



Interim Report

First quarter 2021

A large, solid blue circle with a thin orange border, containing the text "Q1" in a large, white, sans-serif font.

Q1

Today's presenters



Chief Executive Officer

Guillaume van Gaver



Chief Financial Officer

Thomas Berge

First quarter report 2021 highlights



Margin expansion driven by product mix, scalable business model and M&A

- Adjusted EBITDA grew 29% to NOK 109 million
- Gross margin increased 1.3 percentage points to 26.1% impacted also by M&A



Recent acquisitions of MarketingPlatform in Denmark and AMM in Italy

- Delivering on M&A strategy with consistent acquisition structure and valuation
- > EUR 40 million in annual revenue added since IPO



Revenue grew 12% to NOK 946 million. Organic revenue growth 6%

- New and stricter lockdowns in the Nordics and Western Europe reduced volumes
- Customer churn remained very low at 2% demonstrating mission-criticality of LINK's solutions



April shows accelerated growth as lockdowns subside and new customers are implemented

- Organic volume growth +31% YoY



Pent up demand across European footprint

- Vaccination programs to be game changer for retail and social activities
- LINK well positioned to serve as first line of customer engagement coming out of the pandemic

LINK positioned for cyclical rebound as societies reopen






- LINK delivers two broad product categories
 - Notification messages and marketing messages
- Notifications have been holding up well during the pandemic
 - Logistics and ecommerce increasing with digitalization of transactions
- Marketing volumes been lower due to government restrictions
 - Retailers and restaurants have suffered lower customer volumes
- LINK has advanced marketing products and established use cases
 - With clients ready to regain customers and business!
- Clients expected to increase volumes as societies reopen
 - In a similar way as coming out of most recent lockdowns









LINK Mobility presents **Our CPaaS Experience**

Acquisition of MarketingPlatform in Denmark to close in Q2 21

-  Omnichannel marketing platform with an integrated customer data platform (CDP) giving customers a unified profile view
-  Omnichannel output to e-mail, SMS, app, web and social media
-  Purchase price EUR 13 million
 - Additional 2-year earnout of up to EUR 5 million
-  Significantly expanding LINK CPaaS offering within multi-channel marketing campaign management
-  Acquisition provides material mid- and long-term upsell opportunities and increases software licenses revenue for LINK
 - Cross-sell opportunities to LINK's 40.000 customers



LINK to acquire AMM listed on the AIM list of the Italian Stock Exchange

-  AMM operates within mobile-marketing and web-advertising
 - Company has close to 3,500 enterprise and SME customers
-  Product offering includes SMS A2P, email services and chatbots
-  Purchase price EUR 18.7 million in equity value
 - First offer for 81% of the share capital
 - LINK to launch mandatory offer for the remaining shares
-  LINK becoming leading CPaaS provider in the Italian market
 - Consolidates LINK's existing Italian footprint and drives incremental operating efficiencies



Significant new partner and customer wins

Partner / customer	Date Won	Vertical	Geography	Use Case
Aldeamo	Q1 2021	Software Platform	Group	Partner - WhatsApp
Vittoria Assicurazioni	Q1 2021	Insurance	Italy	Messaging - multichannel
DHL Global Forwarding	Q1 2021	Logistics	Group	WhatsApp
Lotto 24 AG	Q1 2021	Gaming	Germany	Messaging
Coca Cola	Q1 2021	Food & Beverage	Bulgaria	Viber
Dolce Gabbana	Q1 2021	Fashion Retail	Austria	Messaging
Orange (Intrum)	Q1 2021	Telecommunications	Spain	Partner – White Label
Polish Government	Q1 2021	Government	Poland	Messaging (Covid)
Envialia World SL	Q1 2021	Media	Spain	Messaging - multichannel
Ultimile	Q1 2021	Software Platform - Logistics	France	Messaging

LINK powers crisis communication in 26 countries

Everbridge Inc. - SMS Gateway

- Everbridge, Inc. (NASDAQ: EVBG) is a global software company that provides enterprise software applications that automate and accelerate organizations' operational responses. As such the messaging LINK provides is of the highest quality to ensure no time is lost
- Everbridge Mass Notification with Incident Communications enables enterprises and government entities to send notifications to individuals or groups to keep them informed before, during, and after critical events
- LINK Mobility provides our top Messaging Gateway so Everbridge's customers can notify their users and ensure that they are safe in a critical situation
- There are 26 countries around the world planned for implementation and Everbridge has the potential to become one of LINK's top 20 customers in a strategic segment

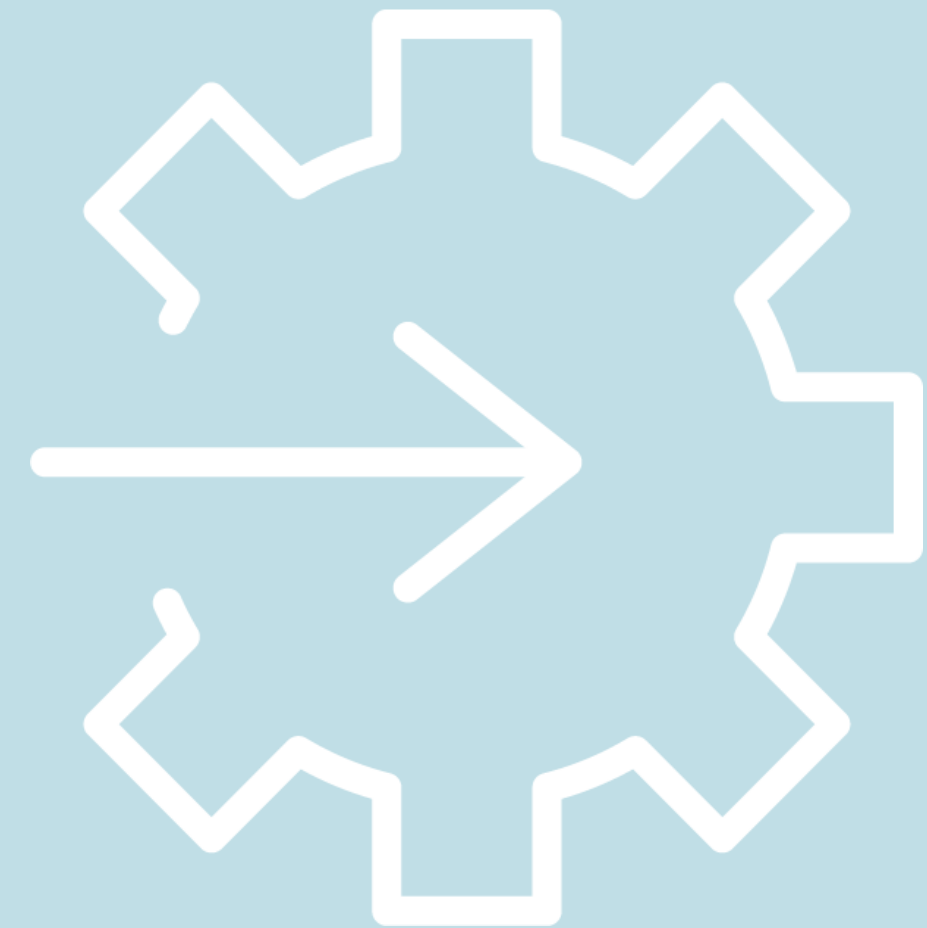


Connecting people and businesses through technologies



Aldeamo - WhatsApp

- The purpose of Aldeamo is to connect people and companies through technology to make their lives easier. Aldeamo support the implementation and strategy of communications campaigns
- Aldeamo are market leaders, currently operating within 10 countries LATAM
- LINK Mobility are the Business Solution Provider to Aldeamo, enabling them to provide the WhatsApp Business API to their customer base. This includes companies from within Banking & Finance, Retail, Logistics and others
- Partnership shows global potential of LINK's CPaaS solutions



