



# ABGSC

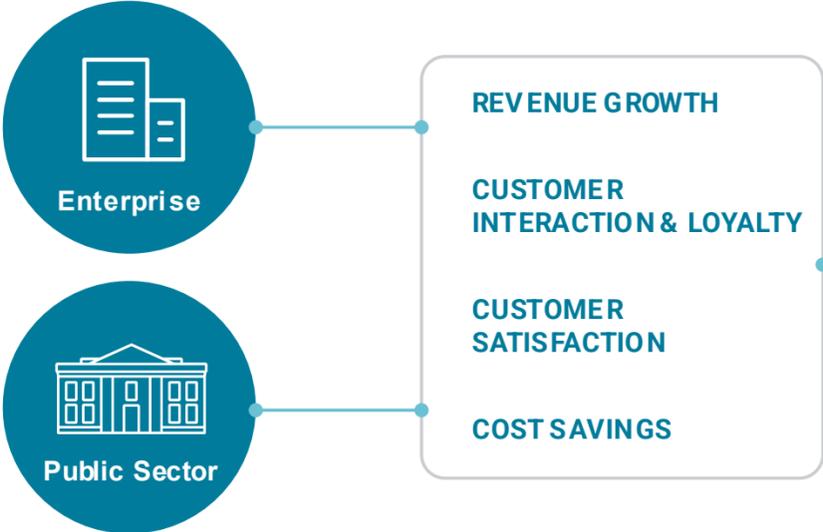
Tech seminar March 2022

Guillaume Van Gaver, CEO  
Thomas Berge, CFO



# LINK connects businesses to customers and governments to citizens

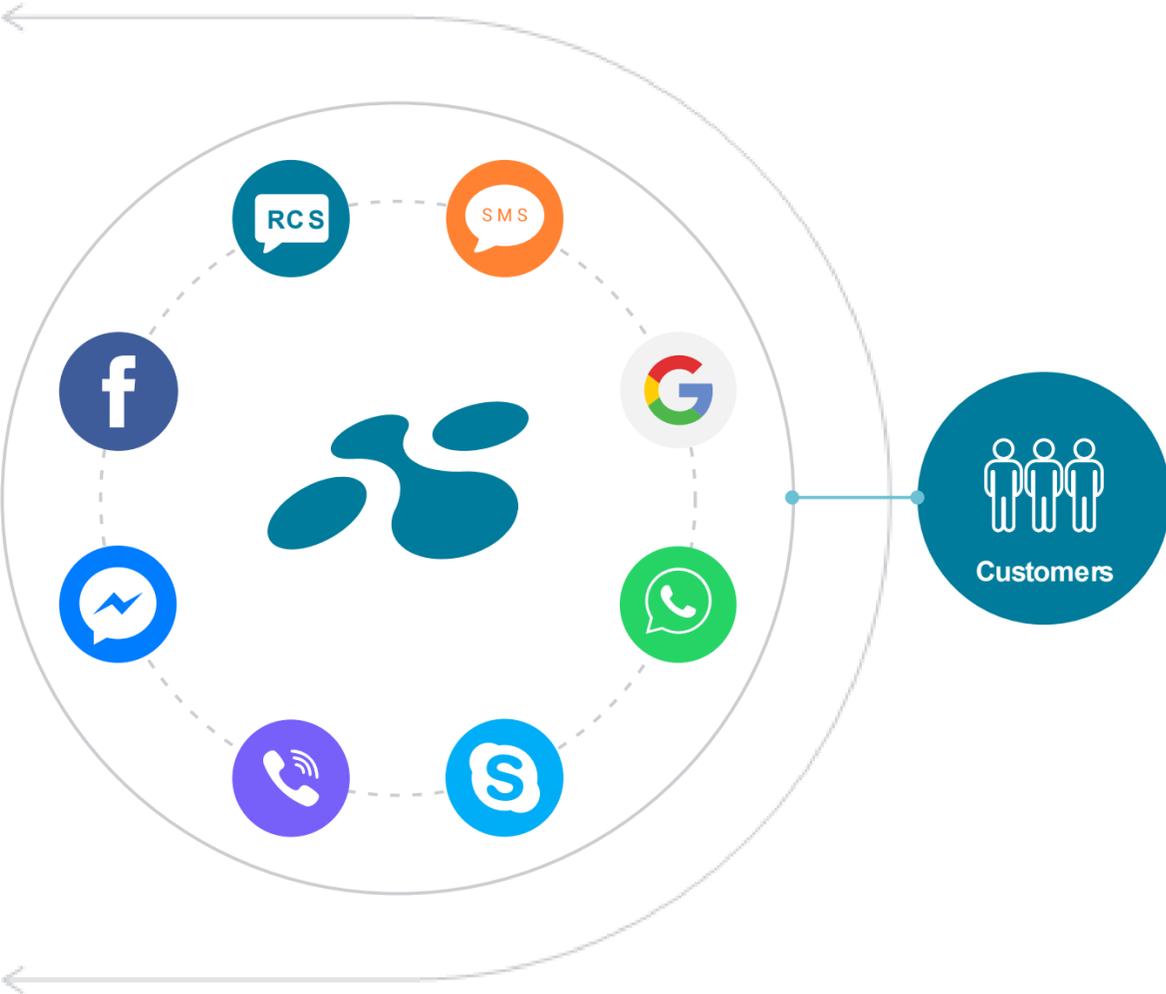
## Creating value through digital messaging solutions - Communication Platform as a Service (CPaaS)



## LINK messaging products

- Parcel Notifications
- Alerts
- Promotions
- Chat
- Payments
- Updates
- Invoices
- Mission Critical Notifications

