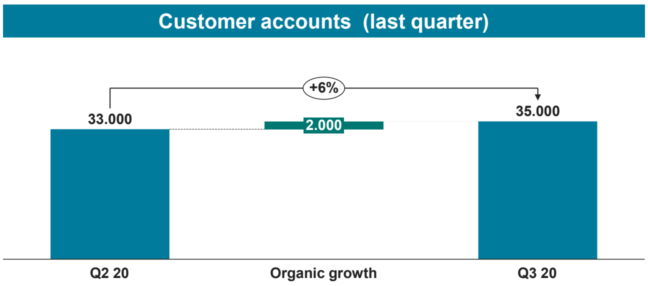
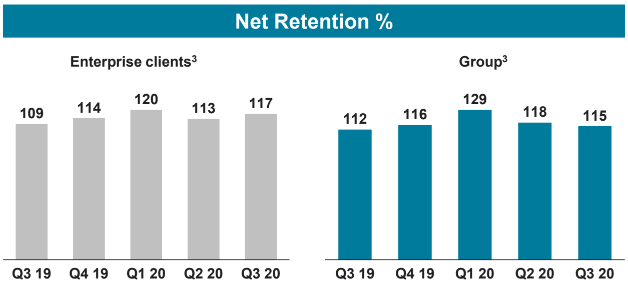
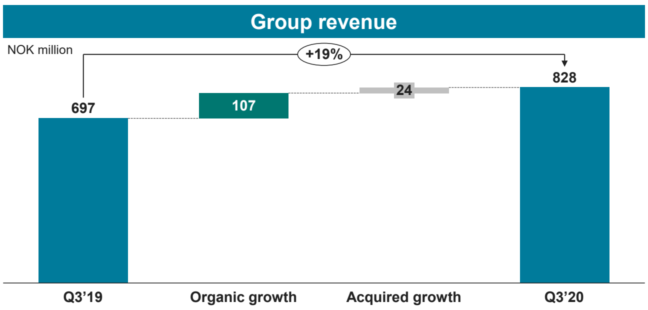
LINK Mobility Group Holding ASA
Interim financial report
Third Quarter 2020

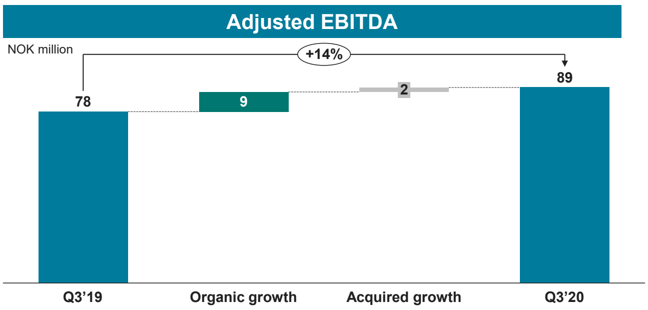
Highlights Third Quarter 2020

- Successful IPO launched on 21st October 2020
- Revenue of NOK 828 million or 19 percent reported revenue growth
- Adjusted EBITDA[1] of NOK 89 million and 11 percent margin
- Gross profit to adjusted EBITDA conversion of 43 percent
- Messaging volume of 2 415 million reaching close to 250 million end-users
- Diversified base of 35.000 customer accounts[2]
- Strong growth in e-Commerce / Logistics from change in end-user behaviour
- The outbreak of Covid 19 generates new use cases and is expected to accelerate adoption of LINK's CpaaS product portfolio
- Observing rapid traction in several markets for LINK's CPaaS solutions with OTT channels like RCS and WhatsApp experiencing large growth









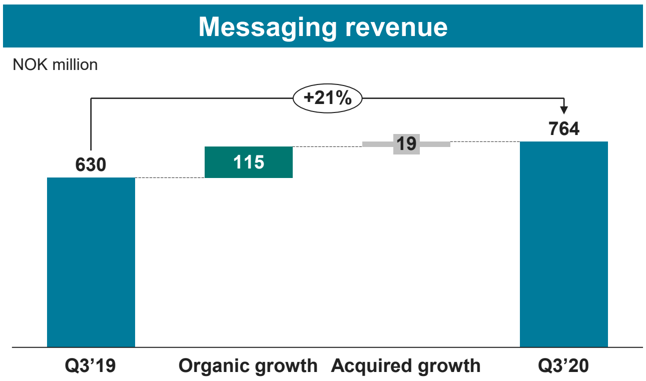
1.) *Please refer to note 3 for segment information and reconciliation of Alternative Performance Metrics*
2.) *Customer accounts invoiced LTM*
3.) *Net retention rate excluding aggregator clients. The relative change in revenue from the net of upsale, downsale and churn for customers at the start of the period throughout the last 12 months, not considering new customers. Excluding 2019 acquisitions of Terracom and Spot-Hit and other smaller acquisitions. Spain is excluded for the quarters Q319-Q220 due to the aggressive behaviour from operators driving down prices. The effect has diminished and represents only a 1 percentage points effect in Q3 20. Group figures excludes Spain Q319-Q220.*

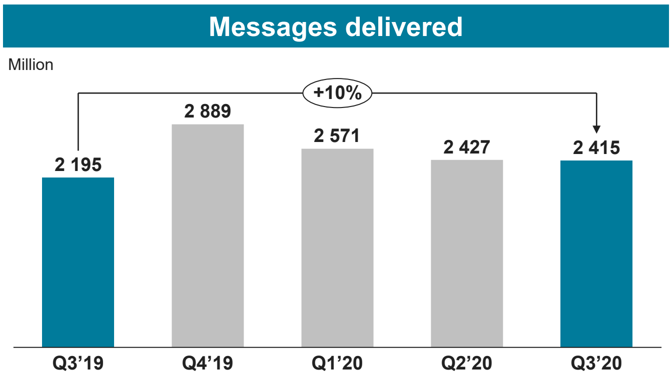
Resilient growth and improved profitability

LINK Mobility Group (LINK) reports strong revenue growth and solid profitability despite the Covid 19 pandemic. The diversity in customer use cases, geographies and product portfolio have shown resilience through the pandemic resulting in continued growth in volumes, revenues and profitability. Revenue growth is driven by a strong momentum in net retention rate of 117 percent in the enterprise segment. In several markets the pandemic has accelerated adoption of LINK's services and products as new customer needs and use cases have emerged. LINK is well positioned to capitalize on future growth opportunities with the scalable CPaaS infrastructure and rich product offering.

