



**Global CPaaS Player**

in High Growth Markets

Because every  
communication  
matters

# LINK connects businesses to customers and governments to citizens



# LINK facts and figures

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2000

FOUNDING YEAR

#1

MESSAGING PLAYER IN EUROPE

>10.5bn

MESSAGES SENT IN 2020

30

OFFICES GLOBALLY

19

COUNTRIES IN OUR GROUP

~47k

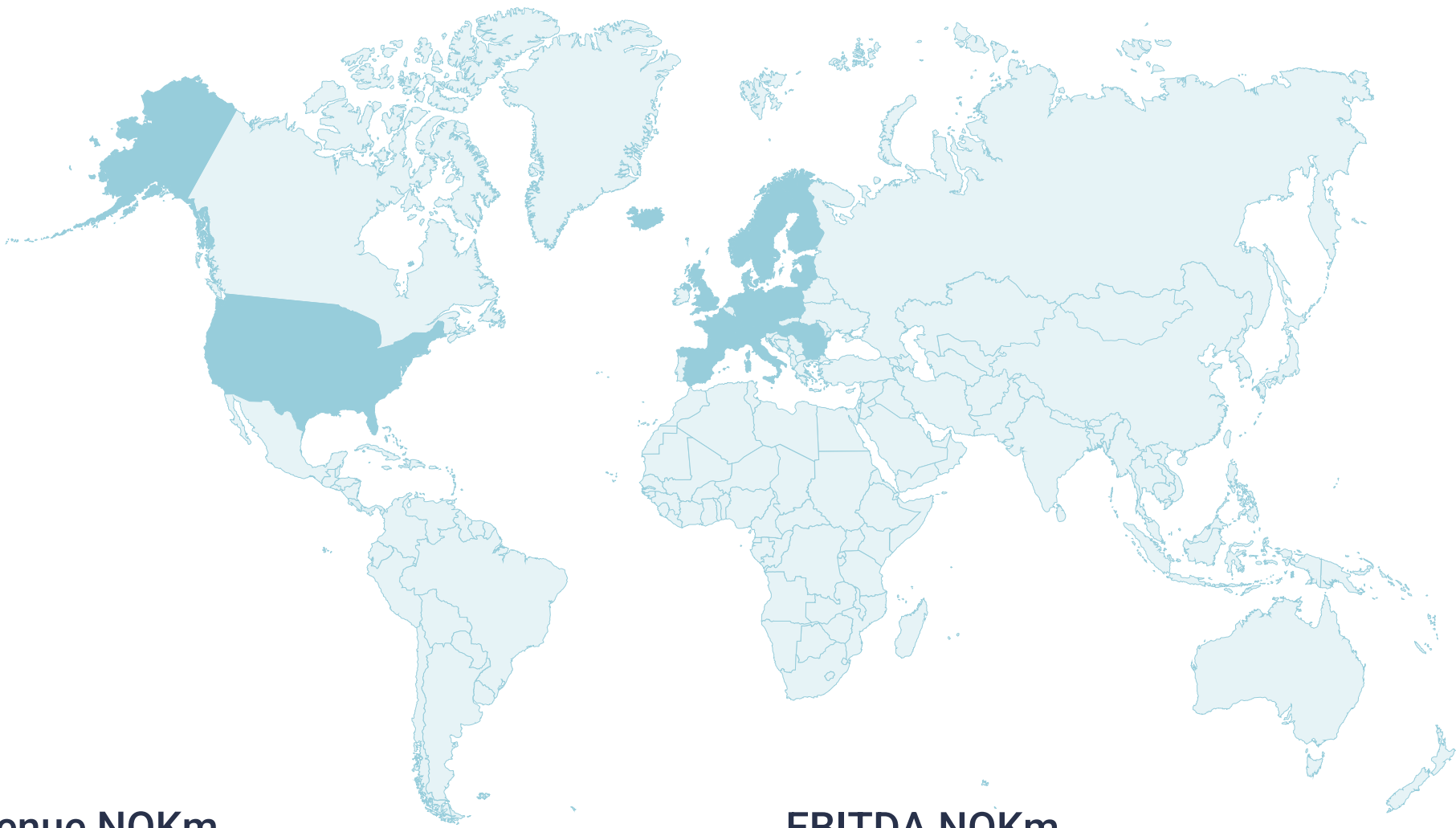
HAPPY CLIENTS WORLDWIDE\*

4.5bn