## On preferred channels



# LINK facts and figures

Global CPaaS Player in High Growth Markets

**2000**

FOUNDING YEAR

**#1**

MESSAGING PLAYER IN EUROPE

**>14 bn**

MESSAGES SENT IN 2021\*

**30**

OFFICES GLOBALLY

**19**

COUNTRIES IN OUR GROUP

**~47 k**

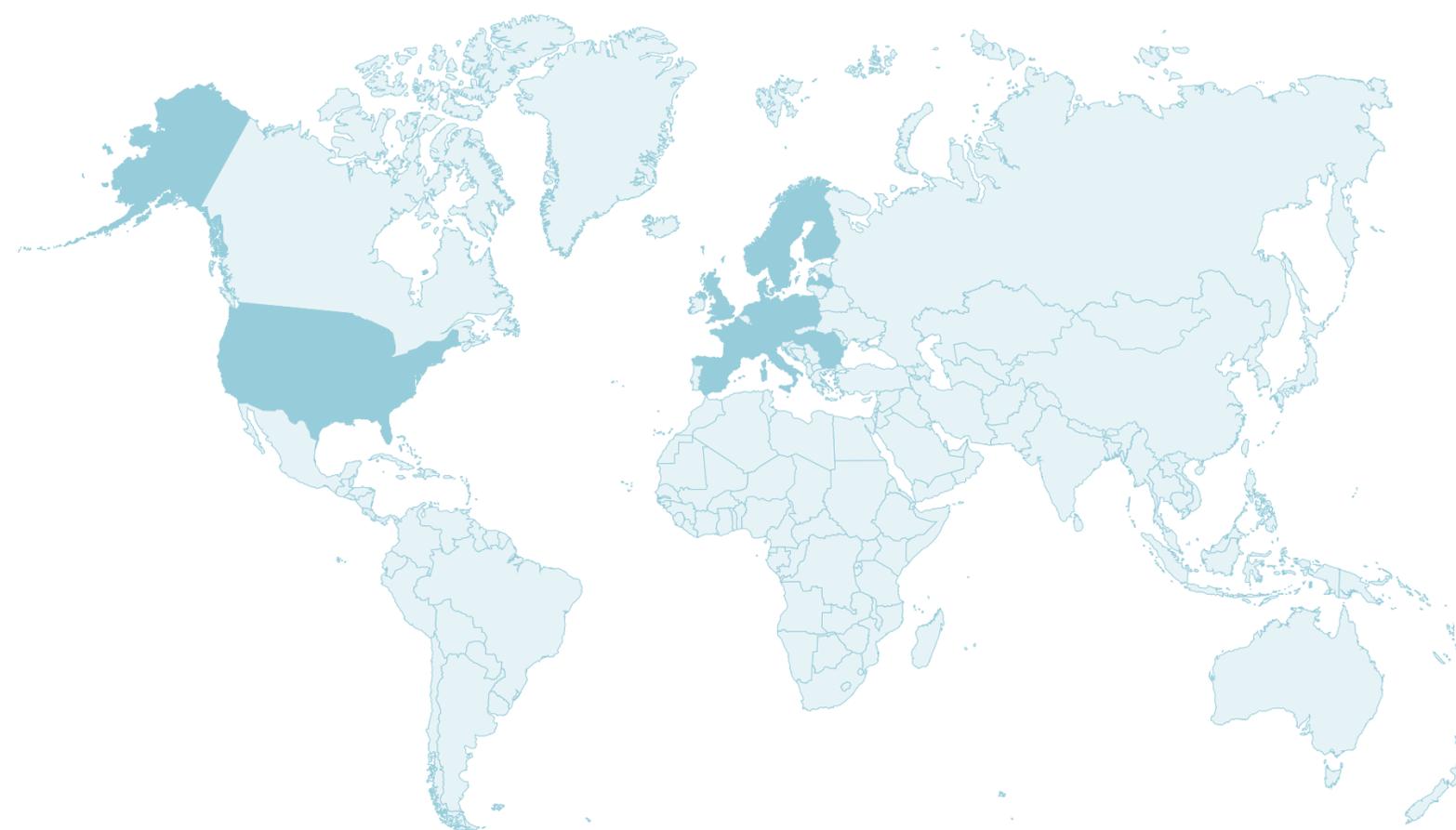
HAPPY CLIENTS WORLDWIDE\*

**4.6 bn**

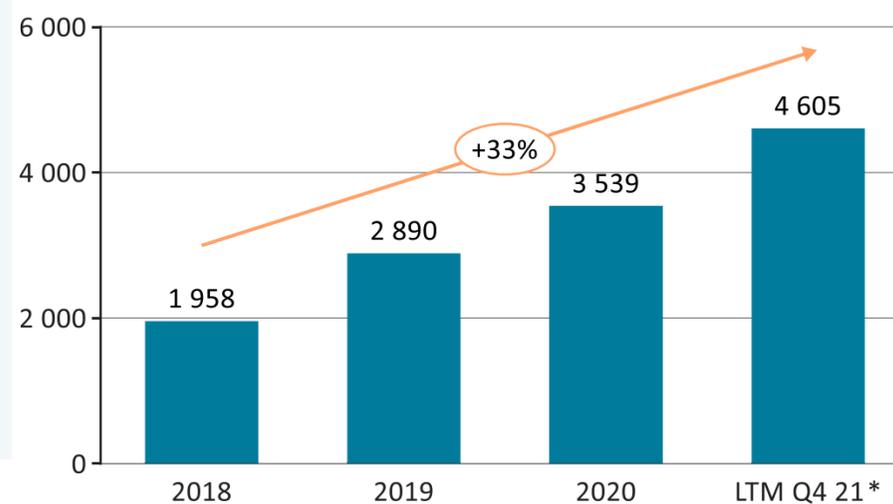
NOK LTM revenue Q4 21\*