 **aldeamo** | LatAm

Reiterating forward looking statement to 2024

2021 – A year of two halves

- H1 - New and stricter lockdowns throughout Europe to gradually ease with vaccinations
- H2 - Activity expected to rebound as societies reopen

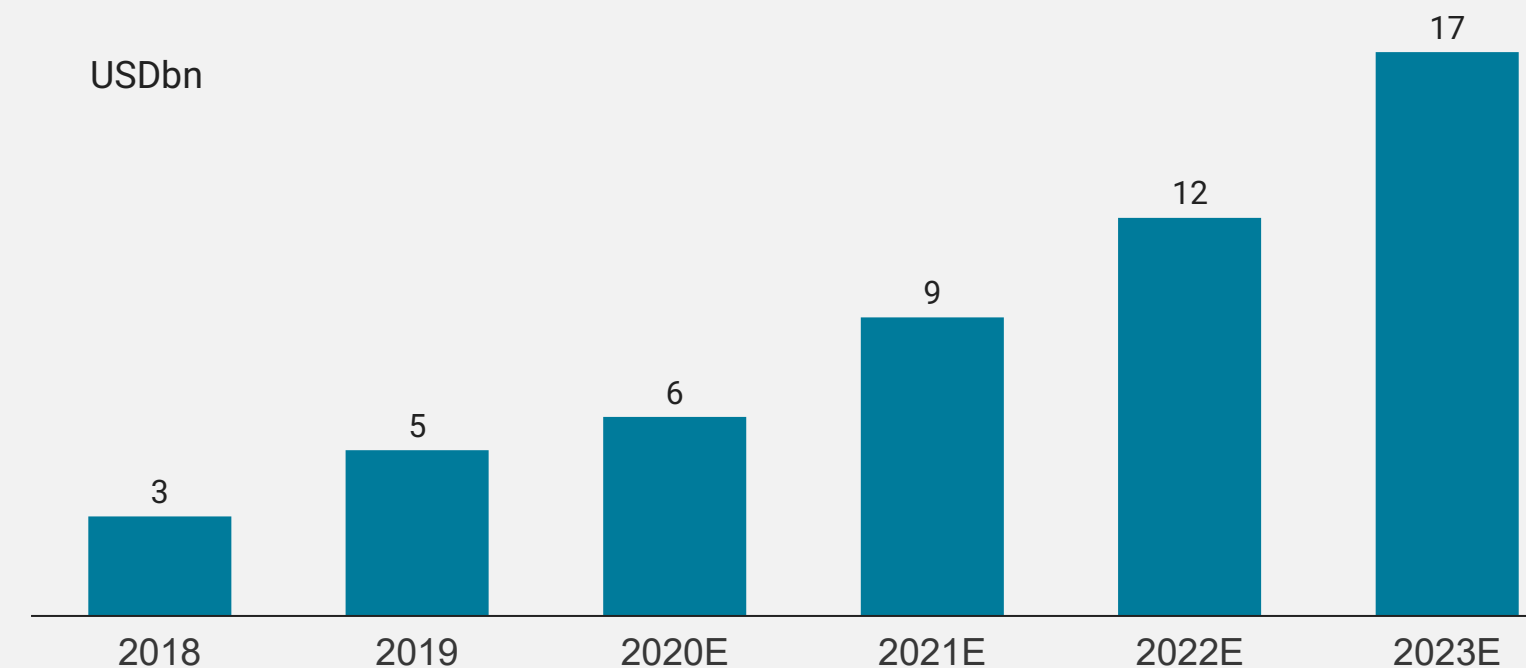
Forward looking statement to 2024 based on GTM initiatives and M&A pipeline

