



Zalaris: The Future in HR & Payroll Outsourcing

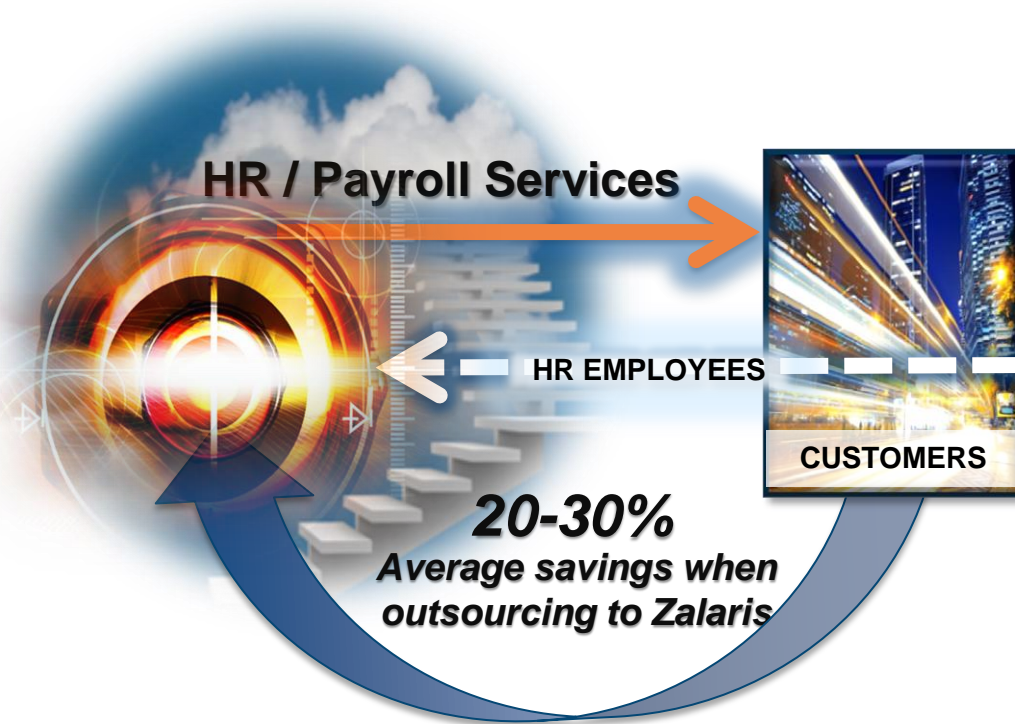
June 2016

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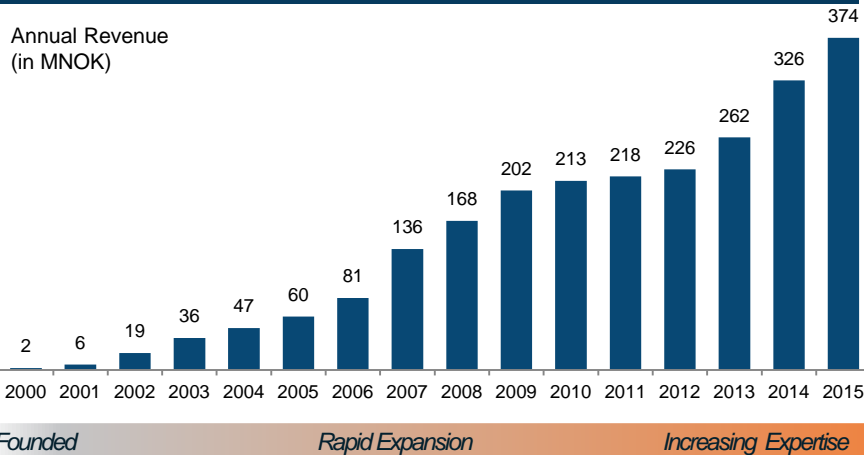
Providing Payroll & HR Outsourcing Services to “Blue Chip” Global Market Leaders

- ✓ **Full-service outsourced payroll and personnel processes** enabling clients to focus on strategic HR
- ✓ **Enabler of cross-border organizations** through one common IT solution across geographies
- ✓ **Access to best-practice** talent management functionality
- ✓ **Improved productivity** through automation of routine activities
- ✓ **Economies of scale** through servicing more than 191,000 employees on a monthly basis
- ✓ **Reduced unit costs** through near- and off-shore centers (labor arbitrage), fueling additional efficiencies
- ✓ Nordic **SAP Innovation Partner**



