

Pareto Securities

Oslo, 9 January 2025

LINK – European #1 for digital messaging

Market leader in Europe - Global ambitions with strong track record for growth

#1

In Europe For Messaging

+50k

Customer accounts with recurring and sticky relations

>19bn

Messages sent Q3'24 LTM via LINK platforms

Broad product portfolio



>20 years experience
In digital messaging



>600 Employees in 30+ offices
Dedicated, United and Enthusiastic



18 Countries of operation



Proven M&A track record
35 acquisitions since 2014



MyLINKConnect



MyLINKMarketingPlatform



MyLINKEngage



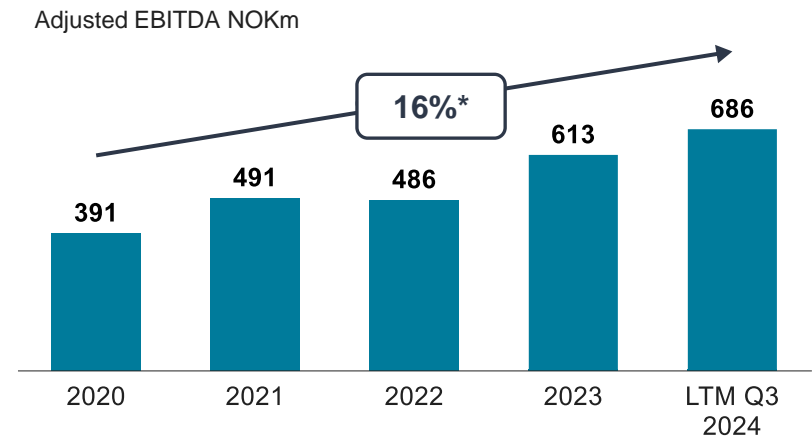
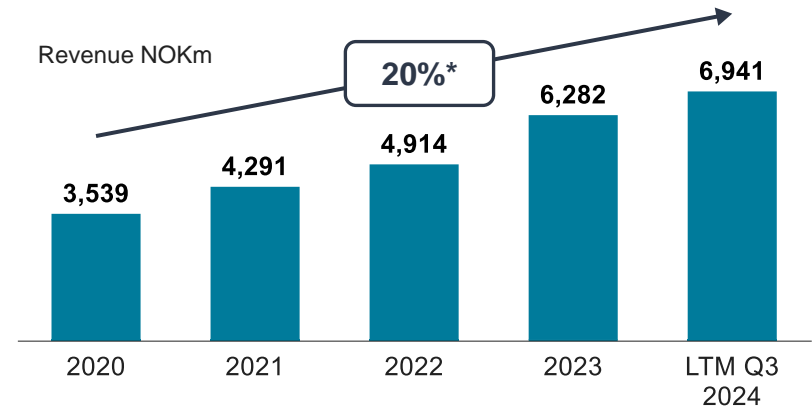
MyLINKOCP



MyLINKPayment



MyLINKMessagingAPI



* CAGR growth

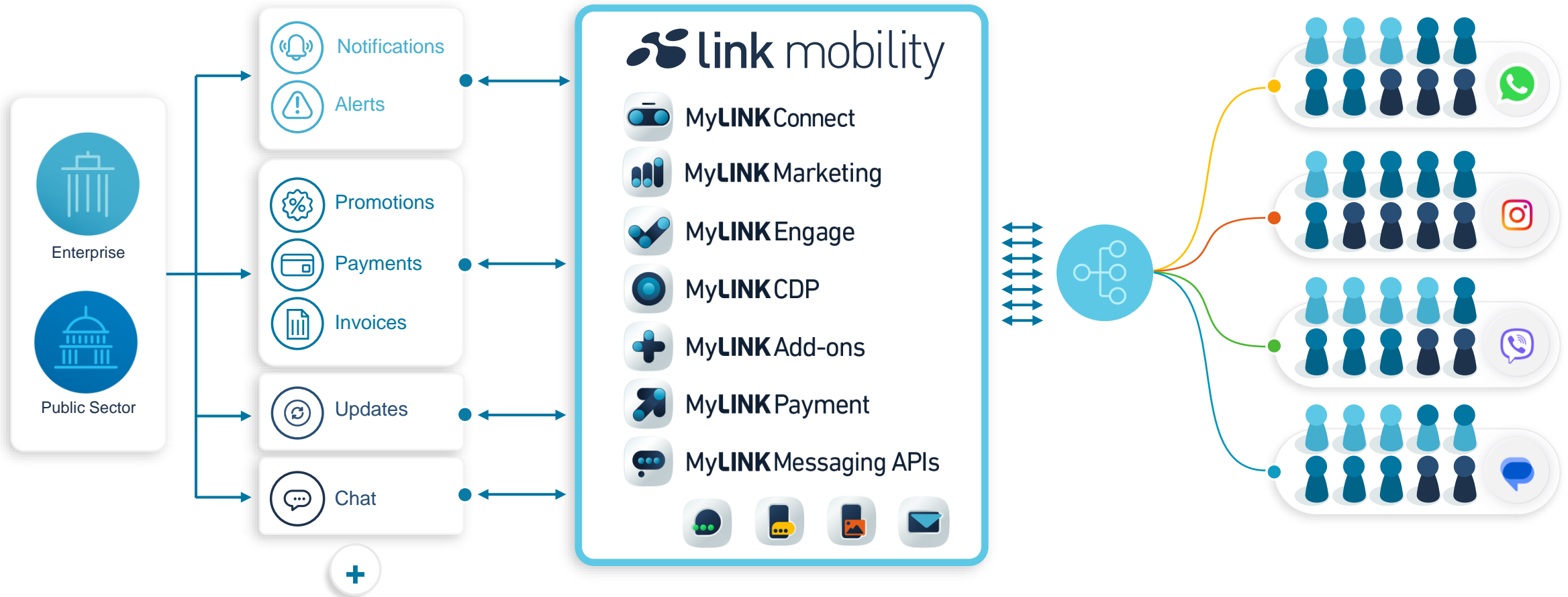
LINK services clients through channel-agnostic solutions

