



Interim Report

Fourth quarter 2020

A large, solid blue circle with a thin orange border, containing the text "Q4" in a large, white, sans-serif font.

Q4

Today's presenters



Chief Executive Officer

Guillaume van Gaver



Chief Financial Officer

Thomas Berge

Fourth quarter 2020 highlights



LINK exceeded its 2020 outlook

Communicated in relation to the IPO last year



Acquisition of Tismi, a rapid growing CPaaS enabler, in the Netherlands announced recently

Supporting LINK's CPaaS journey with the addition of voice solutions



Enterprise continues upward trend seen over several quarters with 18% organic growth

LINK is confirming mid to long-term 20% organic growth guidance with focus on Enterprise customers



LINK reported group revenue growth of 18% and adjusted EBITDA growth of 25%

Adjusted EBITDA margin of 11% increased somewhat to the same quarter last year



Organic growth of 16% in the fourth quarter

Low margin aggregator business diluting total growth



Expanding customer base to 40.600 customer accounts

Close to 9.000 new accounts during 2020 and net retention rate of 116% for enterprise clients



Successful placement of EUR 200 million bond in the fourth quarter

Refinancing existing debt and well capitalized to continue execution on M&A strategy

LINK's growth trajectory supported by growing tailwind trends

- Digitalization of economies and societies with internet penetration and connectivity
- Mobile first conversations between brands and consumers
 - Marketing volumes expected to rebound post lockdowns and expand with new use cases
- Mobile messaging becoming indispensable
 - Ubiquity of smartphones
 - Growth in streaming channels
- Mobile messaging and CPaaS solutions enable a continuous customer journey across channels
- Unexpected acceleration of digitalization
 - Business models changing requiring more communication to customers
 - Supporting transition to omnichannel CPaaS solutions



Deep dive into France - LINK outgrowing market by 22%

Netsize has become LINK Mobility France

- Netsize was acquired by LINK in January 2019
- LINK Mobility France market share growing in 2020
- Through traffic consolidation and organic growth > 33% growth versus market growth of 11%

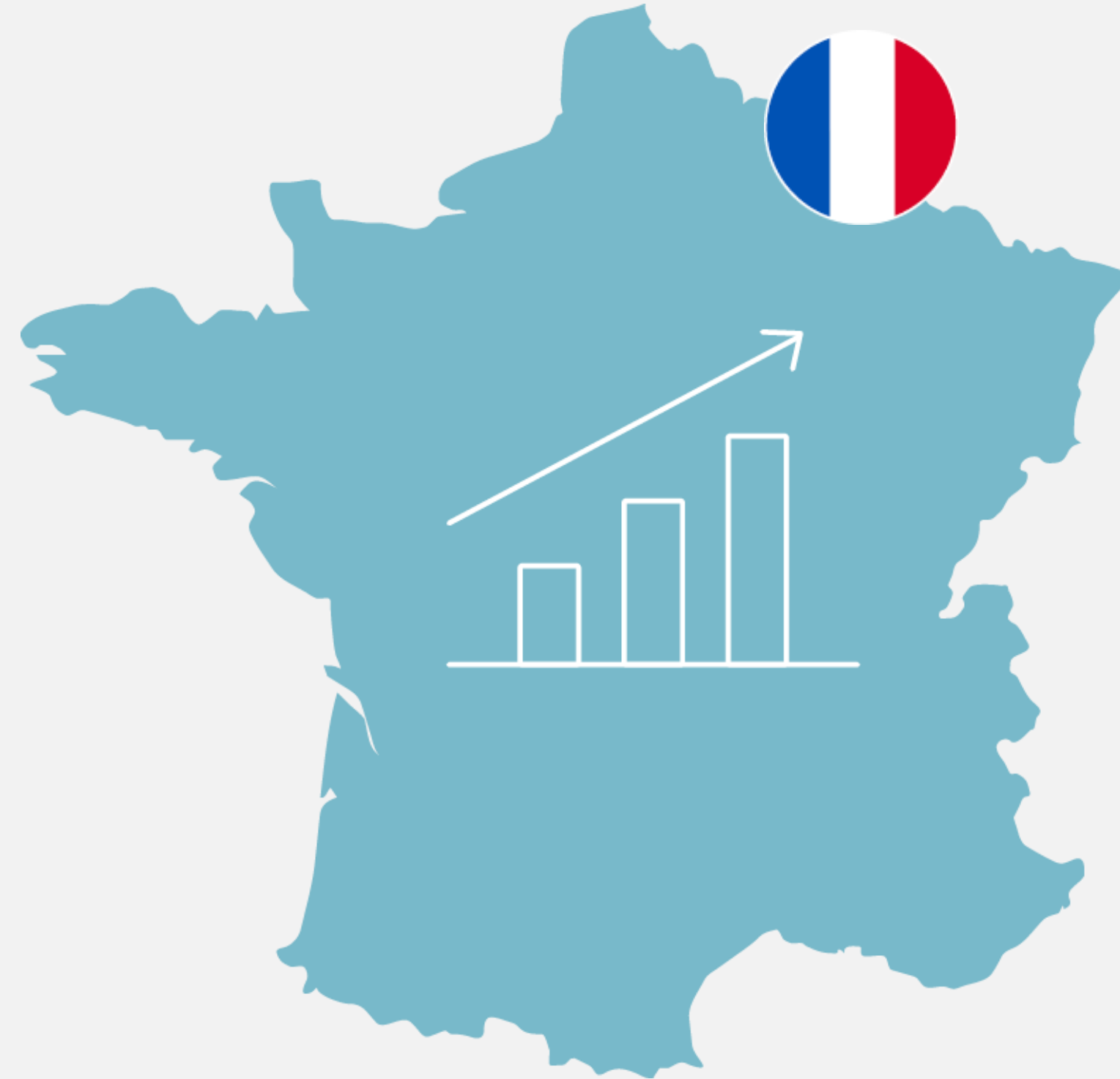
LINK Mobility France ramped up tools and advisory capacity to support customers move to more advanced use cases

- Assists customers in creating digital campaigns based on innovative Marketing briefs
- Campaigns fully implemented by using new generation in-house tools
- Conversation flows implemented with strategic customers

LINK positioned to unlock the untapped potential in our biggest market

- Leveraging all three go-to-market (GTM) channels
 - Enterprise
 - Self sign-up - LINK currently operates three SSU brands in France
 - Envoyer SMS Pro, Hexa SMS and Spot-Hit
 - Partner (ISVs, Resellers)

CSM = Customer Success Manager



RCS – France early adopter of new worldwide format

Significant traction on RCS messaging in France

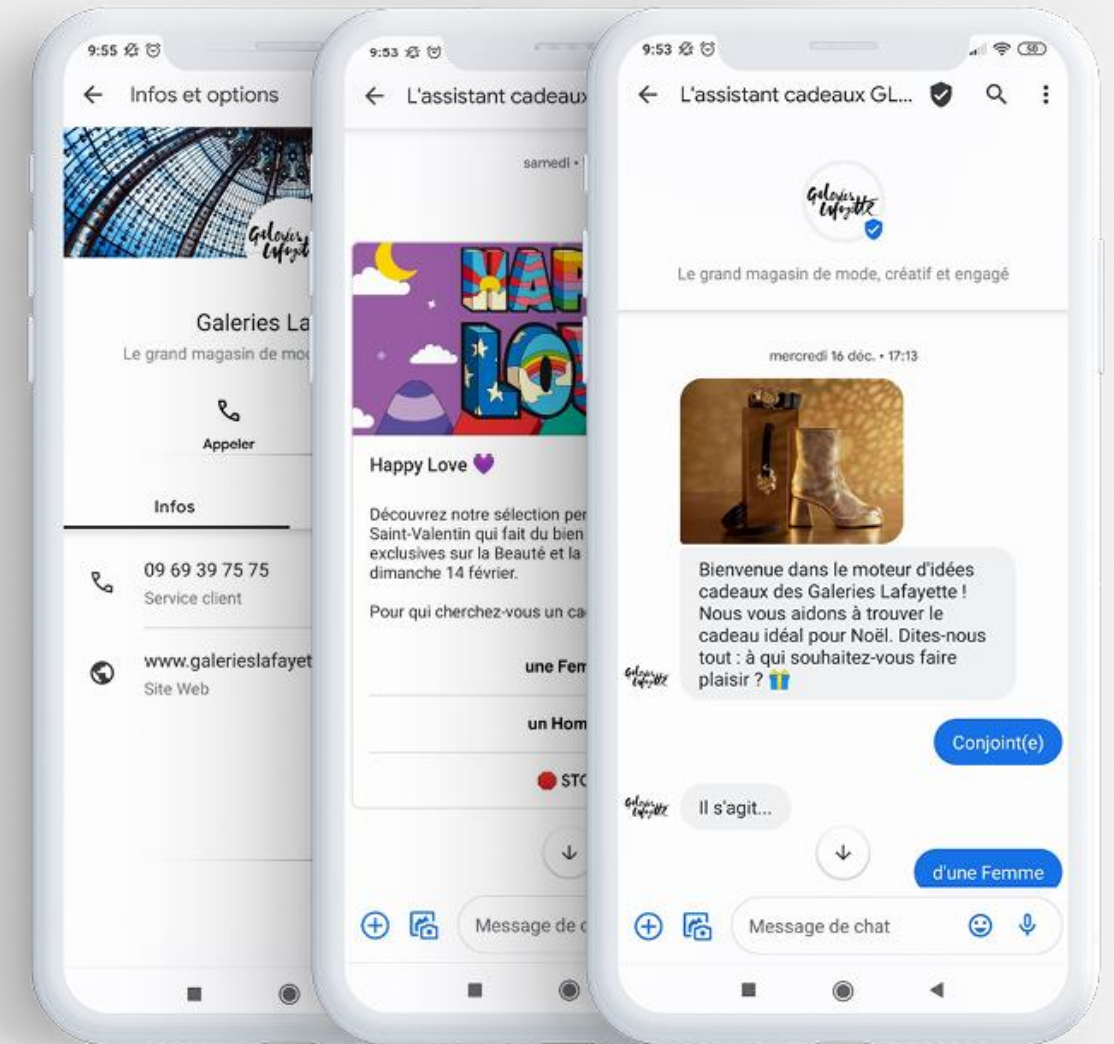
- All operators adopted RCS by second half 2020
- RCS device 'reach' exhibiting strong growth through 2020
 - From 7% end H1 2020 to 15% end H2 2020

LINK has connected with all operators to facilitate use cases for customers

- Marketing Messaging - RCS with Rich SMS fallback
- Conversations - RCS with LINK Conversations Web Client fallback

Three clear brand benefits from RCS

- Significantly higher brand exposure, as high as 20x compared to SMS
- Verified senders increase trust (through RBM Agent verification)
- Engagement drives conversions
 - Return on investment (RoI) as high as 10x compared to SMS



"I did not encounter such a well-knitted & complete RCS campaign, it is really a great piece of work."