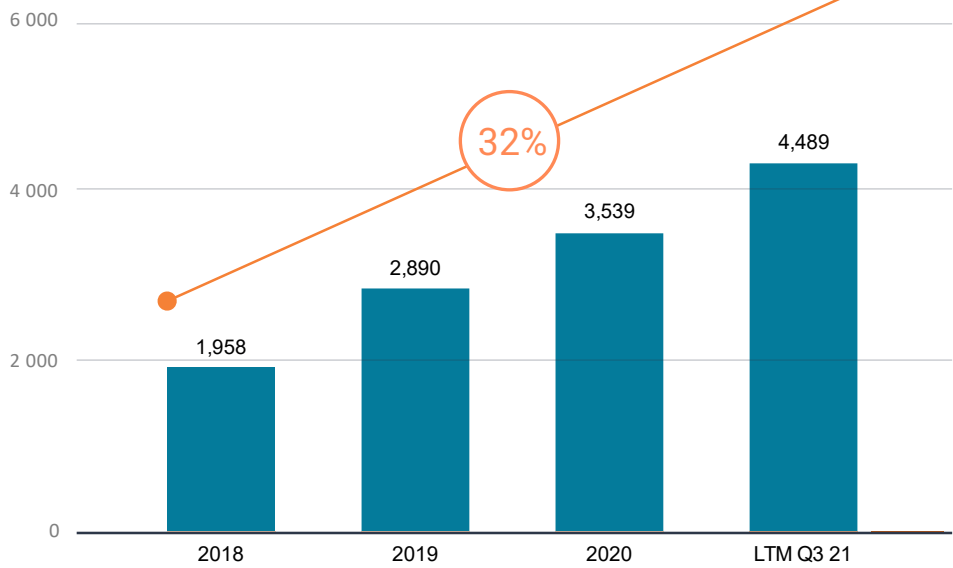
NOK LTM revenue Q3 21\*

616m

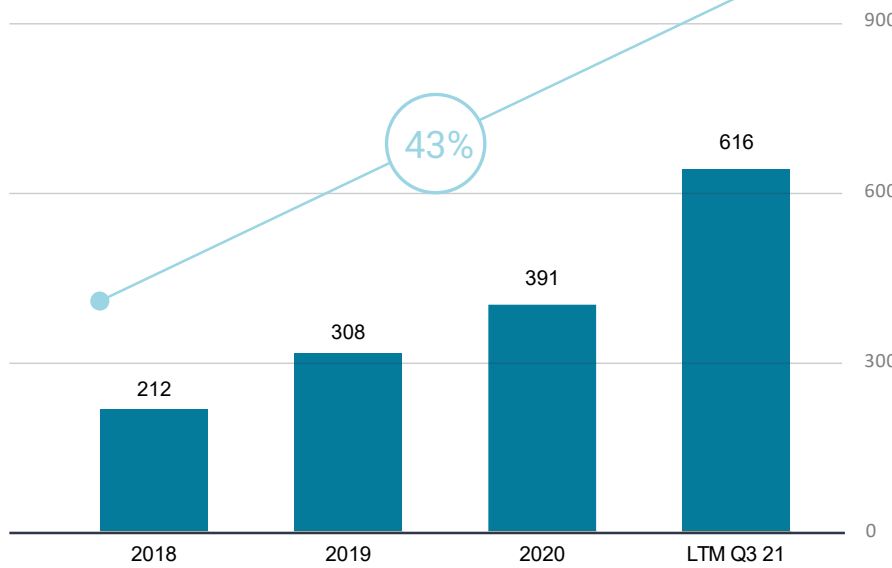
NOK LTM EBIDTA Q3 21\*



Revenue NOKm



EBITDA NOKm



# LINK uniquely positioned to capture growth in emerging CPaaS market

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

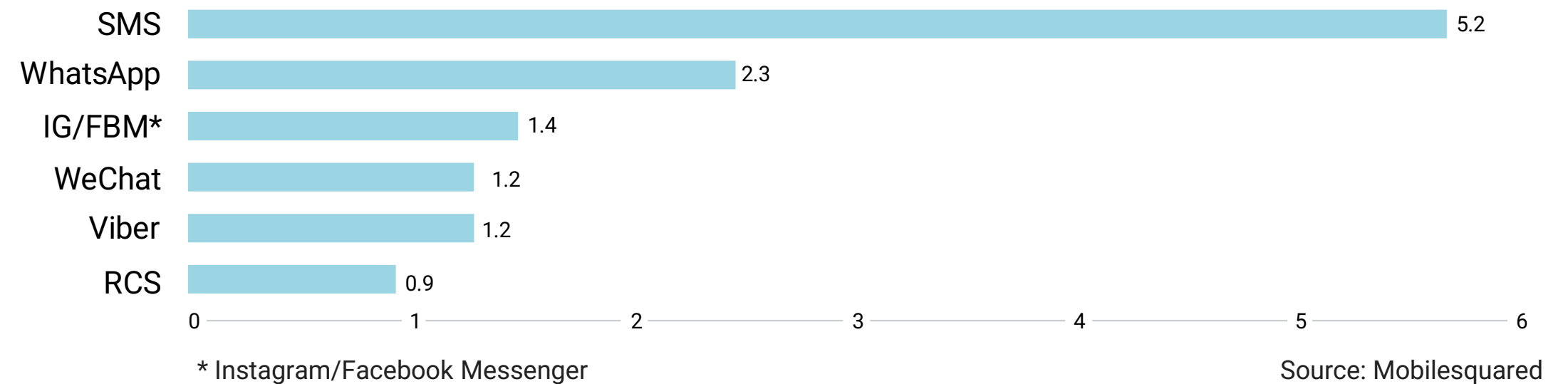
- Use cases moving from one-way messaging to conversational two-way communication
- Solutions implemented across industries and functions