Facilitating evolution to multi-channel / two-way solutions and adding value through supporting CPaaS software solutions

Enhanced interaction through digital solutions

TWO WAYS COMMUNICATIONS

Uniquely targeted messaging on preferred channels



LINK uniquely positioned for future growth

SMS still largest channel with more than 5 billion global users

Global digital messaging market on SMS large and growing

- Expected to grow from below USD 70 billion up to close to USD 80 billion
 - LINK experiencing high single digit A2P growth in Europe

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

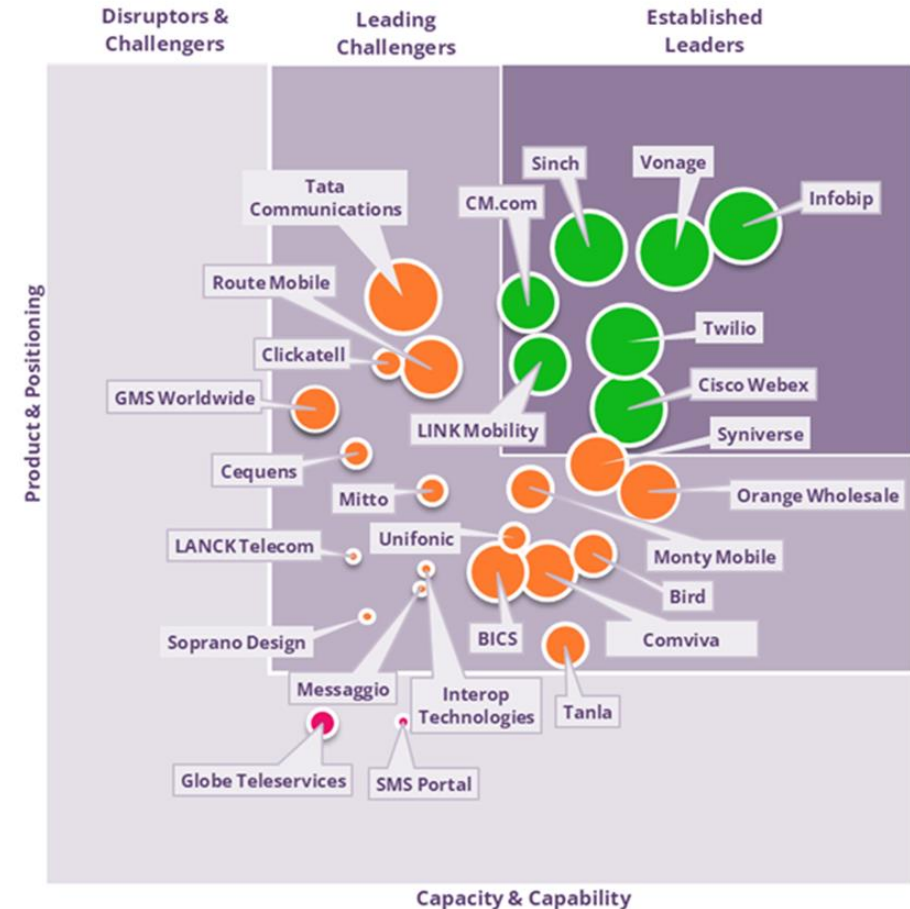
- Expected to extend at CAGR above 20% from a lower base

New channels transforming digital messaging towards CPaaS

- Use cases moving from one-way SMS messaging to multi-channel conversations

LINK is a leading global CPaaS provider*

Mobile Messaging Vendors 2024



Global OTT messaging apps

Messaging platform	Monthly active users (m)
WhatsApp	2,440
WeChat	1,290
Facebook Messenger	1,000
Viber	823
Telegram	550
LINE	86
Kakao Talk	47