A Leading Force in the HR Outsourcing Market

Strong Sales History



Serving large enterprises including:

Strategically Located Service Centers



Comprehensive Service Offering

- Full-service provider of outsourced HR, people and payroll services
- Cloud-based solutions supporting full range of HR and payroll processing requirements including full SAP-SuccessFactors integration
- Low-cost automated delivery solutions complemented by local language support
- SAP BPO Partner. SAP Partner since 2001.
- More than 191,000 employees served on a monthly basis across the Nordics, Baltics and Poland and growing with customers to new geographies

Proven Business Model

- | | |
|---------------------------|---|
| Recurring revenues | <ul style="list-style-type: none"> 50+ long-term BPO customers in the Nordics & CEE Outsourcing contracts are signed for at least 5 years Low churn rate |
| Continuing Growth | <ul style="list-style-type: none"> NOKM 374 in 2015 (up 15% Y/Y) Strong pipeline of opportunities |
| Solid partner | <ul style="list-style-type: none"> Profitable since 2005 Scalable business model |

Zalaris offers four cloud based HR outsourcing service offerings to fit clients needs

Comprehensive Service transactional HR and payroll

Zalaris is responsible for all end-to-end transactional HR processes including employee master data, payroll, travel and attendance, benefits processes and employee help desk

Client interact via Zalaris service management and focus on strategic HR. No retained staff performing transactional HR.

Frequently involves transfer of staff to Zalaris as Transfer of Undertakings (TUPE)

Full Service Payroll and Travel Expenses

Zalaris is responsible for end-to-end payroll process, sick leave refunds and employee help desk

Client is responsible for maintenance of employee data and HR

Payroll Processing

Zalaris runs payroll and distributes output

Client responsible for input and own reporting

Cloud

Zalaris provides hosted solution with flexible licensing based on Zalaris smartHR powered by SAP HCM and SuccessFactors

Client has own HR, payroll, accounting and support staff that handle all aspects of payroll and transactional HR

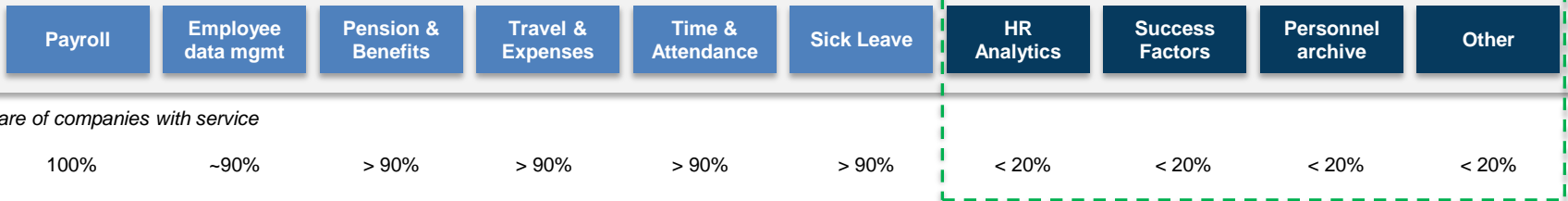
Clients Outsource Multiple HR Processes to Zalaris – Substantial Upsell Potential for Additional Services