LINK #1 messaging company in Europe

- 20 years experience

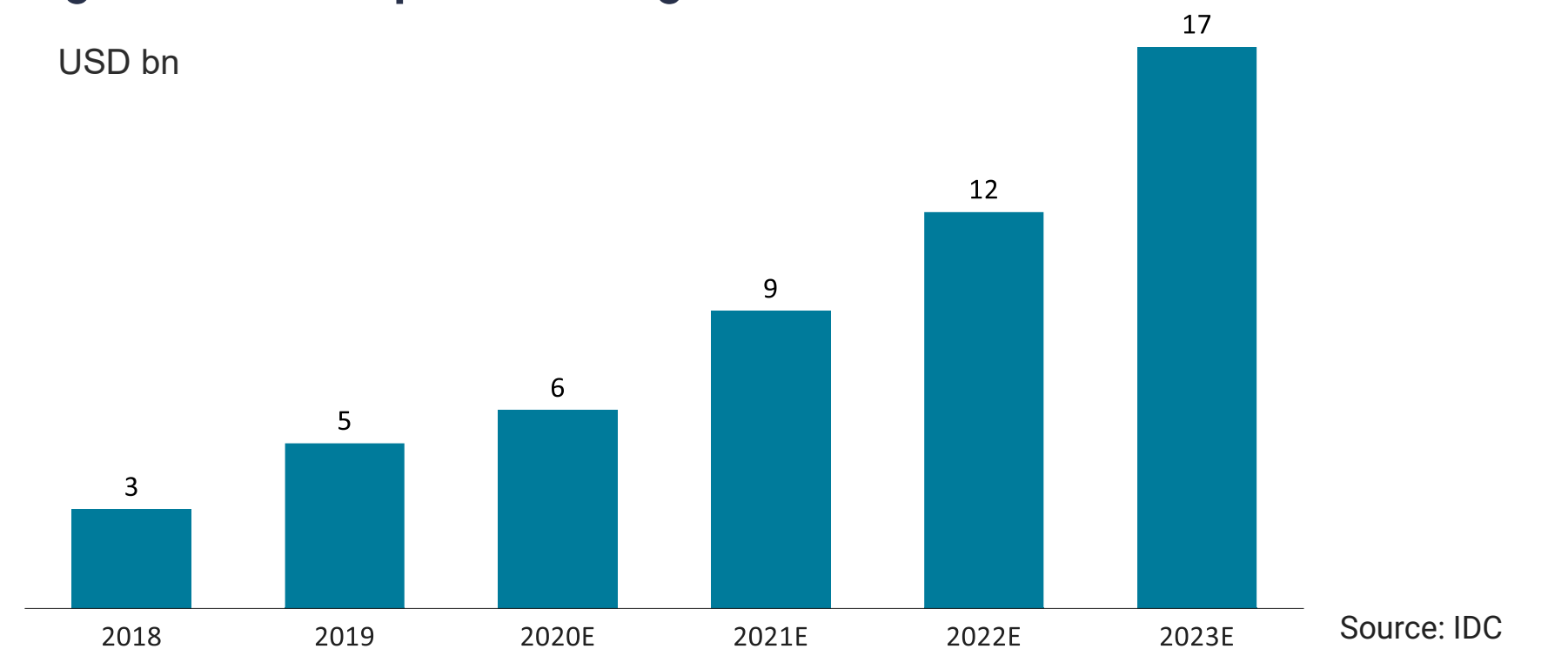
\* Instagram/Facebook Messenger

## New channels to transform digital messaging



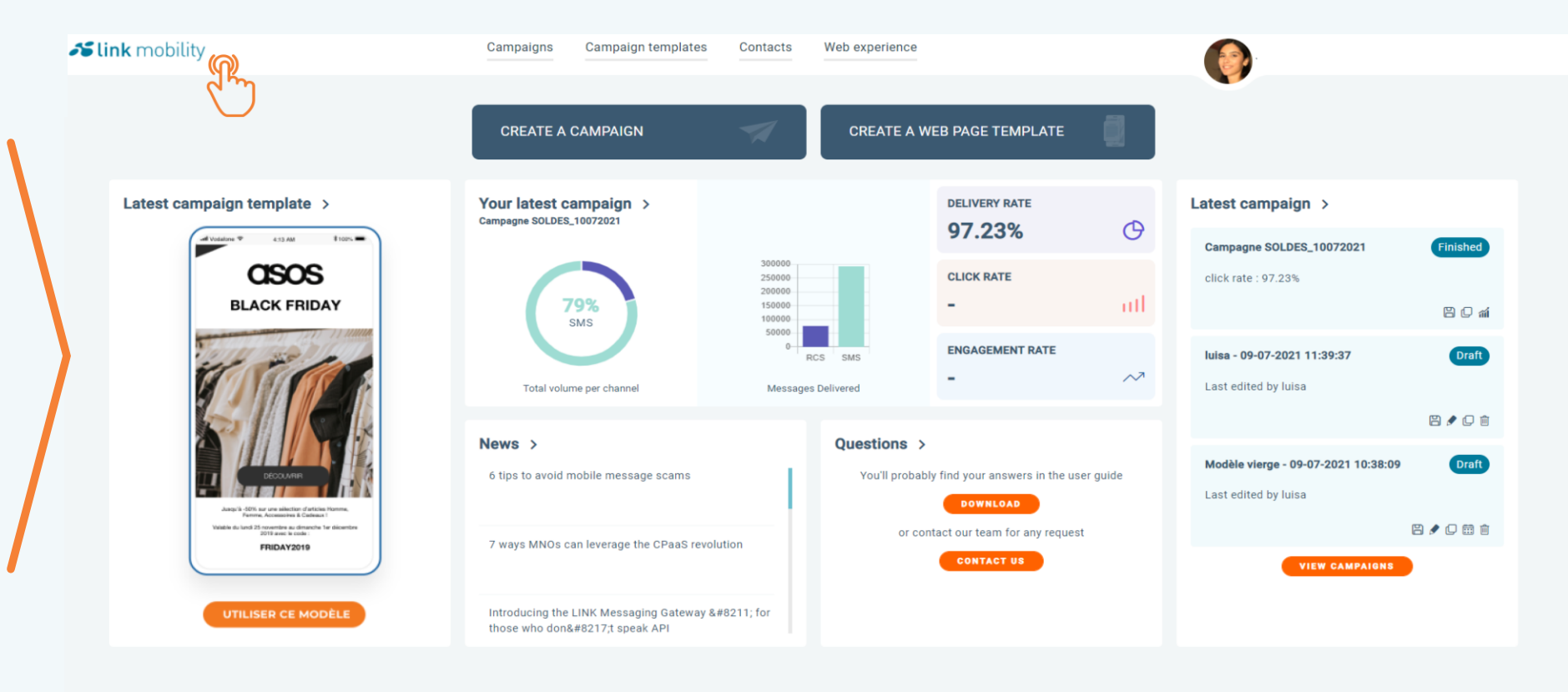
## Fast growing CPaaS market provide strong tailwind for LINK

USD bn





# LINK offers a wide range of API and SaaS solutions directly or through partners



## Example of API offering

- Email
- SMS
- RCS
- WhatsApp
- Viber Gateway
- Mobile Invoice
- Mobile Coupon
- Customer Club

## Example of SaaS offering

- Flow Builder
- RCS Editor

## Supported by common foundation layer and value added

- Data Analytics and Insights
- Elastic Search
- Message Orchestration
- Account Management
- Security & GDPR compliance

# LINK ranked established leader by Juniper Research

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## Juniper Research's new CPaaS Competitor Leaderboard