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

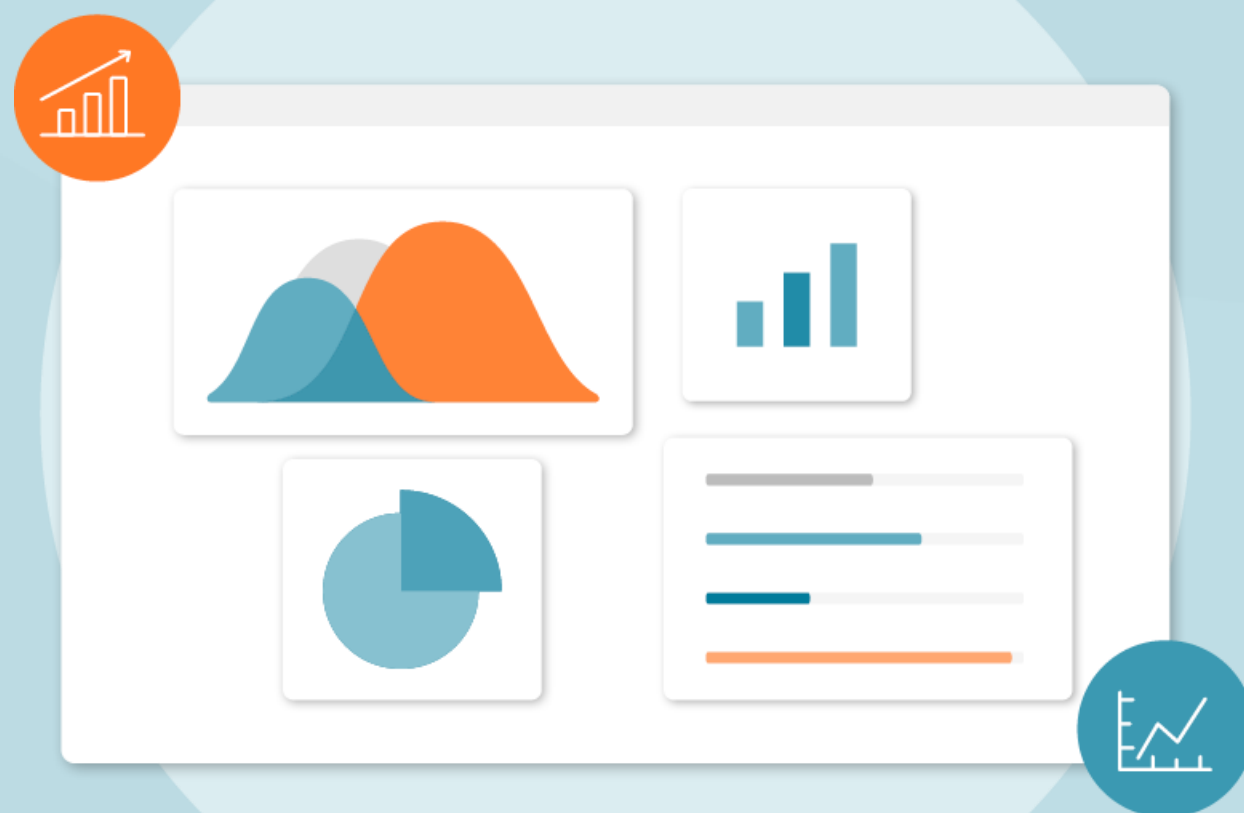
Key outlook assumptions

- 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



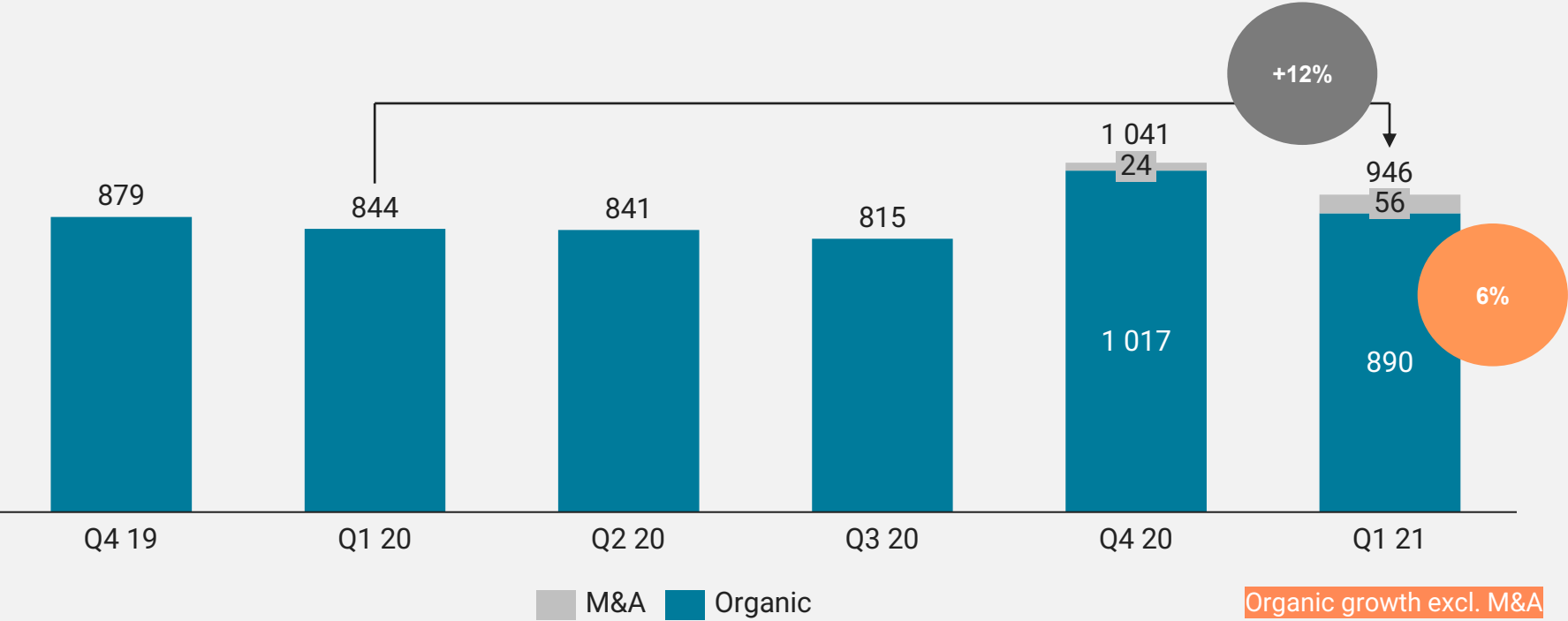
Financial Review

First quarter 2021

Revenue growth of 12% in lockdown environment – Large uplift in April volumes

Total revenue

NOK millions



Reported revenue growth of 12% to NOK 946 million in Q1 21

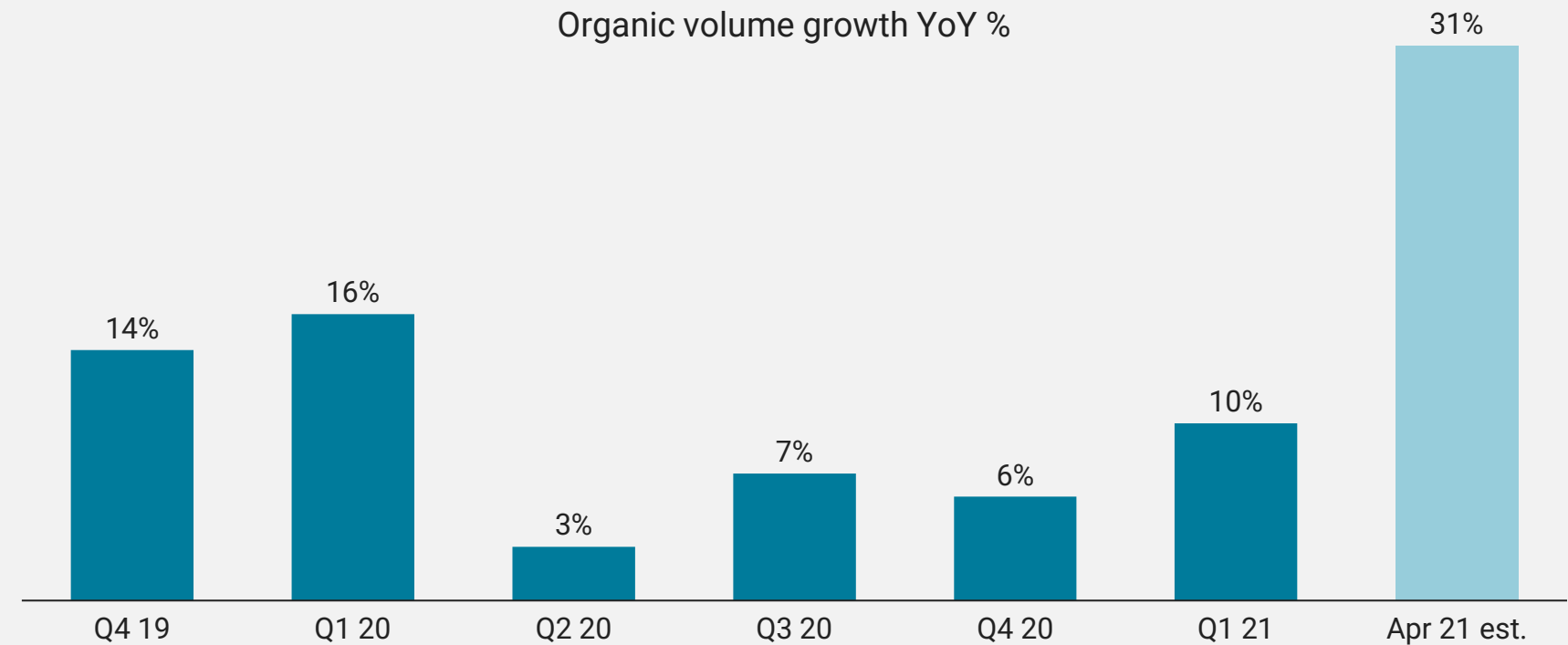
- Growth supported by acquisition of WebSMS and Tismi