**619 m**

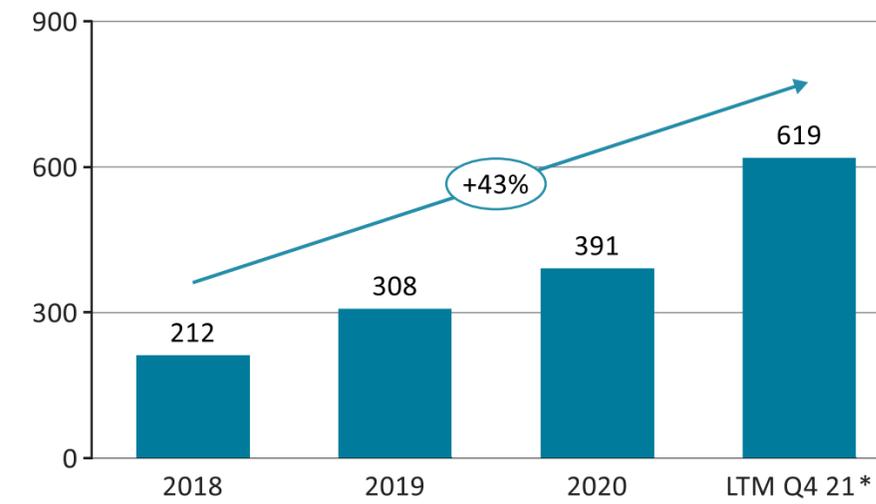
NOK LTM adj. EBITDA Q4 21\*



Revenue NOKm



Adjusted EBITDA NOKm



# LINK uniquely positioned to capture growth in emerging CPaaS market

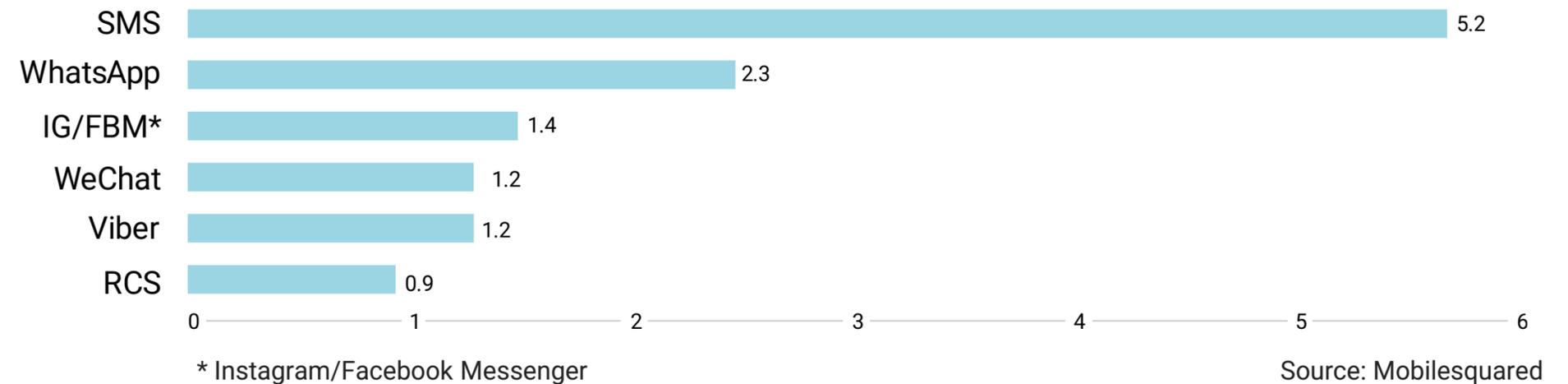
Communication Platform as a Service (CPaaS)  
fast growing new market

- Use cases moving from one-way messaging to conversational two-way communication
- Solutions implemented across industries and functions