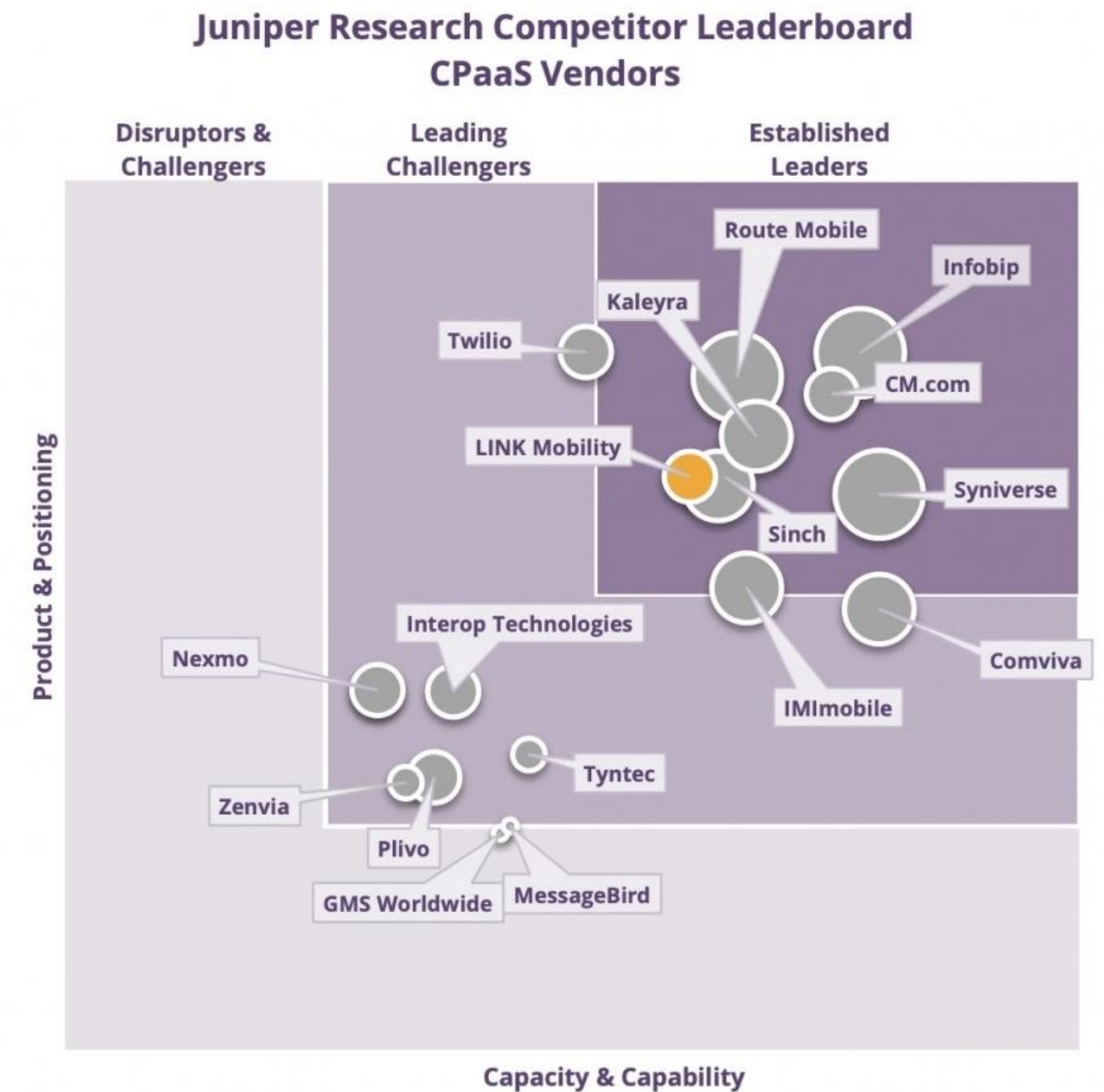
- European-based provider of business intelligence

## LINK ranked an established leader highlighting

- Integrations with Customer Relation Management (CRM) platforms
- Ability to capitalize on growth in Contact-Center-as-a-Service (CCaaS)
- Strong M&A strategy and expansion to the US with Message Broadcast

## Leaderboard clearly highlights LINK's leading position in the industry

- GTM strategy and investments to drive further growth in Europe
- US foothold beachhead for expansion beyond Europe



Source: Juniper Research

# LINK's unique pervasive market presence

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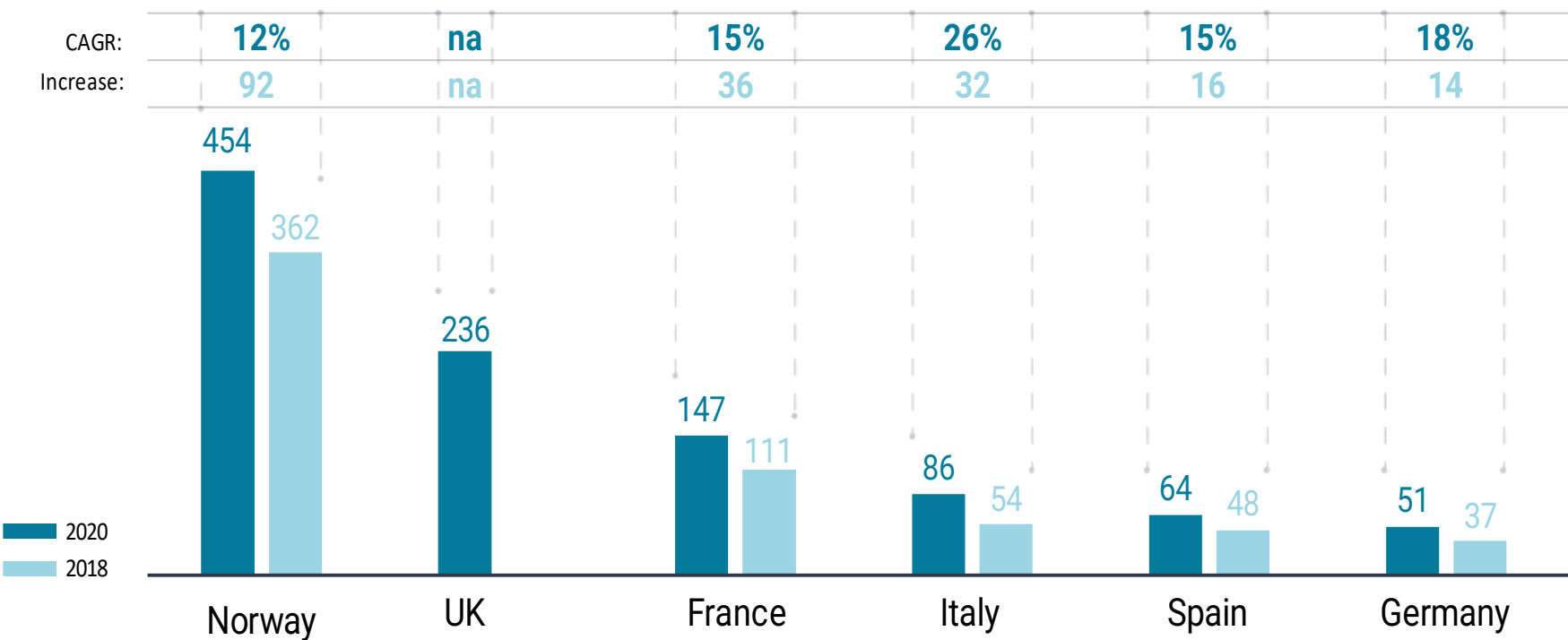
LINK has built a unique three way go-to-market (GTM) playbook

