

# Heeros



**Heeros – commitment to growth  
without compromising on profitability**

August 2024

# Safe Harbor Statement

Certain statements in this presentation are forecasts and are based on the views of Heeros and company management at the time of their issuance. For this reason, they involve risks and uncertainties. Forecasts may also change if there are significant changes in the general financial situation or the company's operating environment.

The information in the presentation is not intended as investment advice, offers or solicitation to trade in Heeros investment products or services.

## Presenting today

**Niklas Lahti**  
Chief Executive Officer



- Background from leading B2B IT and Tech companies, as well as in finance, investments and M&A
- Previously M&A Director at Digia, CEO/Entrepreneur at Nord Software and Analyst at Rite Ventures
- M.Sc. (Econ.) in Finance from Aalto University

# Heeros is a leading provider of SaaS products for Accounting and Financial Management and AP & AR automation for Finnish SMEs

## Highlights

SaaS company with a long history of **uninterrupted growth and profitability**

**Strong market position in Finland with 17,000 end customers** across segments

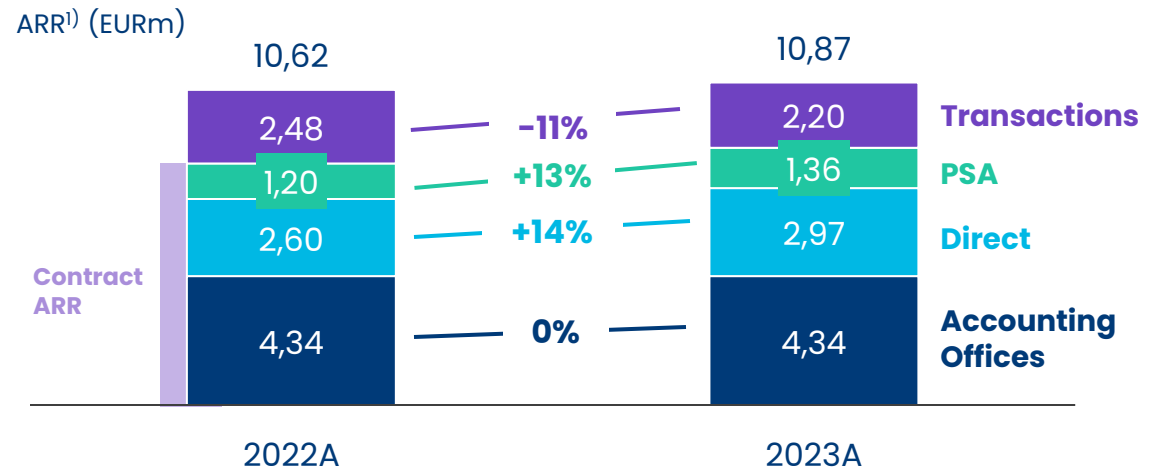
Development **focus recently on market-leading AP/AR automation offering** for direct, mid-sized customers

**Accounting Offices, direct SME customers and the PSA vertical** as target markets, with wide customer base in each

**Refocusing of the organisation executed recently**, increasing profitability and enabling future growth

**Listed on the Nasdaq First North Growth Market Finland**; Two main shareholders [Rite Ventures](#) from Sweden and [Viking Venture](#) from Norway