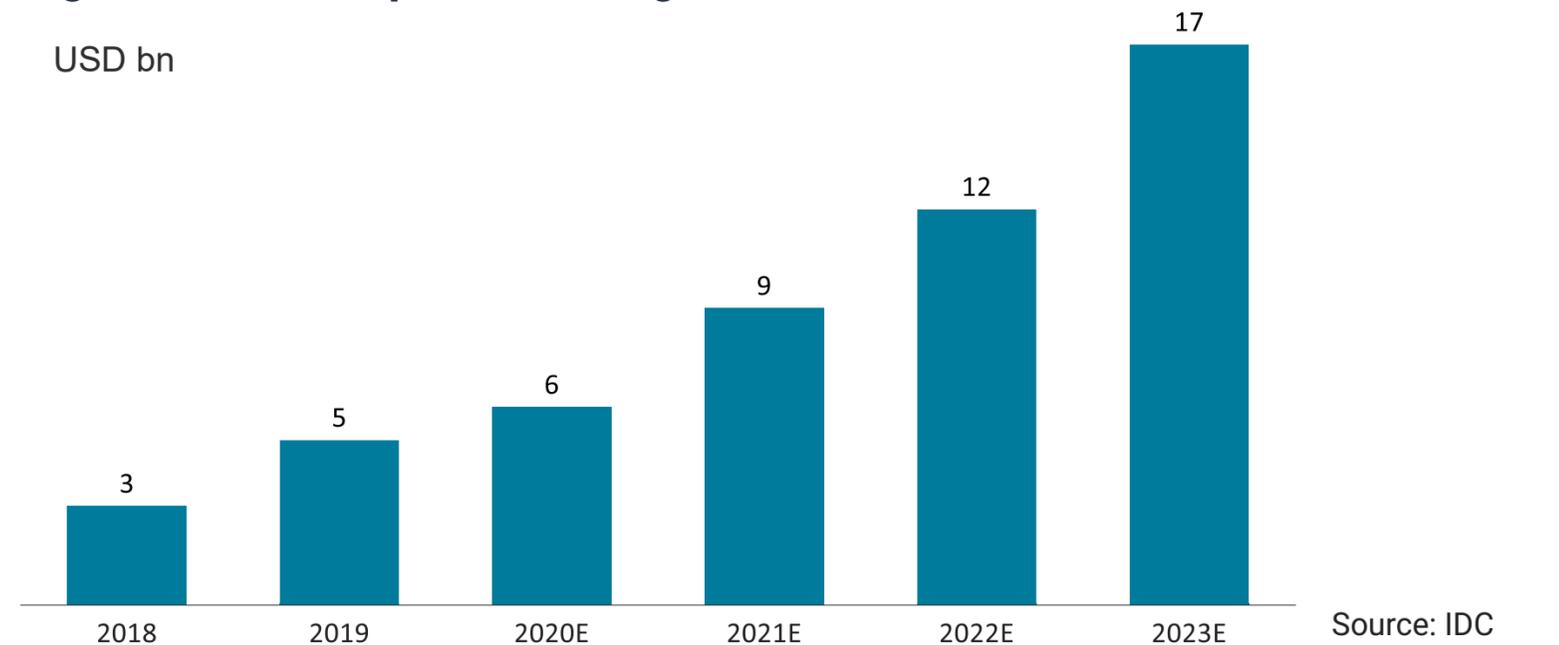
LINK #1 messaging company in Europe

- 20 years experience

## New channels to transform digital messaging



## Fast growing CPaaS market provide strong tailwind for LINK



# Still huge growth potential for digital messaging in Europe

Norway and Sweden early adopters

- Markets partly developed by LINK during past decades

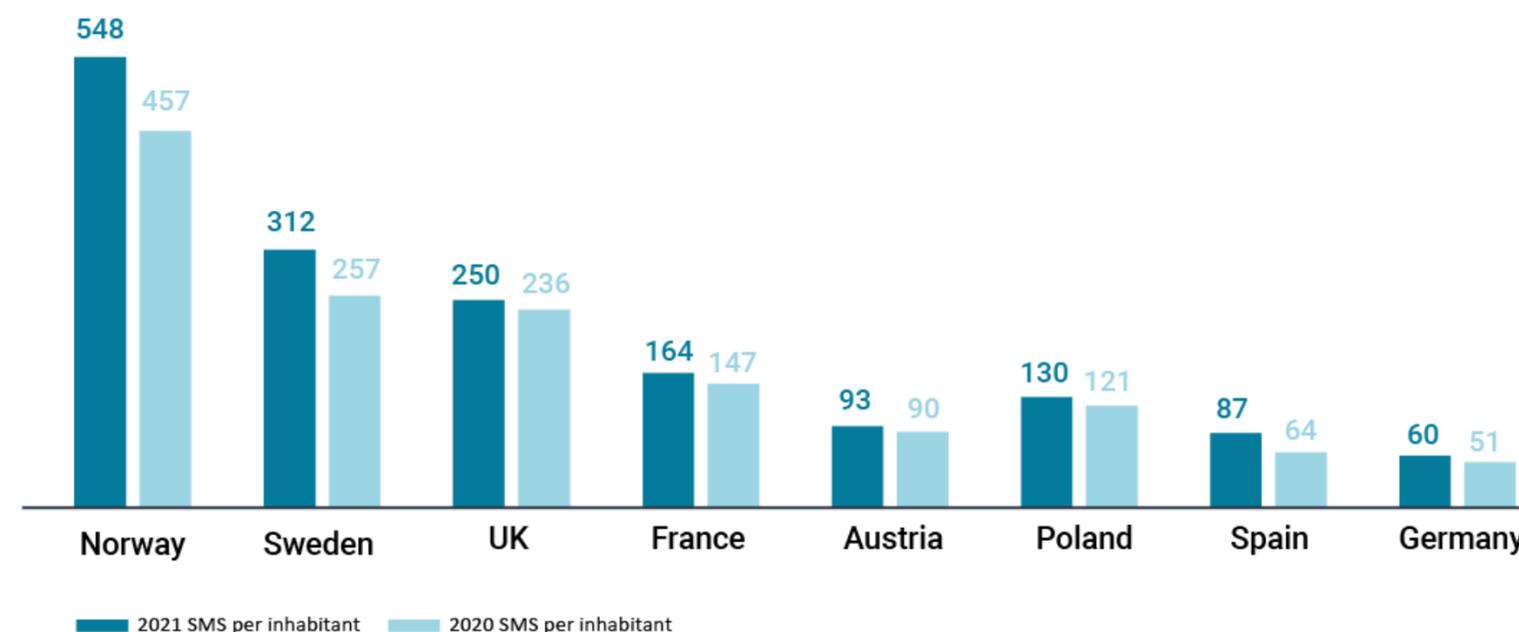
UK advanced within digital messaging marketing