LINK achieved an operating revenue of NOK 828 million in the third quarter or 19 percent growth compared with corresponding period last year. Organic revenue growth was 15 percent on the back of 10 percent organic growth in messaging volumes. More and more businesses are utilizing LINKs CpaaS solutions to optimize their business and end-user communication driving adoptions rates upwards. Organic revenue growth in the Mobile Messaging segment was 18 percent. A lower organic growth rate of 15 percent for total revenue is due to revenue decline for direct carrier billing which is a mature product with a declining market trend. LINK experienced a rebound in marketing messaging volumes during the quarter, especially in countries where severe Covid 19 lockdown measures were imposed on societies during the previous quarter. LINK is closely monitoring the second wave of Covid 19 infections and the potential impact on the fourth quarter performance. LINK is reiterating the outlook for 2020 communicated in connection with the IPO in October.

During the third quarter LINK managed a messaging volume of 2 415 million which led to an organic revenue growth in the Mobile Messaging segment of 18 percent compared to the same period last year.





The reported growth in adjusted EBITDA was 14 percent or NOK 11 million, whereof NOK 2 million was related to acquisitions compared to corresponding period last year. The adjusted EBITDA margin at 11 percent was in line with the corresponding period last year. 43 percent of the Gross Profit floated through to adjusted EBITDA driven by the scalable business model where large amounts of volumes and revenues can be produced with small expansion in operating expenses fueling growth in profitability.

Acquisitions and pro forma financials

The closing of Teracomm and Spot-Hit acquisitions during the third quarter last year impact the full year 2019 pro forma financials of the Group. Below are the updated pro forma (full-year effect of closed acquisitions) key financial numbers for 2019.

(Amounts in NOK million) – excluding websms	**2019 Reported**	**2019 Pro forma **)**
Operating revenues	2.933	3.061
Adjusted EBITDA*	308	319
Adjusted EBITDA margin*	10.5%	10.4%
Number of messages (million)	9 495	9 734

On November 16th, LINK acquired the Austrian company websms. Below are the updated estimated pro forma (full-year effect of closed acquisitions) key financial numbers for the first nine months of 2020. Please also refer to note 6 regarding the transaction details.

(Amounts in NOK million) – including websms	**2020 YTD Reported**	**2020 YTD Pro forma **)**
Operating revenues	2.545	2.667
Adjusted EBITDA*	271	311
Adjusted EBITDA margin*	10.7%	11.7%
Number of messages (million)	7 413	7 630

**) EBITDA adjusted for expenses related to significant one-time, non-recurring events such as acquisitions and restructuring activities.*

***) Pro forma: FY 2019 includes the acquisition of Teracomm and Spot-Hit consolidated in the Group financials from August and September 2019 respectively. YTD 2020 includes nine months effect of the acquisition of webms (to be consolidated in Group financials from December 2020).*

New contracts

LINK generally sees a great demand for multi-channel mobile communication and our enterprise grade solutions. The following material new contracts were signed:

- Eika Gruppen, a large banking group in Norway, has chosen LINK Mobility as a provider of SMS services towards their dialogue activities with customers, partners, and employees
- Coventry Building Society, one of the UK’s largest building societies, has chosen LINK’s Account Takeover Protection service to support fraud protection measures related to secure customer authentication
- Iberinfo, a large marketing agency, has chosen LINK Mobility for mobile marketing activities in Singapore and Hong Kong.

- ING DIRECT Spain, a leading Spanish financial services company, has chosen LINK's Operator Mobile Identity API products to prevent account takeover fraud
- Center of Distribution for Supermarket (CDS), a leading supermarket player is Sicily owning several brands, have chosen LINK Multichannel to provide their customers with information and communication flow on an omnichannel basis but with a clear preference for WhatsApp
- ADL SRL, a Spanish medical wholesale company, has chosen LINK Messaging services to communicate with their distributors in Spain
- Rue du Commerce, a large French online and retail stores, has chosen LINK's mobile marketing solution to carry out their summer campaigns on a multichannel basis but focused on the RCS channel with fallback to SMS with visual elements and direct access to their online store
- Intralot, a leading Greek gaming player, will use LINK Mobility SMS connector embedded in their CRM system to engage and communicate with mobile users
- Likeit Solutions, a large Finnish HR software company, has chosen LINK's 2-way messaging gateway API to be embedded into Likeit Solutions' recruitment software
- Airmee, a Swedish last mile delivery solution, has chosen LINK Mobility as their mobile messaging provider of their business crucial communication towards end-users

Outlook 2020 (excluding websms acquisition)

LINK reiterates the guidance communicated in relation to the IPO on 21st October with the following expected key financial metrics for the full year 2020. LINK expects to exceed the guidance when factoring in the additional contribution from websms.