## ARR development and customer segments

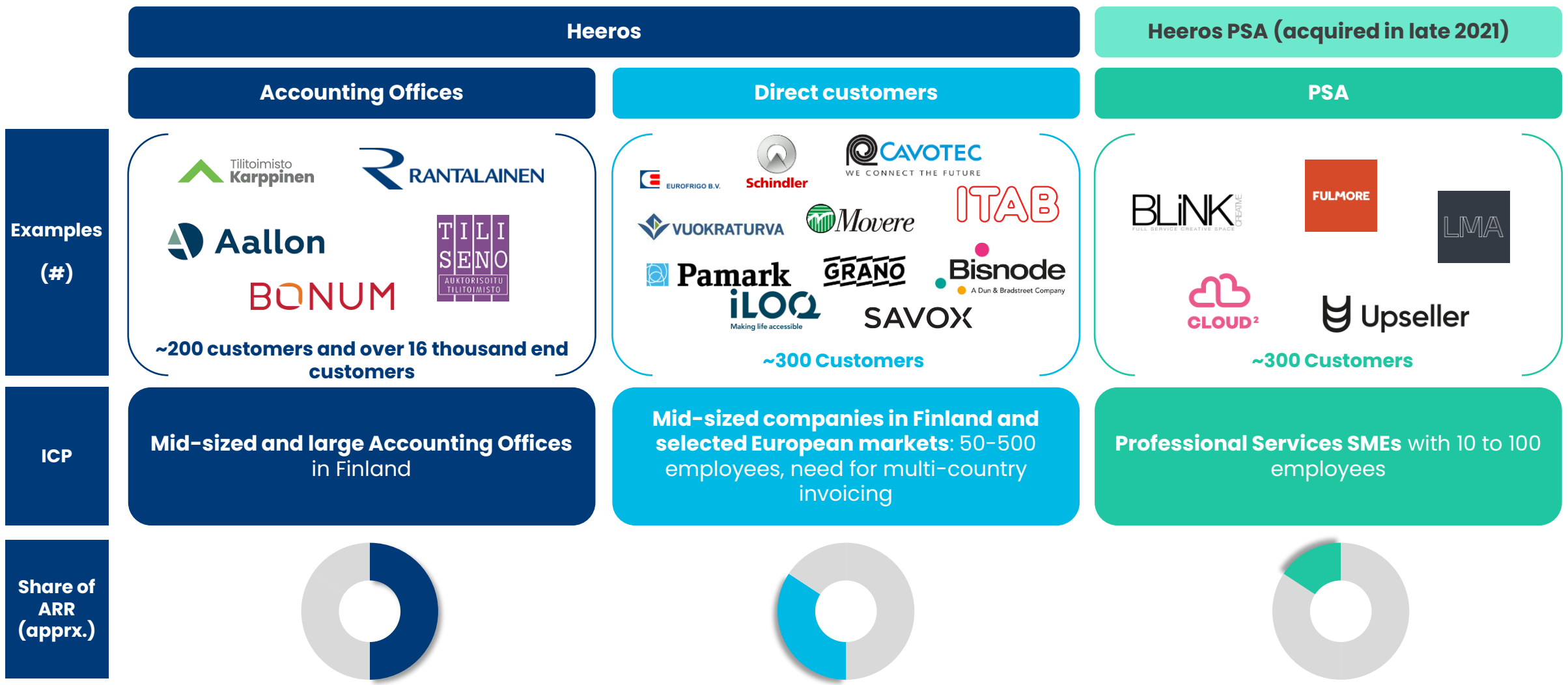


**Accounting and financial management for Accounting Offices and their end-customers**

**Portfolio of business-critical products for direct SME customers with AP and AR as spearhead**

**Vertical ERP product for the PSA vertical (acquired in late 2021)**

# Extremely wide & sticky customer base consisting of c. 17,000 Finnish SMEs with high satisfaction & loyalty, ample room to upsell



# Transformation process started 2+ years ago, sped up with new owners & new CEO

## Why transform?

### Lack of focus and clarity

Low profitability primarily due to lack of focus

Customer base starting to doubt viability of company  
"will Heeros ever be profitable"

Wrong people in team;  
use of consultants across multiple areas

### Well-functioning product portfolio, but to whom is it targeted?

Unclear pricing & packaging of offering

Unclear ICP, who to target and sell to resulting in low sales efficiency

Lack of efficiency, automation & AI in internal business processes

### Operational issues

Poorly executed M&A leading to multiple internal issues

Stock market looking at profitability instead of growth, even for SaaS

Cluttered operations, 20+ projects ongoing and never getting finished

Transformation via multiple small changes, not a big bang

# Go-to-market focus in modular product offering; extending existing ERP capabilities for direct mid-segment customers especially in Invoice-to-pay and Invoice-to-cash