- Mathieu Dubois, SFR

Go-To-Market (GTM) track record



Self Sign Up

LINK has launched our SMS Brand smsapi in Sweden

The launch is meeting all budgeted KPIs and performing well

LINK is planning further roll-out in 2021

Through M&A LINK has started providing SSU services in Austria, Switzerland and Germany through the WebSMS platform

SSU = Self Sign Up



Partner Sales

Finalized partner framework and application support to rollout in most LINK countries

Securing best practice in LINKs localized value chain

Onboarding 4 new partner managers
(Sweden, France, Spain and Italy)

Further onboarding of new partner managers planned in 2021

In Q4 LINK signed 12 new Partner Agreements

147 new Partner Customers signed & onboarded in Q4

A2P messaging market – Double digit growth

Indicated trend
in number of
A2P Messages
per capita

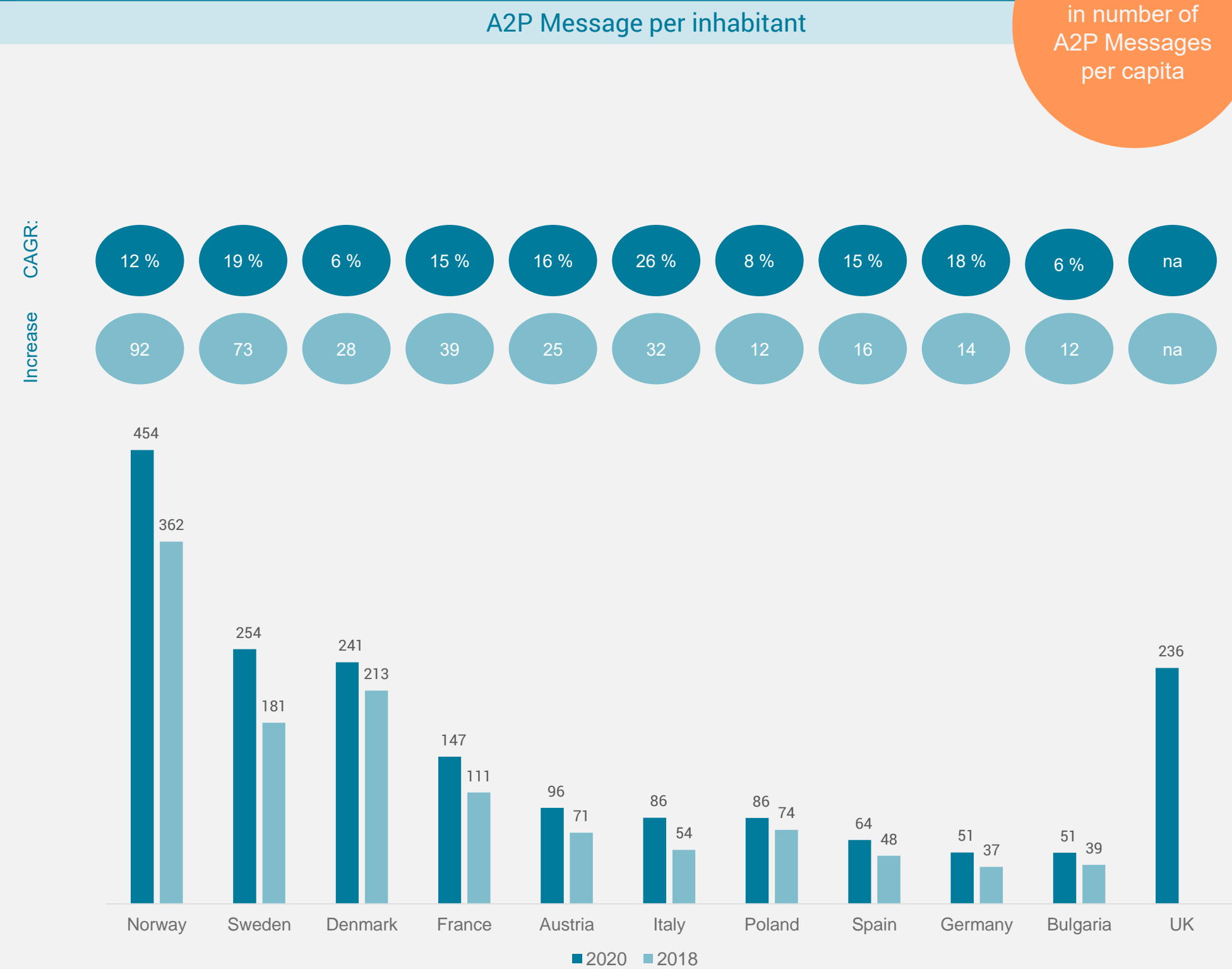
Norway early adopter of new technology

- Clearly most mature market, but still growing by 12%

Whole of Scandinavia continues to grow from a high starting point

Except the UK, rest of Europe is lagging behind

- Most countries however posting double digit growth rates
- Italy growing by 26% indicating convergence of penetration



Sources: Relevant MNO's and Mason and Juniper reports for markets where MNO data was not available
Comparability uncertainty with several sources and definitions

LINK clear market leader in several countries

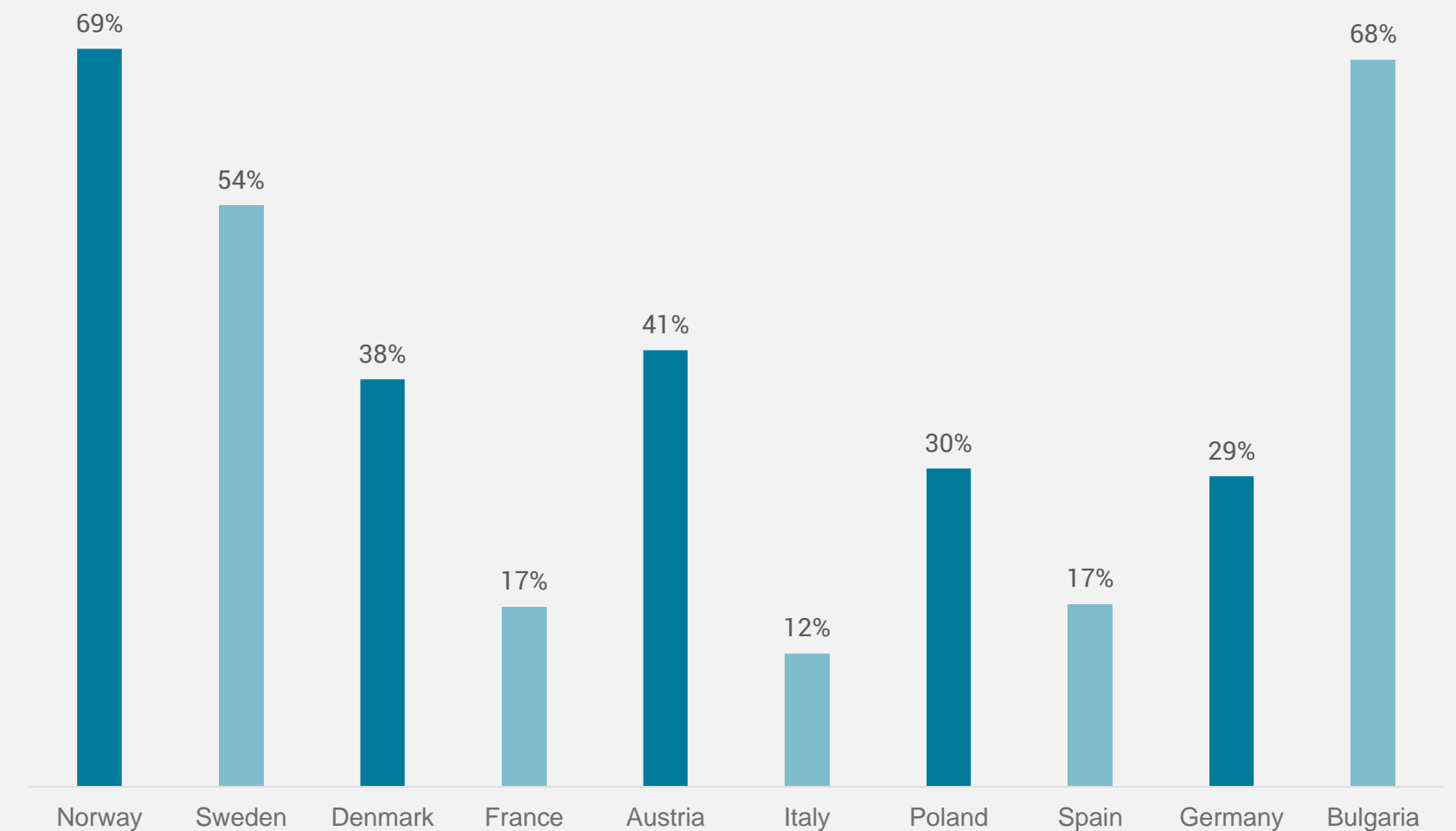
LINK market share >40% in Norway, Sweden, Austria and Bulgaria

- LINK active in Scandinavia for two decades
- Market leader in Bulgaria since Teracomm acquisition in 2019
- Market leader in Austria since WebSMS acquisition in 2020

LINK to grow market share in populous countries

- GTM strategies on track in Germany, France, Italy and Spain
- Penetration convergence to amplify organic growth

LINK's market shares



Sources: Relevant MNO's and Mason and Juniper reports for markets where MNO data was not available
Comparability uncertainty with several sources and definitions

New customers win successes

Customer	Date Won	Vertical	Geography	Products
Skipton Building Society	Q4 2020	Financial services	UK	Mobile Identity Protection (Voice, OTP)
Alquiler Seguro SA	Q4 2020	Real Estate	Spain	Mobile Identity Protection (KYC)
Debt Collection Agency EAD	Q4 2020	Financial services	Bulgaria	MultiChannel Gateway
Danish Agro A.M.B.A.	Q4 2020	Agriculture	Denmark	Messaging Plug-in – Microsoft
Bisnode AS	Q4 2020	Information services	Norway	Messaging Gateway
Camara de Cascais	Q4 2020	Government	Group	Messaging Gateway
News UK & Ireland Ltd	Q4 2020	Media	UK	Messaging Plug-in - Adobe
Converneo GmbH	Q4 2020	Information technology & services	Germany	Integration Partner - SMS Gateway
Smarter Technologies Group Ltd	Q4 2020	Telecommunications	Group	Messaging Gateway
Pixizoo ApS	Q4 2020	Retail	Denmark	Mobile Solution