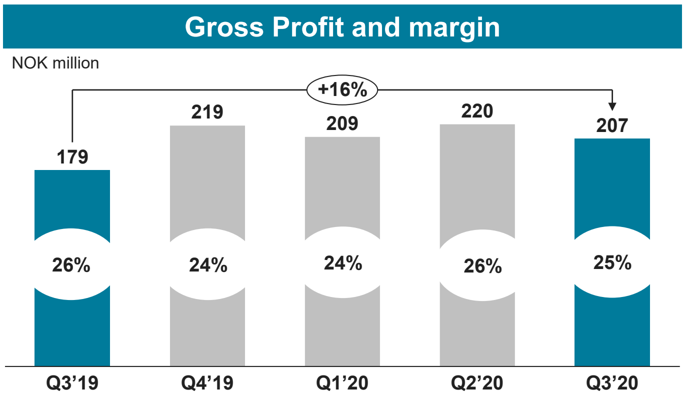
Revenues	Gross Margin	Adj. EBITDA	Other
3,500m – 3,600m NOK	24.2%– 24.7%	360m – 370m NOK	Capex: 95m – 105m NOK

Financial Review *(Figures in brackets refer to the same period last year)*

Group Income Statement

Operating revenues amounted to NOK 828 million (NOK 697 million) or a growth of 19 percent versus same period last year driven by a strong growth momentum on existing clients with a net retention rate of 117 percent for enterprise segment together with an increase in the price per message and positive contribution from the depreciation of NOK compared to foreign currencies. In the third quarter, LINK observes a rebound in growth rates for volumes and revenues deriving from marketing messages after the slow-down during lockdown periods last quarter. Despite some regional volume drops due to Covid 19, the Group's diverse footprint and use cases have shown resilience with revenue and gross profit increasing compared to the same period last year. LINK still observes a minor negative Covid 19 effect regarding smaller retail clients especially in Central and Western Europe.

For the third quarter, LINK reports an organic revenue growth in Mobile messaging of 18 percent compared to the same period last year. A slightly lower organic growth rate of 15 percent for total revenue is due to a revenue decline for direct carrier billing which is a mature product with a declining market trend.



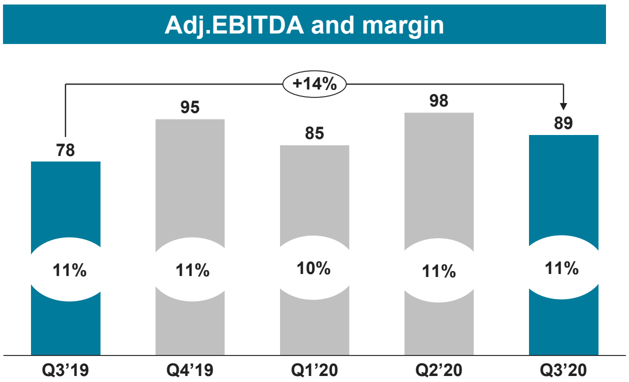
Reported Gross profit of NOK 207 million or a growth of 16 percent. Organic Gross profit increased by 13 percent. LINK's strategy is to maintain and increase margins by rolling out mobile solution products, introducing highly profitable license models in new markets and targeting the SME clients in LINK's footprint.

Gross margin is mainly influenced by the following factors:

- Acquired entities normally have lower gross margin than the existing LINK footprint and dilutes reported Gross margins.
- Customer mix. High-volume clients have lower margins than SME customers due to their bargaining power, but also drives scalability. Over time, Gross margin fluctuates depending on client mix.
- Product mix. More advanced mobile solution products and use cases enables higher pricing both on licenses and messages as these products enables a higher value for clients and increases Gross margin over time
- Cogs synergies due to increased size and bargaining power towards the operators increase Gross margin over time

Prospectively, we expect the websms acquisition to be accretive to the gross margin profile of the business.

Personnel costs were, in addition to cost of services rendered, the main cost element and amounted to 10 percent of operating revenues in the third quarter (10 percent).



The adjusted EBITDA, before non-recurring cost, is reported at NOK 89 million (NOK 78 million) or a 11 percent margin. Organic growth in adjusted EBITDA was 11%.

EBITDA after non-recurring items is reported at NOK 85 million (NOK 61 million) after deduction of non-recurring cost of NOK 4 million (NOK 17 million) related to acquisitions and restructuring costs.

For the third quarter, depreciation and amortization expense was stable compared to same period last year with NOK 53 million (52 million).

For the third quarter, net financial expenses were NOK 96 million (NOK 95 million). Net interest expense increased by NOK 8 million from increased debt offset by lower effects from foreign currency translation.

Subsequent to the listing on 21st October, LINK have repaid debt resulting in a reduction of future interest payments by approximately 50 percent. Please refer to note 6 for information regarding the repayment.

Balance sheet, financing, and liquidity

Non-current assets amounted to NOK 5 576 million (NOK 5 297 million), the increase is attributable to currency effects on goodwill.

Trade receivables and other receivables amounted to NOK 648 million (NOK 582 million), the increase is attributable to timing of collection as well as increased volume. Cash and cash equivalents are NOK 626 million (NOK 168 million); the increase is due increased focus on working capital and drawing from available debt facilities.

Trade and accounts payable increased and were NOK 1 296 million (NOK 675 million). The increase was mainly related to the approved settlement of preferred shares of NOK 414 million which was decided as a repayment connected to the IPO as described in the prospectus.

Total equity amounted to NOK 1 992 million (NOK 2 399 million) or 29 percent (40 percent) of balance sheet value. The reduction was due to the redemption of preferred shares resolved in connection with the IPO.

Long-term liabilities amounted to NOK 3 464 million (NOK 2 921 million). Further details are included in note 5.

In the third quarter, net cash from operating activities was NOK 61 million (NOK 15 million). The improved cash flow was driven by growth in EBITDA and improved working capital development. Cash from investing activities is negative NOK 18 million (negative NOK 108 million) as there were no acquisitions in the period. Cash flow from financing activities is NOK 8 million (NOK 79 million). The change was due to draw on debt facilities same period last year to fund acquisitions and timing of interest payments due to variance in interest periods.

