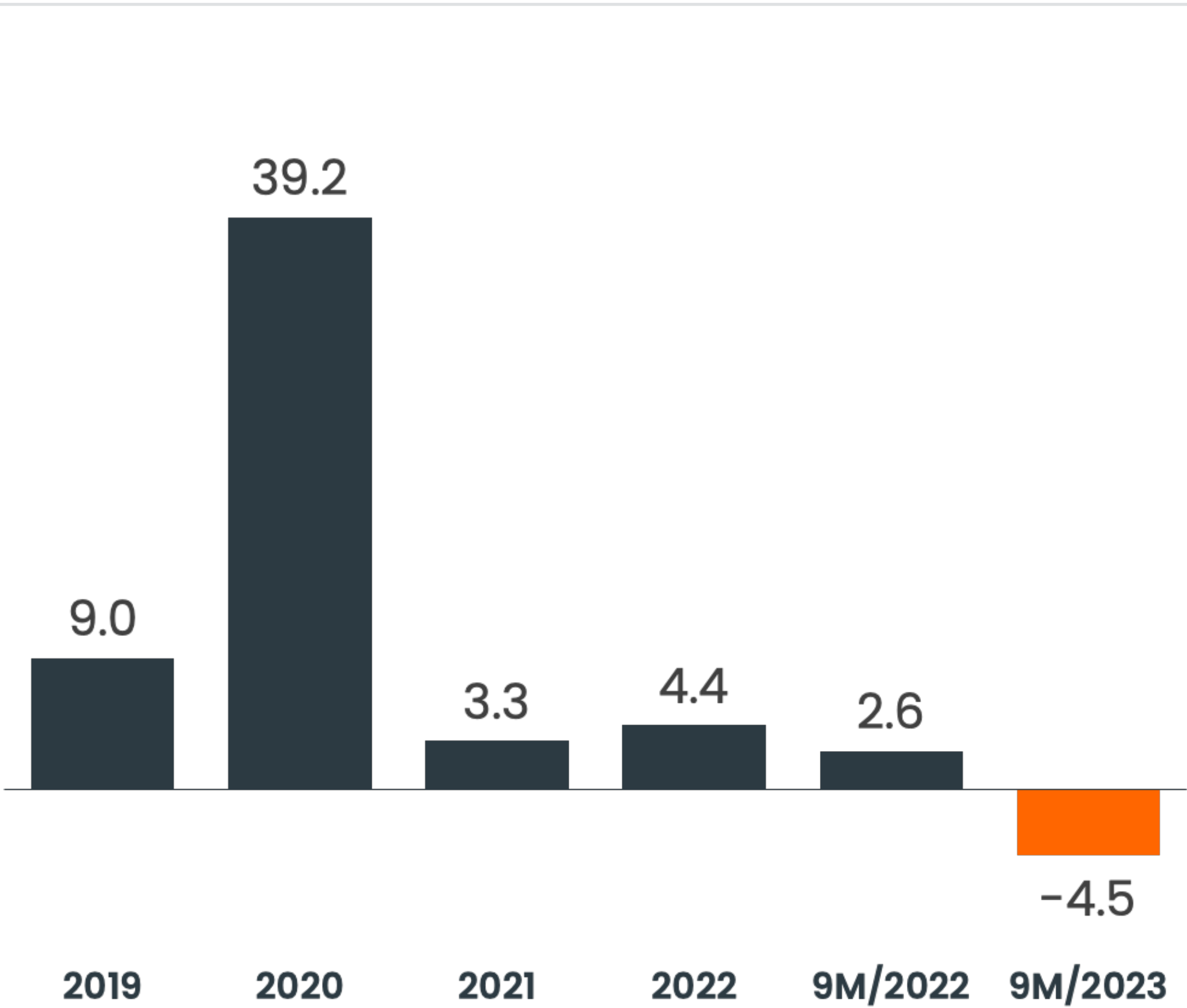
Run revenue split



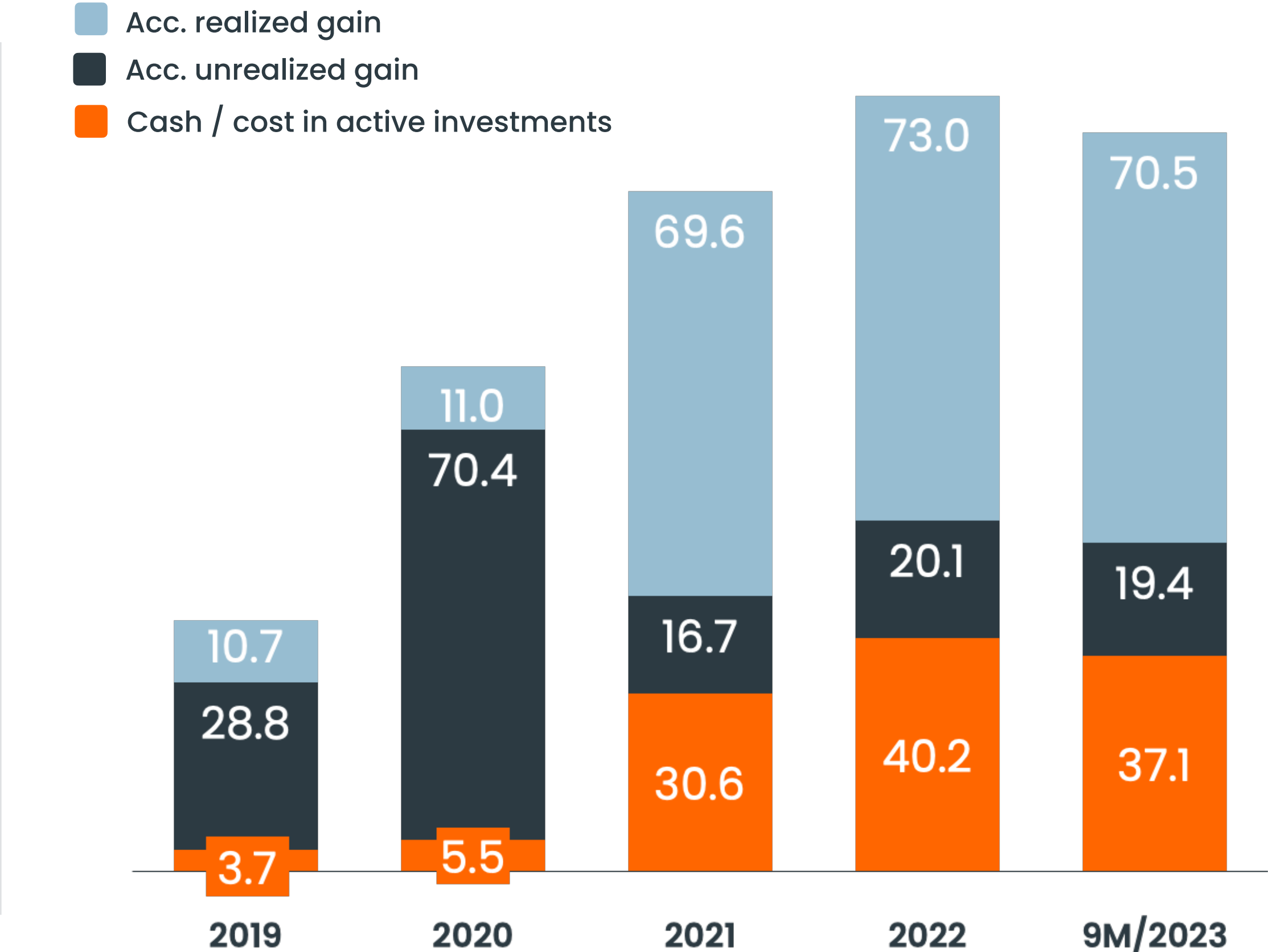
1) Since Q1 2023, Trifork started reporting third-party licenses separately from Licenses and support with comparative figures for the previous year

Labs performance

EBT (EURM)



INVESTMENTS (EURM)