Student engagement across channels with LINK solutions



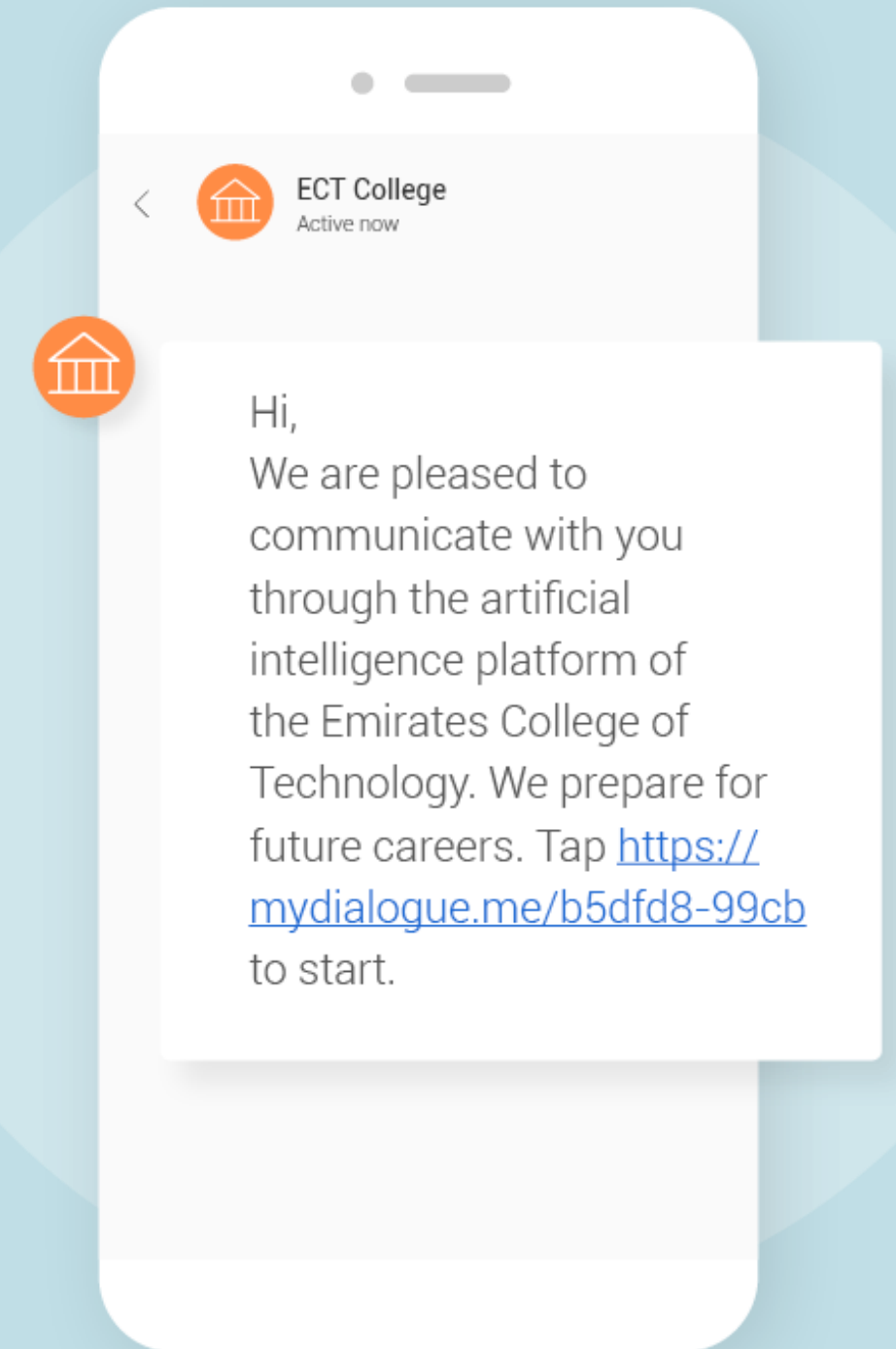
Emirates College of Technology – Innovative international university

- Wanted to enhance student engagement through technology

LINK launching multi-channel self-service solution for course assessment and enrollment

Students able to engage through numerous channels

- Internal SMS, WhatsApp, LINK Conversations, LINK Mobility Chat, and myLINK



LINK enters massive customer service market through partnership

Customer care conversations through messaging and CPaaS solutions

- Customers prefer messaging conversations to traditional telephone and e-mail
- Brands available on customers preferred channels
 - WhatsApp largest engagement channel after SMS with 1.5bn unique users

Customer engagement drives brand loyalty and sales

- LINK solution with Conversation24 available in Germany, Austrian and Switzerland (DACH)
- Conversation24 offering chat and customer care services 24/7



Every day around 100 billion messages are sent worldwide via WhatsApp.






- CHIP Digital, 2020



Customer service is a 350+ billion Dollar market globally

- Forbes 2017

Acquisition of Tismi in the Netherlands to close in 1Q21

-  CPaaS enabler with high growth and national operator licenses in multiple European countries - fully operational in 4 countries
-  Purchase price EUR 20 million on a cash and debt free basis
-  With Tismi, LINK acquires an attractive business model with high gross margin and low customer churn
-  Supporting LINK's CPaaS journey with the addition of voice solutions as well as more deeply engraining ourselves in the CPaaS ecosystem with mobile operator status
-  Opening of new geographies in the Benelux countries as well as uplifting LINK's revenue in the UK

tismi!

+

 link mobility

Forward looking statement to 2024

LINK exceeded its 2020 outlook

- Communicated in relation to the IPO last year

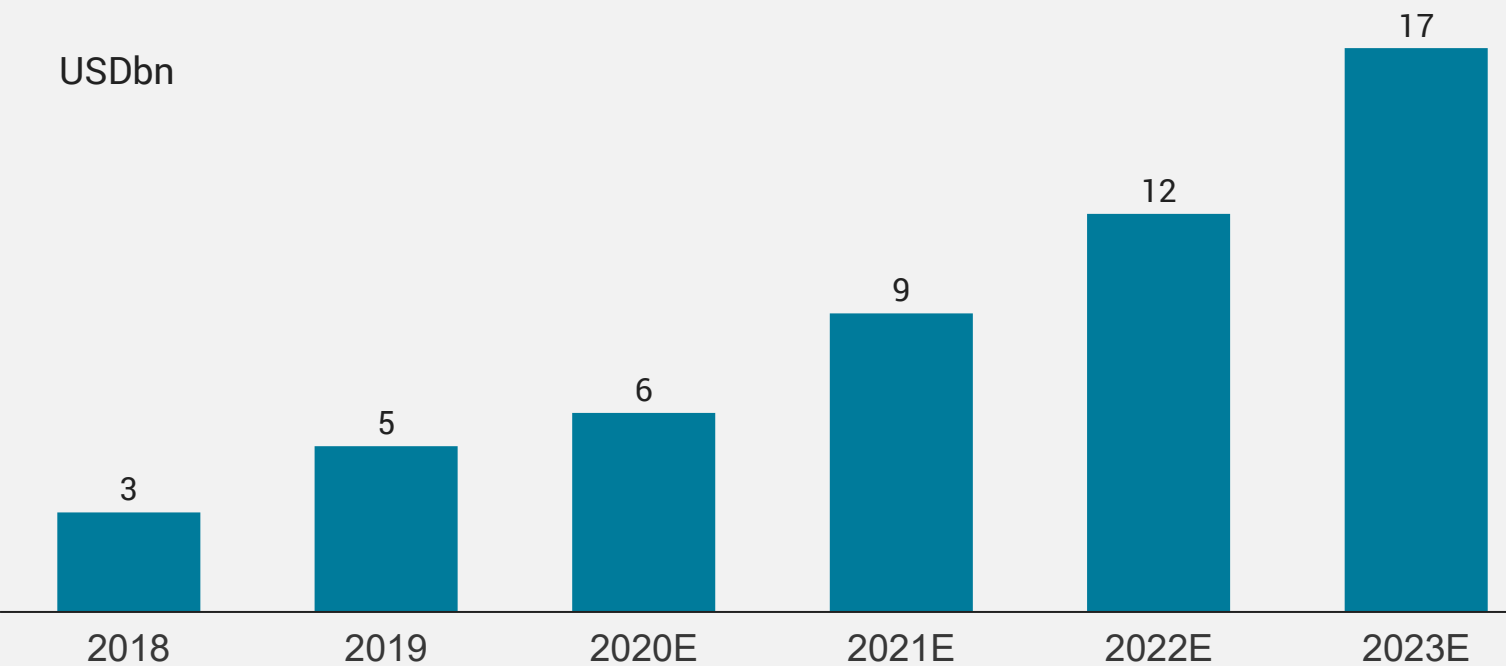
Forward looking statement to 2024 based on strong organic growth and M&A pipeline

- Pro forma revenue NOK 10.000 million
- Proforma adjusted EBITDA margin 13-15% depending on profitability of M&A targets

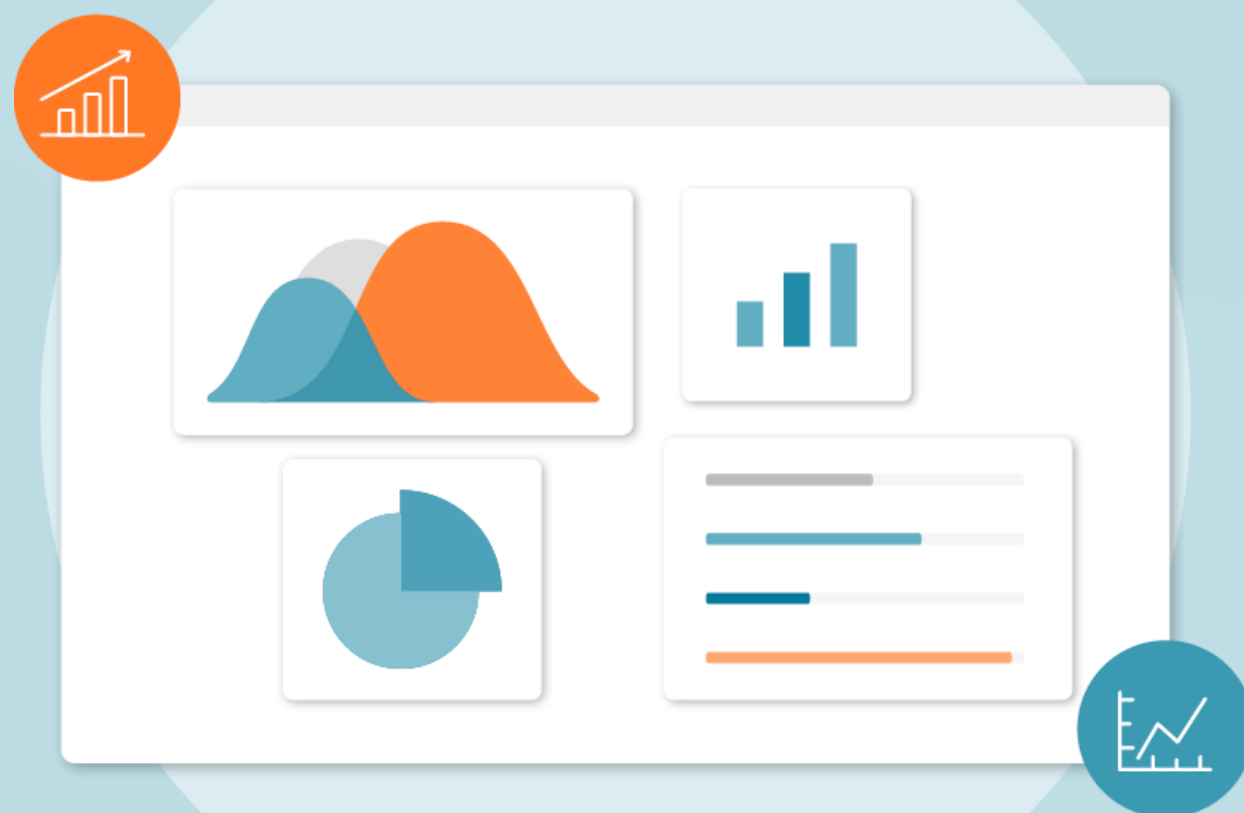
Key outlook assumptions

- Gradual increase in organic growth to 20% with full effect from GTM strategy
- Margin expansion through operating leverage inherent in the scalable business model
- Additional growth with continued M&A in highly fragmented industry

Global CpaaS market expected to triple



Source: IDC Worldwide



Financial Review

Fourth quarter 2020

LINK exceeding full year 2020 outlook

LINK Mobility Group	Q4 2020	FY 2020	Outlook FY 2020	Proforma FY 2020*
Gross revenue	1 031	3 576	3.500 - 3.600	
Net revenue recognition impact 1)	-14	-61		
Organic revenue	1 017	3 516		
Acquired revenue	24	24		
Reported revenue	1 041	3 539		3 682
Organic adj.EBITDA	112	384	360 - 370	
Acquired adj.EBITDA	7	7		
Reported adj.EBITDA	119	391		435