Condensed consolidated income statement

Condensed consolidated income statement (NOKk)	Note	Q3 2020*	Q3 2019*	YTD 2020*	YTD 2019*	YE 2019
Total operating revenue	3	827 647	696 811	2 545 276	2 032 926	2 932 707
Direct cost of services rendered		(620 572)	(518 285)	(1 908 883)	(1 499 090)	(2 179 806)
Gross profit		207 075	178 526	636 393	533 836	752 901
Payroll and related expenses		(81 931)	(67 725)	(253 488)	(222 052)	(307 513)
Other operating expenses		(36 384)	(32 710)	(111 501)	(99 510)	(137 839)
Adjusted EBITDA		88 759	78 091	271 404	212 275	(307 548)
Restructuring costs		(1 729)	(9 631)	(20 978)	(44 795)	(69 967)
Share based compensation		-	(20)	-	(20)	-
Expenses related to acquisitions		(2 034)	(7 503)	(5 382)	(23 152)	(27 168)
EBITDA	3	84 996	60 938	245 044	144 307	210 414
Depreciation and amortization		(52 939)	(52 002)	(160 442)	(154 960)	(247 369)
Operating profit (loss)		**32 057**	**8 935**	**84 602**	**(10 653)**	**(36 955)**
Finance income and finance expenses						
Net currency exchange gains (losses)	5	(37 686)	(40 060)	(221 471)	(2 177)	3 785
Net interest expense	5	(57 429)	(49 611)	(166 199)	(141 930)	(192 369)
Net other financial expenses		(433)	(5 010)	(2 424)	(5 485)	(5 317)
Finance income (expense)		**(95 548)**	**(94 681)**	**(390 095)**	**(149 593)**	**(193 901)**
Profit (loss) before income tax	**3**	**(63 491)**	**(85 746)**	**(305 493)**	**(160 245)**	**(230 856)**
Income tax		(5 028)	(400)	(7 723)	(3 046)	(2 178)
Profit (loss) for the period		**(68 519)**	**(86 146)**	**(313 216)**	**(163 291)**	**(233 034)**
Profit attributable to:						
Owners of the company		(68 519)	(86 146)	(313 216)	(163 291)	(233 034)
Earnings per share (NOK/share)						
Earnings per share		(0,32)	(0,40)	(1,45)	(0,76)	(1,09)
Diluted earnings per share		(0,32)	(0,40)	(1,45)	(0,76)	(1,09)

**unaudited*

Condensed consolidated statement of comprehensive income

Condensed consolidated Statement of comprehensive income (NOKk)	Q3 2020*	Q3 2019*	YTD 2020*	YTD 2019*	YE 2019
Profit (loss) for the period	(68 519)	(86 146)	(313 216)	(163 291)	(233 034)
Other comprehensive income					
Items that may be reclassified to profit or loss					
Translation differences of foreign operations	45 557	57 424	372 573	(23 045)	(12 603)
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**45 557**	**57 424**	**372 573**	**(23 045)**	**(12 603)**
Items that will not be reclassified to profit or loss in subsequent periods			-	-	-
Other comprehensive income for the period	45 557	57 424	372 573	(23 045)	(12 603)
Total comprehensive income for the period	**(22 962)**	**(28 722)**	**59 356**	**(186 336)**	**(245 637)**

**unaudited*

Condensed consolidated statement of financial position

Condensed consolidated statement of financial position (NOKk)	*Note*	30.09.2020*	30.09.2019*	31.12.2019
Assets				
Non-current assets				
Goodwill		3 686 882	3 385 853	3 389 875
Other intangible assets		1 778 811	1 803 135	1 761 704
Deferred tax asset		68 250	59 853	56 858
Equipment and fixtures		20 631	19 720	21 493
Right-of-use assets		20 112	27 378	24 283
Other non-current assets		1 614	1 073	-
Total non-current assets		**5 576 301**	**5 297 013**	**5 254 213**
Current assets				
Trade and other receivables		648 237	582 322	669 360
Cash and cash equivalents		626 346	167 631	147 198
Total current assets		**1 274 583**	**749 953**	**816 558**
Total assets		**6 850 885**	**6 046 966**	**6 070 771**
Equity and liabilities				
Share capital		1 071	1 081	1 081
Share premium and other reserves		2 317 892	2 725 266	2 725 406
Accumulated translation differences		497 947	114 932	125 374
Retained earnings (accumulated losses)		(824 929)	(441 969)	(511 713)
Total equity		**1 991 981**	**2 399 310**	**2 340 149**
Long-term liabilities				
Long-term borrowings	5	3 127 162	2 533 023	2 487 304
Lease liabilities	5	13 969	18 851	12 020
Deferred tax liabilities		321 261	331 262	309 101
Other long-term liabilities	5	1 443	38 079	38 758
Total long-term liabilities		**3 463 835**	**2 921 215**	**2 847 182**
Short-term liabilities				
Short-term borrowings	5	96 620	48 886	48 218
Lease liabilities	5	6 984	9 314	13 090
Trade and other payables		1 295 546	674 863	819 180
Income tax payable		(4 082)	(6 622)	2 953
Total short-term liabilities		**1 395 068**	**726 441**	**883 440**
Total liabilities		**4 858 904**	**3 647 655**	**3 730 622**
Total equity and liabilities		**6 850 885**	**6 046 966**	**6 070 771**