Source: Juniper Research

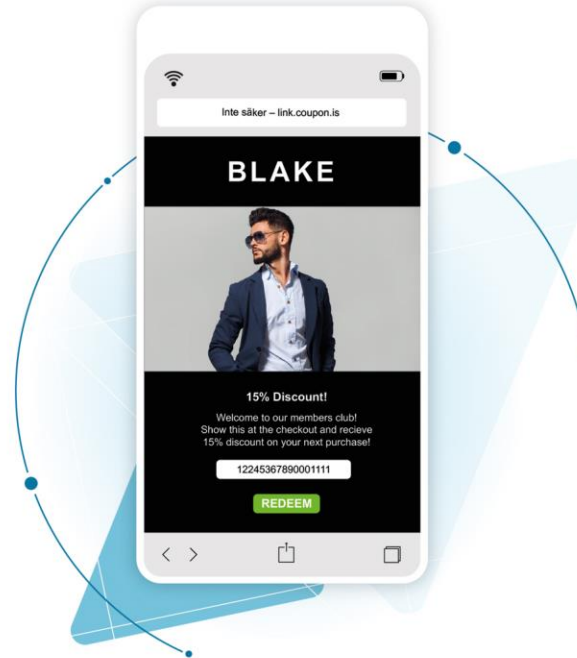
*Source: Juniper research

Digital messaging moving from one-way SMS to rich conversations



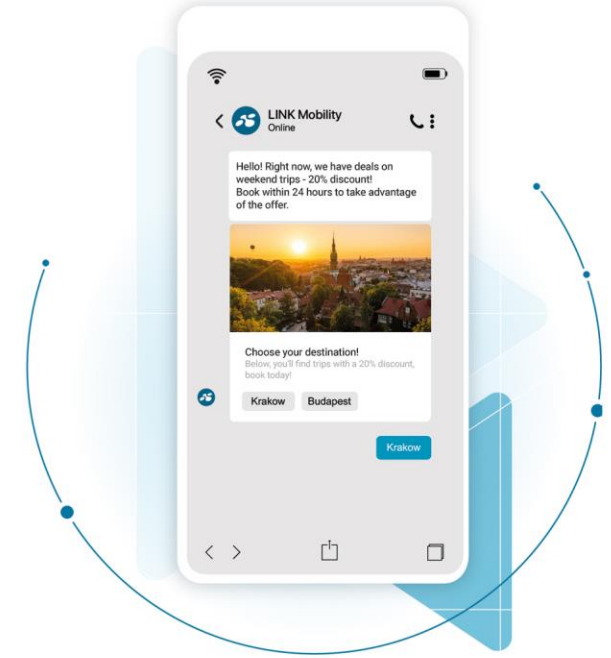
Standard messaging

Communicate directly with your customers on SMS



Rich messaging

Enhance your customer's experience with multi-channel personalized content



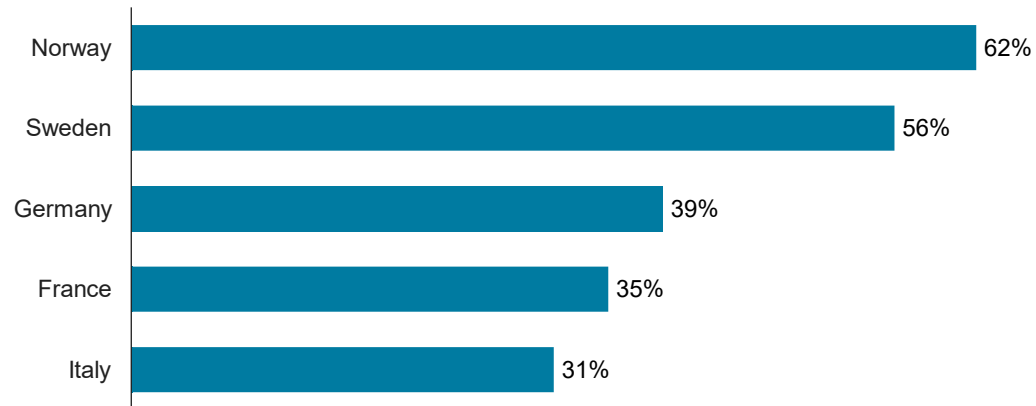
Conversational

Transform your communications into conversations with your customers

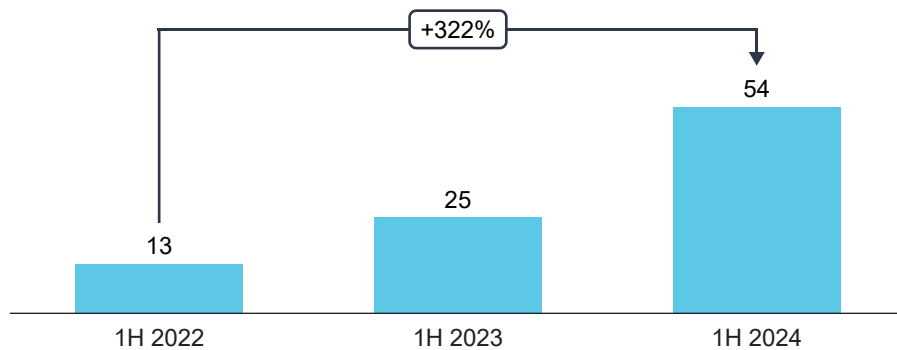
RCS support on iPhone to drive increased demand