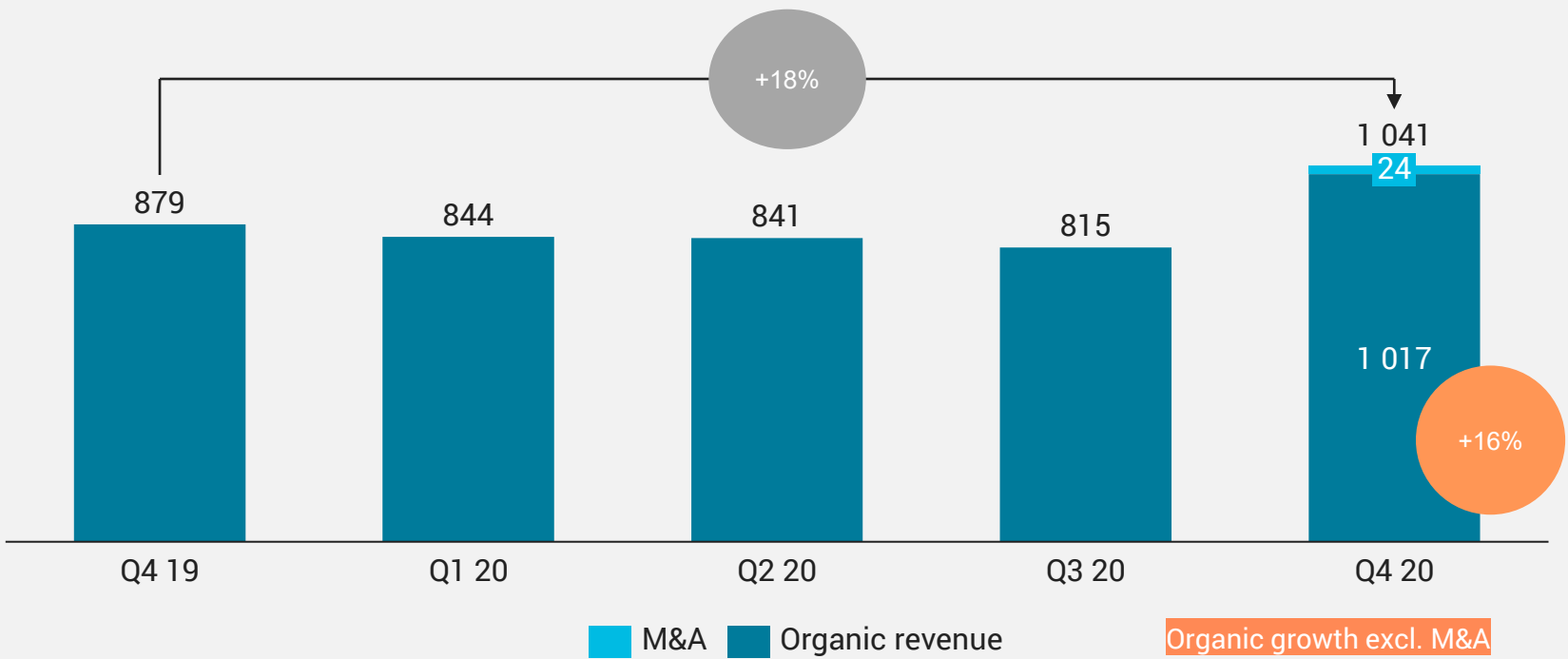
- Gross organic revenue of NOK 3.576 million at high-end of NOK 3.500 - 3.600 million range
- Organic adj. EBITDA of NOK 384 million for the year, above the forecasted range of NOK 360 – 370 million
- Table also shows updated pro forma numbers for FY 2020* which include the WebSMS acquisition

1) Related to the non-strategic direct carrier billing product in Bulgaria, Romania and Macedonia which changed accounting principle from gross to net in the fourth quarter 2020

Group organic revenue growth of 16% driven by Enterprise segment

Total revenue

NOK millions



Enterprise with strong performance at 18% organic growth on track to deliver on the mid to long-term goal of 20%

- Growth driven by go-to-market initiatives with strong performance from existing clients and upselling activities
- Continued uplift in growth levels observed last 5 quarters

Aggregator business reducing total growth rate with -2%

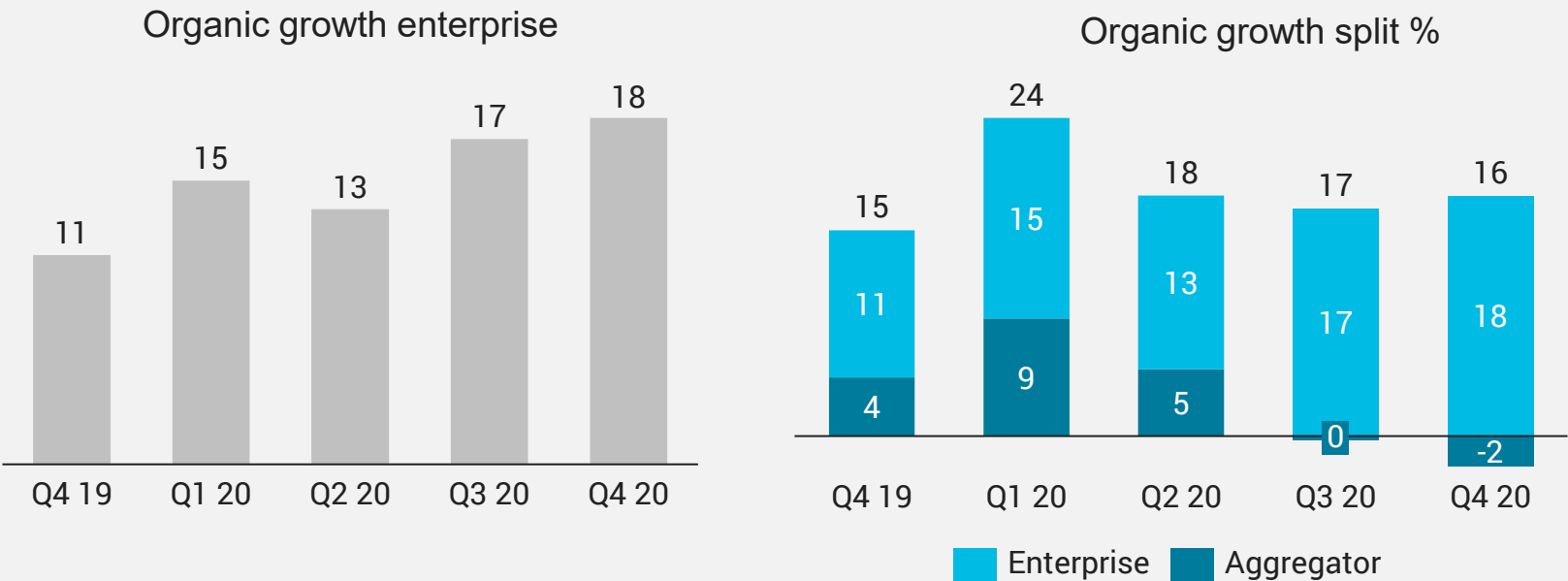
- Lower revenue from aggregators in 4Q20, conscious choice as the volumes were not needed to fulfil yearly discount arrangements versus relevant MNO's
- Non-strategic volumes with more fluctuations versus the stabile and growing Enterprise segment
- Lower gross margin traffic with limited effect on profitability

Government restrictions impacted organic growth with -3% in 4Q20

- Mainly Western Europe effected with more severe lock-downs
- Lockdowns materially restricting retail shops and restaurants

Organic growth contribution – Enterprise and Aggregator

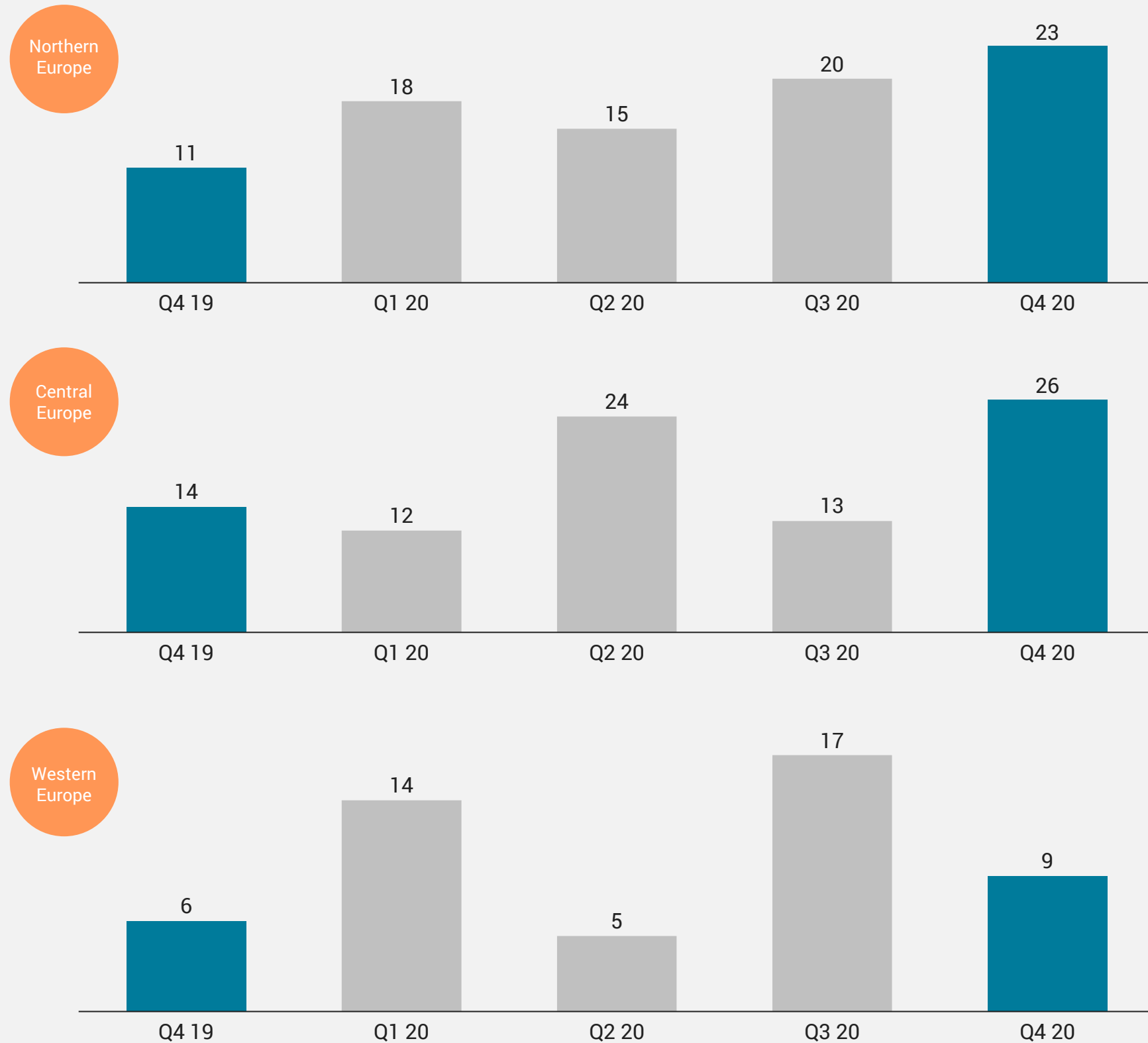
YoY revenue growth %



Organic revenue growth trending upwards in all segments

Organic growth per region*

YoY % revenue growth



Northern Europe

- Accelerated organic growth driven by high intake of new clients and upselling of more advanced solutions and products to existing clients
- Strong growth from the public sector as authorities have an increasing need to communicate with the population