Organic revenue growth of 6%

- Government imposed impediments to economies
 - Q1 21 saw severe lockdowns in the Nordics for the first time
 - Western European societies remained closed throughout the first quarter
- FX headwind of -2% YoY with a stronger NOK valuation

April demonstrates clear rebound in volumes

Organic volume growth YoY %



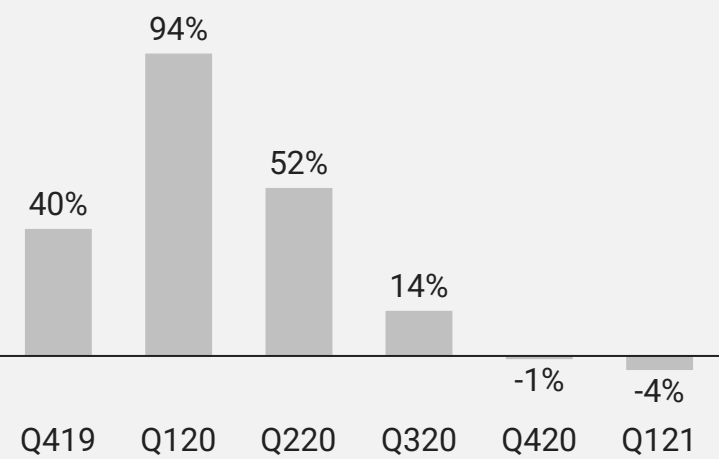
Strong rebound in April volumes as enterprises prepare for reopening of societies

- Organic volume growth 31% in April
- Organic revenue growth in April to be significantly influenced by negative FX as NOK depreciated last spring

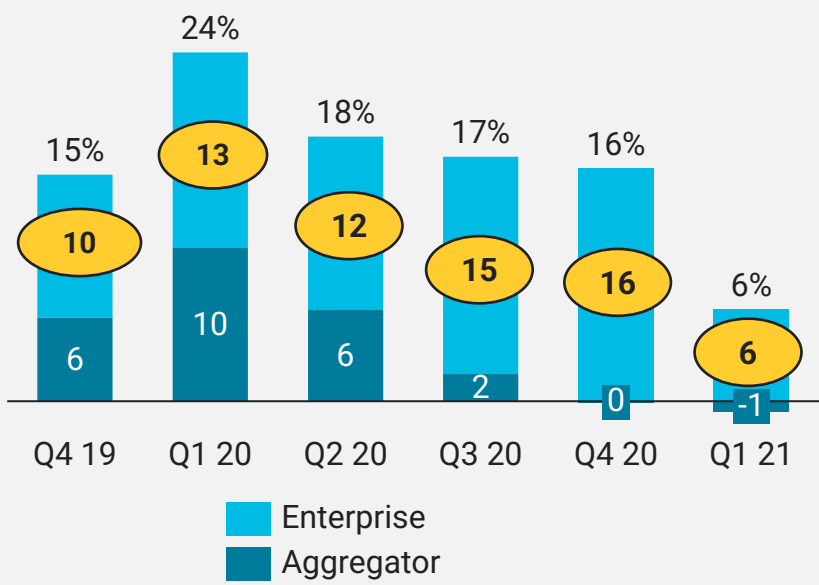
Organic revenue growth – Shift in aggregator contribution and enterprises restrained

Segment contribution to organic revenue growth

Aggregator revenue growth YoY %



Growth contribution aggregator vs enterprise YoY %



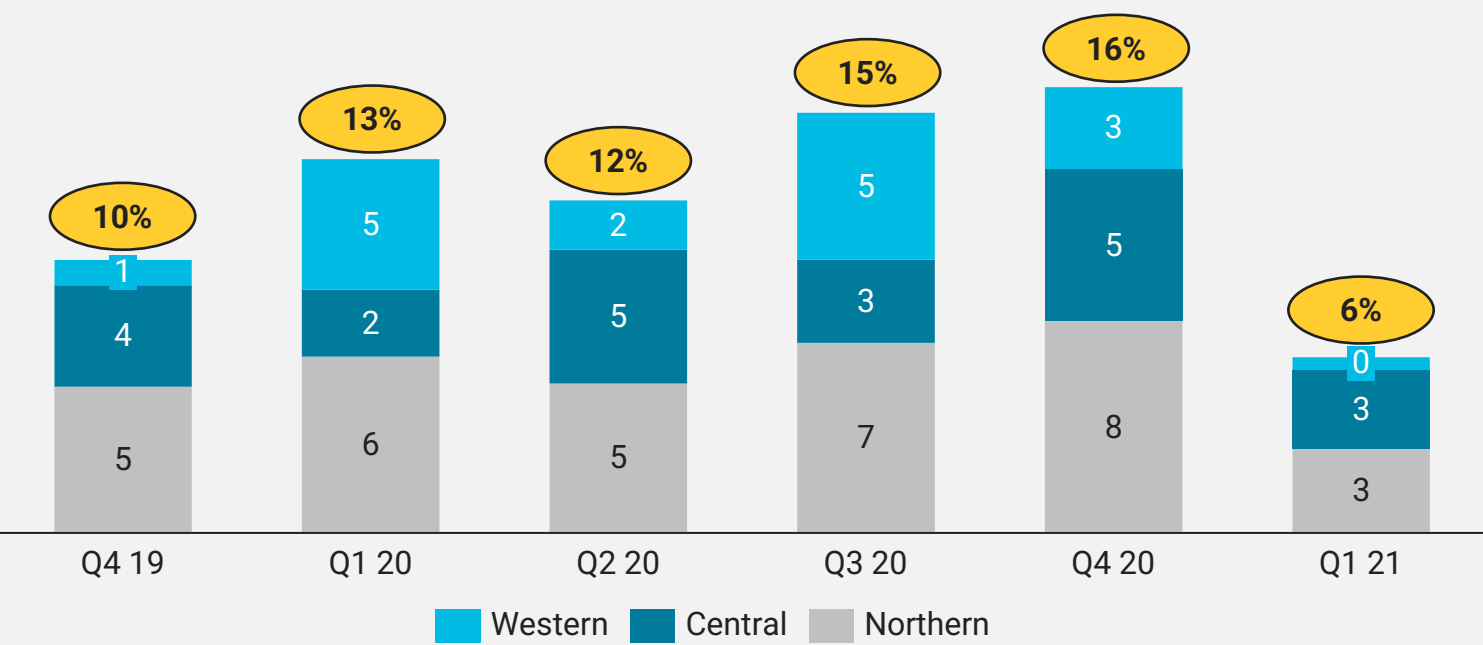
Aggregator revenue spiked in Q1 20

- Negative impact on total organic revenue growth in Q1 21
- Low margin business with only limited impact on EBITDA
- Aggregator adaptations to reach MNO discount agreements explain historical variation in volumes