Most European countries still early on S-curve

- Significant benefits to be harvested

## Adoption of digital messaging\* varies greatly in Europe

Growth %	20%	21%	6%	11%	3%	8%	37%	17%
Increase	91	54	15	39	3	9	23	9



\* Annual number of A2P messages per capita

# LINK is ahead market adoption of CPaaS solutions

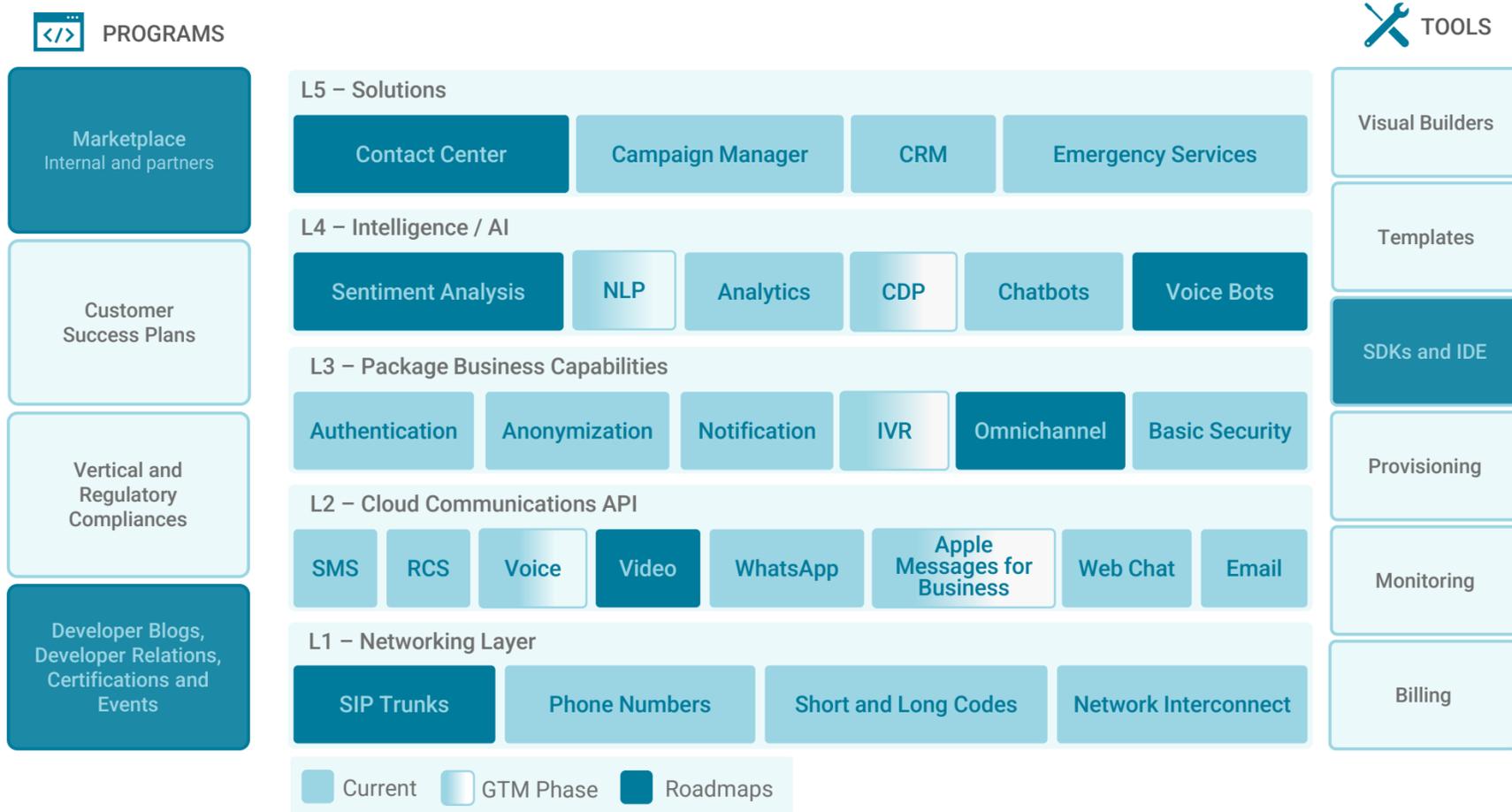
The CPaaS industry is continuously evolving

- LINK develops products to match commercial market demand
- Given incremental market adoption of new solutions LINK is ahead
  - Innovation driven by global tech customers' adaptation of CPaaS
- LINK seen as an innovator and advisor in this space

LINK's product development roadmap next 2-years

- Horizontal expansion with Voice, Video and significant NLP & AI buildout
- Vertical innovation in SaaS solutions to address three super use cases
  - Notification
  - Marketing
  - Customer care

## LINK CPaaS products



# LINK awarded “Best RCS Provider” by Juniper Research

RCS\*, or SMS 2.0, is the next generation of traditional SMS messaging

- Richer feature set allows brands to engage in conversations with their customers
  - Drives better open rates, engagement scores and click rates

LINK recently launched its GSMA compliant RCS API

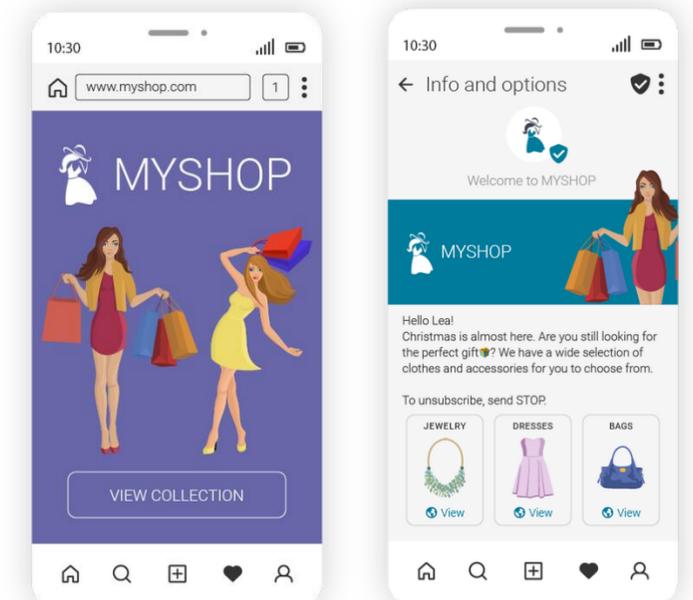
- LINK’s single API and local presence make it easy for brands
- RCS launch partner for over 80 mobile network operators globally