*unaudited

Condensed consolidated statement of changes in equity

Condensed consolidated statement of changes in equity (NOKk)	Share capital	Share premium and other reserves	Accumulated translation differences	Retained earnings (accumulated losses)	Total equity
Balance at 01 January 2020	**1 081**	**2 725 406**	**125 374**	**(511 713)**	**2 340 149**
Comprehensive income for the year					
Profit (loss) for the period	-	-	-	(313 216))	**(313 216)**
Other comprehensive income (loss) for the period, net of income tax	-	-	372 573	-	**372 573**
Total comprehensive income for the year	**-**	**-**	**327 015**	**(313 216)**	**59 356**
Issue of ordinary shares	3	6 105	-	-	**6 108**
Redemption of preference shares	(13)	(413 620)	-	-	**(413 633)**
Total contributions by and distributions to the owners	**(10)**	**(407 514)**	**-**	**-**	**(407 525)**
Balance at 30 September 2020 *	**1 071**	**2 317 892**	**497 947**	**(824 929)**	**1 991 981**

	Share capital	Share premium and other reserves	Accumulated translation differences	Retained earnings (accumulated losses)	Total equity
Balance at 01 January 2019	**1 068**	**2 694 969**	**137 977**	**(278 678)**	**2 555 336**
Comprehensive income for the year					
Profit (loss) for the period	-	-	-	(163 291)	(163 291)
Other comprehensive income (loss) for the period, net of income tax	**-**	**-**	(23 045)	-	(23 045)
Total comprehensive income for the year	**-**	**-**	**(23 045)**	**(163 291)**	**(186 336)**
Issue of ordinary shares	14	30 297	-	-	**30 311**
Total contributions by and distributions to the owners	**14**	**30 297**	**-**	**-**	**30 311**
Balance at 30 September 2019 *	**1 081**	**2 725 266**	**114 932**	**(441 969)**	**2 399 310**

**unaudited*

Condensed consolidated statement of cash flows

Condensed consolidated statement of cash flows (NOKk)	*Note*	Q3 2020*	Q3 2019*	YTD 2020*	YTD 2019*	YE 2019
Cash flow from operating activities						
Profit (loss) before tax		(63 491)	(85 746)	(305 493)	(160 245)	(230 856)
Adjustments for:						
Taxes paid		(9 850)	(11 570)	(29 761)	(27 872)	(36 430)
Finance income (expense)		95 548	94 681	390 095	149 593	193 901
Depreciation and amortization		52 939	52 002	160 442	154 960	247 369)
Change in trade and other receivables		(37 004)	6 082	85 675	32 923	(31 255)
Change in trade and other payables		18 638	(103 974)	(48 147)	(121 369)	1 757
Change in other provisions		4 504	63 984	(14 111)	54 068	53 843
Net cash flow from operating activities		**61 286**	**15 460**	**238 699**	**82 056**	**198 328**
Cash flow from investing activities						
Payment for equipment and fixtures		(1 798)	(1 036)	(2 286)	(6 633)	(9 972)
Payment for intangible assets		(16 645)	(22 974)	(62 145)	(76 956)	(120 861)
Payment for acquisition of subsidiary, net of cash acquired		-	(83 878)	(3 791)	(303 858)	(303 285)
Purchase price adjustment (subsidiary, net of cash)		-	-	-	-	-
Net cash flow from investing activities		**(18 443)**	**(107 888)**	**(68 222)**	**(387 447)**	**(434 117)**
Cash flow from financial activities						
Proceeds on issue of shares		3 684	-	6 147	-	-
Proceeds from borrowings	5	34 664	128 839	586 062	542 941	502 891
Repayment of borrowings	5	(21 867)	(6)	(140 553)	(97 921)	(97 927)
Interest paid		(5 873)	(44 141)	(105 555)	(120 979)	(168 659)
Principal elements of lease payments		(2 853)	(3 477)	(9 079)	(9 572)	(13 111)
Other financial items		-	(2 038)	-	(8 130)	(8 130)
Net cash flow from financial activities		**7 755**	**79 176**	**337 021**	**306 339**	**215 063**
Effect of changes in foreign exchange rates		(1 785)	1 911	(28 350)	(1 927)	(686)
Net change in cash and cash equivalents		48 812	(11 340)	479 148	(979)	(21 412)
Cash and cash equivalents at the beginning for the period		577 534	178 971	147 198	168 610	168 610
Cash and cash equivalents at the end of the period		**626 346**	**167 631**	**626 346**	**167 631**	**147 198**

**unaudited*

Selected notes to the accounts

Note 1 – General information

LINK Mobility Group Holding ASA is the parent company of LINK Mobility Pecunia AS, which in turn owns LINK Mobility Group AS.

The Board of Directors approved the condensed interim financial statements for the nine months ended 30 September 2020 for publication on 17 November 2020. These Group financial statements have not been subject to audit or review.

LINK Mobility Group Holding ASA ("LINK") is a public limited company registered in Norway. The Company is one of Europe's leading CPaaS providers within mobile communication, specializing in messaging and digital services. Headquartered in Oslo, Norway, the Group has approximately 457 employees and operates in 17 countries.

Note 2 – Basis for preparation and significant accounting policies

The consolidated condensed interim financial report for the nine-month reporting period ended 30 September 2020 has been prepared in accordance with Accounting Standard IAS 34 *Interim Financial Reporting*.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with Group's annual report for 2019, which has been prepared according to IFRS as adopted by the EU.

The preparation of interim financial statements requires the Group to make certain estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income, and expenses. Estimates and judgements are continually evaluated by the Group based on historical experience and other factors, including expectations of future events that are deemed to be reasonable under the circumstances. Actual results may differ from these estimates. The most significant judgements used in preparing these interim financial statements and the key areas of estimation uncertainty are the same as those applied in the consolidated annual report for 2019.

The annual report for 2019 provides a description of the uncertainties and potential business impact from the COVID-19 pandemic. This extraordinary situation creates risk and affects estimates and judgements used in preparing these interim financial statements as its effects are unforeseeable and not possible to quantify accurately. The Group has experienced varied effects of COVID-19.