Overview of Services Provided

SaaS based platform

Core offering

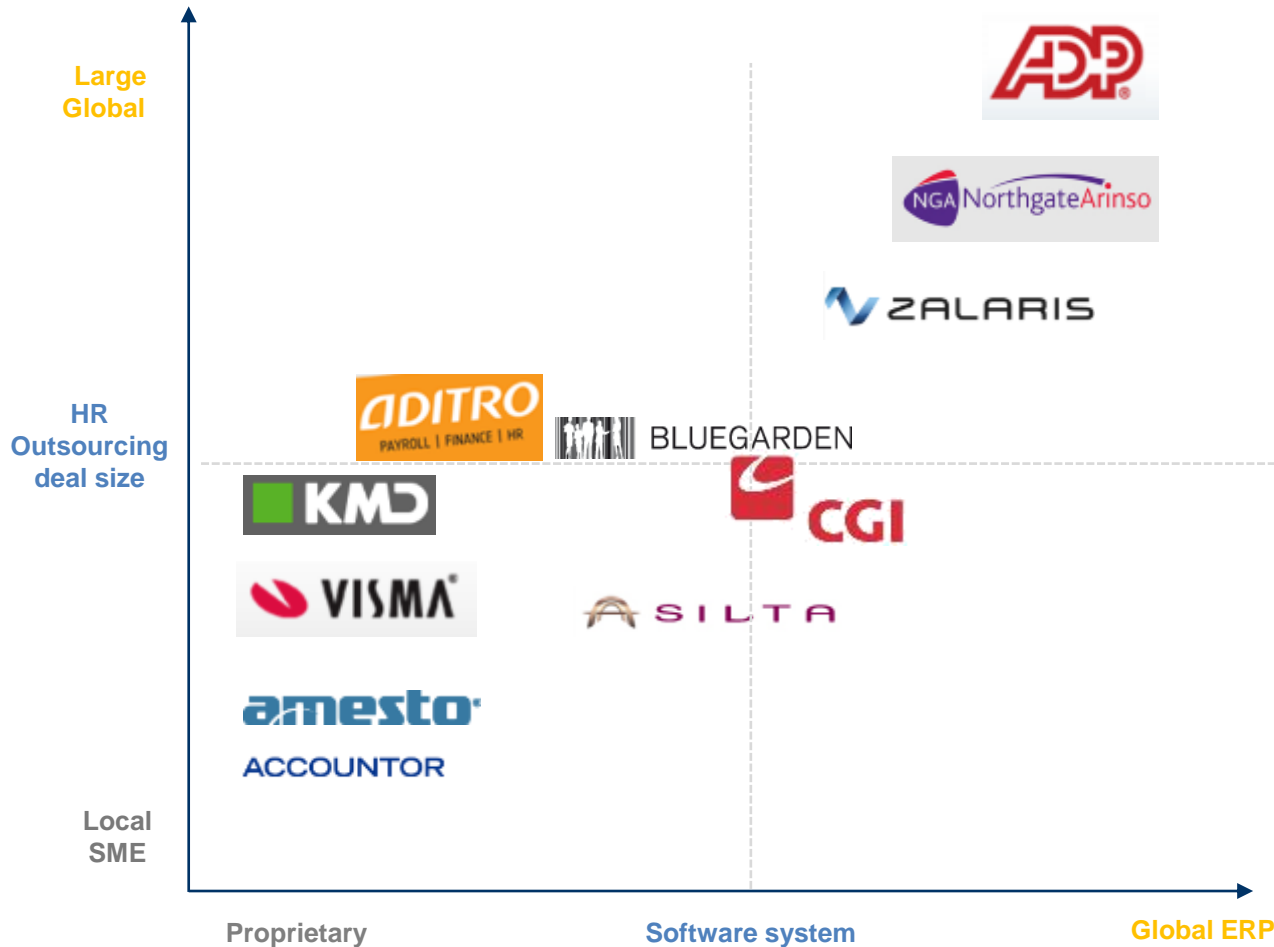
Upselling potential



Zalaris has identified the upsell potential of high margin additional services to 50% of annual contract value in its current client base

Zalaris is the Regional HRO Leader

Competitive landscape within HR Outsourcing



Zalaris Advantages

Local presence

- Local language and culture knowledge through presence with business support centers in all end-user markets