LINK expect increased demand for RCS when all consumers can be reached on the channel

Apple iOS penetration across LINK's main markets*



LINK RCS volume development (million)



RCS support made available on iOS 18.1 29th October

- Local operator support required, rolled out gradually
- Apple support confirmed in the UK, France, and Spain
- initial user experience not yet on par with Android
- RCS demand should spike when reach increase
- RCS is more profitable than SMS due to premium functionality

Trusted Branding
With name and logo

Richer Media
Images, videos, & GIFs

Better Metrics
Data including client based DLRs & read receipts

Ease for Replying
Suggested Replies, customized by brands

Customer Safety & Peace of Mind
With Verified sender information

Easy-to-Use QR Codes
Tools for tickets, tracking, & redemptions

Time-Saving Actions
Suggested Actions for URL, Map, Calendar, & Dialer

La Roche Posay skin care assistant through RCS and bot

Use case objectives

- La Roche Posay offers a digital skincare assistant to help consumers understand the products adapted to their skin type and need
- A voucher is offered at the end of the conversation in relation to the chosen product
- The assistant was made available both through an RCS agent and a more classic SMS / Webexperience flow

Campaign details

- Approximately 150k customers were targeted for the first campaign in June 2024
- 1/3 of recipients own an RCS enabled phone

Key learnings

- Brand exposure is 18 times higher with RCS vs SMS / Webexperience
- Engagement rate is 3 times higher with RCS vs SMS / Webexperience
- 50% of people who started a conversation have completed the whole scenario and been offered a voucher



Marketing automation

MyLINK Marketing - Advanced SaaS solution based on acquired platform

SaaS platform

- Platform adapted to LINK's omnichannel enterprise offerings
 - SMS, WhatsApp, RCS and e-mail
 - Now highly competitive automated SaaS marketing solution
- Acquired platform lacked necessary functionality delaying commercial launch
 - MarketingPlatform was acquired by LINK in 2021

Go-to-Market (GTM)

- Already rolled out in Norway, Sweden, Finland and Denmark
 - Market feedback as strong competitor to established solutions
- Solution offers complete omnichannel marketing messaging for SMEs
 - To be expanded across LINK's footprint with SaaS license model



LINK benefits twofold from increased adoption

Increased adoption of digital messaging across Europe - Country variations provide growth potential

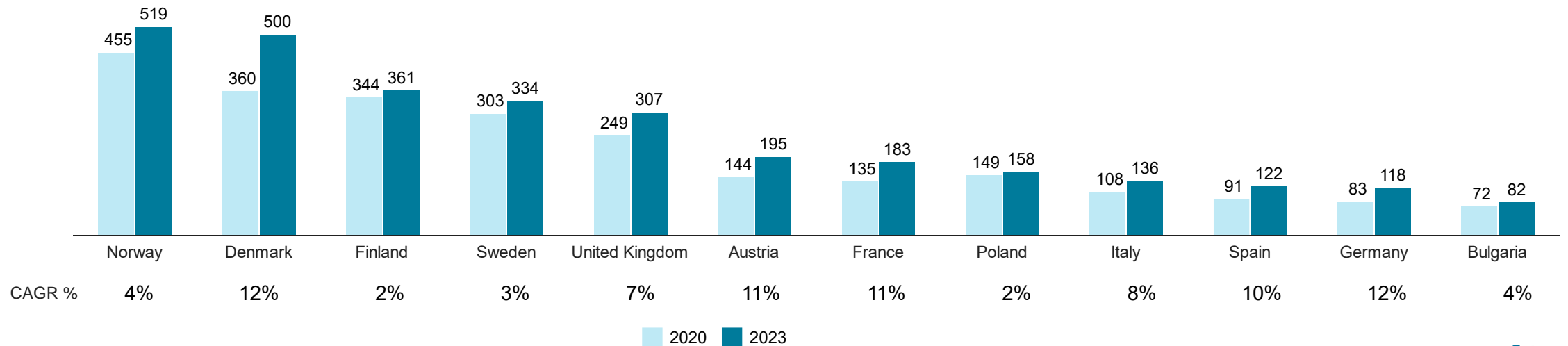
Norwegian market developed by LINK during last 20 years