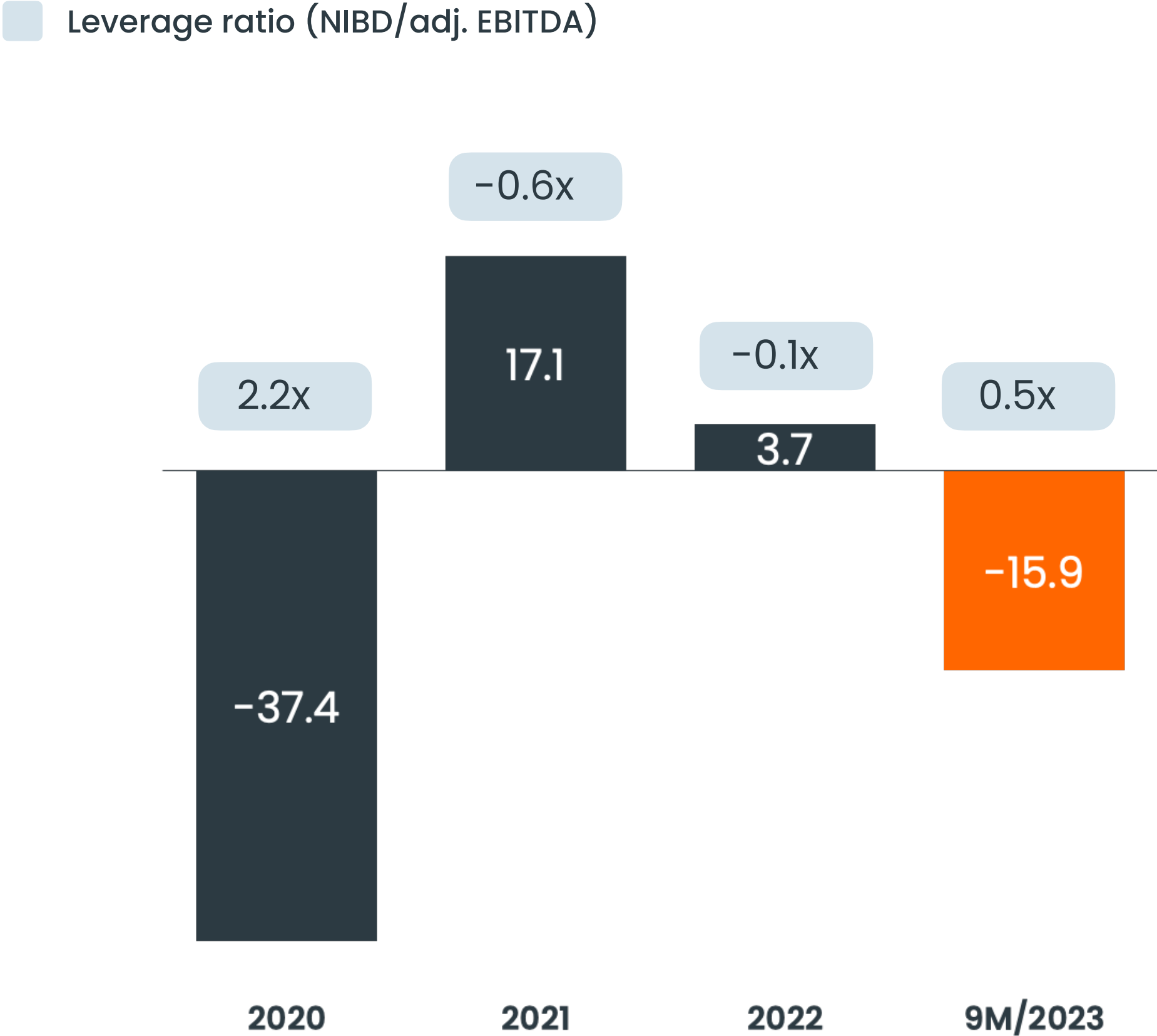
1) Out of the EURm 37.1 of invested capital in Trifork Labs at the end of 9M 2023, EURm 20.3 came from deconsolidated Trifork Group companies and EURm 16.8 from cash investments.

Cash flow and financial position

Q3 2023

- Operating cash flow of EURm 11.6 (Q3/22: 6.0)
- Investing activities of EURm -1.5 (Q3/22: -0.9)
- Financing activities of EURm -1.4 (Q3/22: -2.4)
- Net interest-bearing debt of EURm 15.9
 - 0.5x net interesting-bearing debt to adj. EBITDA
 - Comfortable with a gearing up to 1.5x
 - Treasury shares worth EURm 3.7 not included in calculation of NIBD
- Today, announced a share buyback of EURm 2 running until 31 March 2024

