Financial presentation

Q2 2024

14 August 2024

link mobility

LINK in short

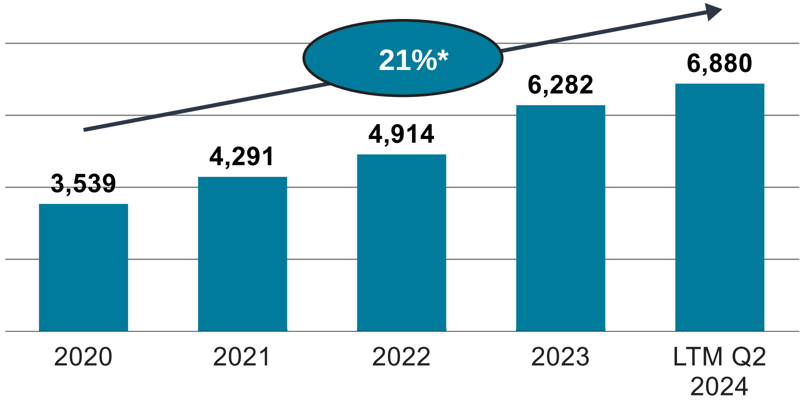
Market leader in Europe - Global ambitions with strong track record for growth

European #1 for enterprise digital messaging
- Attracting and serving customers locally with local languages
  - Creating stickiness and upsell opportunities
- Consistent strong double-digit growth over the last 4 years

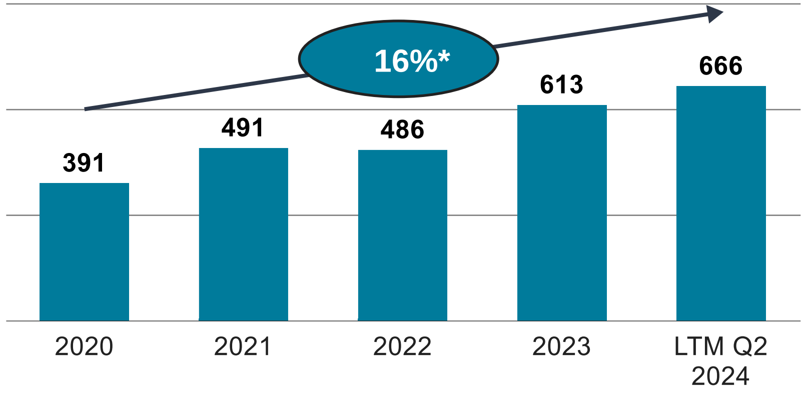
Proven M&A achievements with more than 30 acquisitions
- Expanded throughout Europe from the Nordics since 2016

600 employees, 29 offices, 18 countries serving more than 50,000 customers

Revenue NOKm



Adjusted EBITDA NOKm



* CAGR growth

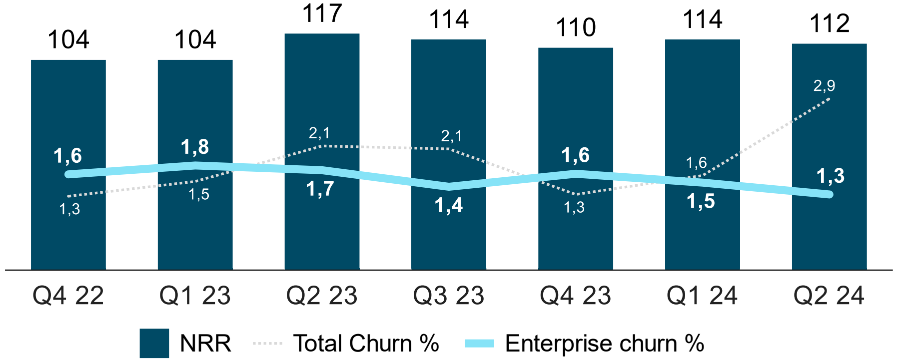
LINK's recurring and growing business model

Solid European footprint in growing markets supported by megatrends and increased adoption rates

Recurring business with more than 50,000 customers in Europe

- Customers remain and increase their usage

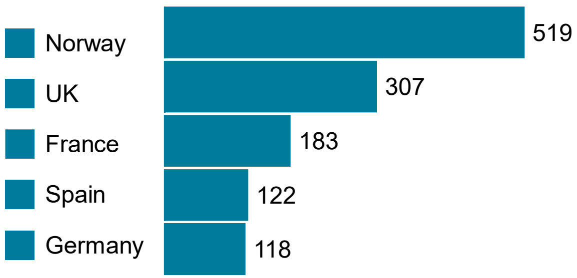
Net retention rate (NRR) and customer churn (%)



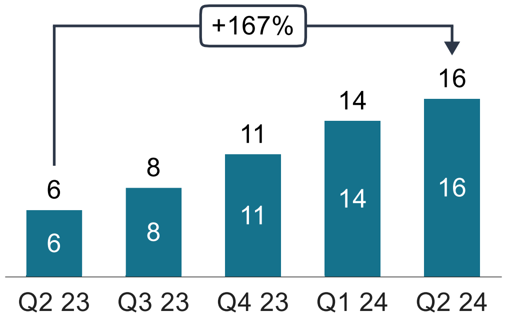
Megatrends support digital messaging growth

- Increased adoption and traction on higher margin CPaaS solutions

Annual messaging per capita



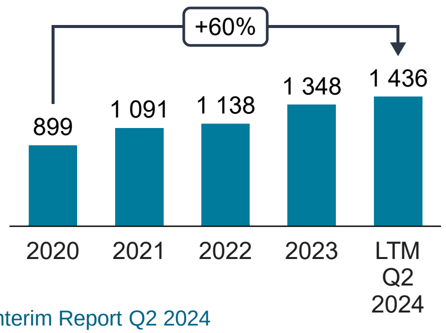
CPaaS GP - Closed won contracts (NOKm)



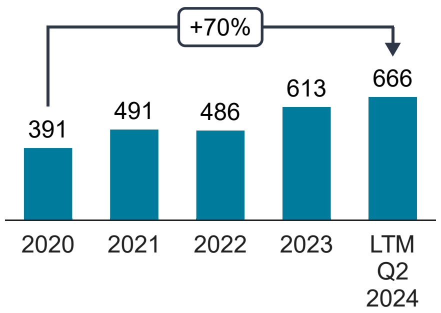
Scalable business model

- Adjusted EBITDA growth versus gross profit growth

Gross profit (NOKm) – growth%

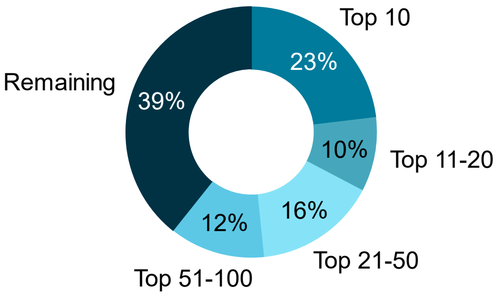


Adjusted EBITDA (NOKm) – growth%

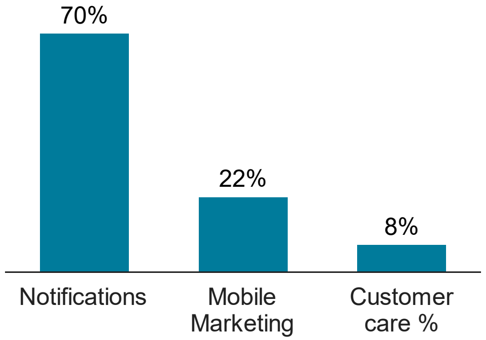


Diversified use cases and industry exposure

- Resilient revenue distribution tilted towards stable notifications



Customer revenue concentration



Q2 2024 highlights – another strong quarter

Solid growth from high contract backlog

Revenue at NOK 1,816 million
- Organic growth in fixed FX at 17%
- Enterprise growth at 15% with strong solid growth in Central and improvement in Northern