Goodwill and other Intangible assets with an indefinite useful economic life are not amortized but are tested annually for impairment. The company performs an impairment test for goodwill on an annual basis or when there are circumstances which would indicate that the carrying value of goodwill may be impaired. When assessing impairment, assets are grouped into cash generating units (CGU's).

The presentation currency of the consolidated financial statement is Norwegian kroner (NOK), which is also the functional currency of the parent company. Unless otherwise stated, amounts presented are in thousands of NOK.

The accounting policies applied in the preparation of the consolidated interim financial statements are consistent with those applied in the preparation of the annual IFRS financial statements for the year ended December 31, 2019, except for the estimation of income tax and the adoption of new and amended standards as set out below.

IAS 33 *Earnings per share* and IFRS 8 *Operating Segments* have been applied in these interim financial statements. These standards are not mandatory for entities that do not have shares traded in a public market or that file or are in the process of filing financial statements with a regulatory organization and have thus not been applied in prior periods. Prior period information has been amended to reflect the requirements set out in IAS 33 and IFRS 8.

Operating segments are reported in the same manner as internal reporting to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources to and assessing performance of operating segments, is defined as the Board of Directors. Group costs consist of any operational expenditures incurred in LINK Mobility Group AS, LINK Mobility Pecunia AS, or LINK Mobility Group Holding ASA.

For information related to amendments to standards, new standards, and interpretations effective from 01 January 2020, please refer to the Group Annual Report for 2019. None of the amendments, standards, or interpretations effective from 01 January 2020 have had a significant impact on the Group's consolidated interim financial information.

Note 3 – Segment reporting

The Group reports revenue, gross margin (revenue less direct costs) and adjusted EBITDA in functional operating segments to the Board of Directors (the Group's chief operating decision makers). While LINK uses all three measures to analyze performance, the Group's strategy of profitable growth means that adjusted EBITDA is the prevailing measure of performance (refer to alternate performance measures).

An examination of operating units based on market maturity and product development as well as geography identifies four natural reporting segments. These are Northern Europe, Western Europe, Central Europe and Global Messaging; these represent market clusters. Generally, regions are segregated into similar geographic locations as these follow similar market trends. Global Messaging includes all regions with aggregator traffic; the other three have mainly enterprise traffic.

The regions are:

Northern Europe

The Nordics is composed of Norway, Sweden, Denmark, Finland and Baltics.

Central Europe

Central Europe is composed of Bulgaria, Romania, North Macedonia, Poland, Hungary, Germany and Austria.

Western Europe

Western Europe is composed of Spain, France, the United Kingdom and Italy.

Global Messaging

Global messaging is comprised of non-enterprise traffic and is representative of either stand-alone business or as a component of revenues in countries included above. If a business is comprised of both enterprise and wholesale/aggregator transactions, the latter is segregated here. The Swiss operation Horisen Messaging is included here.

Wholesale/aggregator business is defined as an operating unit within LINK Mobility's industry, and that use LINK Mobility connections in markets where they do not have such connections themselves. This business can generally be referred to, at least partly, as a direct competitor that use LINK connections. Smaller local aggregators cannot be expected to be covered efficiently by Global Messaging and as such they are still subject to local management.

Revenues by segment	Q3 2020*	Q3 2019*	YTD 2020*	YTD 2019*	Year 2019
Northern Europe	272 480	226 212	817 714	694 584	980 105
Central Europe	186 650	165 438	560 870	437 772	639 486
Western Europe	265 784	215 071	799 931	656 954	956 616
Global Messaging	102 733	90 091	366 761	243 615	356 499
Total Revenues	**827 647**	**696 811**	**2 545 276**	**2 032 926**	**2 932 707**

Gross profit by segment	Q3 2020*	Q3 2019*	YTD 2020*	YTD 2019*	Year 2019
Northern Europe	82 218	74 047	255 228	229 852	312 713
Central Europe	48 450	41 300	142 719	114 099	167 235
Western Europe	65 229	54 135	202 226	161 147	232 853
Global Messaging	11 178	9 044	36 220	28 738	40 100
Total Gross profit	**207 075**	**178 526**	**636 393**	**533 836**	**752 901**

Adjusted EBITDA by segment	Q3 2020*	Q3 2019*	YTD 2020*	YTD 2019*	Year 2019
Northern Europe	57 079	47 077	176 021	143 438	194 266
Central Europe	27 788	24 817	85 733	68 493	101 021
Western Europe	27 312	18 221	82 430	49 424	83 834
Global Messaging	5 400	5 427	17 842	19 595	26 603
Group Costs	(28 820)	(17 450)	(90 622)	(68 675)	(97 783)
Total Adjusted EBITDA	**88 759**	**78 091**	**271 404**	**212 275**	**307 941**

Reconciliation of Adjusted EBITDA to Group profit (loss) before income tax	Q3 2020*	Q3 2019*	YTD 2020*	YTD 2019*	Year 2019
Adjusted EBITDA	88 759	78 091	271 404	212 275	307 548
Non-recurring items*	(3 763)	(17 154)	(26 360)	(67 967)	(97 134)
Depreciation and amortization	(52 939)	(52 002)	(160 442)	(154 960)	(247 369)
Operating profit	**32 057**	**8 935**	**84 602**	**(10 653)**	**(36 955)**
Finance income (expense)	(95 548)	(94 681)	(390 095)	(149 593)	(193 901)
Profit (loss) before income tax	**(63 491)**	**(85 746)**	**(305 493)**	**(160 245)**	**(230 856)**

*Non-recurring items is comprised of amounts that relate entirely to the company. Costs related to mergers and acquisitions, personnel cost deemed to be non-recurring, restructuring expenses, advisors, licenses, and sales and marketing are included in this reconciliation line item (this list is not exhaustive).