NET INTEREST-BEARING DEBT



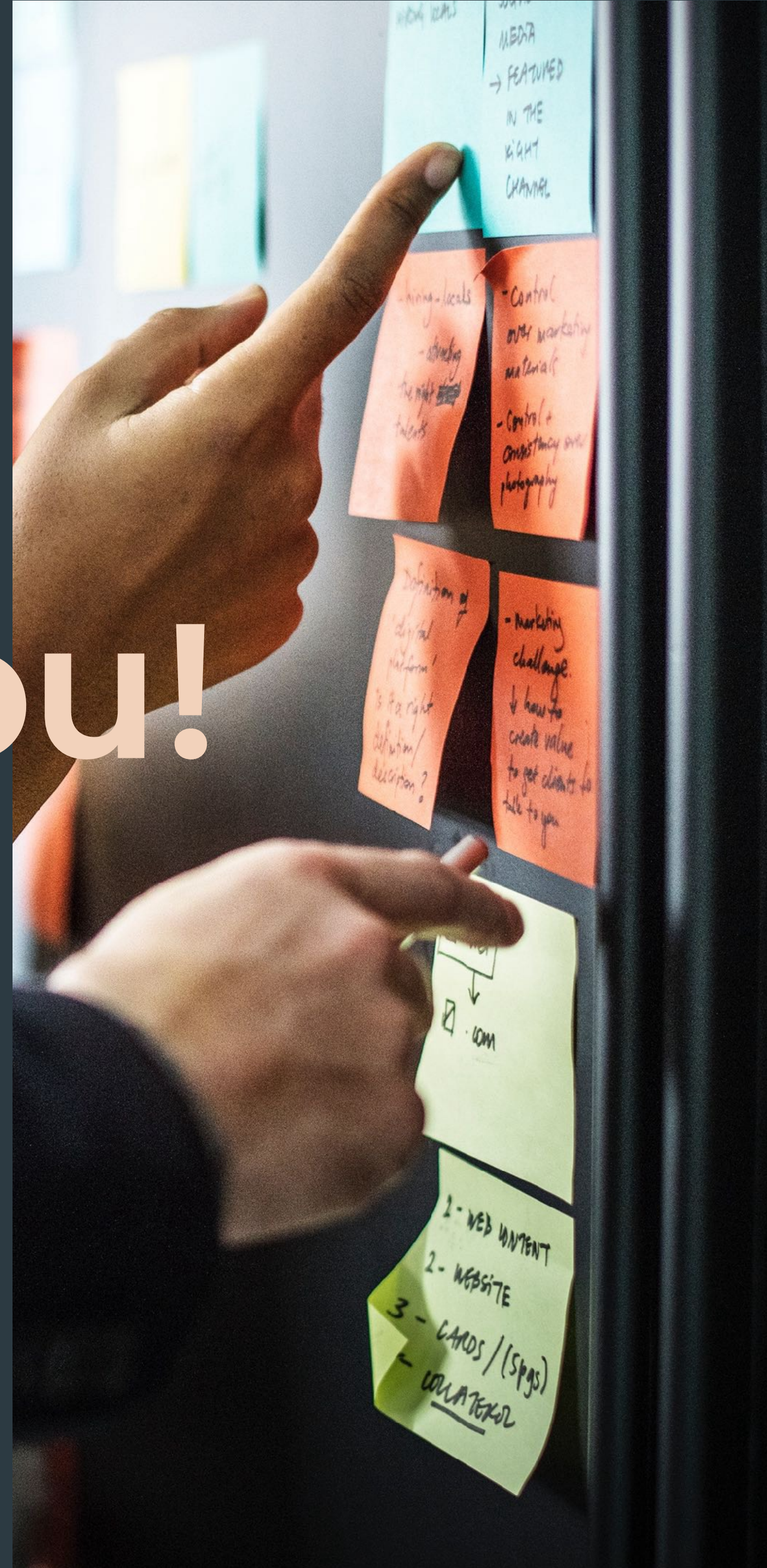
TRIFORK[®]

-  Strong non-cyclical growth drivers
-  Software innovation specialists
-  Long track record of resilient and profitable growth
-  Full-circle and low-risk business model
-  Effective and agile teal organization
-  Successful and profitable R&D model with Trifork Labs
-  Enabling customers to become sustainable with software



Thank You!

Any questions?



TRIFORK.