Gross profit at NOK 379 million
- Organic growth in fixed FX at 12%
- Higher demand for more profitable CPaaS products and OTT channels

Adjusted EBITDA at NOK 180 million
- Strong organic growth in fixed FX at 16%
- Continue to deliver on the scalable business model with prudent opex growth

Strong commercial results with NOK 48 million in closed won gross profit
- All-time high with continued strong traction on CPaaS solutions

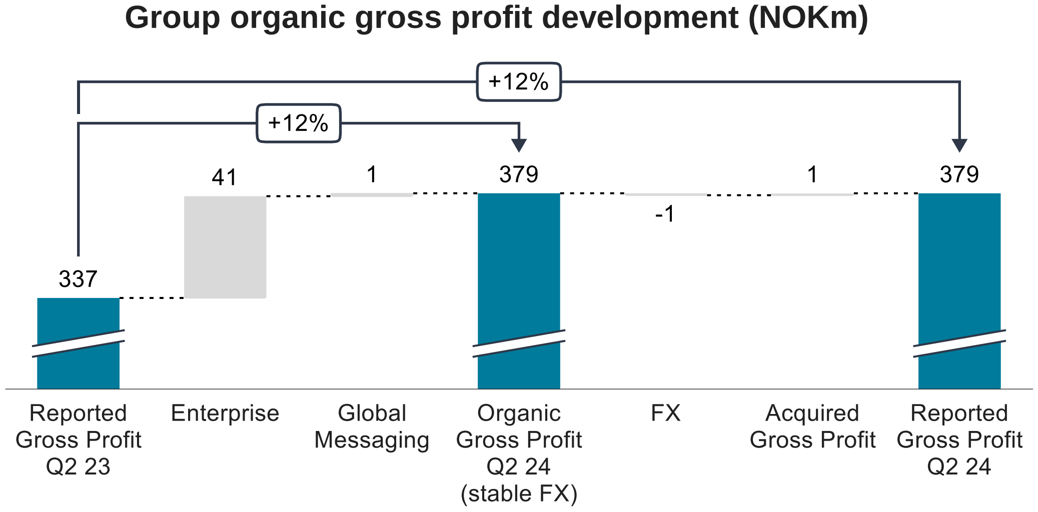
Strengthening Iberian peninsula footprint through accretive M&A
- Closed acquisition of EZ4U and expanding footprint to Portugal

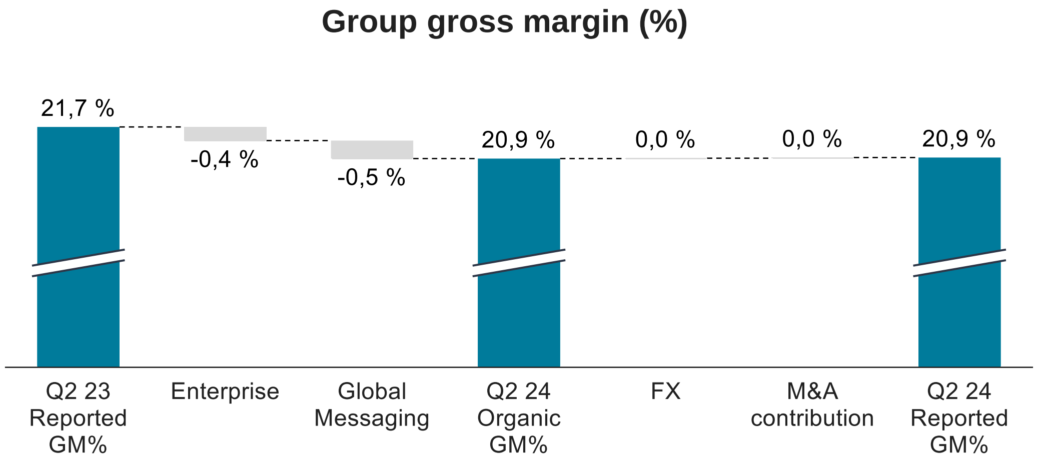
Organic growth specification

NOKm	Q2 2023	Organic growth	FX effect	Acquired	Q2 2024
Revenue	1 557	260	-3	2	1 816
Organic growth (%)		*17%*			
Gross profit	337	42	-1	1	379
Organic growth (%)		*12%*			
Adjusted EBITDA	155	25	0	1	180
Organic growth (%)		*16%*			

Double digit organic gross profit growth

Gross profit growth in the high end of expectations





Enterprise segments delivering growth of 13%

- Strong organic growth momentum in Western Europe of 16% driven by higher demand and CpaaS offerings and volume growth
- Central Europe delivering high digit growth of 14% due to solid volume growth
- Northern Europe improved growth momentum to 10% through improved volume growth QoQ and Marketing Platform license revenue

Global Messaging growing 4% and supporting enterprise routing

- More volatile business than enterprise

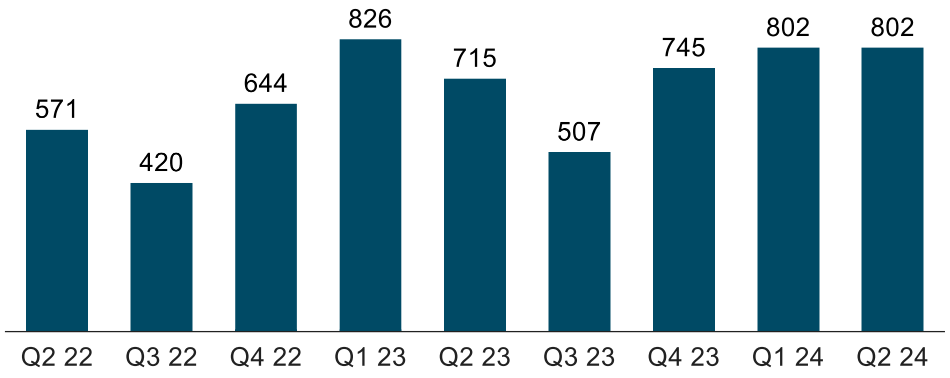
Gross margin impacted by high growth in low-margin volumes

- Extraordinary low-margin traffic volumes impacting negatively by 0.9pp
- Positive impact from richer channels like RCS and What's app
- Underlying customer margins remain stable

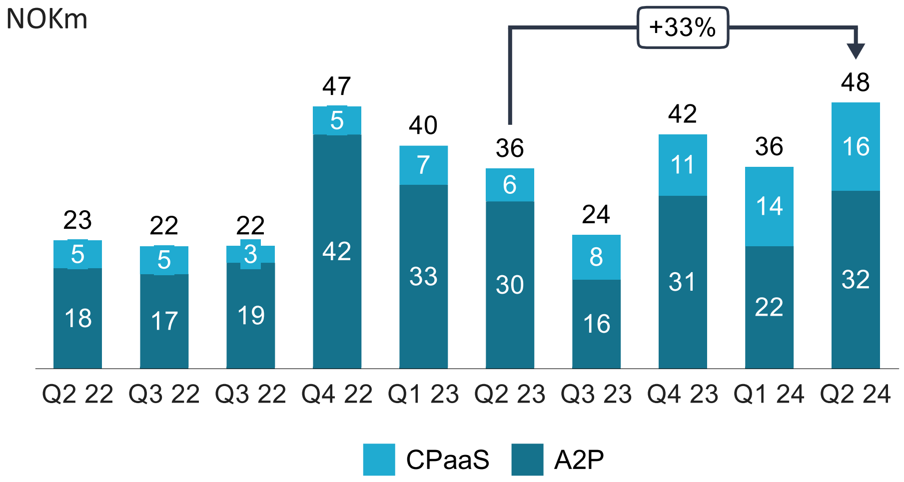
New contract wins – increased demand for OTT channels