- UK advanced within digital mobile marketing
- Significant potential for increased adoption in other European countries

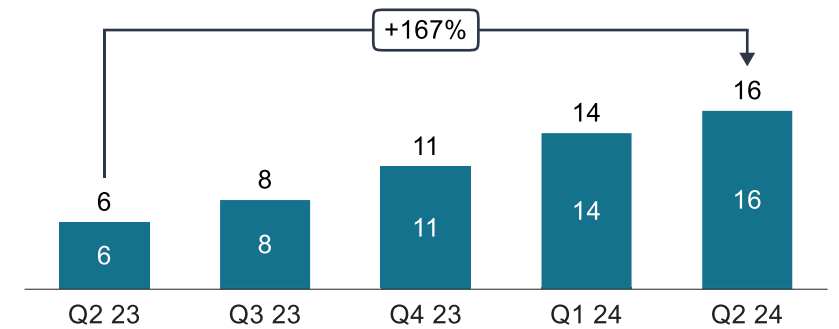
Traction on new CPaaS solutions adds additional growth

- New channels and conversational solution gains traction
- Increased adoption of A2P gives foundation for future CPaaS growth

Annual A2P SMS* – Messages per inhabitant (2023 vs 2020)*



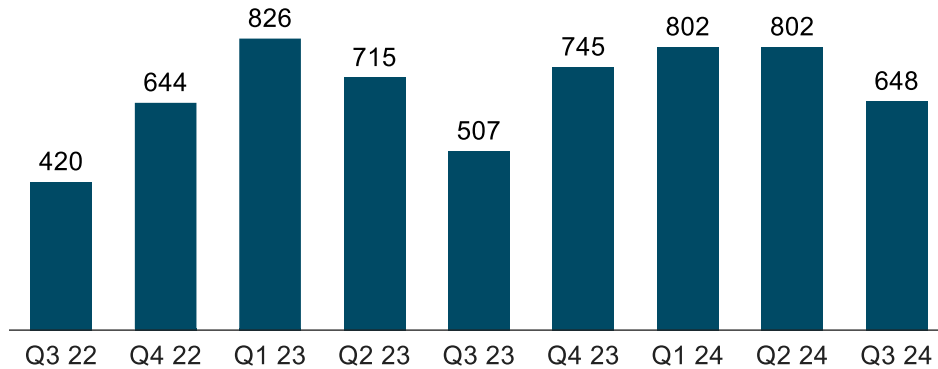
CPaaS GP - Closed won contracts (NOKm)



New contract wins – increased demand for OTT channels

Closed won contracts growing 16% yoy in a seasonally slower quarter driven by signed CPaaS contracts

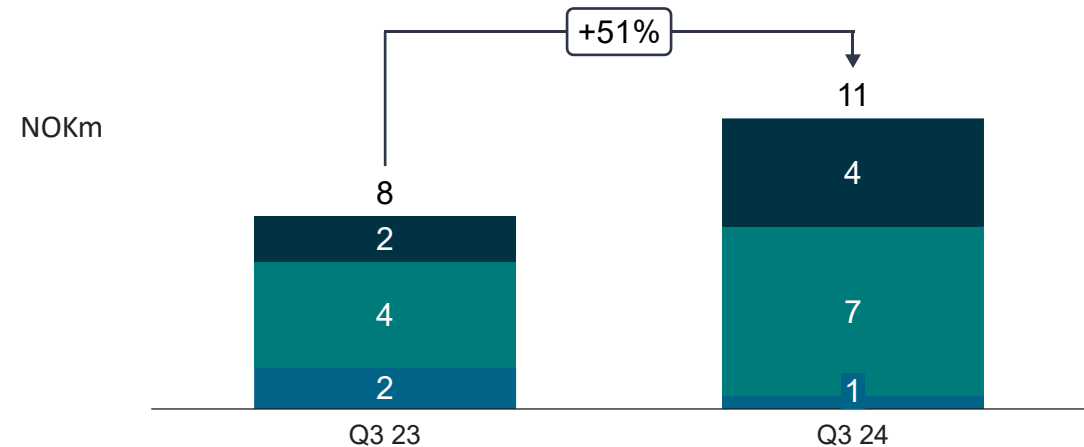
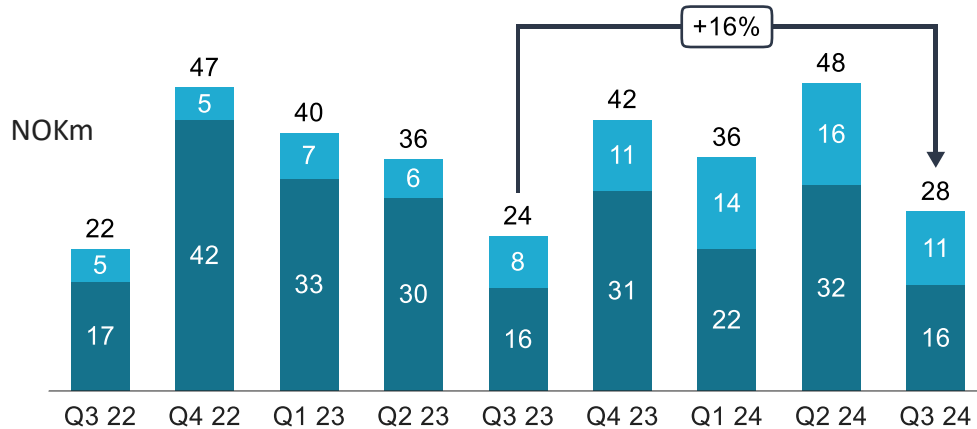
New agreements signed in quarter