Central Europe

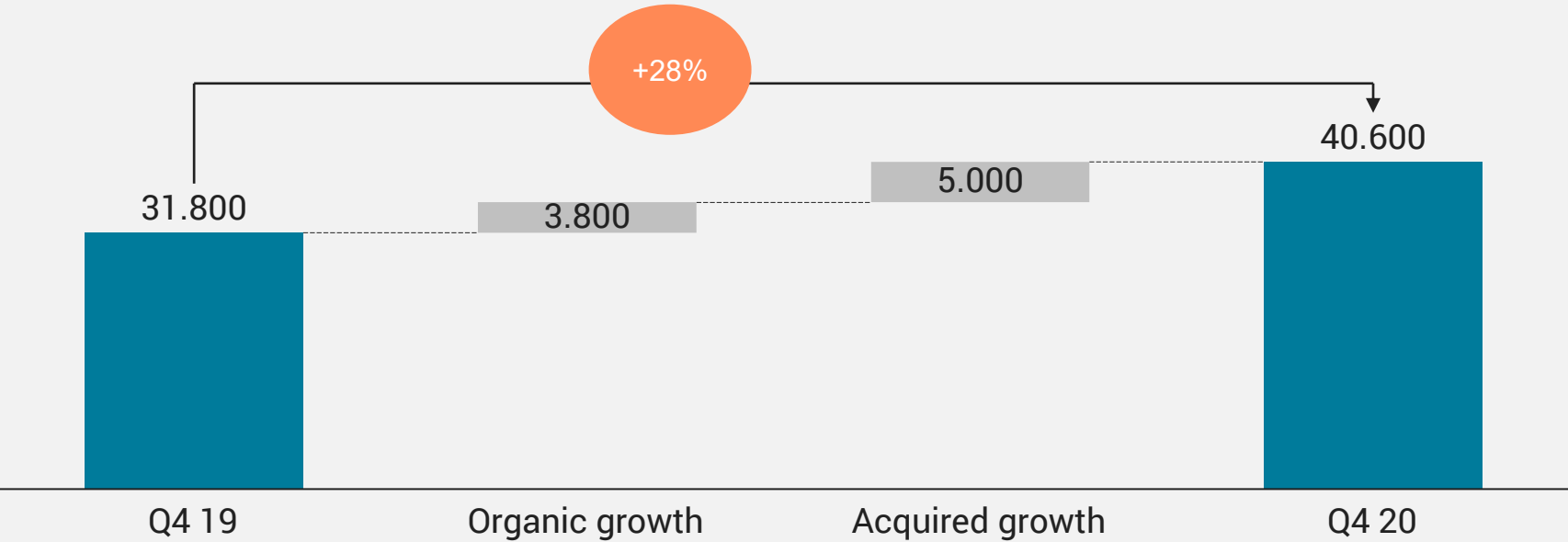
- Accelerated organic growth driven by existing clients especially in the logistics, ecommerce and financial sectors
- Experienced softer volumes from the retail sector in the last two quarters due to restrictions imposed by authorities

Western Europe

- Strong interest and growth for RCS and WhatsApp and transition to more advanced use cases enabled by richer set of features on the OTT channels
- Retail volume negatively impacted as shops and restaurants have been shut down or public access materially restricted in several countries in the region

Group has more than 40.000 customer accounts

Customer accounts



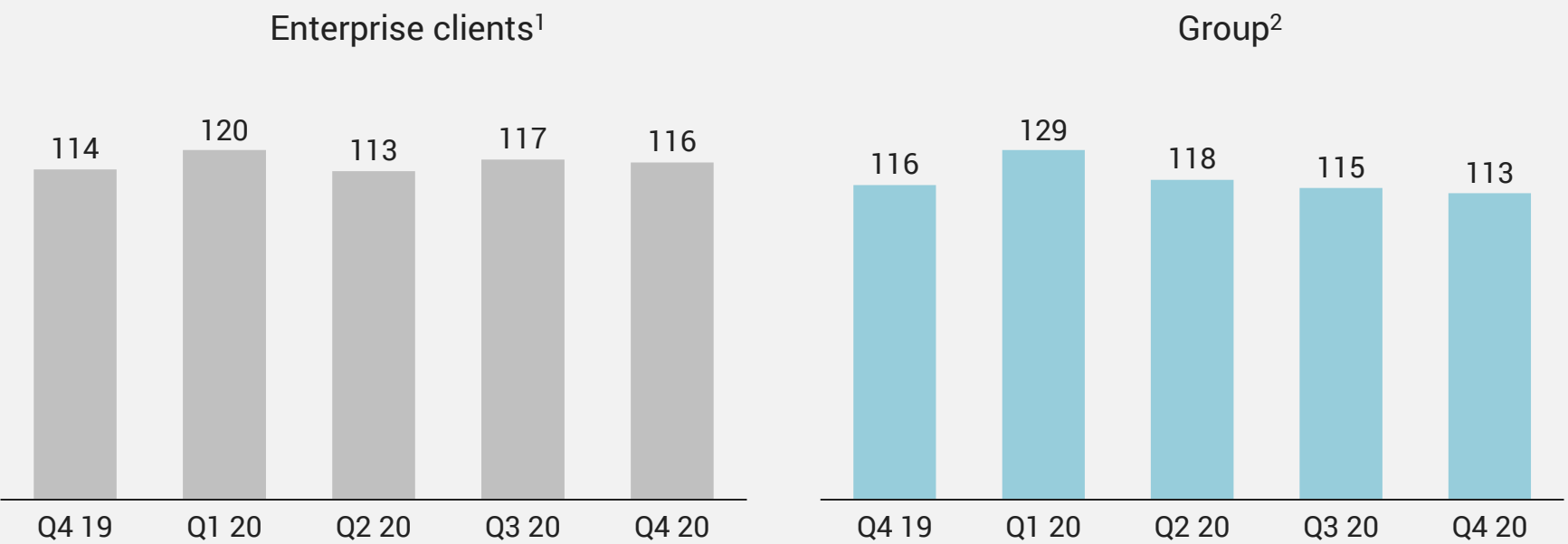
Group customer accounts increased by 8.800 in 2020

- Organic GTM strategy resulted in 3.800 new customers
- Acquisition of WebSMS added 5.000 enterprise customers

Net retention remained high throughout the year

- For enterprise customers it was 116% in 4Q20 (114%)
- Total net retention at 113% reduced by less aggregator revenue on existing clients

Net retention %

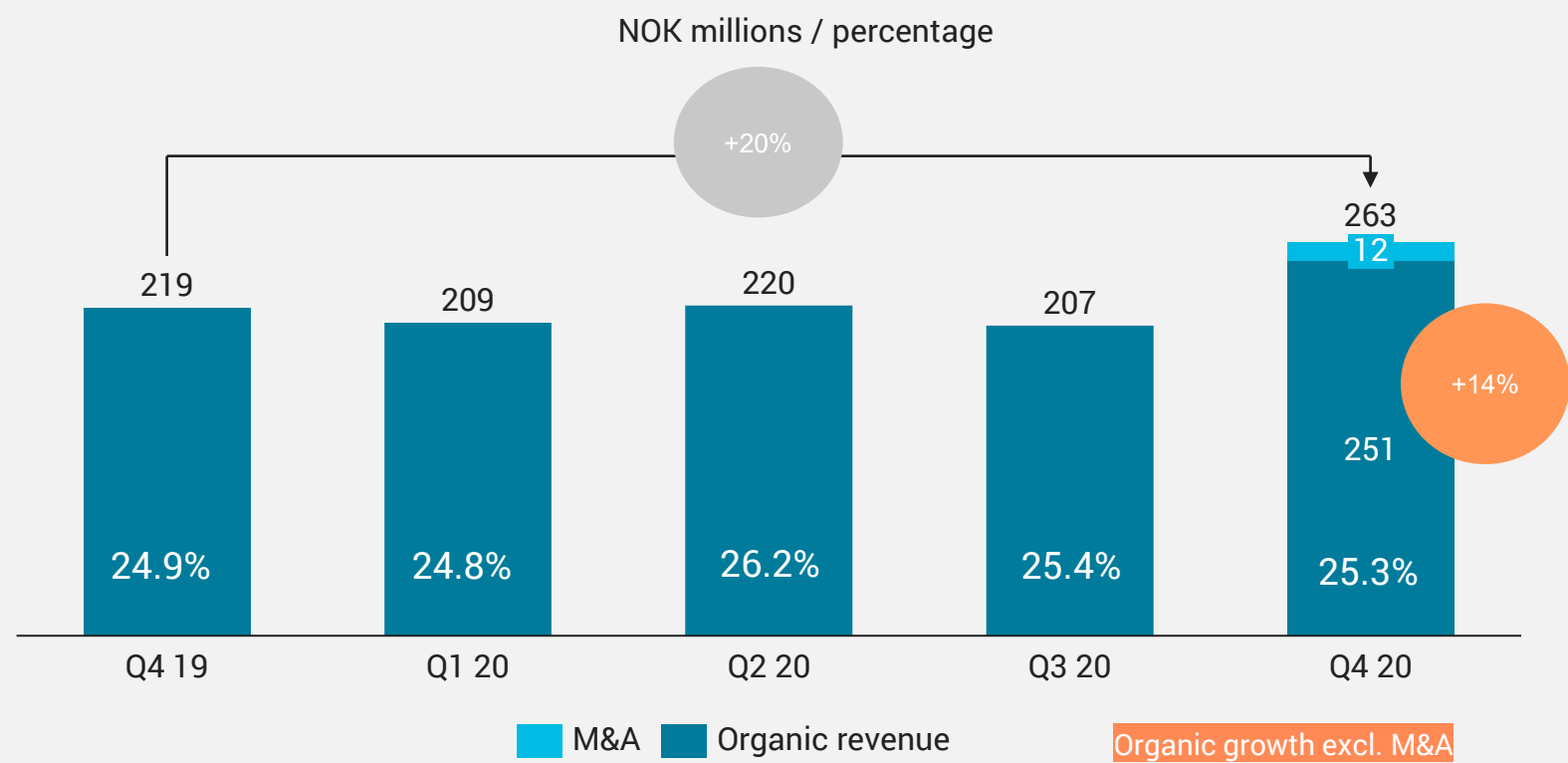


1. Net retention rate excluding aggregator clients. Includes markets counting for more than 80% of the total transaction revenue. The relative change in revenue from the net of upsale, downsale and churn for customers at the start of the period throughout the last 12 months, not considering new customers. Spain is excluded for the quarters Q319-Q220 due to one-off elements in the Spanish market

2. Net retention rate including all client segments

Gross profit and adjusted EBITDA growing YoY by 20% and 25% respectively

Gross Profit / Gross Margin



Gross profit increased to NOK 263 million in 4Q20 (NOK 219 million)