Good momentum on both traditional SMS and advanced CPaaS solutions in the second quarter

New agreements signed in quarter



Gross profit contribution from new contract wins



LINK signed 802 new and expanding agreements in Q2 24

- Good mix of various sized contracts
- CPaaS solutions and new channels continue to impact both closed contracts and pipeline positively

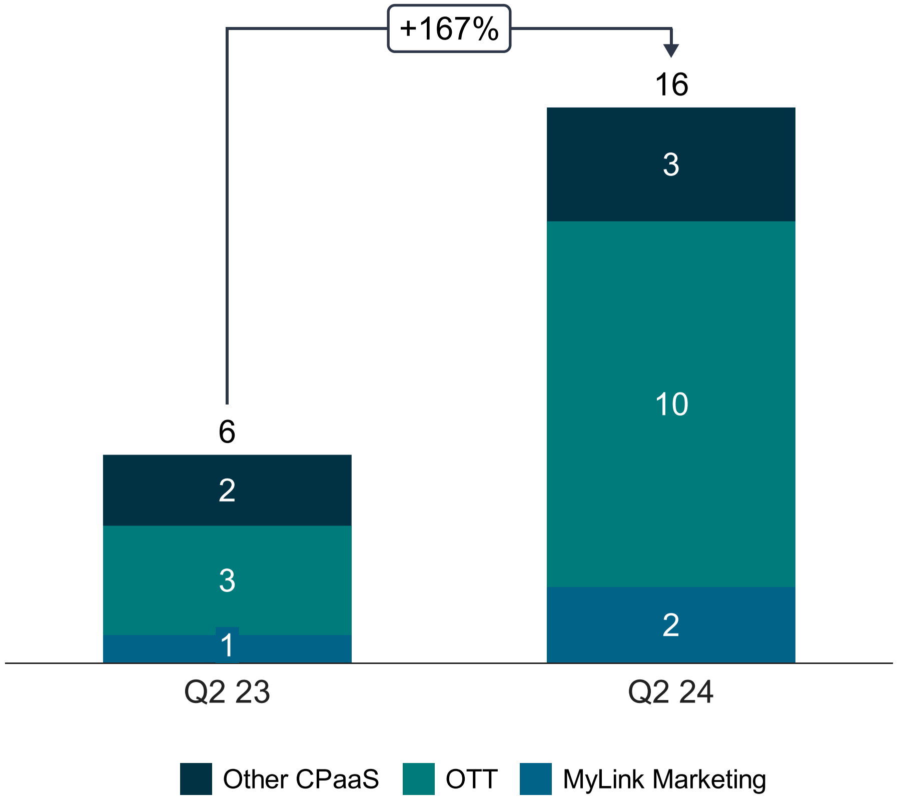
Continued strong growth in CPaaS contracts sold +167% YoY

- CPaaS contracts mainly from OTT and Marketing automation
- A2P contribution of NOK 32 million or 7% growth yoy

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

High growth for CPaaS and OTT channels

Strong market demand for richer OTT channels positively impacts closed won contracts



Key metrics per product – Q2 closed won deals:

OTT
- Internet distributed channels like RCS, What's App and Viber
- Main use cases: Customer care and Marketing
- Margin level between 20-50%

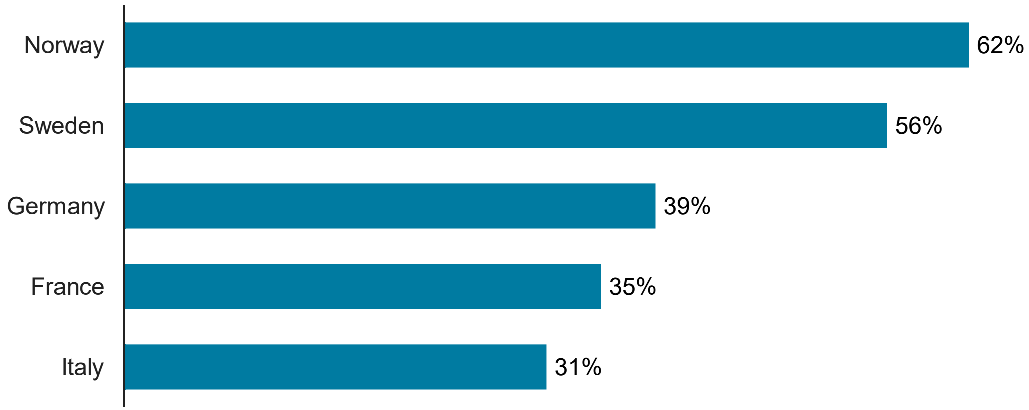
MyLINK Marketing
- Omnichannel Marketing automation solution with Enterprise SME focus
- Margin level close to 100% for license only
- Main use cases: Marketing and Notifications

Other CPaaS
- MyLink Connect (bot-solutions), e-mail, security solutions)
- Average margin level of 40-60%
- Main use cases: Notifications and Marketing

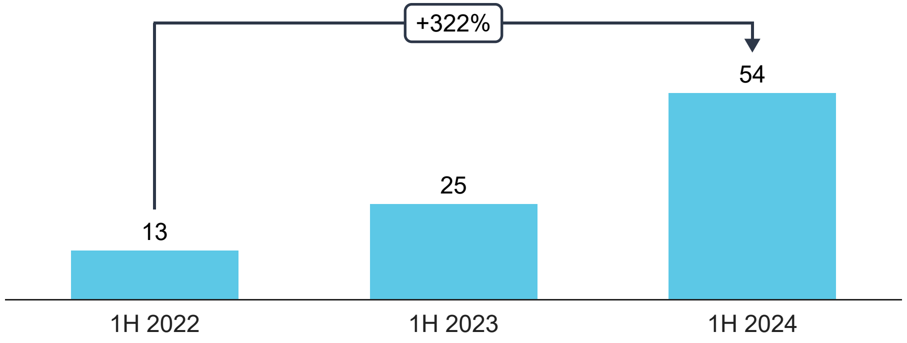
RCS support on iPhone to drive increased demand

