

# Pareto Nordic TechSaaS

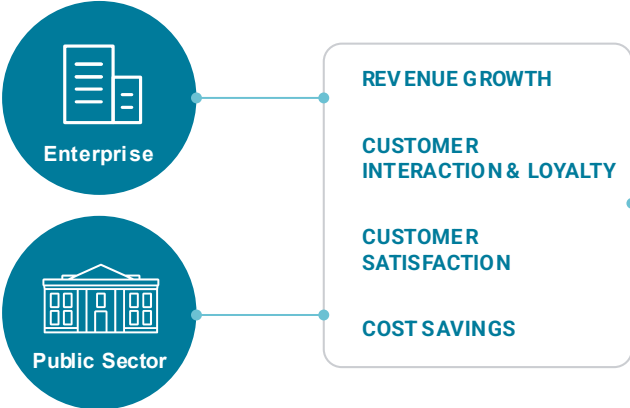
16 November 2023



# LINK #1 in Europe for enterprise digital messaging

Established player for more than 20 years – Facilitating evolution to multi-channel / two-way solutions

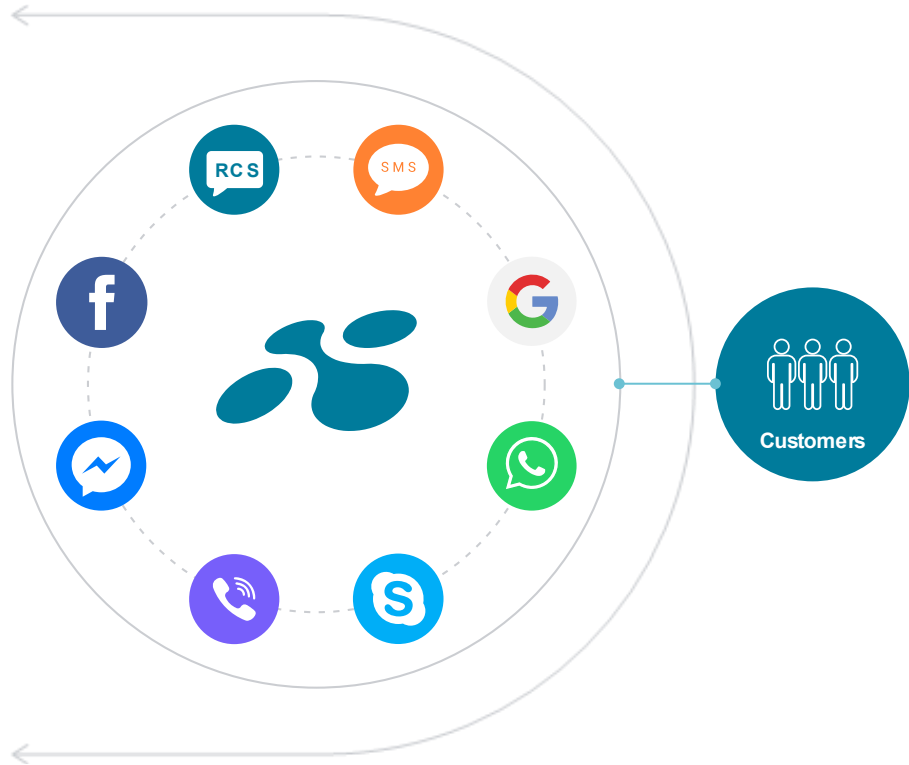
## Communication Platform as a Service (CPaaS)



## LINK messaging products

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

## On preferred channels



# LINK uniquely positioned for future growth

SMS still largest channel with more than 5 billion global users

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

- Use cases moving from one-way SMS messaging
- To multi-channel conversational communication