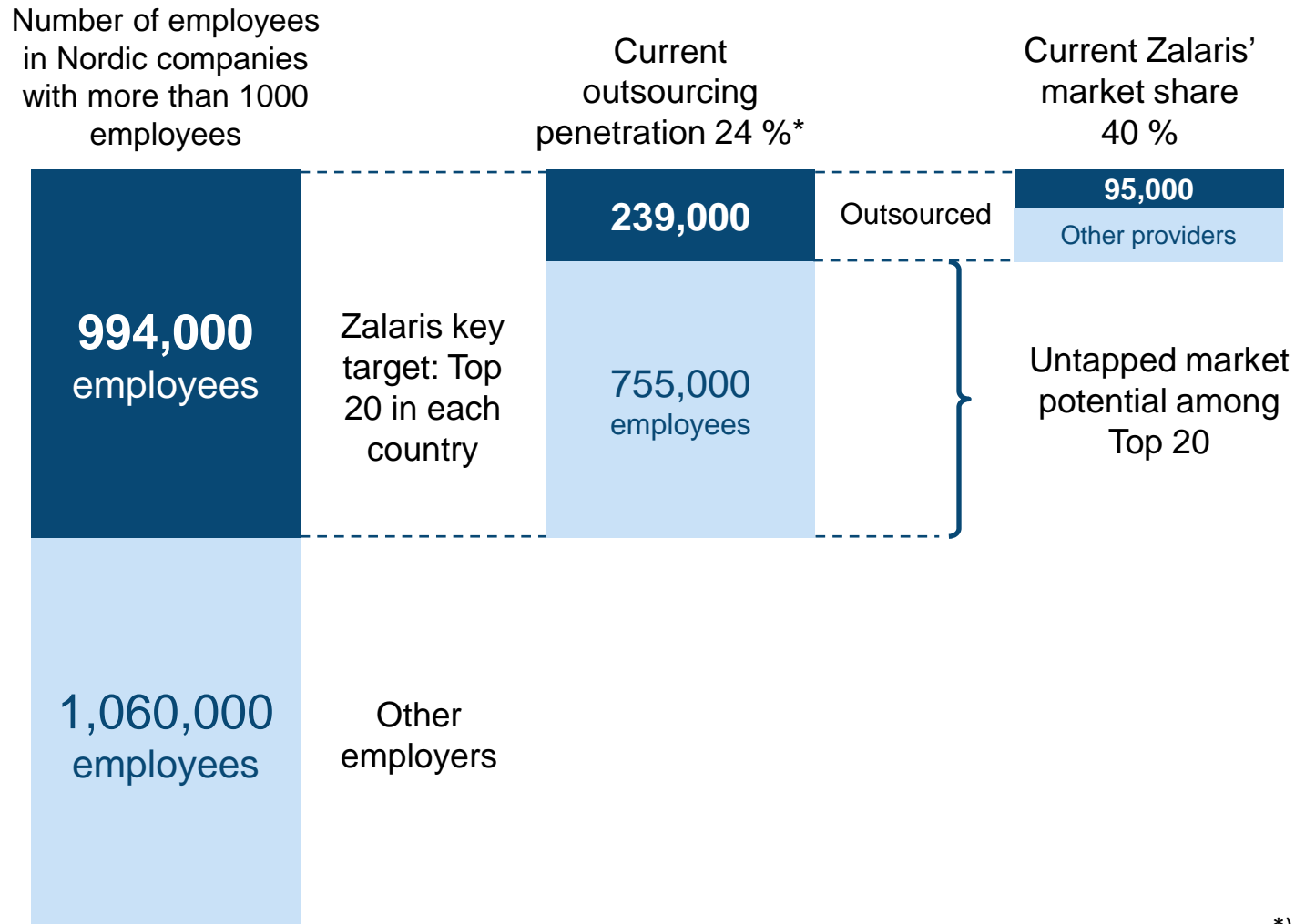
Multi-country solution

- One common IT solution covering all countries

Sufficient scale

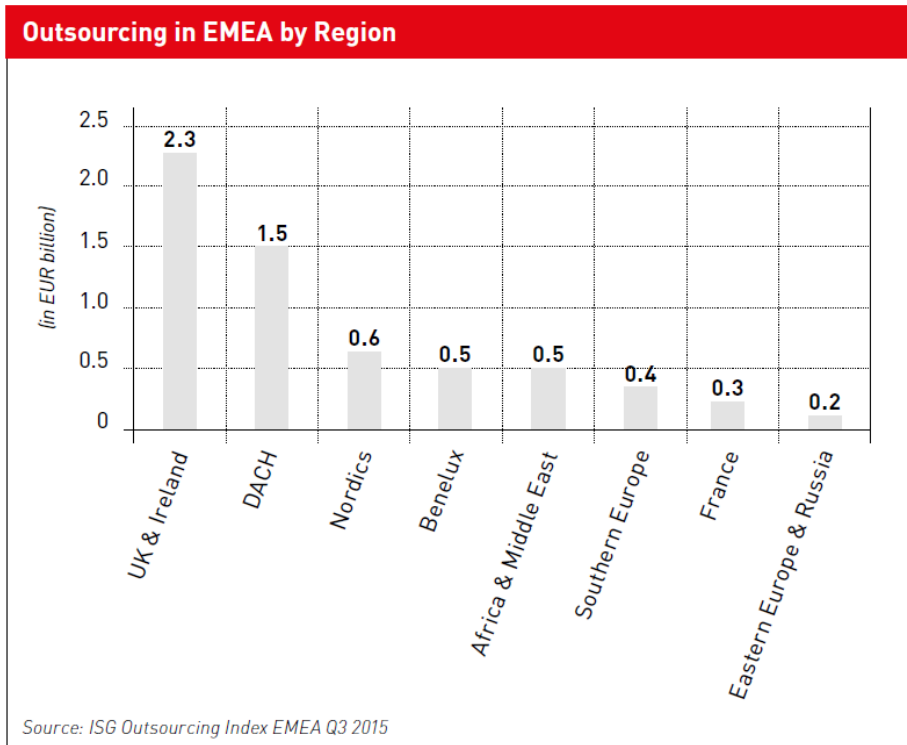
- Enabled through more than 150,000 employees on the Zalaris platform
- Proven near- and off-shore platform / development