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

Apple iOS penetration across LINK's main markets*

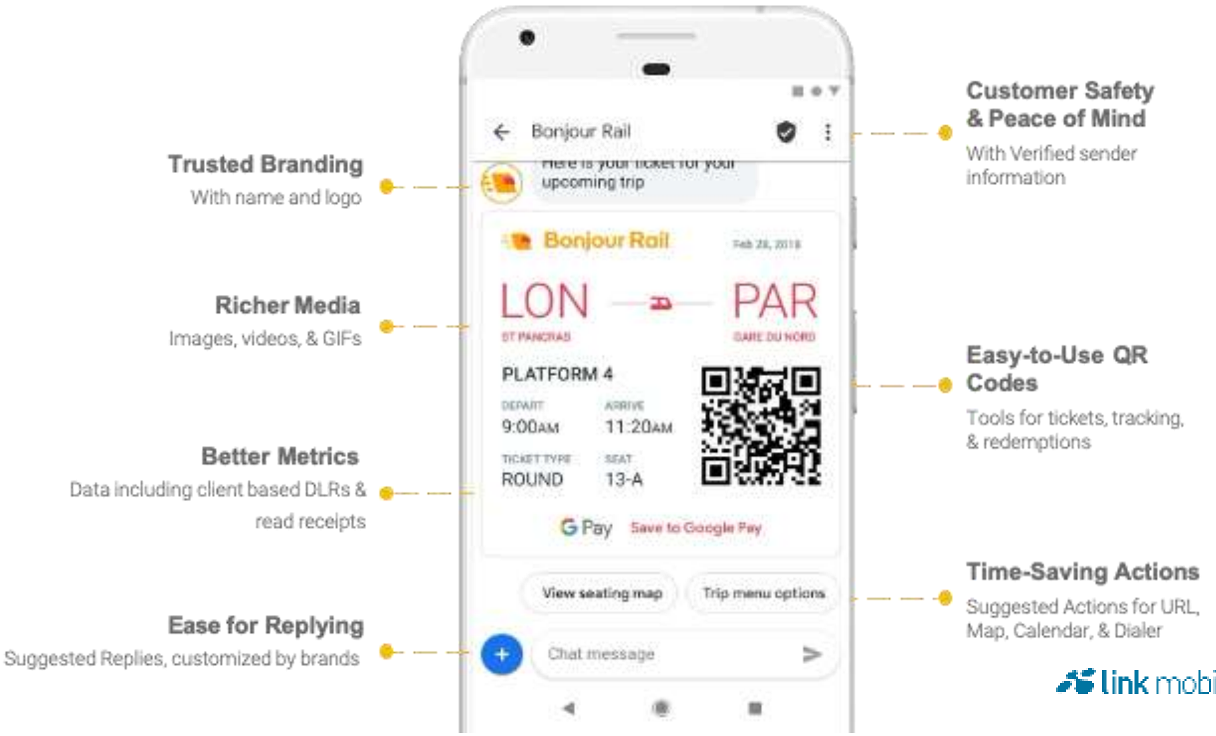


LINK RCS volume development (million)



RCS support expected on iOS autumn 2024

- iOS RCS support will be available starting from iOS 18
- Local operator support required, rolled out gradually
- Demand for RCS should spike when all consumers can be reached, not just Android users
- RCS is more profitable than SMS due to premium functionality



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* Source: World Population Review

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

Executing on M&A pipeline in Europe

Ambition for inorganic growth to add 10% of adjusted EBITDA annually

EZ4U acquired in Portugal

- Founded in 2010 with HQ in Porto
- Serving >500 clients on SMS, OTT, e-mail, IVR and bots
- Enterprise value of EUR 3.5 million
- LTM EV/cash EBITDA multiple of 7x

Prioritized targets progressing

- Pipeline of 10 target whereof 3 targets 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

LINK positioned for strong FCF growth in 2024 and beyond

LINK's European business 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
- Net debt not exceeding 2 - 2.5x adjusted EBITDA range when refinancing in 2025

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

- Bolt-ons in Europe priority to realize further scale
- Several potential level-up cases in Europe and beyond including the US

Financials

Q2 2024

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First half 2024 delivered in high end of expectations

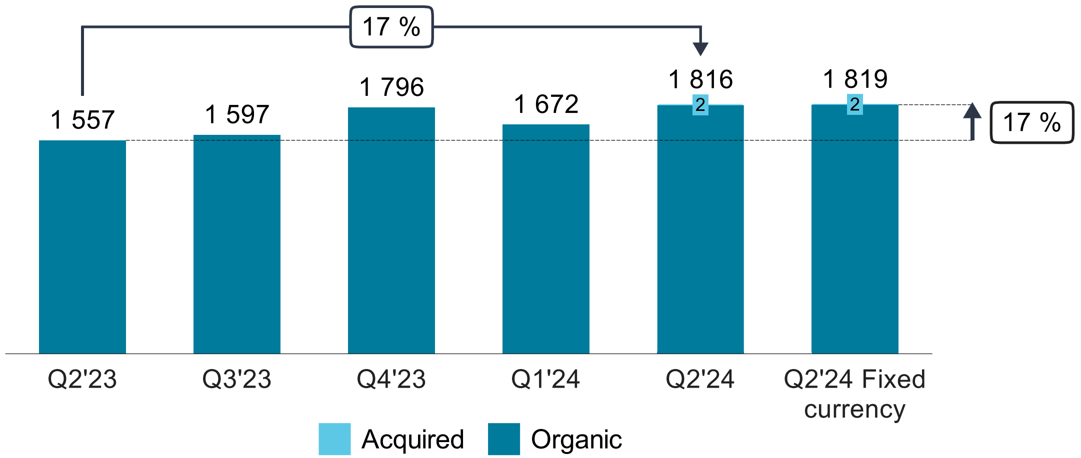
Double digit growth in gross profit and adj.EBITDA

Organic growth in stable currency	**1H 2024**
Revenue growth	**18%**
whereof enterprise	*15%*
Gross profit growth	**12%**
whereof enterprise	*12%*
Adj.EBITDA growth	**17%**

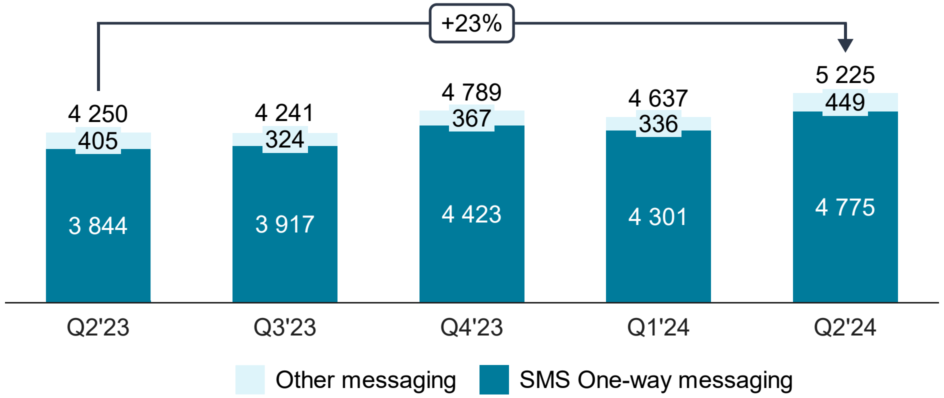
Reported revenue YoY growth 17%

Revenue growth supported by strong volume growth existing and new clients

Reported revenue NOKm



Reported volume (mill transactions)



Organic revenue growth of 17% in fixed FX

- Enterprise segments grew 15% organically in fixed FX
- Northern Europe growing 5% with improved growth trend QoQ
- Central Europe with strong growth of 31% from high volumes
- Western Europe continued strong growth supported by volume and OTT growth
  - EZ4U acquisition contributes NOK 2 million
- Global Messaging segment with organic growth of 22% in fixed FX

Reported volume growth for Q2 24 at 23%

- Strong growth in SMS messaging at 24%
- Higher value channels like RCS and WhatsApp continue to grow at high pace