Enterprise growth of 6% in Q1 21 despite severe lockdown restraints

- Different impact across regions reflect customer and sector mix

Enterprise growth contribution per region %

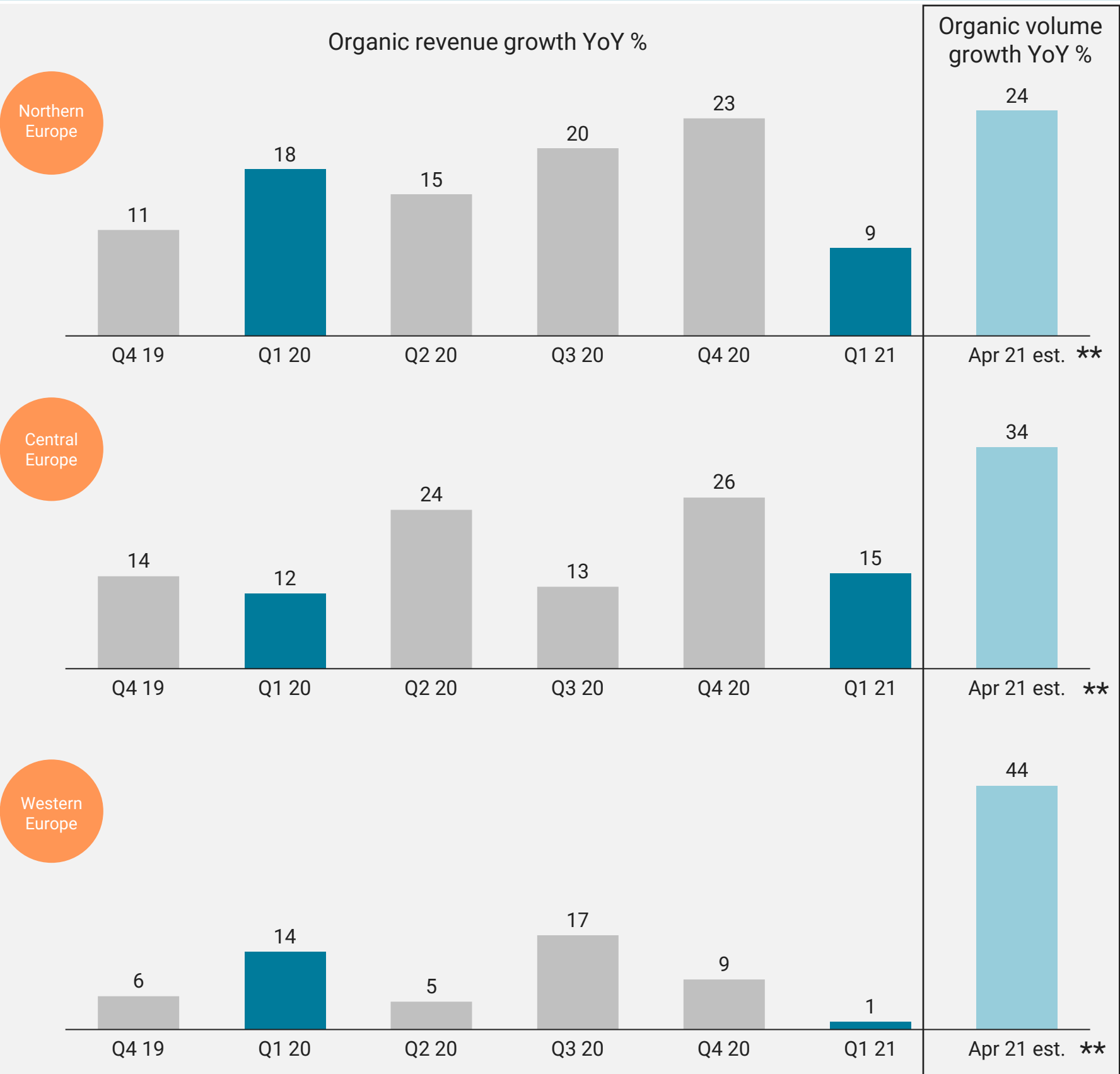


Contribution to total organic enterprise growth by region

- Northern Europe - Contribution reduced by -4 percentage points to trend
- Central Europe - Growth contribution more in-line with historical trend
 - Customer mix skewed towards logistic and finance
- Western Europe - Contribution reduced by -3 percentage points

All regions poised for growth as enterprises are preparing for reopening of societies

Organic growth per region*



* Growth rates for comparable footprint same period previous year

Northern Europe

- Gradual reopening of economies in April
- April volume growth of 24% as enterprises in the region prepare for normal business

Central Europe

- Organic growth more in-line in the first quarter due to less retail exposure
- April volume growth of 34% driven by increased activity in retail, logistics and the public sector

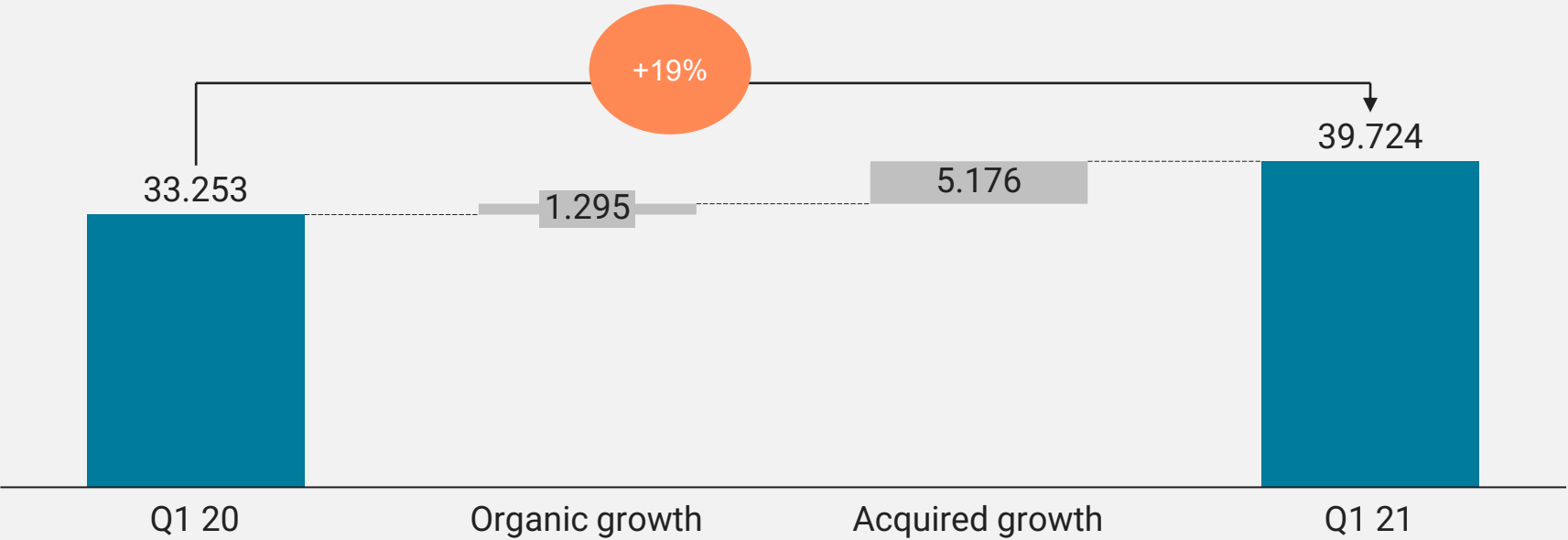
Western Europe

- Western Europe has faced the most severe lock downs since March 2020
- April volume growth of 44% as enterprises reengage activity to normal operating environment