RCS creates value by vastly improving customer engagement

- Generating excellent ROI metrics up to 5x traditional SMS



## Shopping with RCS from LINK



# LINK has completed more than 30 acquisitions since 2014 – 7 since IPO in 2020



## Add-on

Tuck-in acquisitions to further strengthen local presence and become the market leader

- Further strengthen clear EU market leader position
- Expand LINK's footprint in the US market



## Solutions

Seek new and innovative solutions to leverage existing footprint and further differentiate product offering

- Enable next generation CPaaS for LINK customers
- Expansion of product capabilities
  - Conversational AI, CCaaS and voice



## Level Up

Acquire platform companies in new territories to gain and build market position

- Enter new high growth CPaaS markets

websms|

Austria, November 2020



Italy, April 2021



Spain, December 2021



Netherlands, February 2021



Denmark, April 2021



Italy, November 2021

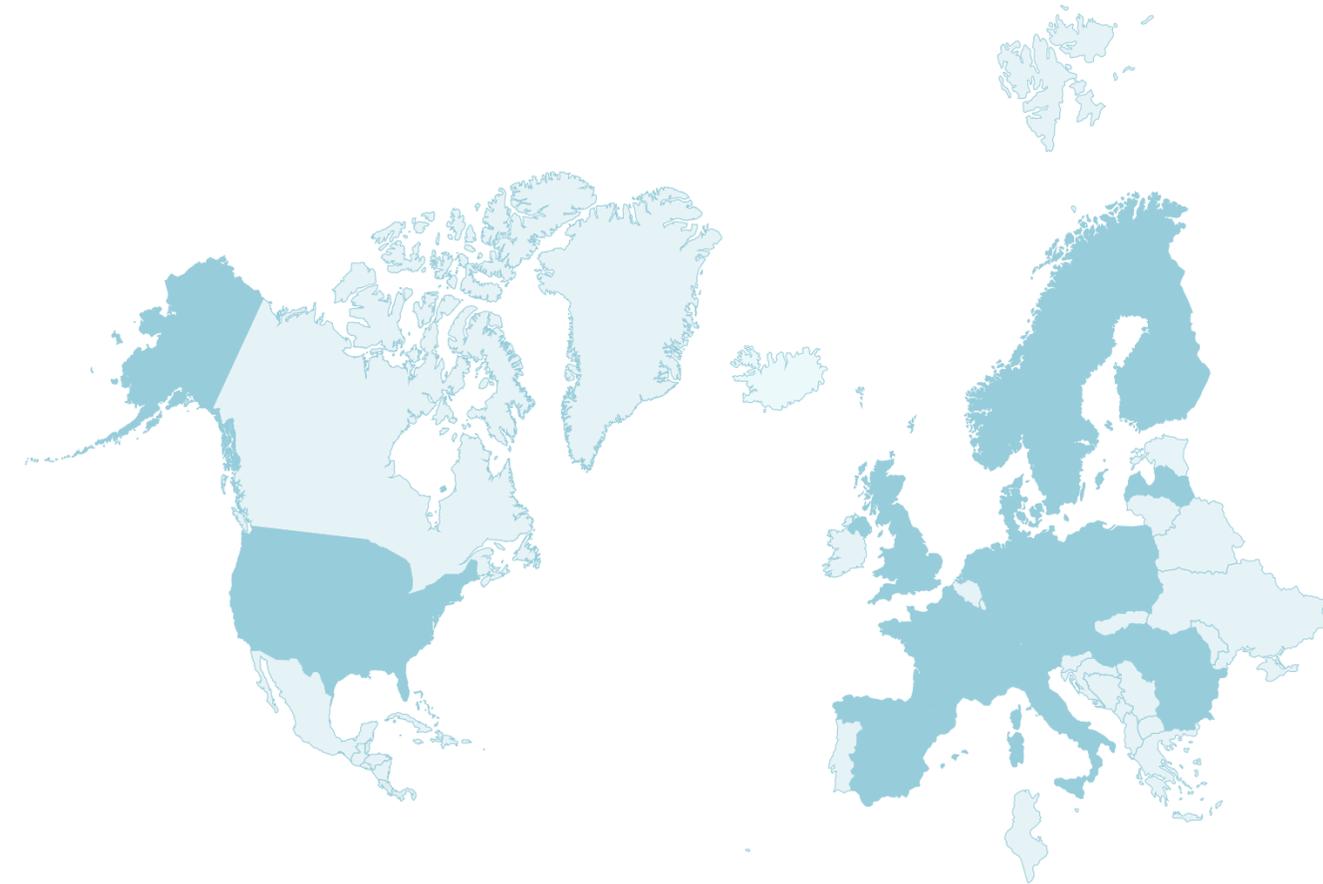


California, US, June 2021

# LINK expanded to the US and increased its margins last year

LTM Q4 21 NOKm	Reported <sup>1</sup>	Closed acquisitions <sup>2</sup>	All entities (Reported currency)	LTM Q4 20 All entities (reported currency)	LTM Q4 21 All entities (fixed currency)
Revenue	4,410	194	4,605	4,146	4,827
Gross Profit	1,200	123	1,323	1,272	1,389
GP. Margin	27%	63%	29%	31%	29%
Adj. EBITDA	557	63	619	607	656
EBITDA Margin	13%	32%	13%	15%	14%

## Illustrative LINK footprint



1) Unaudited reported LTM Q4 21 figures for LINK

2) Including unaudited full-year effect of WebSMS, Tismi, MarketingPlatform, AMM, Message Broadcast, Xenioo and Altiria

# Acquisition of Message Broadcast opened US market for LINK

Unique customer engagement solutions to large enterprise customers in the US

- Message Broadcast founded in 1998 and headquartered in Newport Beach, California