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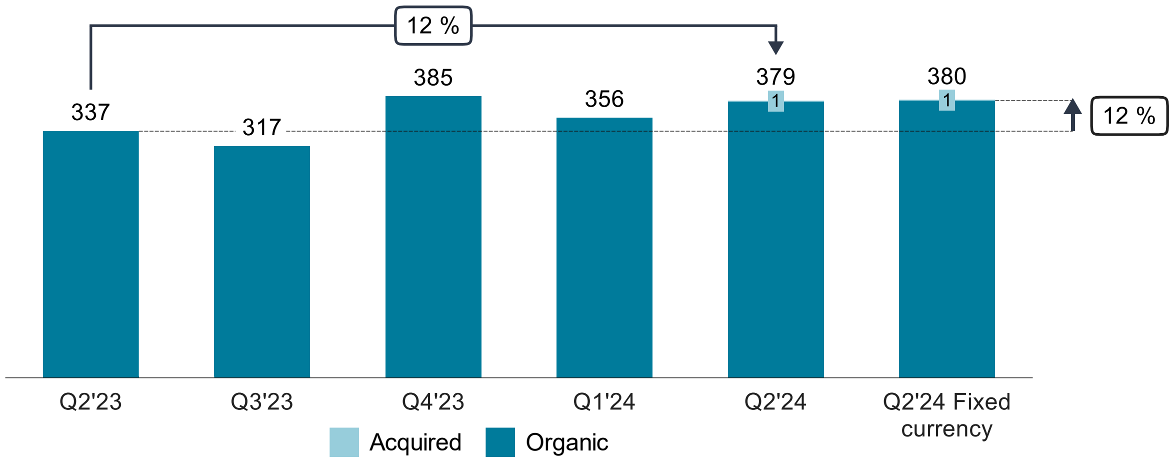
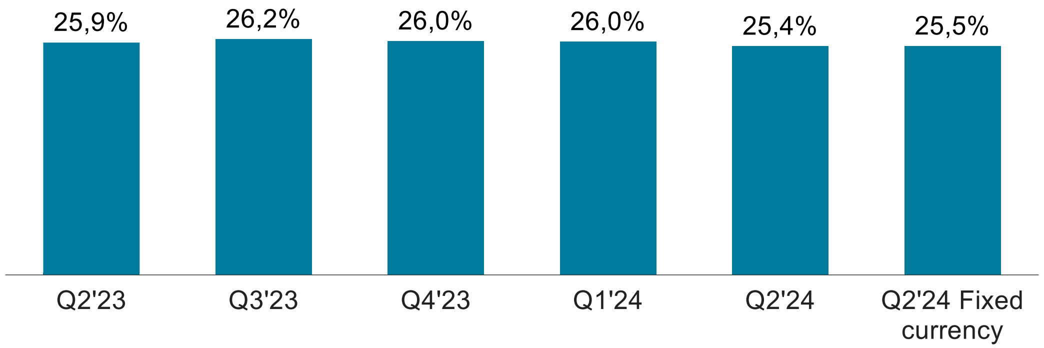
Reported gross profit YoY growth 12%

Solid enterprise growth of 12% with contribution from all regions

Gross profit NOKm



Enterprise gross margin (%)



Organic gross profit growth of 12% in fixed FX

- Enterprise segments delivered 13% organic growth
- Northern growth of 10% - QoQ increase from topline and SaaS licenses
- Central Europe growth of 14% from strong topline and CPaaS contribution
- Western Europe with continued contribution from new richer channels
  - RCS with increased contribution quarter by quarter
  - NOK 1 million in acquired gross profit from EZ4U acquisition

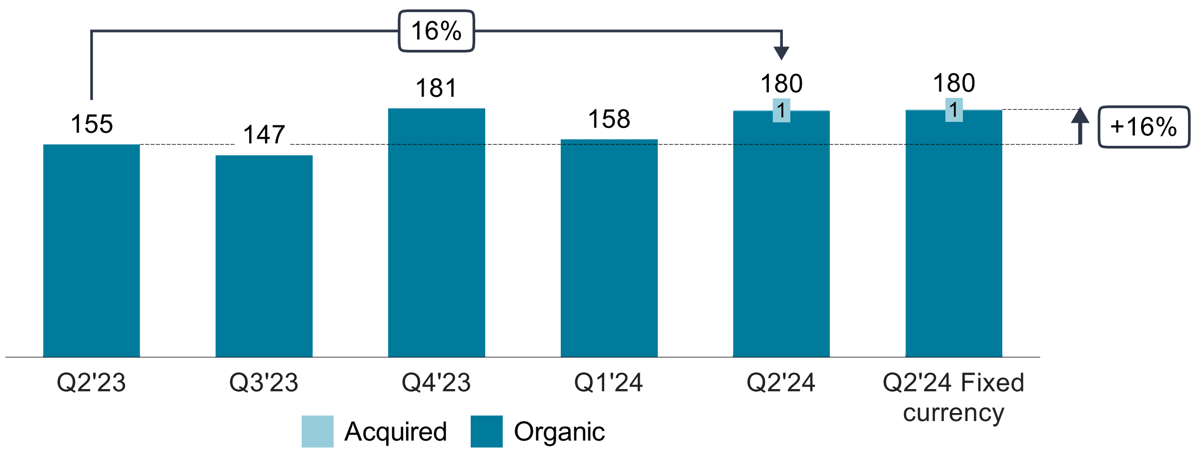
Enterprise gross margin stable around 26% over time

- Extraordinary low-margin volumes in Q2 impacting negatively by 1.2pp yoy
- Positive effect from new richer OTT channels and CPaaS solutions
  - Growing strongly from a lower base with increased market demand

Reported adjusted EBITDA YoY growth 16%

Adjusted EBITDA growth in stable currency of 16% and above gross profit growth of 12%

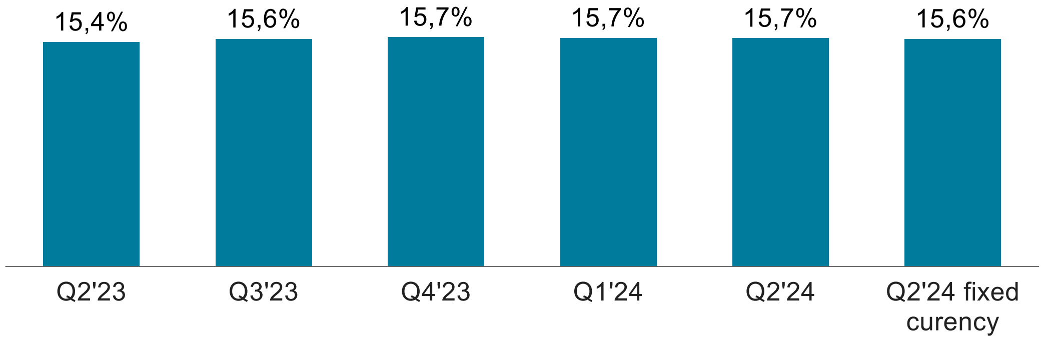
Adjusted EBITDA NOKm



Organic growth in adjusted EBITDA 16% in fixed currency

- Adjusted EBITDA growth of NOK 25 million YoY in fixed currency
  - NOK 42 million from organic gross profit growth
  - Opex growth mainly related to inflation in salaries and other cost
  - Inorganic contribution from EZ4U acquisition

Enterprise adjusted EBITDA margin (%)*



Enterprise margin expanded 0.3pp YoY to 15.7%

- Negative impact from extraordinary volumes of lower-margin traffic on gross margin partly offset by increased share of OTT channels
- Lower opex to sales YoY related to cost initiatives and scalable model

* Excluding Global Messaging and group opex

P&L – Interest costs on bond partly offset by deposit interest

NOK in millions	Q2 2024	Q2 2023	YTD 2024	YTD 2023	Year 2023
Total operating revenues	1 816	1 557	3 488	2 890	6 282
Direct cost of services rendered	(1 437)	(1 220)	(2 753)	(2 244)	(4 934)
Gross profit	**379**	**337**	**735**	**646**	**1348**
Operating expenses	(199)	(183)	(397)	(361)	(735)
Adjusted EBITDA	**180**	**155**	**338**	**285**	**613**
Non-recurring costs	(12)	(48)	(31)	(62)	(135)
EBITDA	**168**	**106**	**308**	**223**	**478**
Depreciation and amortization	(84)	(86)	(166)	(163)	(338)
Operating profit (loss)	**84**	**20**	**141**	**60**	**140**
Net financials	**(6)**	**(43)**	**277**	**(113)**	**(89)**
Profit (loss) before income tax	**78**	**(22)**	**419**	**(53)**	**51**
Income tax	(16)	7	(104)	16	(13)
Profit (loss) from cont. operations	**62**	**(16)**	**315**	**(37)**	**38**
Profit (loss) from discont. operations	(0)	(0)	(0)	24	29
Profit (loss) for the period	**62**	**(16)**	**315**	**(13)**	**67**