- Tailored Enterprise solutions driving use case innovation
- SSU portals acquiring SMB customers at low cost
- Partner network extending vertical reach

LINK to leverage new global presence and product capability

- Increase high revenue yet lower margin business from global internet players

Huge growth potential for digital messaging in Europe \*





# M&A track record for growth in fragmented industry

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LINK has completed 29 acquisitions since 2014

- Taken #1 position for Enterprise solutions in Europe
- Expanded to the U.S. with Message Broadcast acquisition

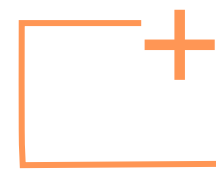
Clearly defined M&A strategy

- From target identification through to integration and synergies
- De-risking acquisitions
- Provide COGS reductions and cross-selling opportunities

Significant M&A pipeline

- Solutions to further advance capabilities
- Highly fragmented opportunity rich market for add-ons

## Three pillar M&A approach



### Add-on

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



### Level Up

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



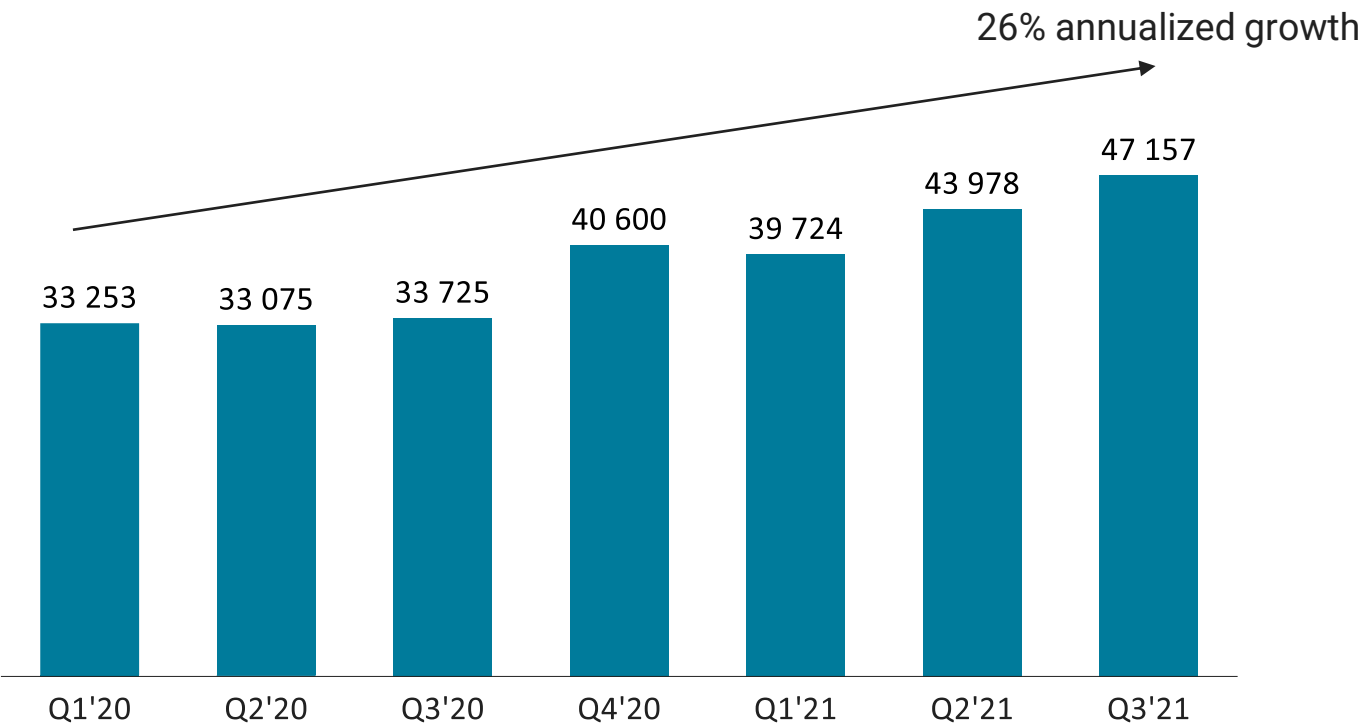
### Solutions

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



# Strong growth in customer accounts and declining customer churn

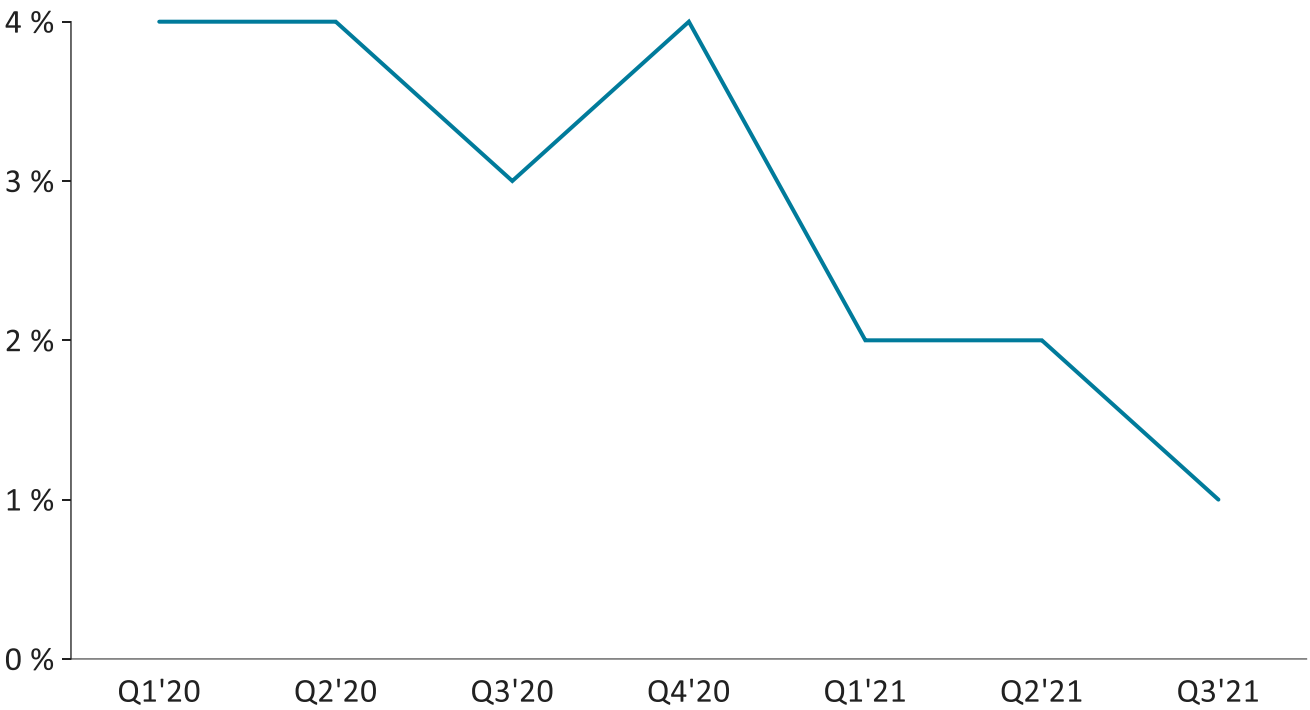
Customer accounts



47,000 active customer accounts

- Annualized growth in customer accounts 26%

Customer churn %

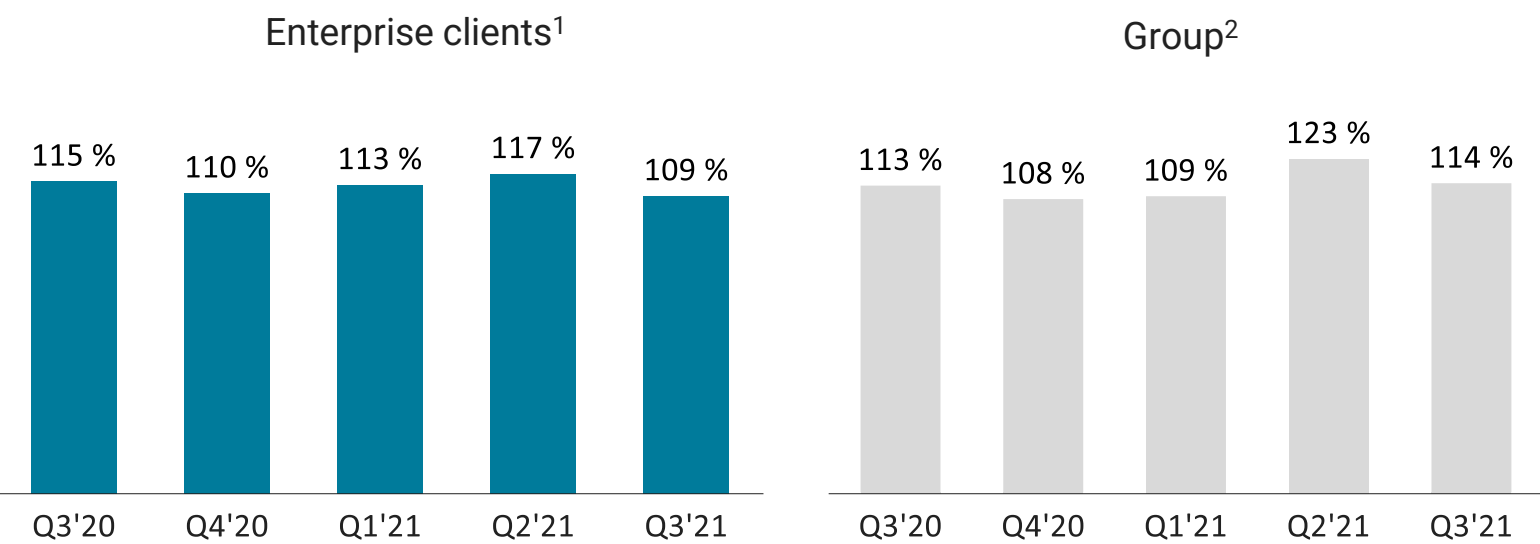