Direct customer segment offering



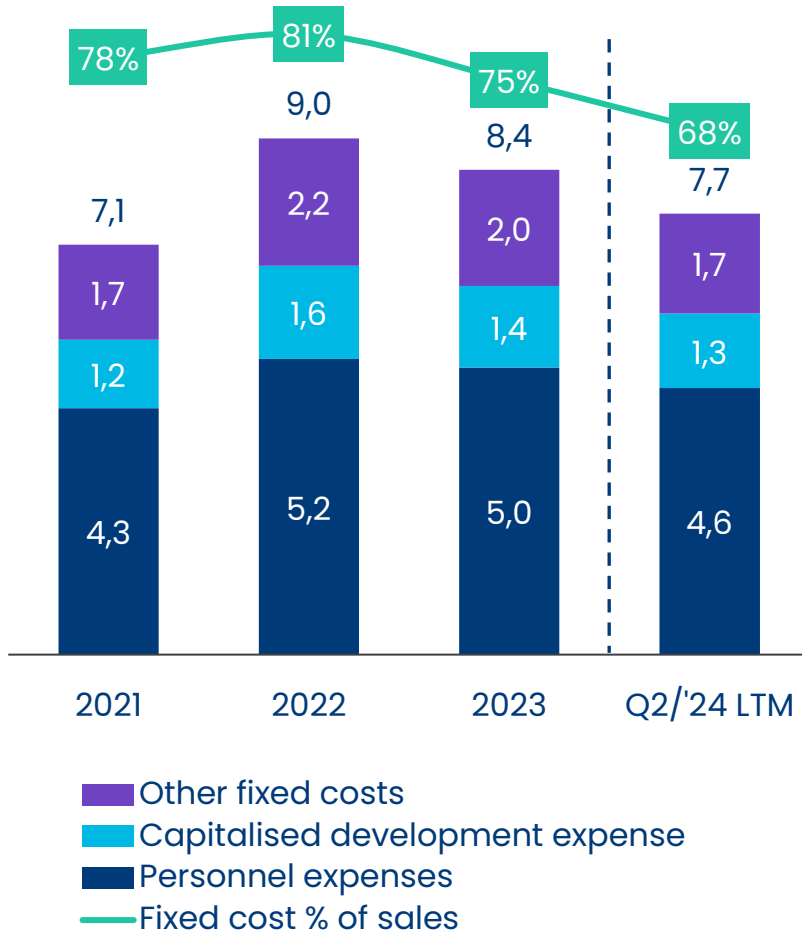
✓ **Multi-country compliance**

✓ **The most flexible ERP integration**

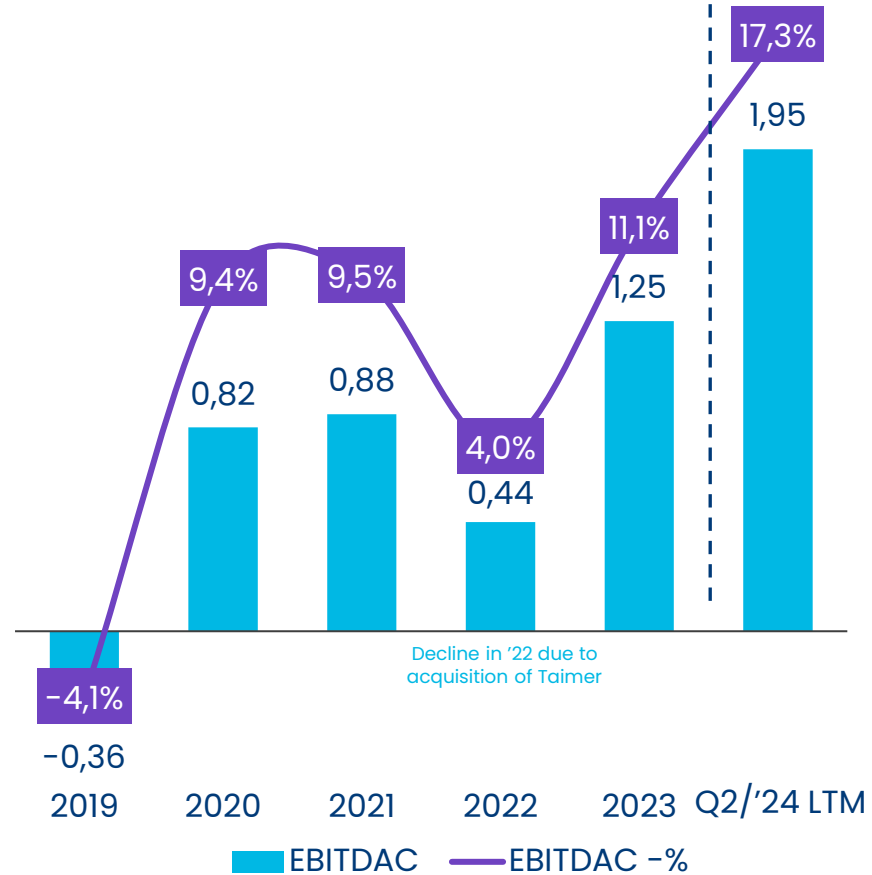
✓ **Easy and mobile user experience**

# Transformation of business during past 24 months have decreased fixed costs and improved EBITDAC – Q2'24 LTM at 17.3% vs 4.0% during 2022