Non-recurring costs of NOK 12 million
- M&A costs of NOK 2 million
- Costs related to restructuring NOK 5 million
- Share-option cost of NOK 5 million
  - Quarterly LTIP options cost of NOK 3 million including positive correction of NOK 3 million
  - Social security cost accrual increase of NOK 2 million

Depreciation and amortization NOK 84 million
- Depreciation of intangible assets from R&D NOK 21 million
- Depreciation of PPA's NOK 56 million
- Depreciation of leasing and fixed assets NOK 7 million

Net financials negative NOK 6 million
- Net currency loss of 1 million
- Net interest costs of NOK 9 million
- Other financial items positive NOK 4 million
  - Correction of Message Broadcast transaction price

Solid balance sheet supporting further growth

NOK in millions	Q2 2024	Q2 2023	Year 2023
Non-current assets	7 215	6 638	6 372
Trade and other receivables	1 821	1 219	1 380
Cash and cash equivalents	2 519	1 042	1 097
Current assets held as available for sale	-	3 047	2 832
Total assets	**11 555**	**11 946**	**11 681**
Equity	**5 498**	**5 647**	**5 514**
Deferred tax liabilities	257	271	274
Long-term borrowings	4 188	4 281	4 008
Other long-term liabilities	32	46	38
Total non-current liabilities	**4 476**	**4 598**	**4 321**
Trade and other payables	1 450	1 326	1 494
Other short-term liabilities	132	56	55
Short-term liabilities held as available for sale	-	319	297
Total current liabilities	**1 582**	**1 701**	**1 846**
Total liabilities	**6 057**	**6 299**	**6 167**
Total liabilities and equity	**11 555**	**11 946**	**11 681**

Receivables related to US sale reclassified to short-terms receivables from Q2 24

- Non-current assets increase yoy from own bonds purchased
- Trade and other receivables includes NOK 397 million related to US divestment
  - Seller's credit NOK 109 million payable June 2025
  - Earn-out NOK 288 million payable April 2025

Cash balance QoQ impacted by share and bond buy-back programs

- NOK 593 million cash outflow related to buybacks of own bonds in Q2
- NOK 141 million cash outflow related to buybacks of own shares in Q2
- NOK 40 million in consideration for acquisition of EZ4U in Portugal

Equity NOK 5 498 million and equity percentage 48%

Net interest-bearing debt* NOK 922 million

- Excludes seller's credit receivable of NOK 109 million due to bond terms
- Net interest-bearing debt excluding share buy backs at NOK 742 million
- Leverage ratio of 1.4x adjusted EBITDA

* Calculated according to bond agreement

Cash flow impacted by working capital build in the quarter

Working capital expected to normalize over time

NOK millions*	Q3 2023	Q4 2023	Q1 2024	Q2 2024	LTM Q2 2024
Adj.EBITDA	**147**	**181**	**158**	**180**	**666**
Change working capital	-80	92	19	-61	-30
Taxes paid	-20	-8	-19	-26	-73
Non-reccuring costs M&A	-2	-21	-5	-7	-35
Net cash flow from operating activities	**45**	**244**	**153**	**87**	**528**
Add back non-recurring costs M&A	2	21	5	7	35
Adj. cash flow from operations	**47**	**264**	**158**	**93**	**563**
Capex	-28	-31	-34	-34	-127
Lease and bond	-5	-80	-6	-76	-166
Cash flow after capex and interest	**15**	**154**	**118**	**-16**	**270**

Cash conversion in Q2 negatively impacted by WC
- Working capital impacted by normal timing effects

LTM free cash flow NOK 270 million – normalized close to 400 million
- Includes US financing costs of ~ NOK 30 million for 2H ‘23
- Underlying negative working capital impact LTM of NOK 65 million
- Deposit interest earned 1H’24 not received NOK 30 million

Bond interest partly offset by interest income on cash
- Excess cash deposited in banks at interest > bond coupon
- Receivable deposit interest due in 2H

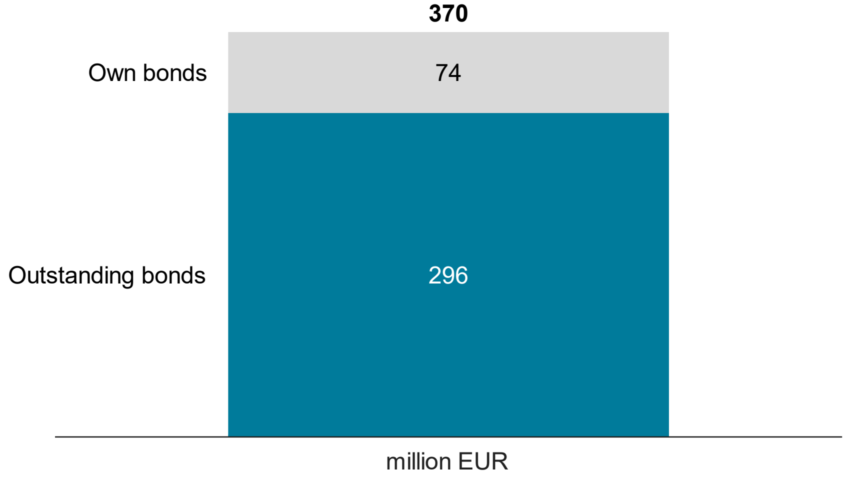
Conservative financial policy net debt 2 - 2.5x adjusted EBITDA
- Free cash flow to further strengthen cash position
- Remaining bond EUR 296 million to be refinanced when appropriate

* Working capital, taxes paid, non-reccuring costs, capex and lease payments excluding impact of US business owned in the period Q2’23 through Q4’23

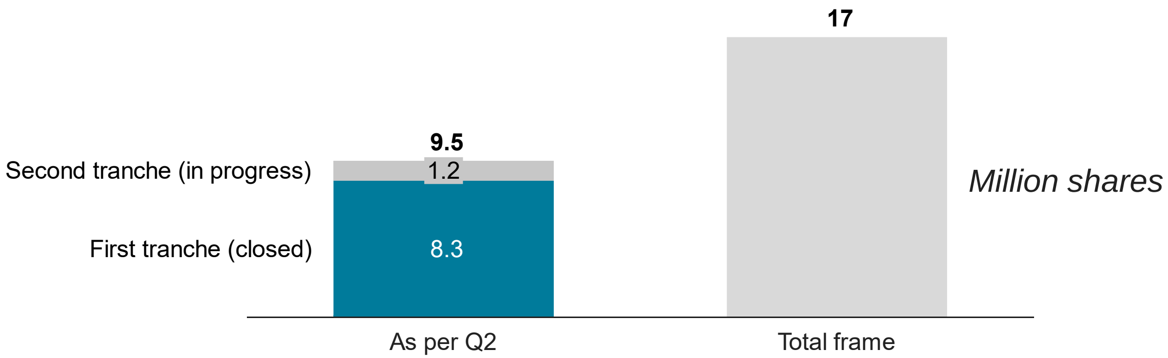
Buy back programs progressing as planned

Acquired 20% of own bond and finalized 60% of share-buy back program

Own bonds holdings currently at EUR 74 million
- Representing 20% of total outstanding bond
- Average price on buy backs at 98%
- Attractive yield of 4.6% compared to EUR deposit interest of <3.5%
- Annual run rate interest on bond holdings of EUR 2.5 million
- Cash impact in Q2 of NOK 593 million and total NOK 848 million