Continued growth in CPaaS contracts sold yoy

- CPaaS contracts representing close to 40% of signed contracts
- OTT main driver for CPaaS contracts signed (RCS and WhatsApp)
- MyLINK Marketing have lower contracts signed due to vacation but strong pipe in final stage
- Other CPaaS solutions mainly driven by e-mail, chatbot and security products

Gross profit contribution from new contract wins*



Other CPaaS OTT MyLink Marketing



CPaaS A2P

* Historically 75% of gross profit recorded in P&L within 12 months

LINK's strong localized CPaaS product offering

Local approach key success criteria for capturing share of CPaaS market growth

Strong local presence across Europe is a key strategic advantage

- LINK has 30 offices in 18 European countries
- All customer interactions are in the language preferred by the customer
- Key insight to market trends and needs supports commercial success

CPaaS products well suited to LINK's local approach

- New communications solutions are complex
 - Clear benefit with face-to-face interaction
- Customer success greatly enhanced through on-site support

Strong CPaaS product portfolio

- Sticky software solutions integrated into customers IT stack
- Broad portfolio of solutions and channels



M&A pipeline progressing as planned with closed acquisitions

Strengthened market position in Iberian Peninsula and UK



EZ4U acquired in Portugal

- Enterprise value of EUR 3.5 million
- LTM EV/cash EBITDA multiple of 7.0x



Net Real Solutions acquired in Spain

- Founded in 2001 with HQ in Castellon, Spain
- Sent over 2bn SMS messages globally last year
- Enterprise value of EUR 9.5 million
- LTM EV/cash EBITDA multiple of 6.4x



Reach Interactive acquired in the UK

- Founded in 2002 with HQ in Doncaster, UK
- Offer SMS marketing to a diverse customer base
- Enterprise value of GBP 3.0 million
- LTM EV/cash EBITDA multiple of 6.3x



Replenished prioritized list of targets

- Short-term actionable targets maturing through funnel
- Updated prioritized pipeline of 12 targets whereof 4 in DD process
- Combined EBITDA up to EUR 40 million
- Combination of smaller bolt-ons and larger level ups

M&A play-book guidelines

- Strong local market position and strong telecom operator relationships
- Cash EBITDA positive and cash accretive to LINK from day one
- Solid, well-diversified customer portfolios with low churn
- ~80% overlapping technology strong commercial enterprise focus
- Synergy potential to create further value
- Target valuations between 6-9x cash EBITDA before synergies pending growth momentum

Q3 2024 highlights – Organic growth in line with expectations

Executing on M&A strategy and high single digit organic gross profit growth

Revenue stable at NOK 1,7 billion after LINK terminating low margin aggregator traffic

- Global Messaging revenue decline of NOK 87million due to LINK terminating low margin contracts
 - Shifting focus from revenue to profitability and more restrictive credit policy
- Enterprise revenue growth of 8%

Gross profit at NOK 357 million with 9% growth YoY

- Nordics and Central Europe growth momentum in line with first half
- Western Europe impacted by bankruptcy churn and disputed operator price increase
- Higher demand for more profitable CPaaS products and OTT channels

Adjusted EBITDA at NOK 166 million and solid cash flow from operations

- Organic growth in fixed FX at 10%
- Cash flow from operations of NOK 200 million

Executing the inorganic growth strategy – three targets closed this year

- Closed acquisition of Net Real Solutions in Spain increasing market share to 26%
 - Gaining access to South America through NRS offices in Colombia and Mexico
- Strengthening UK market position by Reach Interactive acquisition late October