Deeply entrenched enterprise relationships within the US utilities vertical

- US utilities, financial institutions, and telecom providers that make up Message Broadcast's customer base typically have multibillion-dollar market capitalizations (MC)
  - Customers leverage Message Broadcast for mission critical workflows

Message Broadcast offers unique solutions tailored to regulatory requirements

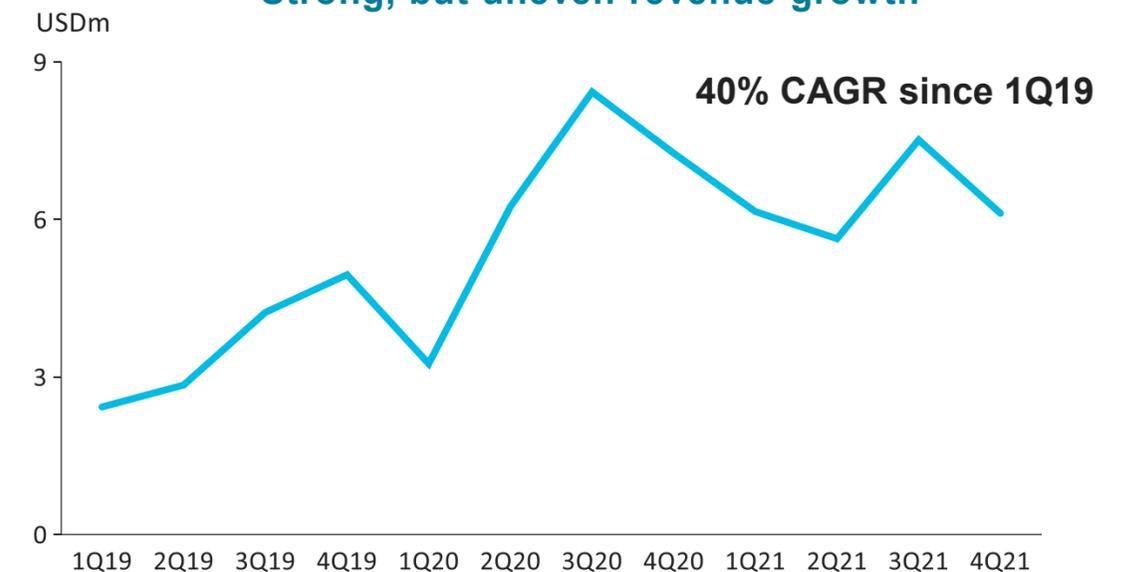
- Deliver highly reliable communication to utility consumers during critical times
  - Power cuts due to adverse weather, natural disasters and environmental demands
- The utilities face huge fines in case of non-compliance



Strong customer base across multiple verticals

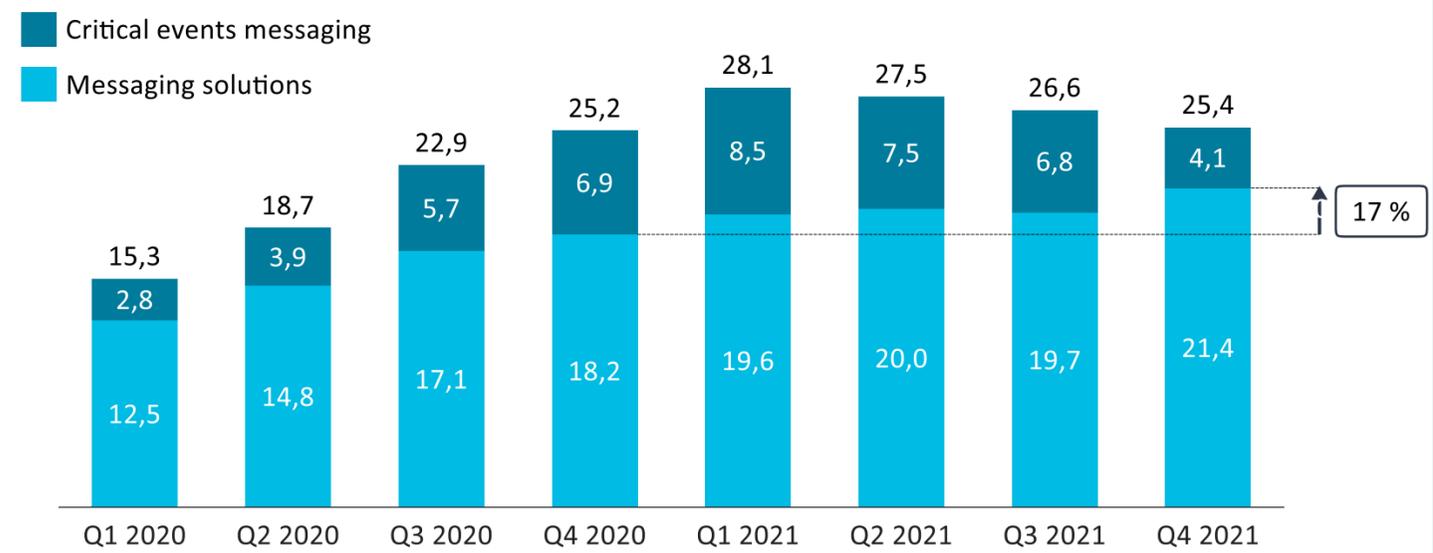


Strong, but uneven revenue growth



# Message Broadcast underdelivered in H2 21 due to off-trend weather patterns

LTM revenue (USDm)



Message Broadcast has two revenue streams

- Stable revenue from messaging solutions - transactions, licenses, professional services
- Volatile revenue from critical events messaging which is more weather related

Revenue from messaging solutions grew steadily with 17% growth for FY 2021

Critical events messaging declined in H2 21 due to unusual weather conditions

- Adverse weather requires utilities to shut-down electricity grids and inform their end-users, driving significant messaging volumes towards millions of consumers
- Historically driven by droughts in Western US and hurricanes in the Gulf of Mexico