Note 4 – Related party transactions

Related party transactions are made on terms equivalent to those that prevail in arm's length transactions and are made only if such terms can be substantiated. For the three months period ended 30 September 2020, the Group has not entered any transactions with related parties.

Note 5 - Interest-bearing debt

Interest bearing liabilities are measured at amortized costs.

(Amounts in 1000 NOK)

Non-current financial liabilities	30.09.2020	31.12.2019
Non-current financial liabilities		
Debt to financial institutions*	3 104 233	2 464 374
Long-term lease liabilities	13 969	12 020
Hold-back	22 930	22 930
Other long-term liabilities	1 443	38 758
Total	**3 142 574**	**2 538 081**
Current liabilities		
Hold-back short term	-	3 791
Short-term lease liability	6 984	13 090
Debt to financial institutions**	96 620	44 426
Total	**103 604**	**61 308**

* Following the listing of LINK Mobility Group Holding ASA on 21st October parts of the net proceeds was utilized for mandatory repayment of debt facilities related to the Senior Facilities Agreement. Debt to financial institutions as of 23rd October was approximately NOK 1.788 million.

**Instalments falling due within a 12-month period, including non-capitalized interest, are classified as current.

The fair value of borrowings is estimated to approximate their fair value.

LINK Mobility Pecunia AS (hereafter “Pecunia”) entered into a Senior Facilities Agreement on 27 September 2018 (the "SFA"). The SFA provided Pecunia with a EUR 119 million (Facility B - EUR) and a NOK 755 million (Facility B - NOK) committed acquisition finance, utilized by the Pecunia in connection with the acquisition of all the shares in LINK Mobility Group AS in October 2018. Furthermore, the SFA provides additional committed financing, with a EUR 85 million capital expenditure facility and a EUR 25 million revolving credit facility for working capital needs. In FY2019, EUR 15 million of the revolving credit facility was converted into an overdraft facility.

Net currency exchange gains or losses for the periods presented are largely influenced by foreign currency effects related to the outstanding borrowings denominated in Euro.

Covenants

Under the terms of the Group’s SFA borrowing facilities, the Group is required to comply with the financial covenants as described in note 18 to the consolidated annual report for 2019 at the respective quarterly test dates.

The first test date of the maintenance covenants was 30 June 2019. The Group has complied with these covenants on all test dates including 31 December 2019, 31 March 2020, and 30 June 2020. For 31 December 2019 and 31 March 2020, the consolidated total net debt was 7.03 times LTM Consolidated EBITDA (as defined in the Group’s SFA) compared to the term of loan agreement of 8.50:1 and 11.50:1. For 30 June 2020, the consolidated net debt was 6.84 times LTM Consolidated EBITDA compared to the term of loan agreement of 8.00:1 and 11.00:1. For September 2020, the consolidated net debt was 6.70 times LTM Consolidated EBITDA compared to the term of loan agreement of 7.50:1 and 11.00:1.

Following the repayment of debt after IPO LINK have estimated that the consolidated net debt was 1.96 times LTM Consolidated EBITDA calculated in accordance with terms of the SFA.

Collateral

In connection with the SFA, Lucid Trustee Services Limited (as security agent under the SFA) has been granted certain guarantees and security interests for the benefits of the SFA lenders.

These securities include, with some carve-outs and exceptions due to local regulations and otherwise pursuant to the agreed security principles set out in the SFA: (i) security over the shares in any subsidiary deemed material pursuant to the SFA; (ii) non-blocking charges over material bank accounts held by LINK Mobility Pecunia AS (the Company) and any subsidiary deemed material pursuant to the SFA; and (iii) security over material intra-group loans between the Company and LINK Mobility Group AS and between the Company and its parent company, LINK Mobility Group Holding ASA.

Furthermore, all direct or indirect subsidiaries of the Company which is deemed to be a material subsidiary (as defined in the SFA) have, or will if such material threshold is met in the future, accede to the SFA as guarantors. Each guarantor guarantees the performance of the borrowers and the other guarantors’ performance under the SFA on a joint and several basis, however subject to any local law restrictions. Additionally, the SFA includes an annual guarantor coverage test ensuring that if the guarantors' consolidated EBITDA is less than 80% of the group's consolidated pro forma EBITDA, additional subsidiaries will have to accede to the SFA as guarantors in order to increase the guarantors' consolidated EBITDA to be above the 80% threshold. Such additional acceding subsidiaries must provide collateral as if they were deemed a material subsidiary pursuant to the SFA.

Note 6 – Events after the reporting period

Listing of LINK Mobility Group Holding ASA

LINK Mobility Group Holding ASA applied for listing of its shares on the Oslo Stock Exchange on 13 October 2020. On 21 October 2020, conditional trading of the shares commenced. The listing has an impact on cash and cash equivalents, equity, and interest-bearing debt after the balance sheet date.

The below table gives an overview of the estimated funds flow and net proceeds from the listing:

(amounts in NOK 1000)	NOK
Issue of ordinary shares	2 500 400
Transaction costs	(140 000)
Net proceeds from issue	2 360 400
Repayment of interest-bearing debt	(1 400 000)*
Redemption of preference shares	(413 620)
Proceeds	**546 780**

* Certain transaction expenses have not been included as they are still not accurately quantified and foreign currency will also affect final figures. The presentation above is an estimate only.

The remaining net proceeds will be used to finance LINK's growth strategy, including acquisitions, investments in go-to-market initiative and continuing expansion of the CPaaS platform.