Market perspective. Large untapped potential in the Zalaris target market of 20 largest companies in each country



*) Zalaris estimate

We are continuously evaluating how to utilize our scalable SAP infrastructure combined with strong balance sheet to grow market access



- Strengthening delivery capability internally as well as through partnerships to cover new geographic markets
- Increased visibility due to our market success and status as a publicly traded enterprise
- Historically strong balance sheet



To deliver on our ambition to be a leading European provider of payroll and HR services, we evaluate options to maximize overall market coverage.

Serving Large Enterprises Running SAP and Other ERP Systems

Clients Running on SAP ERP Systems

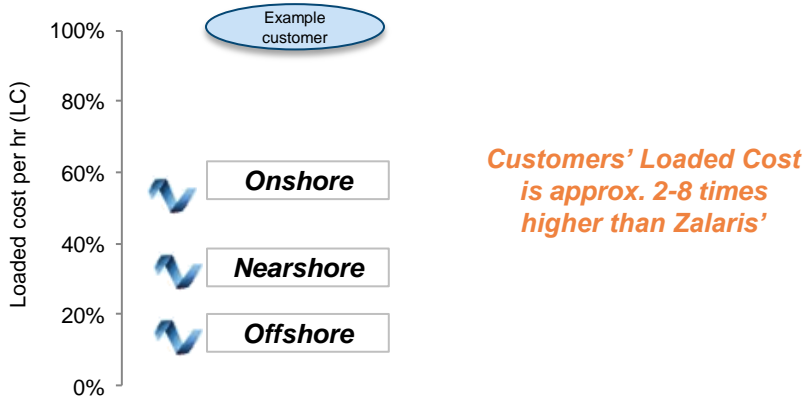


Clients Running on Other ERP (non-SAP) Systems

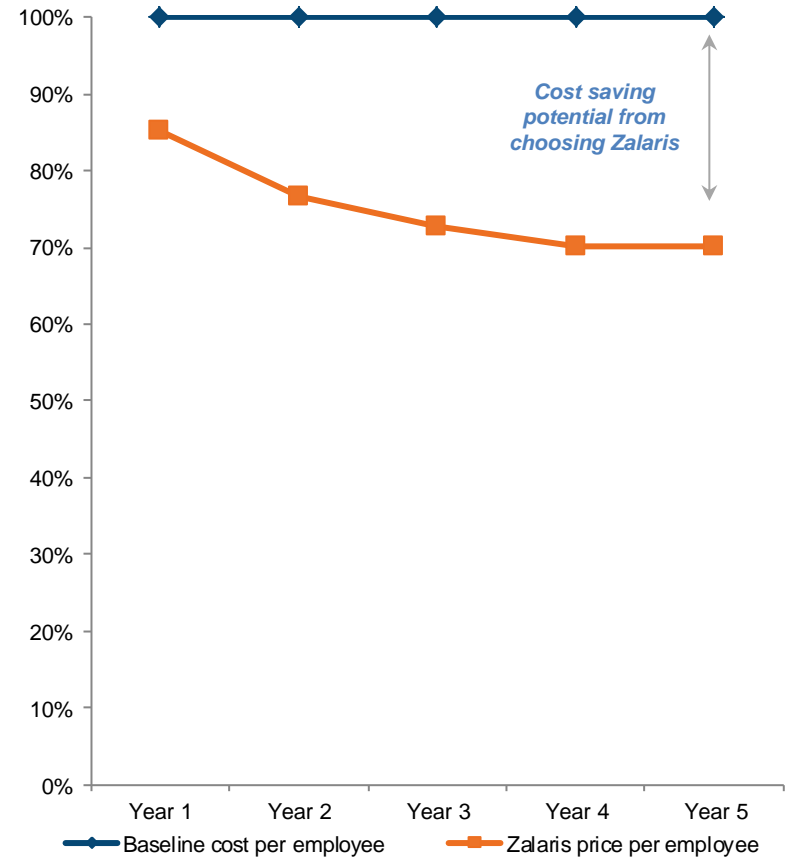


Zalaris Reduces HR & Payroll Costs Through Economies of Scale, Process Improvements and Labor Arbitrage