- Organic growth contributed NOK 32 million
- M&A added another NOK 12 million

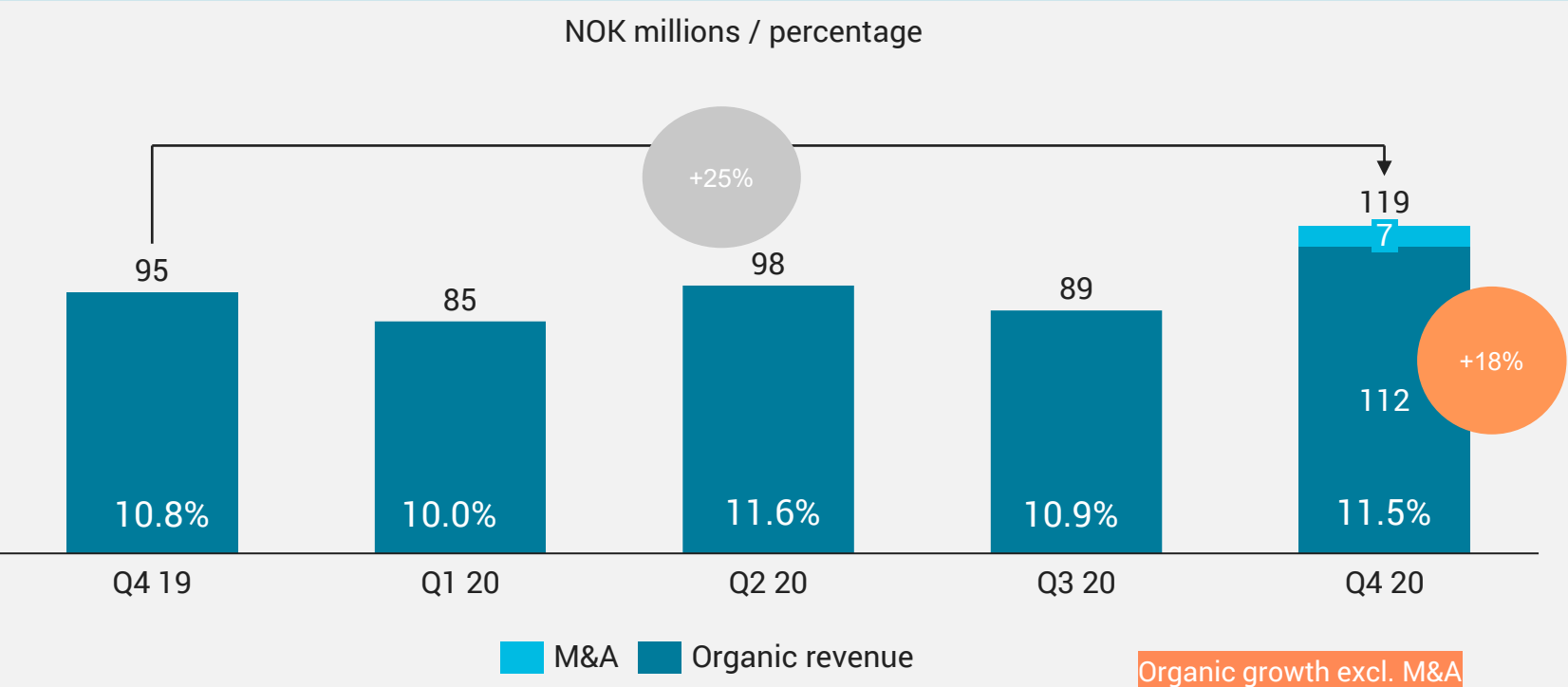
Gross margin stable around 25%

Adjusted EBITDA grew to NOK 119 million (NOK 95 million)

- Of which NOK 17 million organic and NOK 7 million M&A

Adjusted EBITDA increased somewhat to 11%

Adjusted EBITDA / EBITDA margin



Consolidated income statement – Fourth quarter and FY 2020

NOK in millions	Q4 2020	Q4 2019	FY 2020	FY 2019
Total operating revenue	1 041	879	3 539	2 890
Direct cost of services rendered	-778	-660	-2 640	-2 137
Gross Profit	263	219	899	753
Gross Margin %	25,3 %	24,9 %	25,4 %	26,1 %
Operating expenses	-143	-124	-508	-445
Adj.EBITDA	119	95,3	391	308
Share options	-35	0	-35	0
M&A costs	-10	-4	-15	-27
Restructuring costs	-26	-25	-47	-70
EBITDA	49	66	294	210
Depreciation and amortization	-111	-92	-271	-247
EBIT	-62	-26	22	-37
Net financial items	-37	-44	-427	-194
Profit (loss) before taxes	-99	-71	-405	-231

Revenue FY 2020 at NOK 3.539 million or a growth of 22%.

- Organic revenue growth FY 2020 at 18%

Gross Profit FY 2020 at NOK 899 million or a growth of 19%

- Organic gross margin growth FY 2020 at 14%

Adjusted EBITDA FY 2020 at NOK 391 million or a growth of 27%

- Organic adjusted EBITDA growth FY 2020 at 21%

Non-recurring costs of NOK 97 million

- M&A costs driven mainly by WebSMS acquisition
- Restructuring costs related to the IPO process of NOK 20 million, synergy realization programmes and non-recurring legal/tax advisor cost

Net financial items materially impacted by

- Net currency cost of NOK 101 million
- Interest costs of NOK 207 million
- Amortized transaction cost of NOK 74 million on legacy financing structure
- Refinancing of debt structure will reduce yearly interest expenses in 2021 to approximately NOK 70 million assuming no further uptake of debt

Balance sheet – Solid position for growth and M&A agenda

NOK in millions	Q4 2020	Q4 2019
Non-current assets	5 929	5 254
Trade and other receivables	749	669
Cash and cash equivalents	952	147
Total assets	7 629	6 071
Equity	4 202	2 340
Deferred tax liability	313	309
Long-term liabilities	2 112	2 538
Trade and other payables	958	819
Other short terms liabilities	44	64
Total equity and liabilities	7 629	6 071

LINK has low leverage with net debt / adjusted EBITDA of 2.7x

- Net debt NOK 1.166 million
- Net debt significantly reduced following IPO

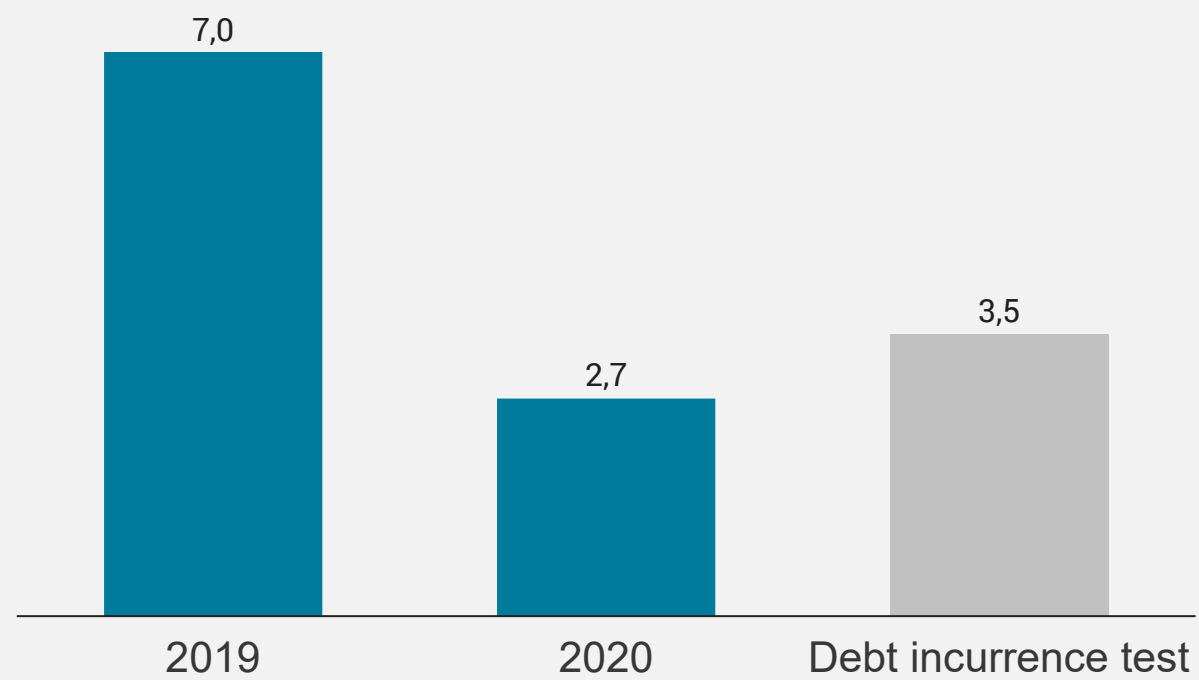
Cash deposits 4Q20 NOK 952 million (NOK 147 million)

Negative working capital amounting to NOK 209 million

- Group has favourable payment terms from customers to suppliers

Financial position further strengthened by bond issue

Group leverage – Net debt / adjusted EBITDA



Senior unsecured bond issue completed on 15 December last year

- EUR 200 million 5-year bond

Debt refinanced and cash deposits increased

- Fixed coupon of 3,375% materially reduces annual interest payments to approximately NOK 70 million assuming no further uptake of debt

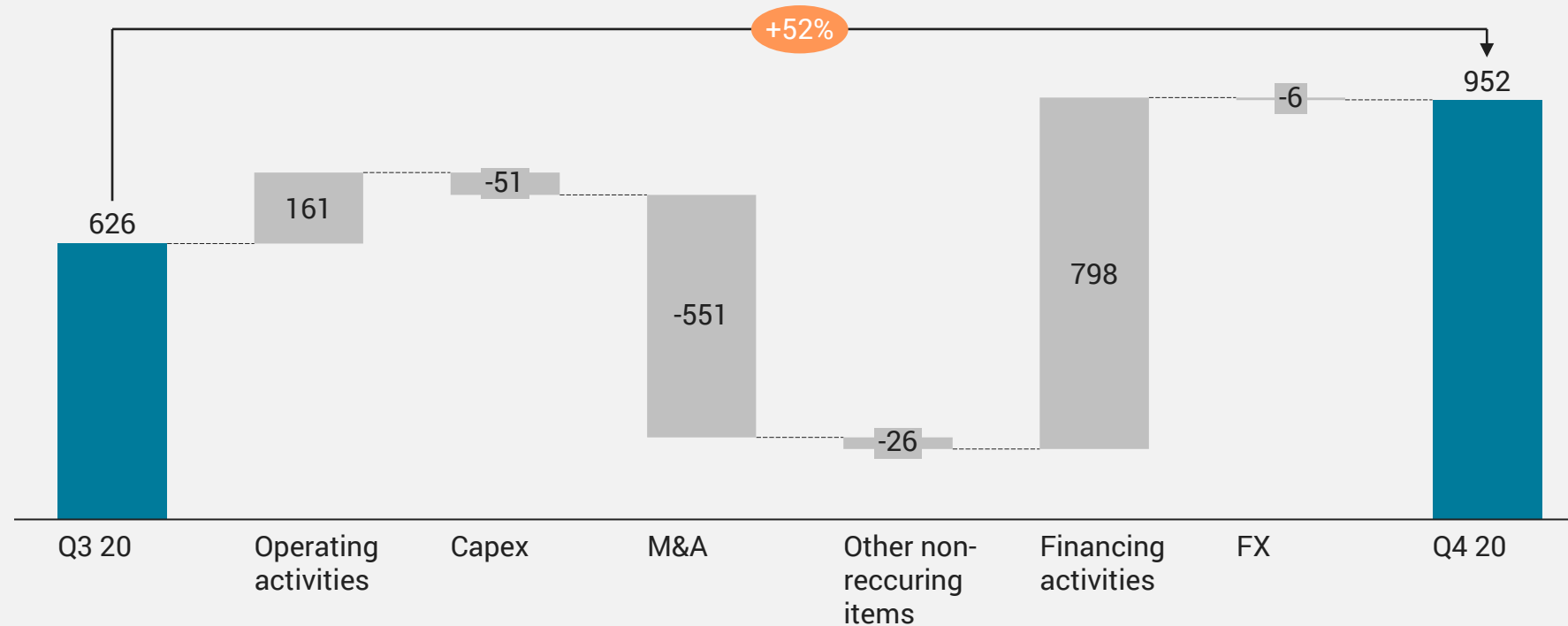
Secures significant M&A flexibility combined with share currency