**) April numbers are preliminary estimations

Strong customer growth

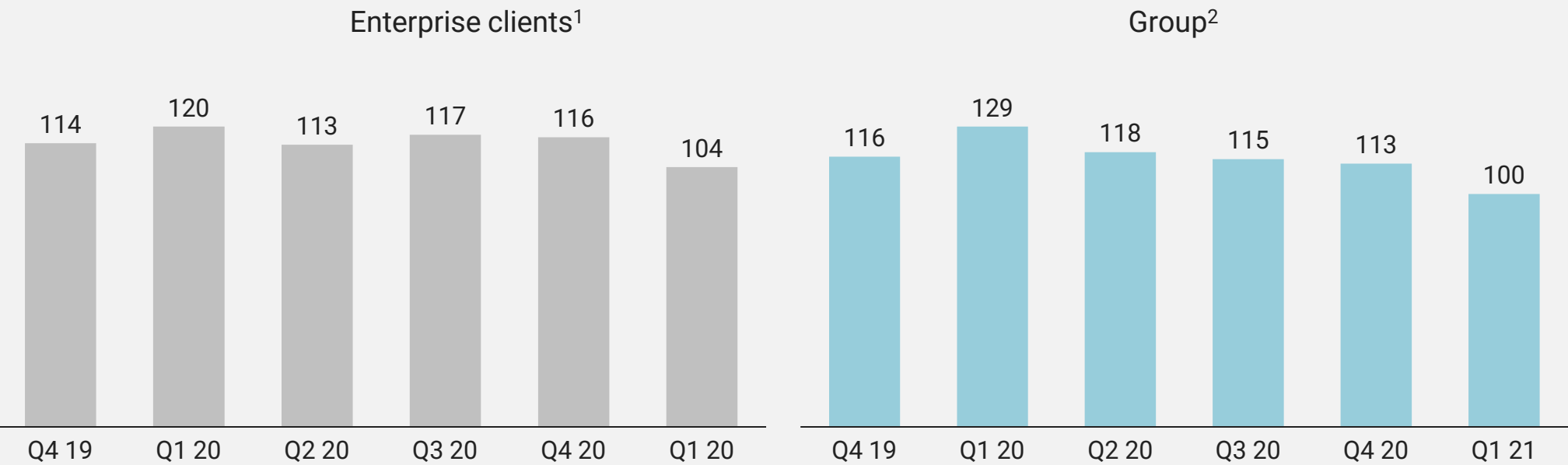
Customer accounts



Active customer accounts increased by 19% YoY

- Organic GTM strategy resulted in more than 1,200 new customers
- Customer churn remained low at under 2%

Net retention rate %



Existing customers were less active due to government restrictions

- Net retention rate for enterprise clients were 104% in Q1 21 (120%)

Group net retention rate at 100% in Q1 21 (129%)

- Lower aggregator traffic reduced the group total

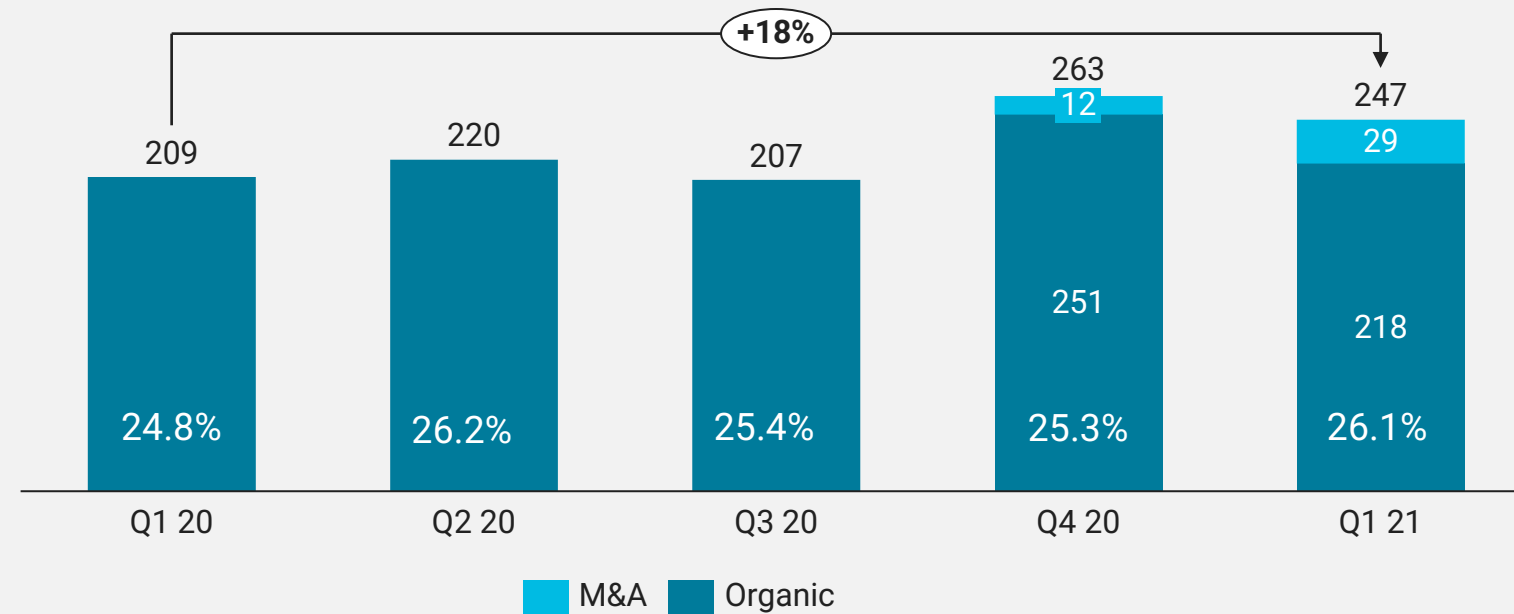
1. Net retention rate excluding aggregator clients. Includes markets counting for more than 80% of the total transaction revenue. The relative change in revenue from the net of upsale, downsale and churn for customers at the start of the period throughout the last 12 months, not considering new customers.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