Customer churn always been low for LINK

- Sticky enterprise customer relations
  - LINK solutions integrated into IT systems
- High value added solutions
  - Digital messaging very efficient way to communicate

# Large customer base generate recurring and growing revenue

Pro forma net retention rate in local currency



Net retention – revenue growth from existing customers

- Defined as net of upsell, down-sell and churn
- Averaged 113% since third quarter of last year

Growth from new customers in addition

- Excluding M&A – organic revenue growth
- Including M&A – reported revenue growth

1. Net retention rate excluding aggregator clients. Includes markets counting for more than 80% of the total transaction revenue. The relative change in revenue from the net of upsale, downsale and churn for customers at the start of the period throughout the last 12 months, not considering new customers.  
2. Net retention rate including all client segments

# Solid balance sheet and large cash position

NOK in million	Q3 2021	Q3 2020	Year 2020
Non current assets	8 792	5 576	6 000
Trade and other receivables	802	648	749
Cash and cash equivalents	766	626	952
<b>Total assets</b>	<b>10 360</b>	<b>6 851</b>	<b>7 700</b>
Equity	5 050	1 992	4 304
Deferred tax liabilities	569	321	313
Long-term borrowings	3 759	3 127	2 079
Other long term liabilities	79	15	33
Trade and other payables	820	1 296	927
Other short term liabilities	84	100	45
<b>Total liabilities and equity</b>	<b>10 360</b>	<b>6 851</b>	<b>7 700</b>