- Current leverage of 2.7x
 - Well below debt incurrence test of net debt / adjusted EBITDA < 3.5x

IPO and refinancing improved cash balances during the fourth quarter

Cash flow*

NOK million



Cash flow from operating activities NOK 161 million

- Adjusted EBITDA and release of working capital

Capex not related to M&A NOK 51 million

- Go-live of new rating and billing system in Norway

M&A spend of NOK 551 million in 4Q20

- Acquisition of WebSMS
- Netsize earn-out paid

Financing activities NOK 798 million in the quarter

- Proceeds from IPO and bond issue
- Repayment of legacy debt and high interest payments

Cash EBITDA negative with legacy interest payments

- Interest expenses significantly reduced with bond refinancing

Cash EBITDA

NOK million





Q&A

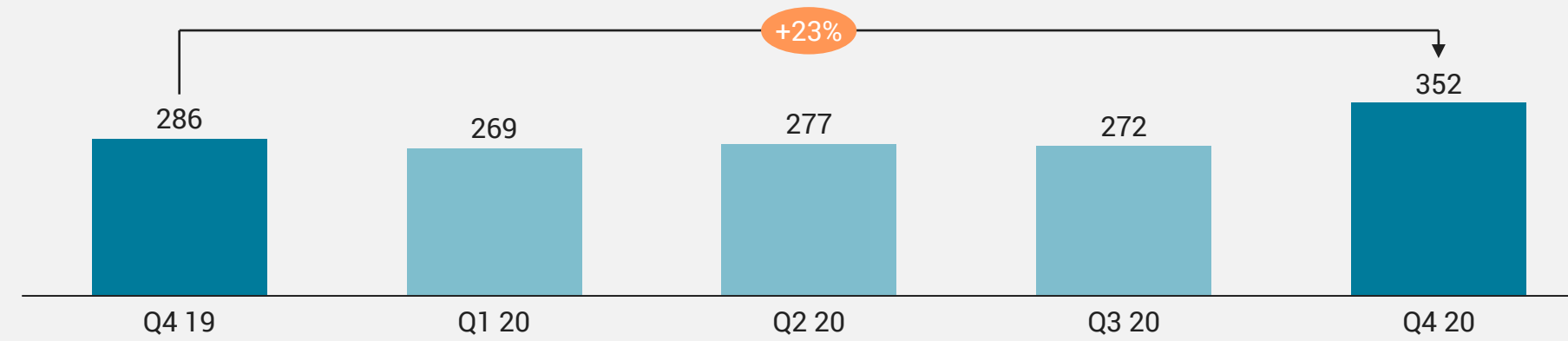


Appendix

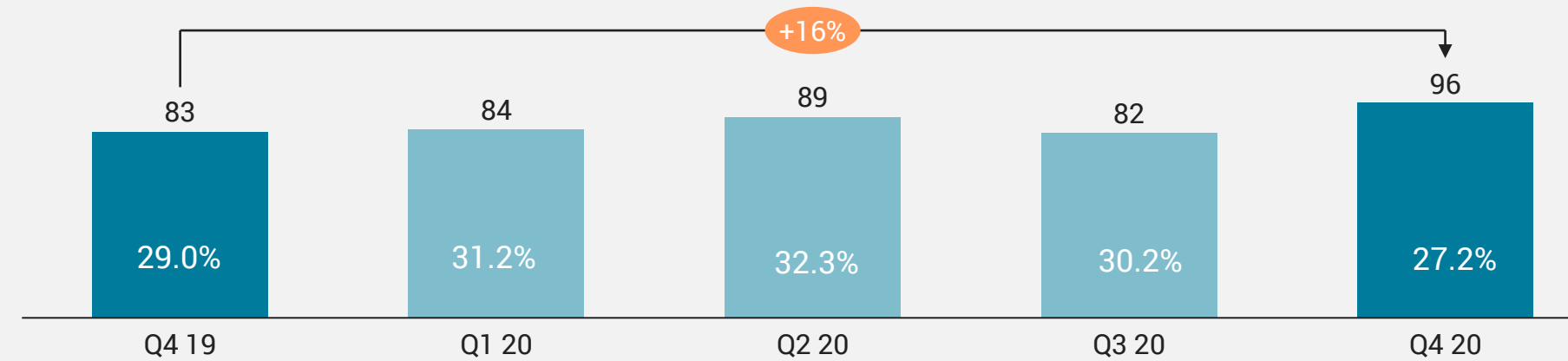
Segment information

Northern Europe

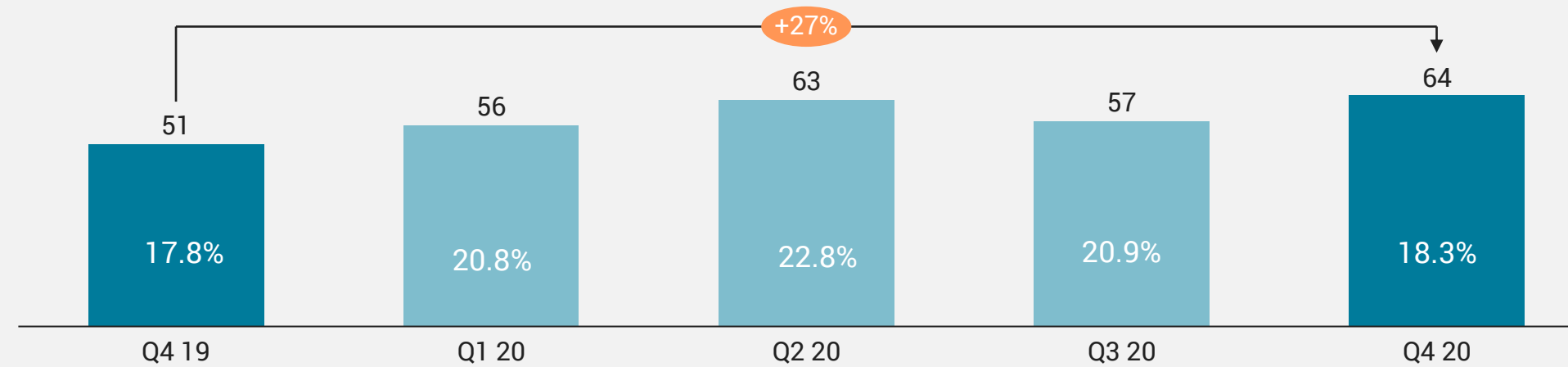
Revenue (NOKm)



Gross Profit (NOKm / %)

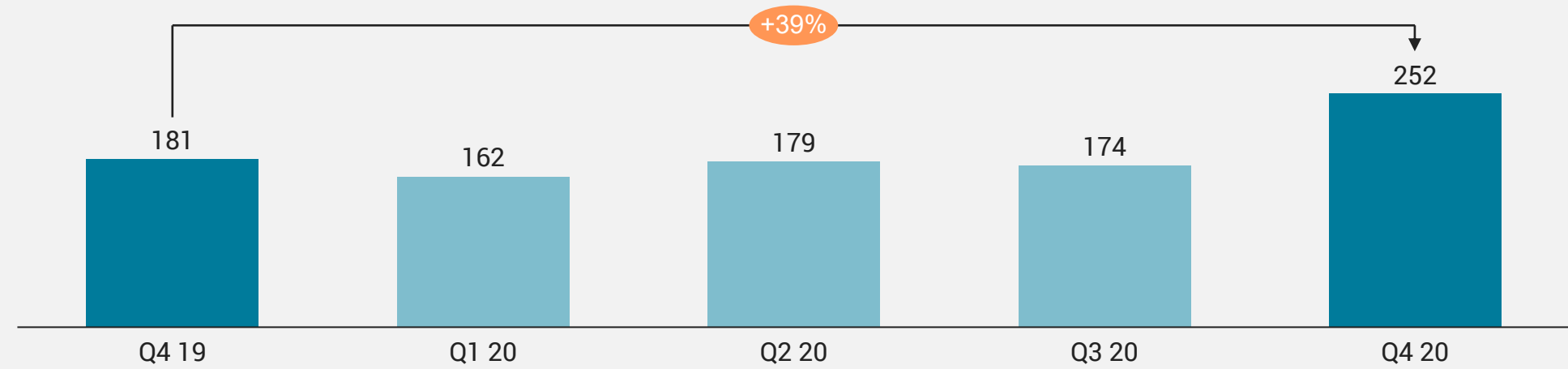


Adjusted EBITDA before group cost (NOKm / %)