Strong growth in Gross Profit and adjusted EBITDA - Margins expanding

Gross Profit / Gross Margin

NOK millions / percentage



Gross Profit increased 18% to NOK 247 million

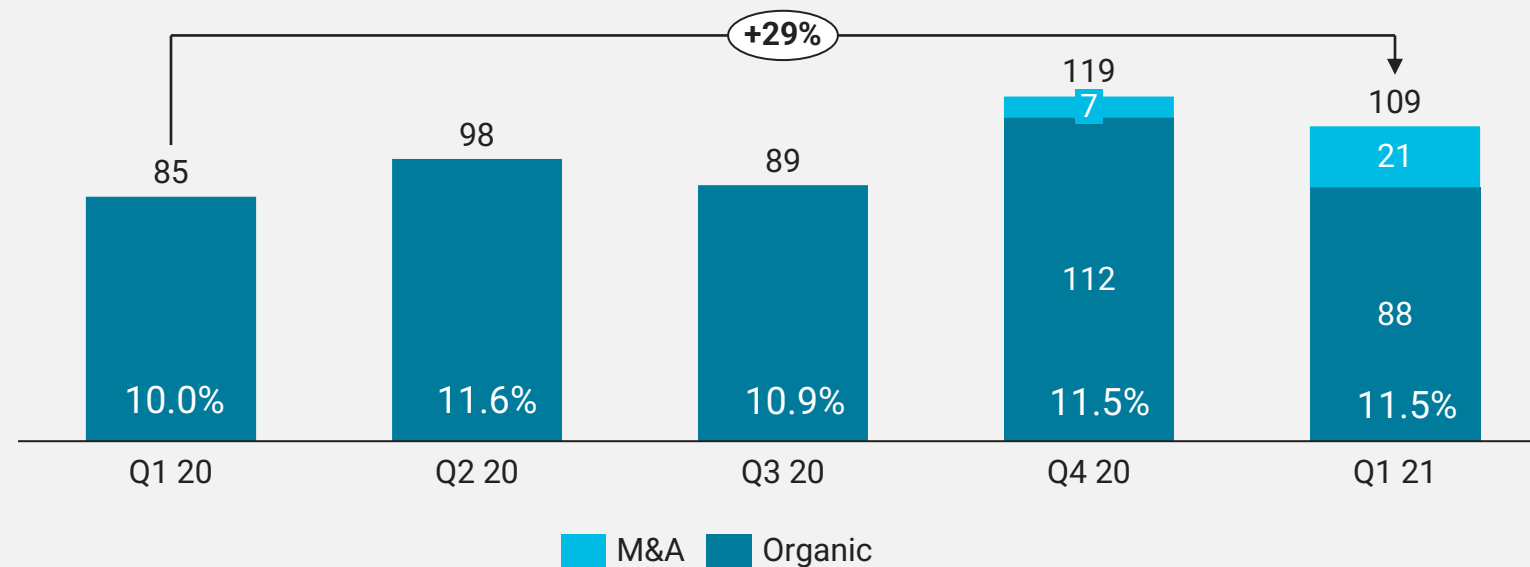
- Organic growth contributed with NOK 9 million
- M&A contributed with NOK 29 million

Gross Margin increased to 26.1% from 24.8% in Q1 20

- Driven by product mix and M&A

Adjusted EBITDA / EBITDA margin

NOK millions / percentage



Adjusted EBITDA grew 29% to NOK 109 million

- Organic growth contributed with NOK 3 million
- M&A contributed with NOK 21 million

Adjusted EBITDA margin increased to 11.5% from 10.0% in Q1 20

- Supported by scalability of business model and M&A

Consolidated income statement – First quarter 2021

NOK in millions	Q1 2021	Q1 2020	FY 2020
Total operating revenue	946	844	3 539
Direct cost of services rendered	-699	-635	-2 640
Gross Profit	247	209	899
Gross Margin %	26,1 %	24,8 %	25,4 %
Operating expenses	-138	-124	-508
Adjusted EBITDA	109	85	391
Share options	-41	0	-35
M&A costs	-8	-2	-15
Restructuring costs	-7	-10	-47
EBITDA	53	73	294
Depreciation and amortization	-68	-52	-271
EBIT	-14	21	22
Net financial items	-52	-351	-427
Profit (loss) before taxes	-66	-330	-405

Revenue increased 12% YoY to NOK 946 million

- Acquisition of WebSMS and Tismi contributed to the top-line growth
- Organic revenue growth was 6%

Gross Profit grew 18% to NOK 247 million

- Gross Margin was up to 26.1% from 24.8% in the same period last year

Adjusted EBITDA increased 29% to NOK 109 million

- Adjusted EBITDA margin improved to 11.5% (10.0%)

Non-recurring costs of NOK 56 million

- NOK 41 million related to share option program
- M&A costs mainly due to the Tismi acquisition in March
- Restructuring costs related to synergy realization programmes and non-recurring advisor costs

Net financial items mainly constituted

- Net currency exchange loss of NOK 30 million
- Interest costs of NOK 21 million

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

NOK in millions	Q1 2021	Q1 2020	FY 2020
Non-current assets	5 966	5 771	6 000
Trade and other receivables	674	734	749
Cash and cash equivalents	807	305	952
Total assets	7 447	6 810	7 700
Equity	4 245	2 513	4 304
Deferred tax liability	306	326	313
Long-term liabilities	2 082	2 998	2 112
Trade and other payables	751	916	927
Other short terms liabilities	62	57	45
Total equity and liabilities	7 447	6 810	7 700

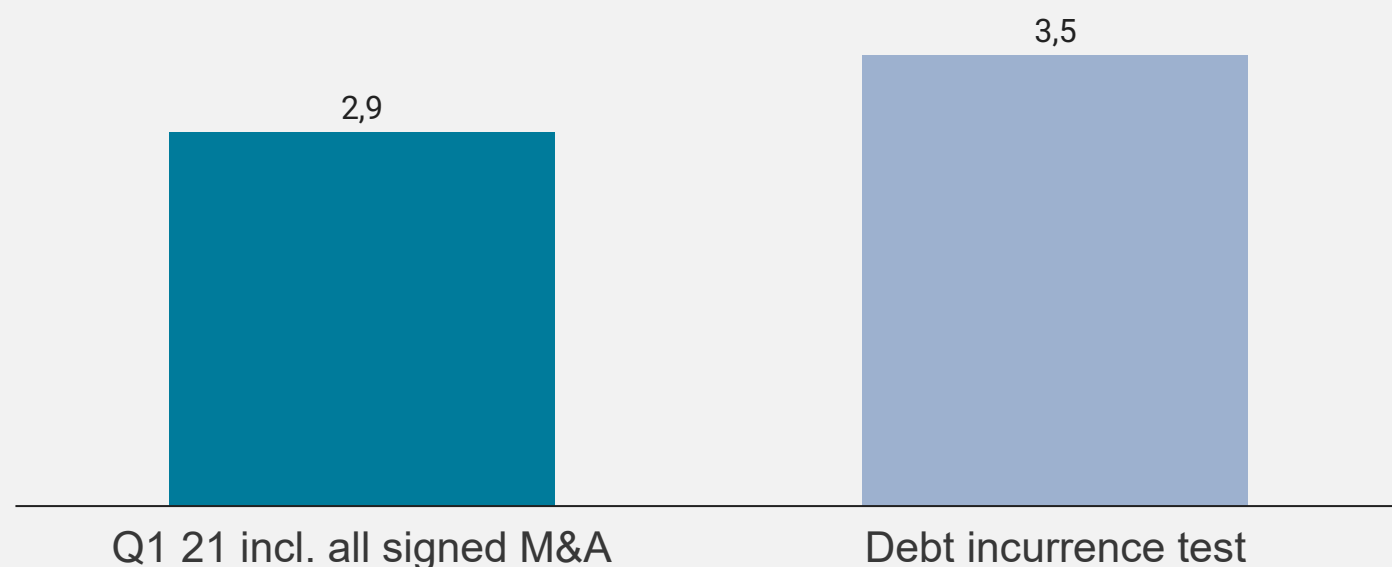
Gross interest bearing debt of NOK 2.1 billion (NOK 3.0 billion)