H2 21 was much wetter and saw less hurricanes than the normal situation experienced in 2020, resulting in a negative revenue development

Message Broadcast added several customer during 2021 and has zero churn

# LINK has high cash conversion and excess liquidity of NOK 500 million

## Reported free cash flow

NOK '000	Q1 2021	Q2 2021	Q3 2021	Q4 2021	LTM Q4 2021
<b>Adj.EBITDA</b>	<b>109</b>	<b>119</b>	<b>152</b>	<b>176</b>	<b>557</b>
Change working capital	-104	22	-81	113	-40
Taxes paid	-8	-13	-8	-28	-57
Non-recurring costs M&A	-15	-41	-17	-30	-103
Payable Social cost on Share options	-	-	-	-6	-6
<b>Net cash flow from operating activities</b>	<b>-18</b>	<b>87</b>	<b>47</b>	<b>225</b>	<b>351</b>
Add back non-recurring costs M&A	15	41	17	30	103
<b>Adj. cash flow from operations</b>	<b>-3</b>	<b>128</b>	<b>64</b>	<b>255</b>	<b>453</b>
Capex	-23	-29	-30	-58	-140
Interest	-1	-37	-1	-71	-110
<b>Cash flow after capex and interest</b>	<b>-28</b>	<b>62</b>	<b>33</b>	<b>126</b>	<b>203</b>

Adjusted cash flow from operations NOK 453 million in 2021

- Reported cash flow from operations include M&A related expenses
- Free cash flow generated after capex and interest of NOK 203 million

Working capital (WC) varies significantly between quarters

- Stable year over year
- Net negative and financing source for organic growth

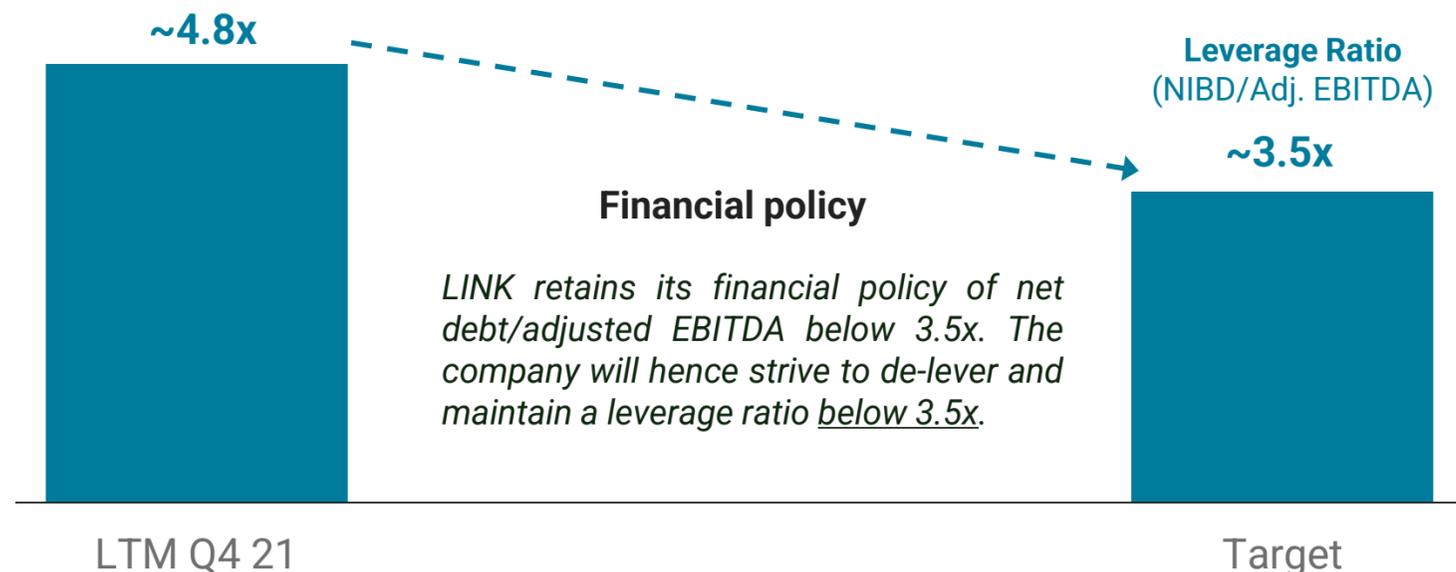
Full year effect from acquisitions to increase cash generation in 2022

Cash on balance sheet NOK 844 million at year end 2021

- NOK 250 million to NOK 300 million needed for operations
- Excess liquidity of more than NOK 500 million

Reported LTM Q4 21 leverage at 4.8x

- Significant deleveraging effect from organic growth expected by end of 2022 bringing leverage closer to financial policy target of <3.5x



# Forward-looking statement

## 2022

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Confidence in 14-17% revenue growth for full year of 2022

- Growth rates may vary between quarter as 2021 was impacted by lockdowns, resulting in high and low comparables

Net retention rate expected to remain above 110% for the Enterprise segment for the full year 2022

Gross profits expected to trend upwards in H2 22 with a normal season for high margin critical events messaging in the US

Additional growth through M&A with strict transaction requirements

- Accretive to LINK's valuation
- Deleveraging or at least neutral to leverage

Significant deleveraging effect from organic growth expected by end of 2022 bringing leverage closer to financial policy target of <3.5x

## 2024

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Pro forma revenue NOK 10 billion

- 20% long-term organic growth in mature market
  - S-curve adoption of omnichannel CPaaS solutions
- Pro forma adjusted EBITDA margin 15-17%



Q&A



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