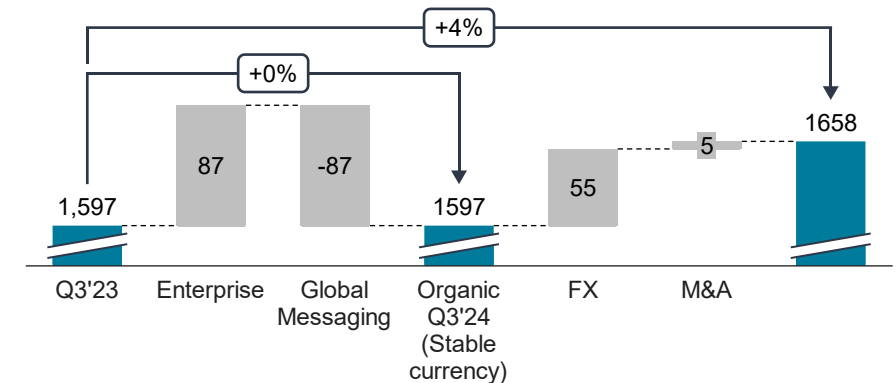
Successfully refinanced 125mEUR of LINK01 bond in October

- New 5-year EUR 125 million bond issued at floating rate of 3-month EURIBOR + 2.35%

Organic growth yoy

NOKm	Q3 2023	Organic growth	FX effect	Acquired	Q3 2024
Revenue	1 597	1	55	5	1 658
<i>Organic growth (%)</i>		0%			
Gross profit	317	27	11	2	357
<i>Organic growth (%)</i>		9%			
Adjusted EBITDA	147	15	3	2	166
<i>Organic growth (%)</i>		10%			

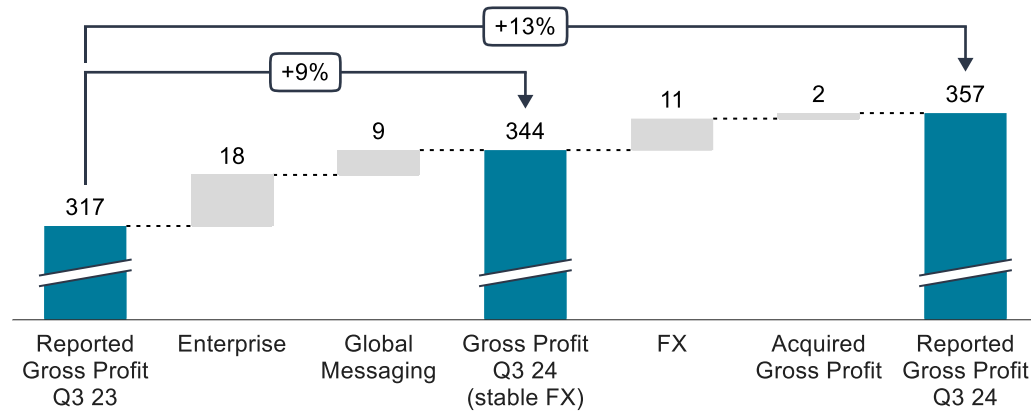
Revenue growth yoy



Q3'24 Organic gross profit growth in line with expectations

Gross margin expansion yoy from higher share of Enterprise in revenue mix

Group organic gross profit development (NOKm)



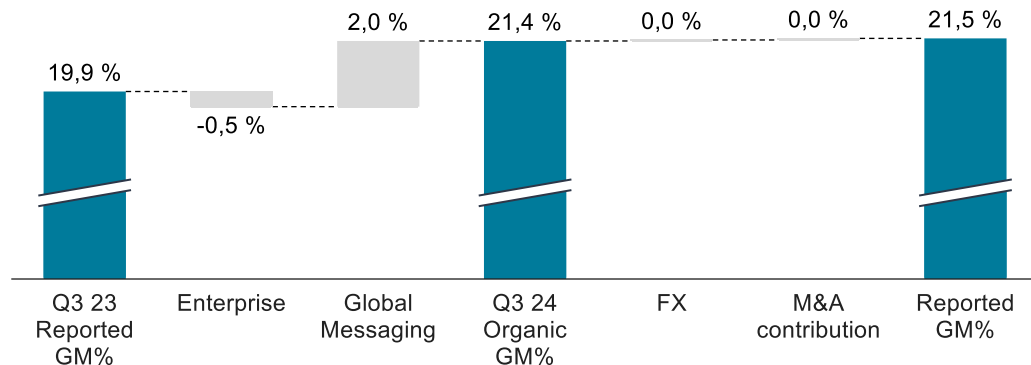
Total organic gross profit growth of 9% in stable currency

- Western impacted by bankruptcy churn and disputed operator price increase
 - Total negative impact of NOK 6 million in the quarter
- Central continue to deliver strong growth momentum of 15%
- Northern growth mid single digit adjusted for internal shifts in line with first half
- Enterprise growth was 8% excluding the mentioned effects in Western Europe

Global Messaging growing gross profit 34% from improved traffic mix

- Proactively terminating low-value contracts improved traffic mix

Group gross margin (%)



Gross margin expansion impacted by Global messaging mix

- Enterprise gross margin impacted by operator cogs increase in Italy
- Termination of low-value clients improved margins in Global Messaging