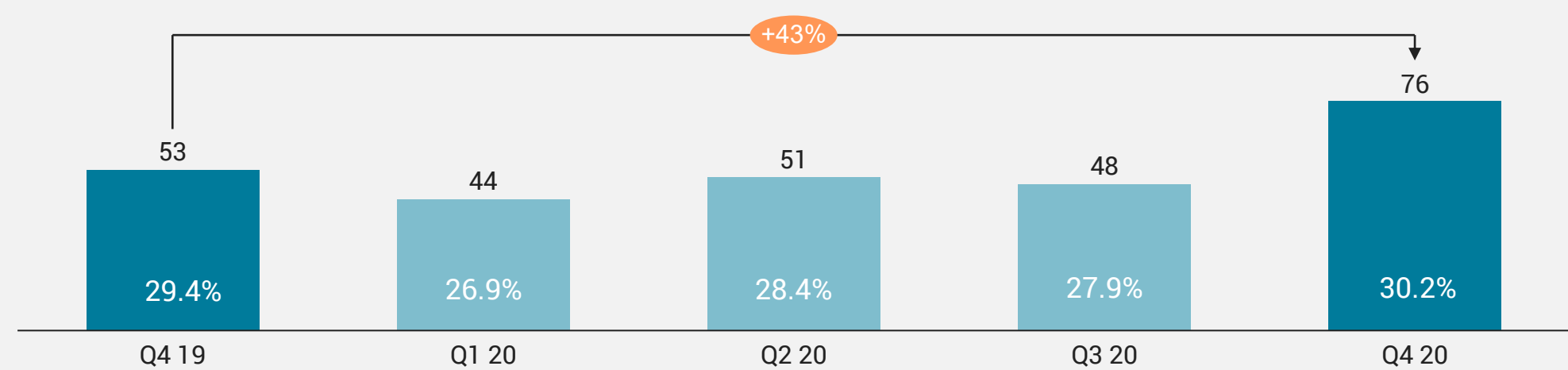


Central Europe

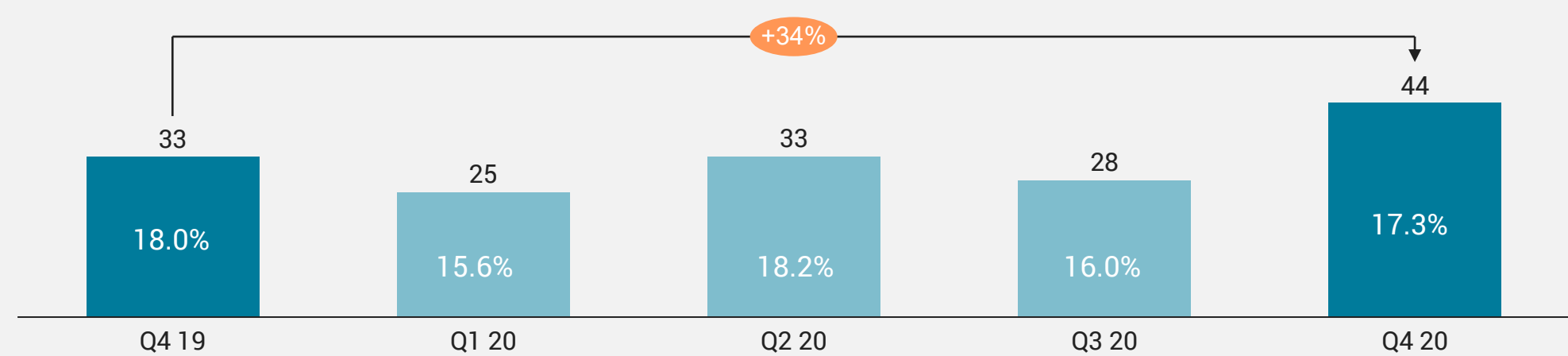
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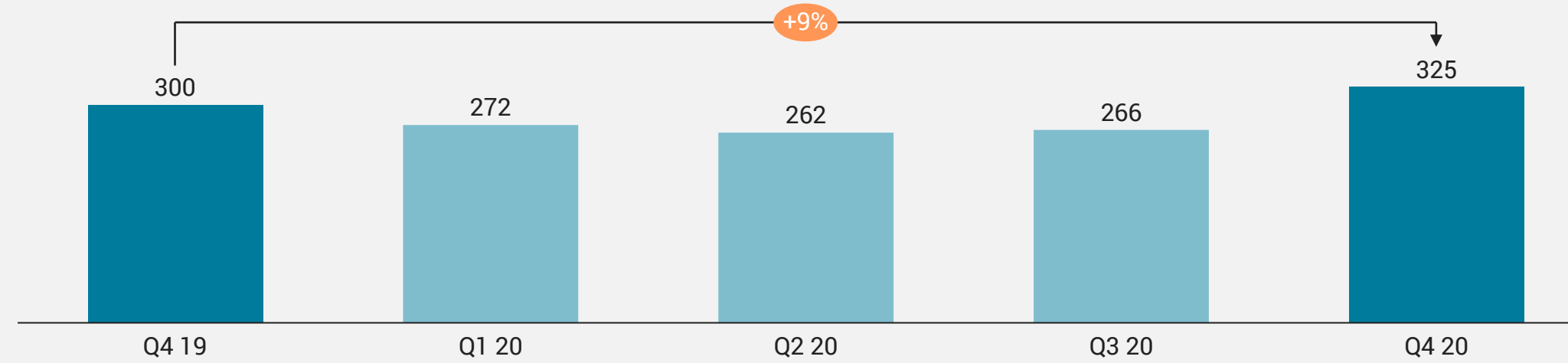


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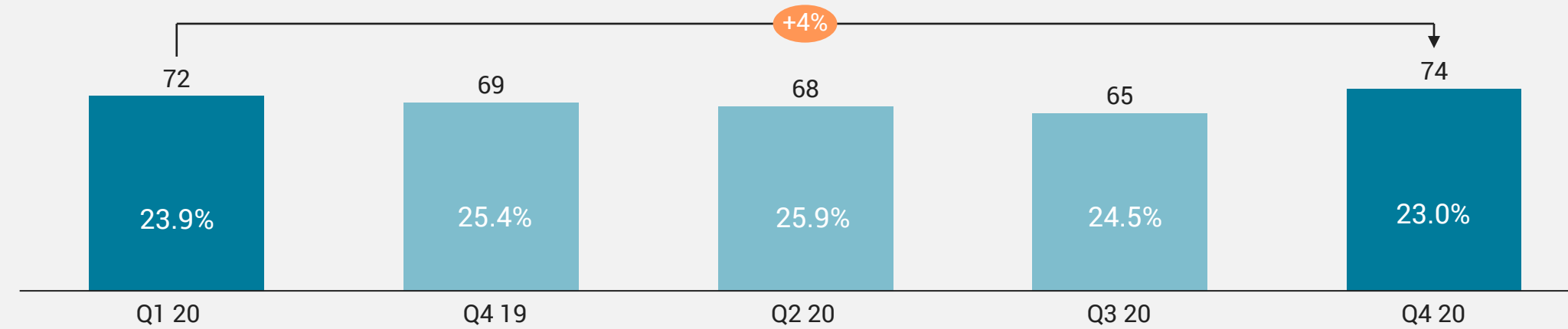


Western Europe

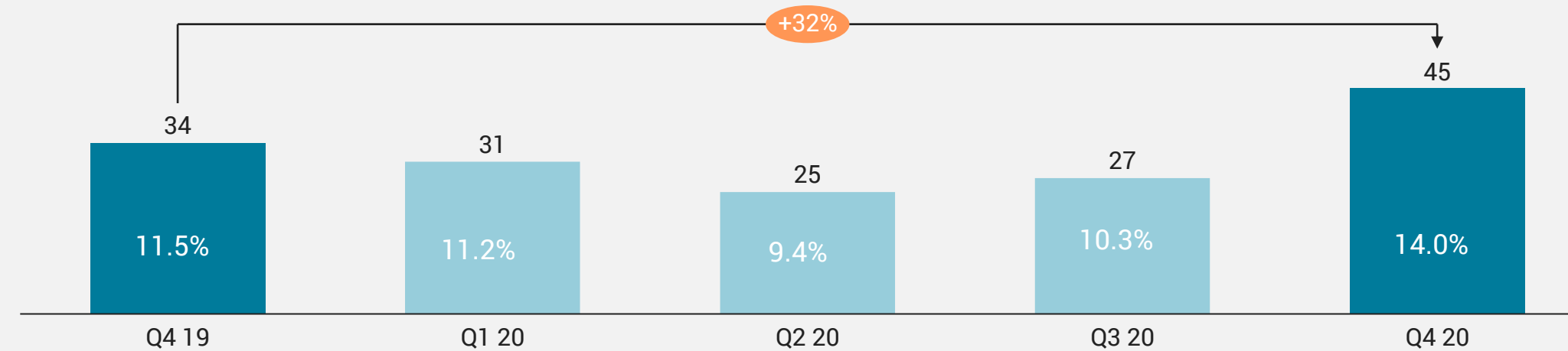
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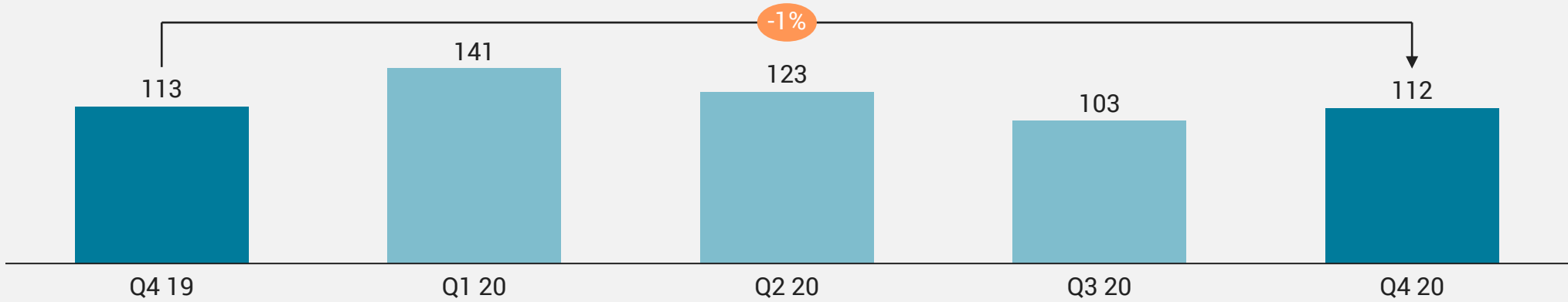


Adjusted EBITDA before group cost (NOKm / %)

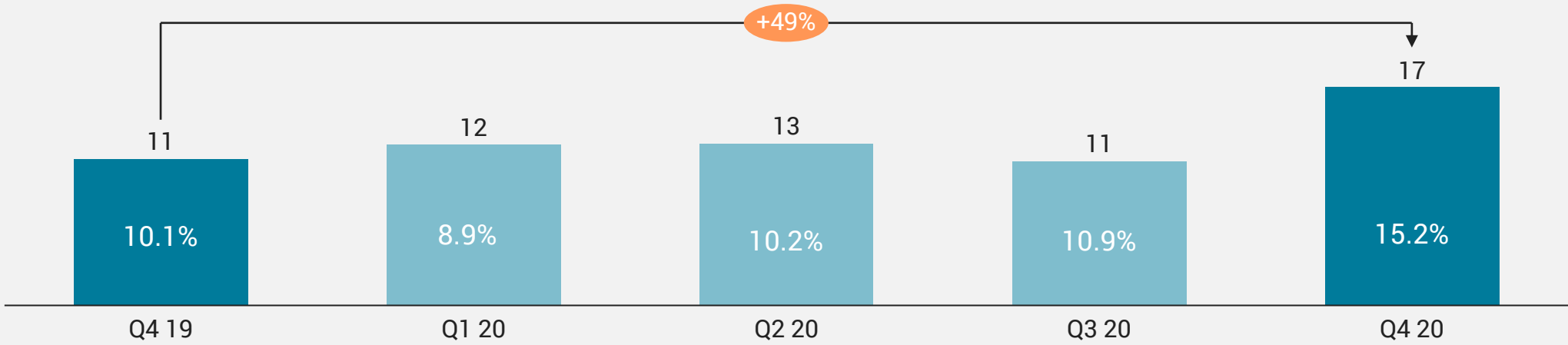


Global Messaging

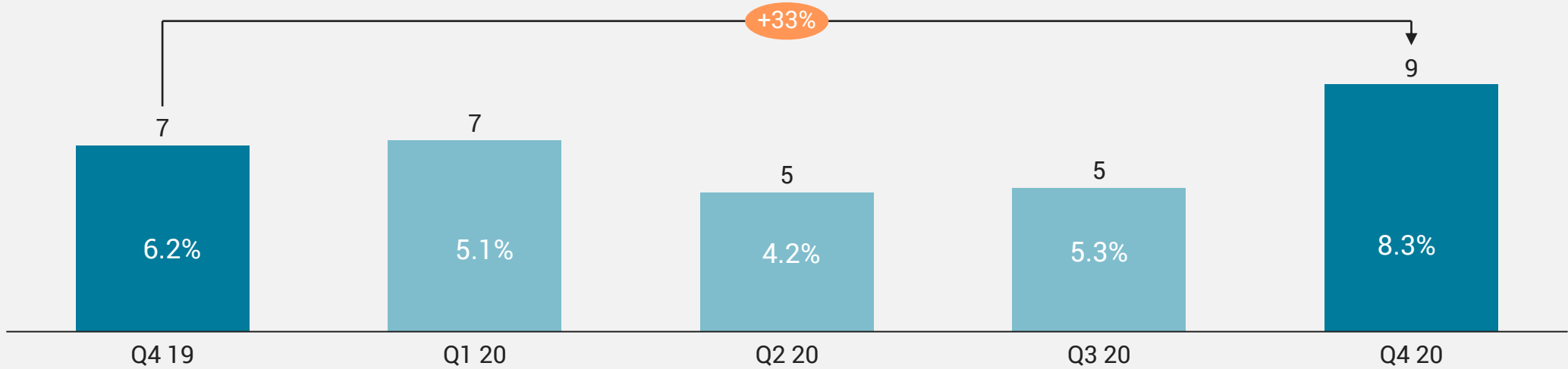
Revenues



Gross Profit (NOKm / %)



Adjusted EBITDA before group cost (NOKm / %)





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