Fixed cost base development EURm



Adj. EBITDA-C development EURm



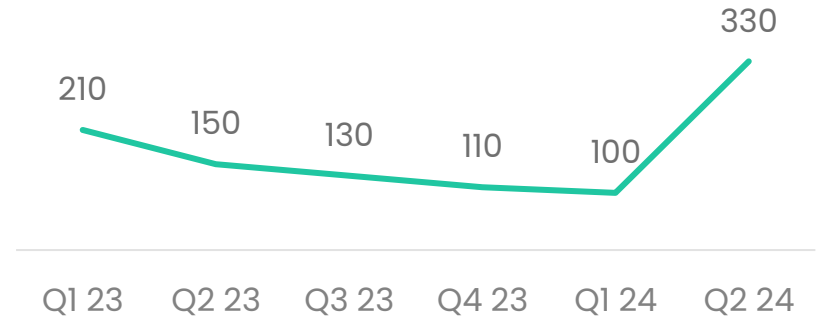
- Fixed cost base increased in 2022 partially due to acquisition of Heeros PSA (Taimer) in late 2021
- Refocusing actions started to decrease fixed costs starting from Q2 2023 onwards
- Run-rate 2024 profitability significantly above the level achieved in 2023
- Cost savings not impacting operations or churn in a major way
- Heeros' most important internal KPI, EBITDAC rose by +420% in Q2 2024



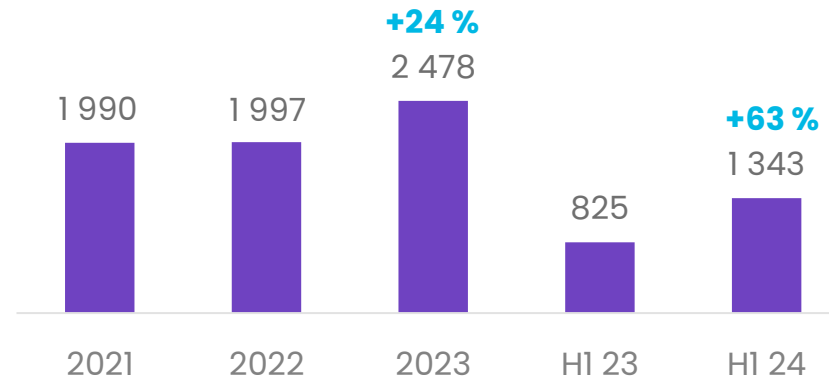
## Outlook for 2024

- Both Q1 and Q2 were better than expected, especially in terms of profitability
- Having served as CEO for just over a year, I am pleased to see the positive changes in Heeros
  - From the outset, we've focused on operational efficiency, and demonstrating Heeros' commitment to growth without compromising on profitability
  - These goals have been met, and Heeros' financial profile has markedly improved over the year
- Optimistic about 2024 – especially given great strides made in improving sales & marketing efficiency
  - If trend continues, we expect positive sales momentum to carry on into H2 after several challenging quarters

Order intake ARR, EUR 1,000



EBITDA, EUR 1,000



# Key investment highlights – full presentation available at [heeros.com](https://heeros.com)



- 01 High-quality portfolio of SaaS products with AP/AR automation as spearhead**
- 02 Strong market position in Finland within Accounting Offices, Direct customers and the PSA vertical**
- 03 Wide customer base consisting of c. 17,000 Finnish SMEs with high satisfaction & loyalty**



- 04 Scalable, cost-effective business and distribution model**
- 05 Clear pricing power and agenda with limited churn**
- 06 Strongly increasing profitability driven by operational efficiency improvements and scalable cost base**

Thank you!

# Heeros

Join the growth ride

[www.heeros.com](http://www.heeros.com)

The company's shares are listed on Nasdaq First North Growth Market Finland, under the trading ID HEEROS