Equity

The offering consisted of (i) an offer of up to 53,200,000 new shares, each with a nominal value of NOK 0.005, to raise gross proceeds of up to approximately NOK 2,500 million and (ii) an offer of up to 74,500,000 sale shares, all of which are existing, validly issued and fully paid registered shares with a nominal value of NOK 0.005 each, offered by the selling shareholders. The offer price at which the shares were sold was NOK 47.00 per offer share.

LINK has used approximately NOK 0.41 billion to repay the outstanding amount for the redemption of the preference shares.

The offering consisted of an institutional offering and a retail offering. These are offerings to institutions and to the public, respectively.

As part of the listing, a management incentive program has been implemented; it consists of restricted stock units (RSU) and a long-term incentive plan (LTI) and replaces the previous cash-based management incentive program.

RSU
The RSU's will be exercisable into ordinary shares as follows; (i) 40% upon the first anniversary of the listing, (ii) 30% upon the second anniversary of the listing, and (iii) 30% upon the third anniversary of the listing.

LTI
The LTI program is capped at 10,000,000 share options that can be granted by the Board of Directors with 20% of the program annually over a five-year period. The first possible grant can take place in connection with the listing and the Board of Directors granted 2,000,000 share options on 21 October 2020.

Both the RSU and LTI will have a dilutive effect on earnings per share (EPS).

Interest-bearing debt
LINK has used approximately NOK 1.4 billion of the net proceeds of the offering to repay debt as a mandatory prepayment obligation on the SFA.

(Amounts in 1000 NOK)

Non-current financial liabilities	23.10.2020	30.09.2020
Non-current financial liabilities		
Debt to financial institutions*	1 753 547	3 104 233
Total	**1 753 547**	**3 104 233**

Estimated leverage ratio post offering
The below table illustrates the expected leverage ratio post offering calculated in accordance with the terms of the SFA

(amounts in NOK 1000)	NOK
Proceeds	546 780
Cash and cash equivalents	510 908
Sum	1 057 688
Gross debt*	(1 787 990)
Consolidated total net debt	(730 302)
Leverage ratio	**1.96**

* Debt amount deviates from amount for debt to financial institutions in balance sheet due to conversion rate applied and inclusion of non-contingent holdbacks and partly contingent earn-out amounts related to acquisitions according to SFA terms.

Acquisition of websms, Graz, Austria

On 16th November 2020, LINK announced signing and closing of the acquisition of the Austrian CPaaS companies SMS.AT and ATMS operating under the WebSms brand. WebSms holds an MNO license in Austria, and is considered the local market leader, with more than 5.000 enterprise clients. WebSMS also has significant business in Germany and Switzerland.

The agreed enterprise value of WebSms is EUR 53.8 on a cash-free and debt-free basis and assuming a normalized level of working capital. The purchase price is based on a multiple of 10.5 times LTM June 2020 adjusted EBITDA. Additional profitability increase of EUR 650.000 is expected in 2021 from synergies bringing the multiple down to 9.4

The acquisition was settled with 60 percent in cash, 30 percent in LINK shares, and 10 percent in escrow.

ALTERNATIVE PERFORMANCE MEASURES ("APM'S")

The financial information in this report is prepared under International Financial Reporting Standards (IFRS), as adopted by the EU. To enhance the understanding of LINK's performance, the Group presents several alternative performance measures ("APM's"). An APM is defined by the European Securities and Markets Authority (ESMA) guidelines as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework (IFRS).

Below, LINK presents certain APMs, including gross margin, EBITDA, adjusted EBITDA and adjusted EBITDA margin. APMs such as EBIT and EBITDA are commonly reported by companies in the markets in which LINK competes and are widely used by investors when comparing performance on a consistent basis without regard to factors such as depreciation and amortization, which can vary significantly, depending upon accounting methods (particularly when acquisitions have occurred) or based on non-operating factors.

LINK uses the following APMs:

GROSS PROFIT
Gross Profit means revenues less direct costs of services rendered.

Adjusted EBITDA
Adjusted EBITDA means EBITDA adjusted by expenses related to significant one-time, non-recurring events such as acquisitions and restructuring activities, legal advisors, and share-based compensation. LINK has presented adjusted EBITDA in the consolidated statement of profit and loss because management believes the measure provides useful information regarding operating performance.

Adjusted EBITDA margin
Adjusted EBITDA margin is presented as adjusted EBITDA as a percentage of operating revenues in the respective periods.

EBITDA
EBITDA means earnings before interest, taxes, amortization, depreciation, and impairments. LINK has presented EBITDA in the consolidated statement of profit and loss because management believes that the measure provides useful information regarding the Group's ability to service debt and to fund capital expenditures and provides a helpful measure for comparing its operating performance with that of other companies.

EBIT
EBIT means earnings before interest and taxes. EBIT is a performance measure applied to express profitability of operating activities.

See below for a reconciliation of EBIT to Adjusted EBITDA, and adjusted EBITDA margin.

	Q3 2020*	Q3 2019*	YTD 2020*	YTD 2019*	Year 2019*
Operating profit (loss), ("EBIT")	32 057	8 935	84 602	(10 653)	(36 955)
Add: Depreciation intangible assets	52 939	52 002	160 442	154 960	247 369
EBITDA	**84 996**	**60 938**	**245 044**	**144 307**	**210 414**
Add: Restructuring costs	1 729	9 631	20 978	44 795	69 967
Add: Share-based compensation	-	20	-	20	-
Add: Expenses related to acquisitions	2 034	7 503	5 382	23 152	27 168
Adjusted EBITDA	**88 759**	**78 091**	**271 404**	**212 275**	**307 548**
Operating revenues	827 647	698 811	2 545 276	2 032 926	2 932 707
Adjusted EBITDA	88 759	78 091	271 404	212 275	307 548
Adjusted EBITDA margin	**10.7%**	**11.2%**	**10.7%**	**10.4%**	**10,5%**

* unaudited