Q3'24 Cash flow impacted positively by interest received

LTM free cash generation of more than NOK 400 million

NOK '000	Q4 2023	Q1 2024	Q2 2024	Q3 2024	LTM Q3 2024
Adj.EBITDA	181	158	180	166	686
Interest received	18	16	19	55	108
Other changes in working capital	73	3	-80	37	33
Taxes paid	-8	-19	-26	-35	-88
Non-recurring costs M&A	-21	-5	-7	-22	-54
Net cash flow from operating activities	244	153	87	201	685
Add back non-recurring costs M&A	21	5	7	22	54
Adj. cash flow from operations	264	158	93	224	739
Capex	-31	-34	-34	-42	-141
Lease and bond	-80	-6	-76	-4	-165
Cash flow after capex and interest	154	118	-16	178	433

Cash generation in Q3 positively impacted by working capital

- Working capital normalized after build up previous quarter
- Received interest partly related to 1H'24 of NOK 55 million

LTM free cash flow NOK 433 million after capex and interest

- Includes US financing costs of ~ NOK 15 million for Q4 '23

Bond interest partly offset by interest income on cash

Conservative financial policy net debt 2 - 2.5x adjusted EBITDA

- Free cash flow to further strengthen cash position
- Following refinancing two bonds totalling EUR 296 million outstanding

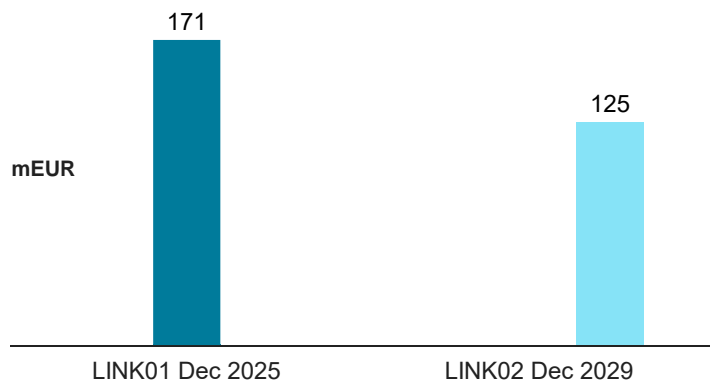
Restructured debt profile and finalized share buyback in October

Own bonds holding of EUR 74 million cancelled and issued new EUR 125 million bond

Refinanced 125mEUR of “LINK01” in October 2023

- Issued new EUR 125 million “LINK02” bond
- Interest terms EURIBOR 3mnths + 2.35%
- Improved flexibility on dividends vs “LINK01”
- Repurchased and cancelled 125mEUR of “LINK01”
- Cancelled own bonds holding of 74mEUR

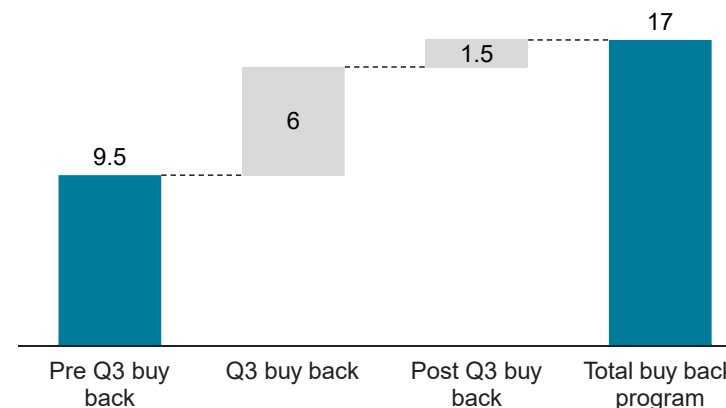
Maturity profile bonds after issue of LINK02



Share buy back program concluded on 16th October

- Total of 17 million shares acquired at average price of 20.71 NOK
- Own shares purchased as of Q3'24 was 15.5 million
- Cash impact in Q3 of NOK 128 million and full program NOK 352 million
- Treasury shares utilized for employee incentive programs
 - Employee share purchase program
 - Stock option incentive programs

Buyback program (million shares)



Strategy to deliver value through organic and inorganic growth

LINK's business model is scalable and highly cash generative

- Organic gross profit growth in high single digits historically
- Organic adjusted EBITDA expected to grow at higher rate than organic gross profit

Diverse M&A pipeline with additional EBITDA potential > NOK 200 million in Europe alone

- Ambition for inorganic growth through bolt-ons to add 10% of adjusted EBITDA annually
- Updated portfolio of 12 prioritized targets whereof 4 in due diligence stage
 - Bolt-ons in Europe priority to realize further scale
 - Several potential level-up cases in Europe and beyond including the US

Disciplined financial policy

- Net debt not exceeding 2 - 2.5x adjusted EBITDA range
- Ample capacity for inorganic growth



Q&A

linkmobility.com/investors