## LINK channel agnostic CPaaS provider

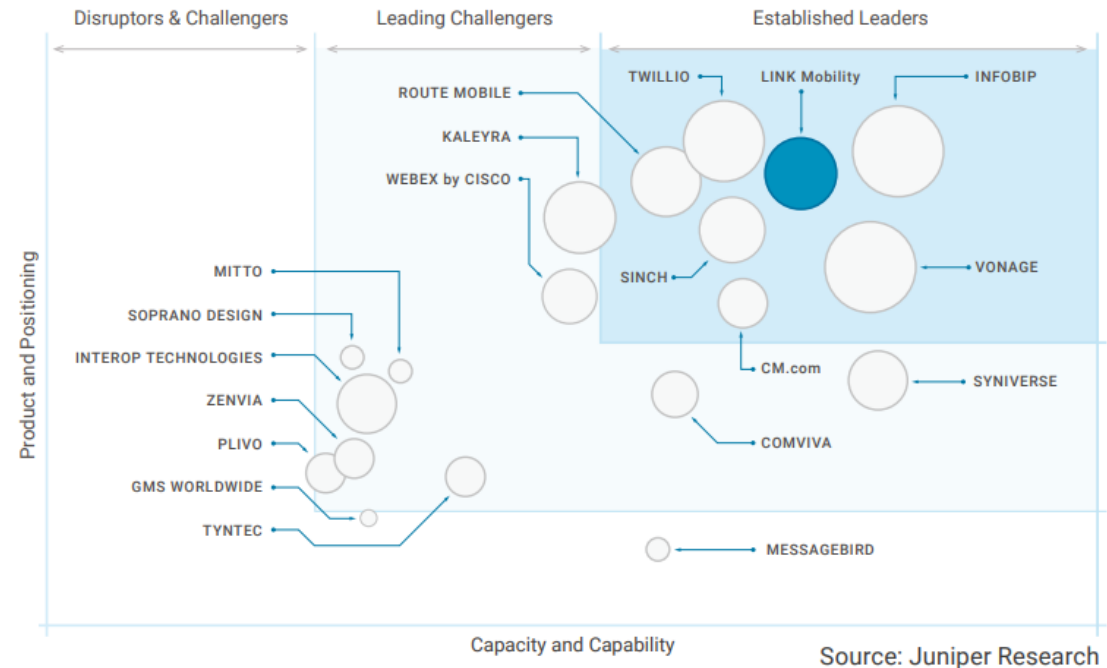
- Higher value creation and margins with multi-channel conversations
- New channels transforming digital messaging