Share buy back at 60% of total frame of 17 million shares
- Own shares holdings of 9.5 million by Q2
- Buy back cap of 233k shares per day
- Cash impact in Q2 of NOK 141 million and total NOK 180 million
- Treasury shares to be utilized for employee incentive programs



Appendix

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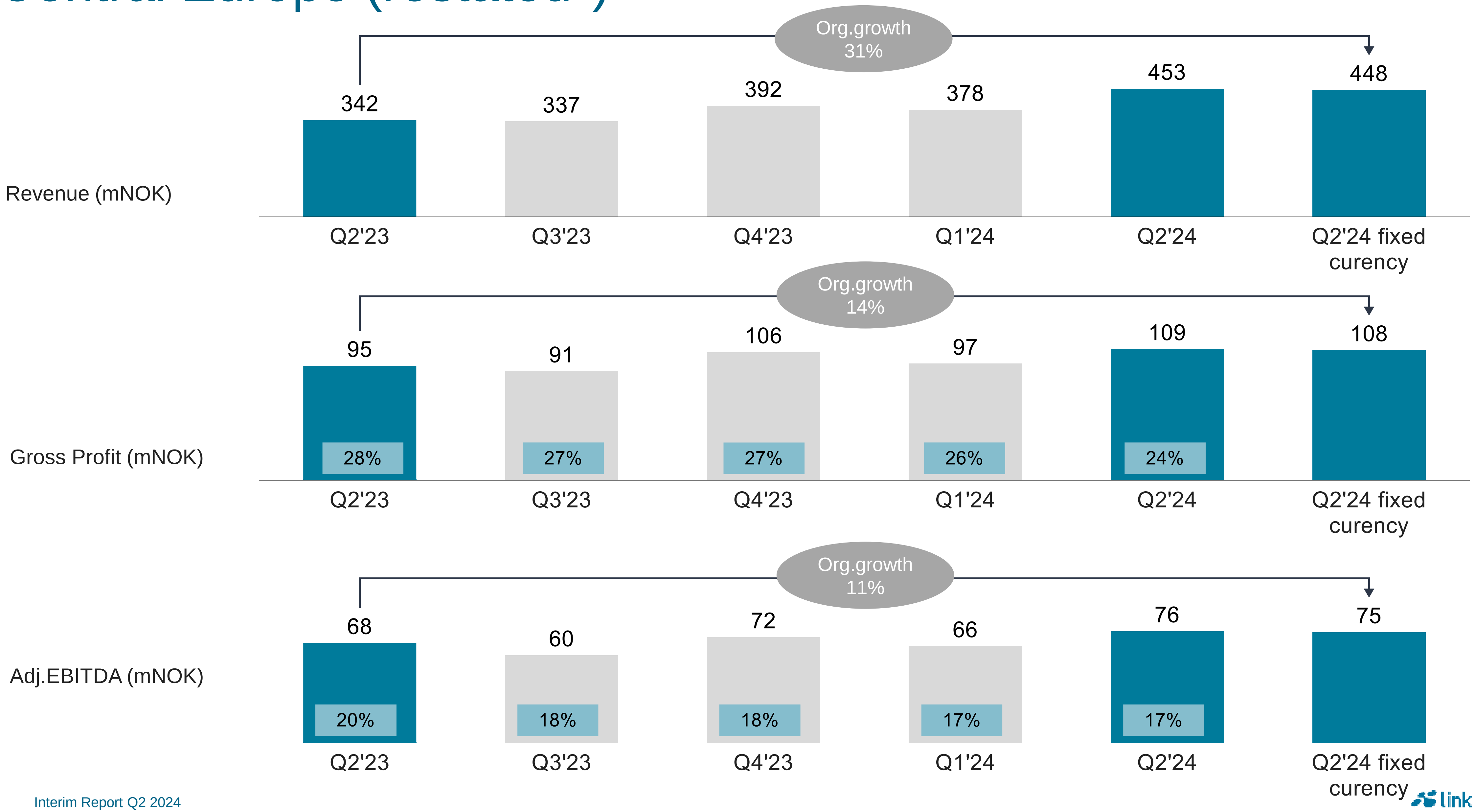
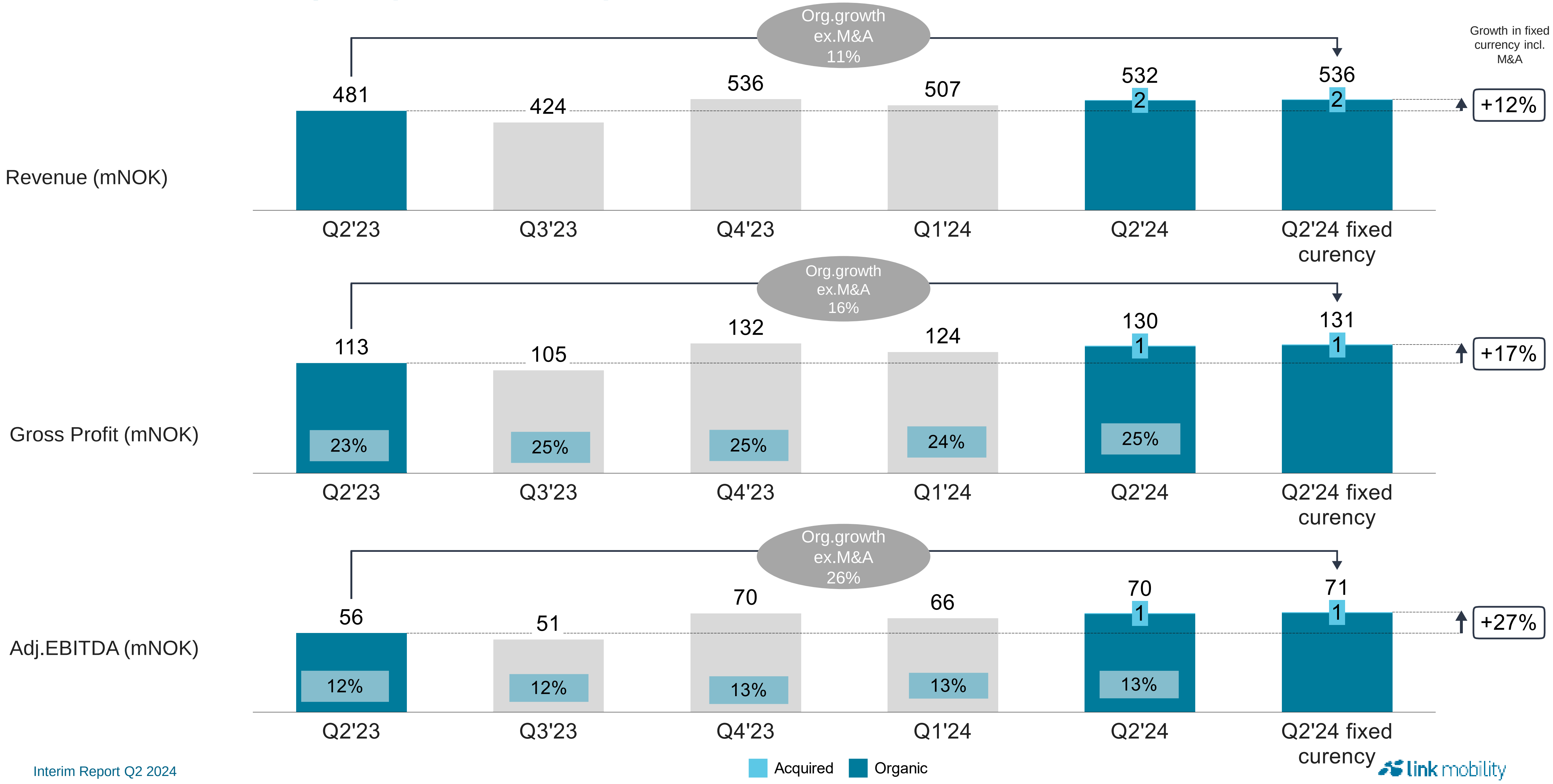
Northern Europe