Equity NOK 5.050 million and equity percentage 49%

Cash on balance sheet NOK 766 million

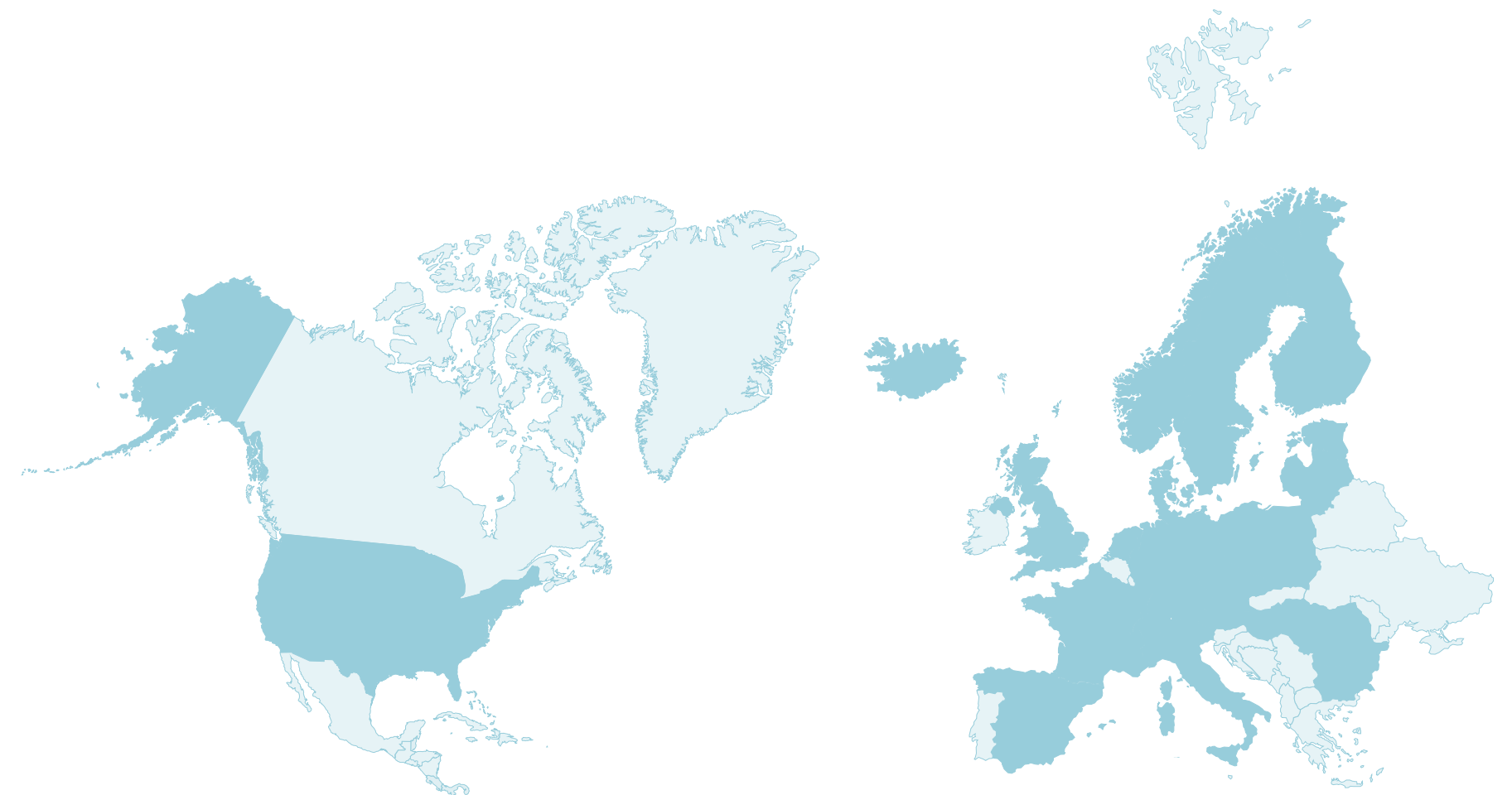
Net Interest bearing debt of NOK 2.983 million  
 • Gross interest bearing debt of NOK 3.690 million



# LINK capturing market share and market position in high growth CPaaS market

LTM Q3 2021 NOKm	Reported <sup>1</sup>	Closed acquisitions <sup>2</sup>	All entities
Revenue	4,154	336	4,489
Gross Profit	1,103	214	1,317
GP. Margin	27%	64%	29%
Adj. EBITDA	500	116	616
EBITDA Margin	12%	35%	14%

Illustrative new footprint for LINK



# LINK generates significant FCF - Leverage ratio will be returned to target <3.5

## Free cash flow illustration

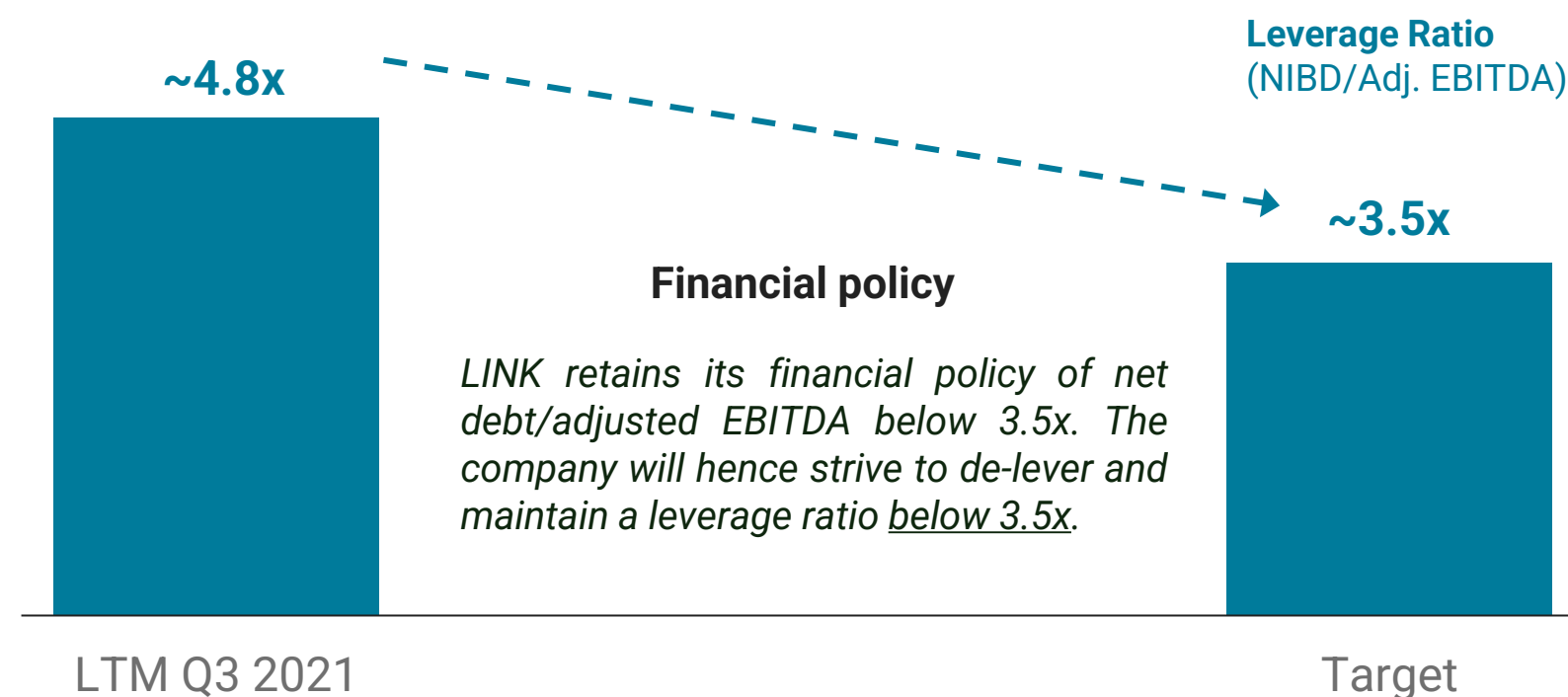
<b>Adjusted EBITDA</b>	<b>600</b>
Annual interest payments	140
Annual capex	180
Paid taxes	50
<b>Free cash flow</b>	<b>230</b>