## 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

## LINK is a leading global CPaaS provider

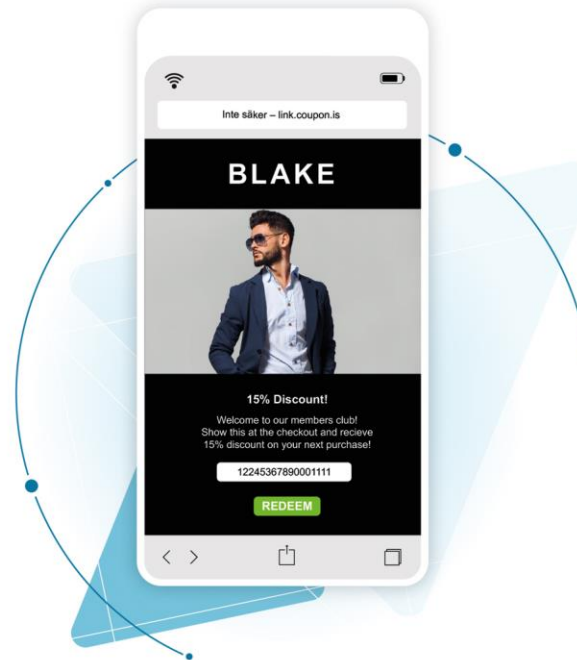


# Digital messaging moving from one-way SMS to rich conversations



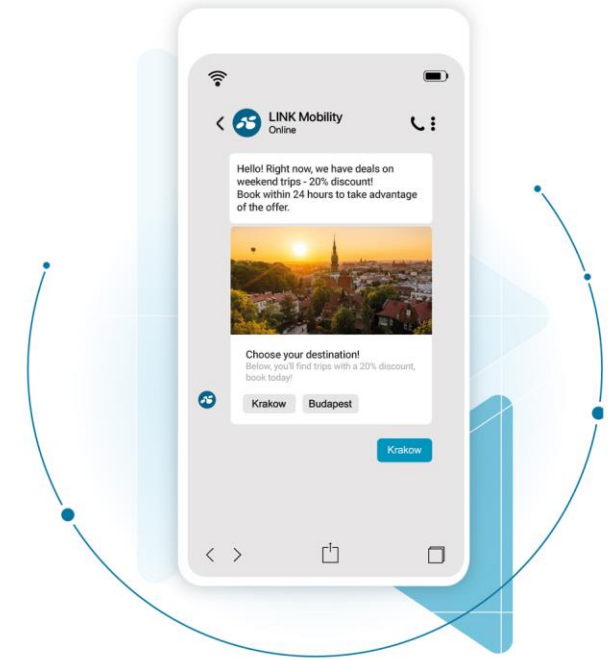
## Standard messaging

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

# LINK has a resilient business model

Mainly exposed to essential communication with stable growth

## Notification use cases for essential communication

- Reminders, alerts, updates, payment and security products
  - Linked to essential activities - healthcare, utilities, finance and critical supplies
- Stable market demand and growth momentum estimated in the high single-digits

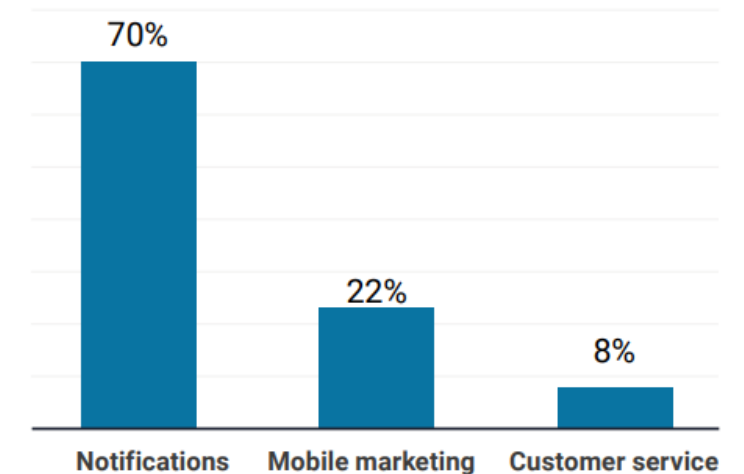
## Mobile marketing use cases increasingly adopting new channels

- Accelerated demand for new channels with a richer feature set
  - Use cases evolving from one-way mass communication to conversational solutions
- Marketing use cases more exposed to changes in consumer confidence
  - Retail inventory cycle could however mitigate effect

## Customer service use cases could be counter cyclical

- Parts of IVR (automated telephone systems) replaced by digital messaging
  - Large cost saving potential and enhanced consumer interaction through chatbots