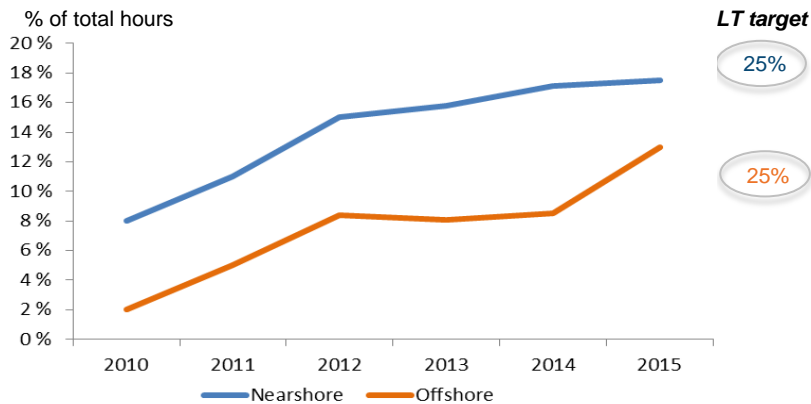
Zalaris – Substantial Loaded Cost Reduction



Illustrative avg. Payroll Handling Cost Per Employee

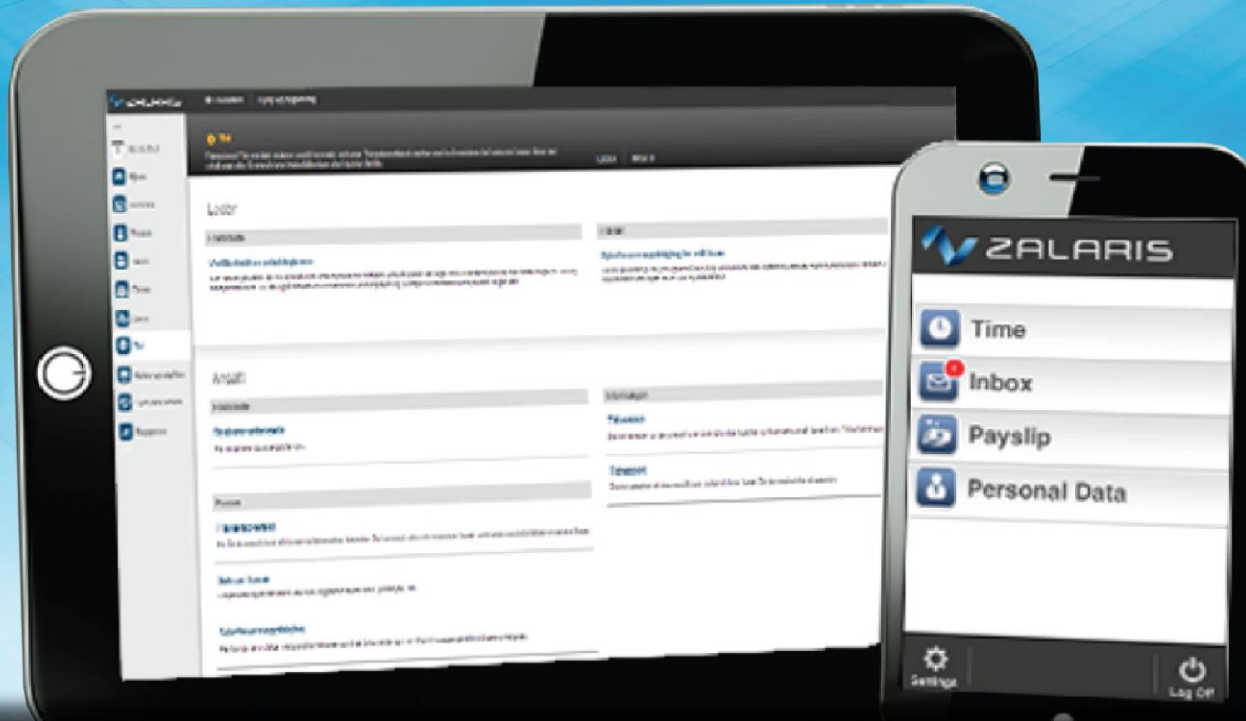


Zalaris is Increasingly Getting More Cost Efficient



Zalaris – Summary Investment Highlights

- ✓ Consistent historical growth
- ✓ Large blue chip clients
- ✓ Strong recurring revenue base
- ✓ Margin expansion
- ✓ Vast untapped market



Thank you!

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