Central Europe (restated*)



*Netherlands moved from central Europe to Western Europe from Q1 2024 – historical segment financial have been updated accordingly

Western Europe (restated*)



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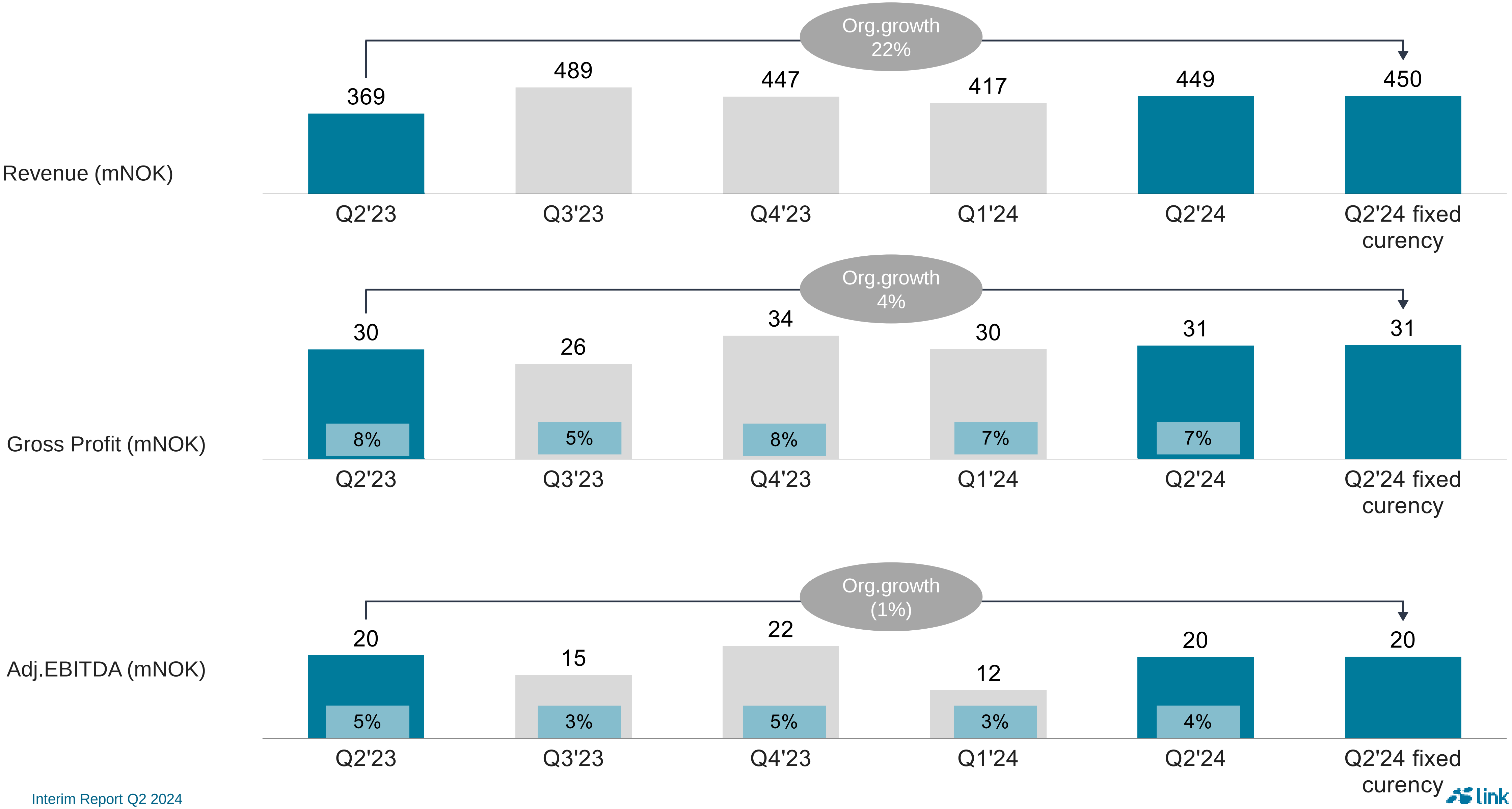
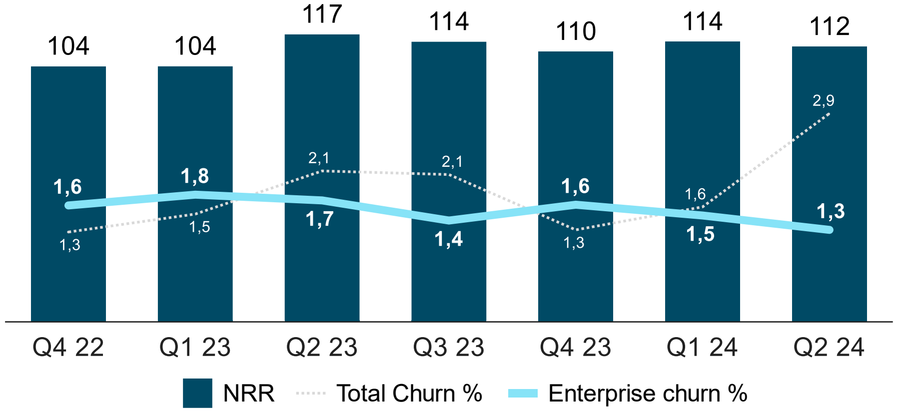
Global Messaging



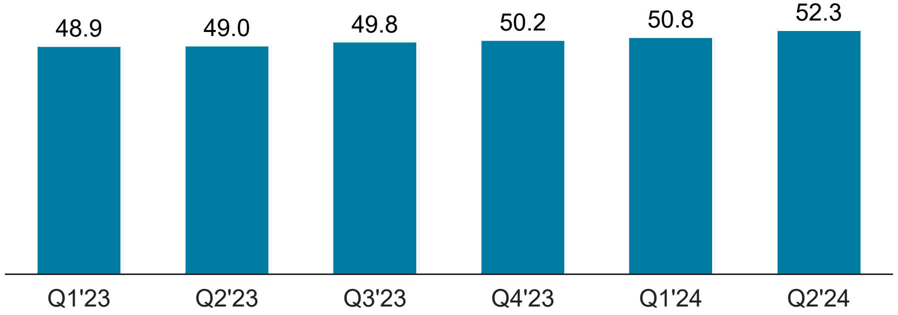
Recurring revenue supported by high NRR and low churn

Customers stay with LINK and increase their usage

Net retention rate (NRR) and customer churn (%)



Customer accounts ('000)*



Net retention stable well above 100%

- Supporting growth in recurring revenue

Customer churn consistently low

- Enterprise churn below 2% over time and 1.3% in Q2 24
- Total churn 2.9% in Q2 24 impacted by Global Messaging
- Sticky integrations and high transition costs for clients

Steady growing base with more than 50,000 customers

- Significant upselling potential beyond initial use-case to existing customers
- High commercial success rate in second sale (~70% win-rate)
- EZ4U acquisition added 1.400 accounts in Q2 24

* Customer accounts pre Q2 2023 have been corrected for inactive accounts.

Q&A

linkmobility.com/investors

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