Revenue by use case\*



\* Estimated from industry classification of customer data

# LINK positioned for digital convergence in Europe

Adoption of digital messaging exhibit large variations

**Norway and Sweden early adopters**

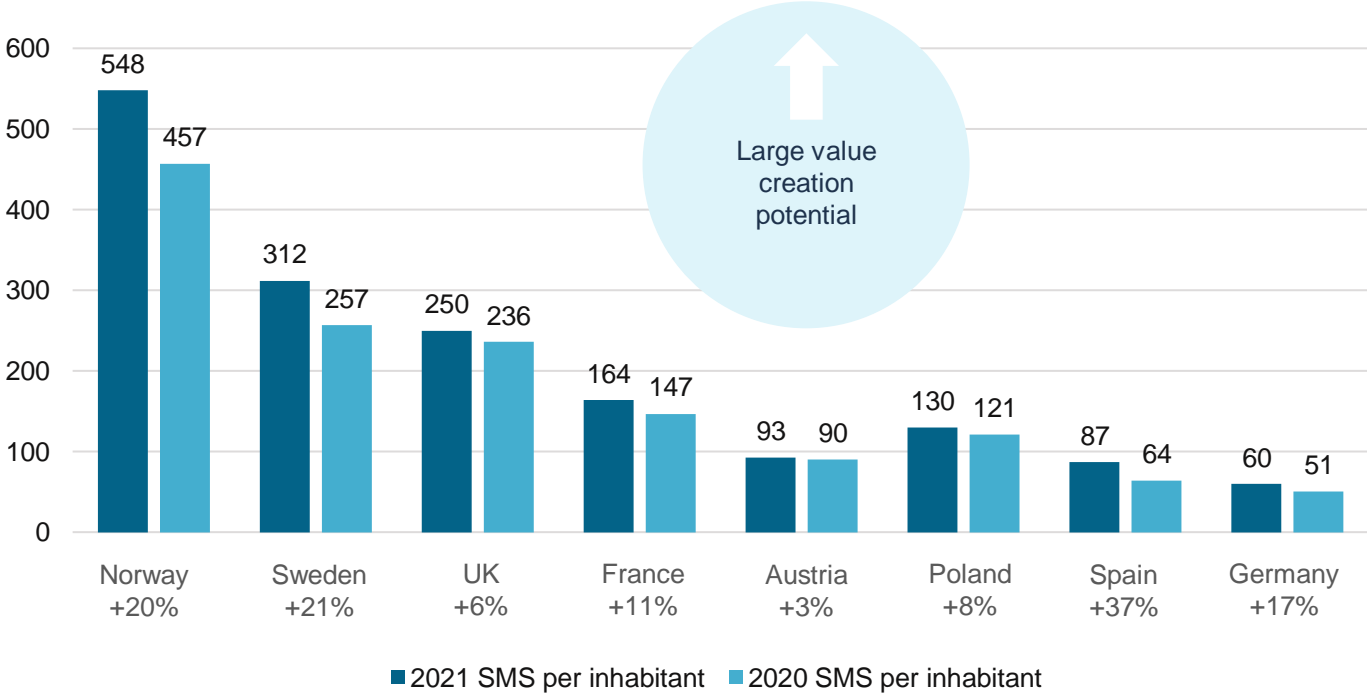
- Markets partly developed by LINK during past decades

**UK advanced with mobile marketing**

**Most European countries still early on S-curve**

- Significant growth potential

Annual number of A2P messages per capita



# LINK and AI

Huge potential - Early days

## LINK's Xenioo chatbot integrated with AI

- IBM Watson been integrated for more than 2 years
- More recent integration with ChatGPT in concept phase

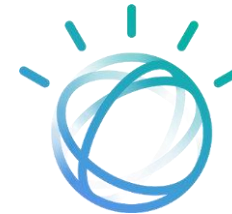
## AI potentials for LINK medium term

- Improved management of globally increasing fraud / spam activity
  - New AI tools to supplement current ML methods in detection and prevention
- Better use of internal resources and optimization of MNO / OTT suppliers
  - AI supporting LINK's software development
  - Reduced COGS by improving current ML routing rules with AI

## Full commercial adoption of AI still early

- Control and data protection concerns
- Uncertainty regarding regulatory framework

**XENIOO**  
by  link mobility



# LINK leader in Europe with global ambitions

## Stable organic gross profit growth from transparent European business

- Large / diverse customer base and very low churn
- Strong contract backlog and high recurring cash generation

## LINK recently divested its US subsidiary Message Broadcast for USD 260 million

- EV implies highly attractive LTM proforma Q3 23 EV / EBITDA multiple of 14.1x
- Immediate value creation and leverage reduced to 1.0x post transaction



## Proceeds from transaction enables LINK to fast-track accretive M&A

- Proven track record for inorganic growth over the last decade
- Low risk approach to M&A and leverage
  - Leverage to remain substantially below 3.5x adjusted EBITDA
- LINK's global ambitions remain unchanged and the US market a priority

## Q3 23 LTM financials - LINK Europe

Revenue  
~ 6 bNOK

Gross profit  
~ 1.3 bNOK

Adj. EBITDA  
~ 0.6 bNOK



# Q&A

[linkmobility.com/investors](https://linkmobility.com/investors)