LINK generates significant free cash flow

- Pro forma LTM Q3 21 adjusted EBITDA NOK 616 million
- Annual interest payments related to EUR 370 million bond at 3.375%
  - Around NOK 140 million
- Annual capex NOK 180 million
- Paid taxes NOK 50 million

=> Annual FCF in excess of NOK 200 million for deleveraging

## Leverage and financial policy



LTM Q3 21 leverage at 4.8x

- Temporary high leverage due to the acquisition of Message Broadcast

Leverage target to be reached medium term

- High annual cash generation and organic growth
- Potential accretive M&A

# Forward-looking statement to 2024

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Forward-looking statement to 2024 based on GTM initiatives and M&A pipeline

- Pro forma revenue NOK 10,000 million
- Pro forma adjusted EBITDA margin 15-17%

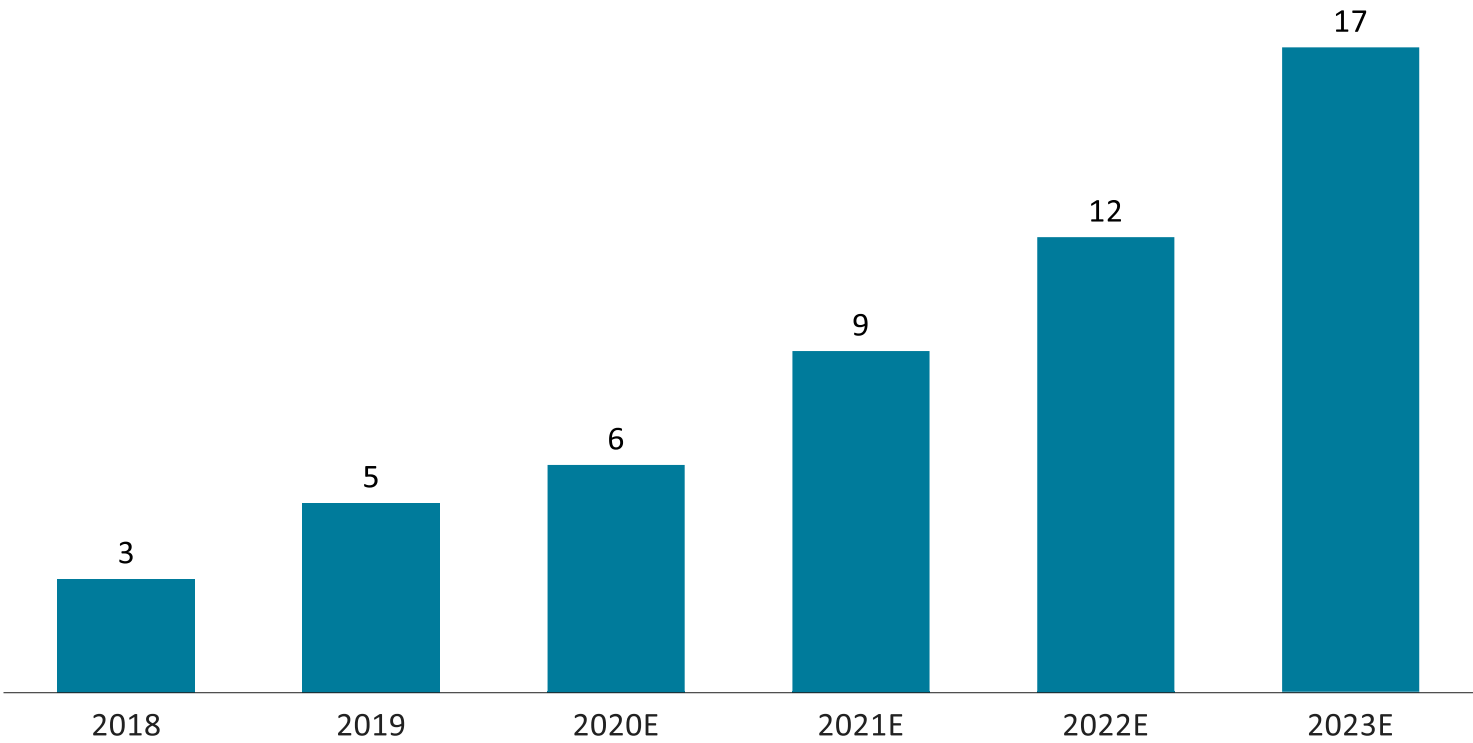
### Key outlook assumptions

- 14-17% medium term organic growth during current roll-out phase of GTM
- 20% long term organic growth in mature CPaaS market with S-curve omnichannel adoption
- Additional growth with continued M&A in highly fragmented global industry

### Key priorities

- Execution of GTM strategy in Europe
- Expansion of US footprint through Message Broadcast and further M&A

**Leveraging digitalization trend**  
Global CpaaS market expected to triple in 3 years



Source: IDC Worldwide



Q&A





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