Net interest bearing debt of NOK 1.3 billion (NOK 2.7 billion)

Cash deposits Q1 21 NOK 807 million (NOK 305 million)

Equity ratio of 57% of total balance sheet

Group pro forma leverage – Net debt / LTM adj. EBITDA



LINK has significant M&A capacity

- LINK share as part payment attractive for M&A targets
- Generating excess cash from operations

LTM pro forma adjusted EBITDA NOK 490 million including all signed acquisitions

- Leverage at 2.9x, below debt incurrence test of <3.5x



Q&A

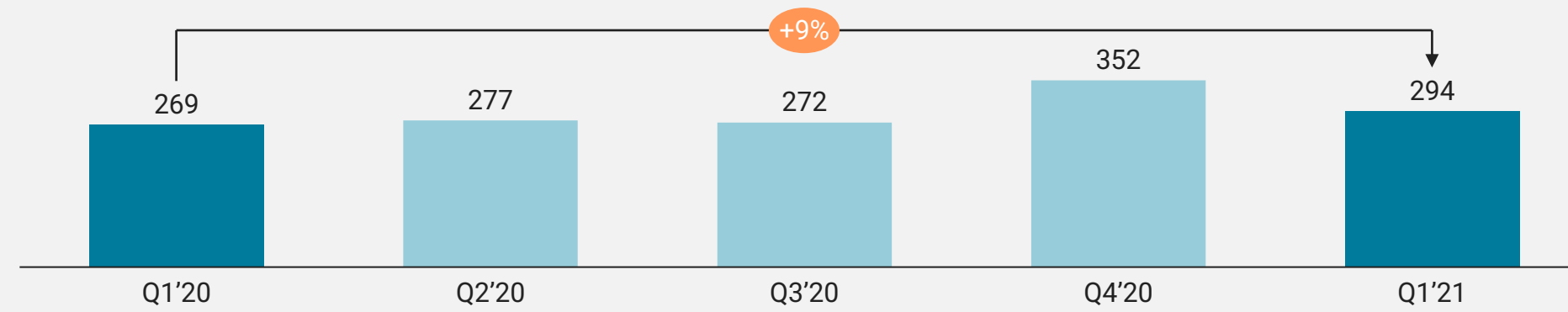


Appendix

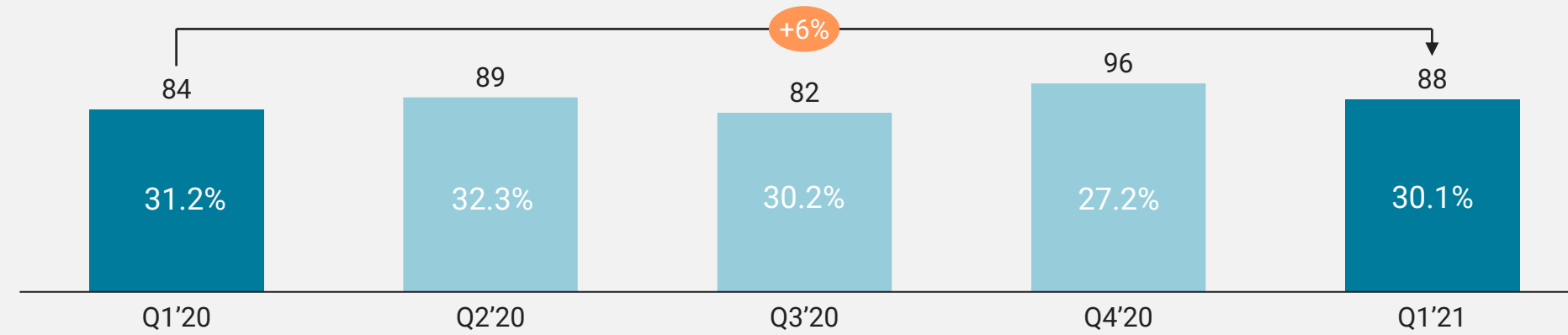
Segment information

Northern Europe

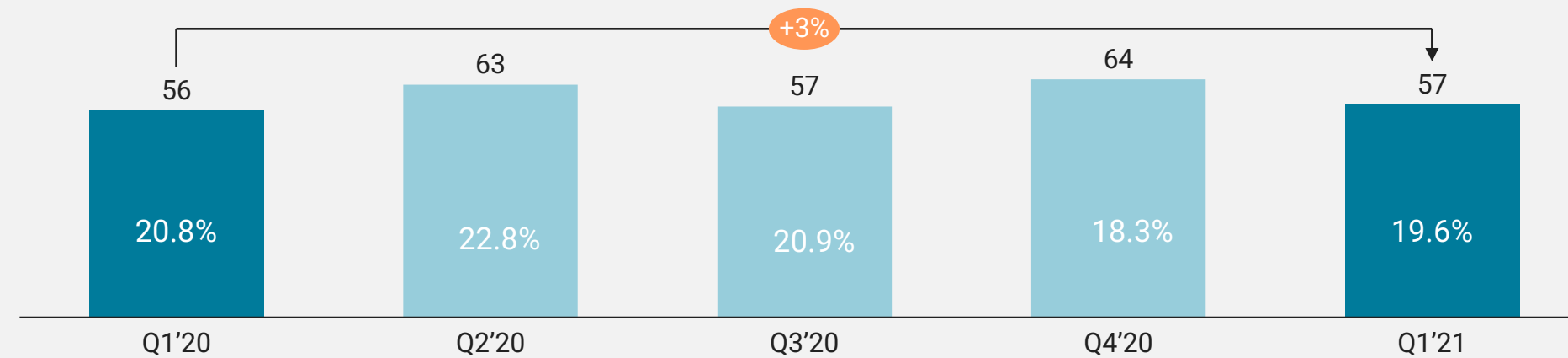
Revenue (NOKm)



Gross Profit (NOKm / %)

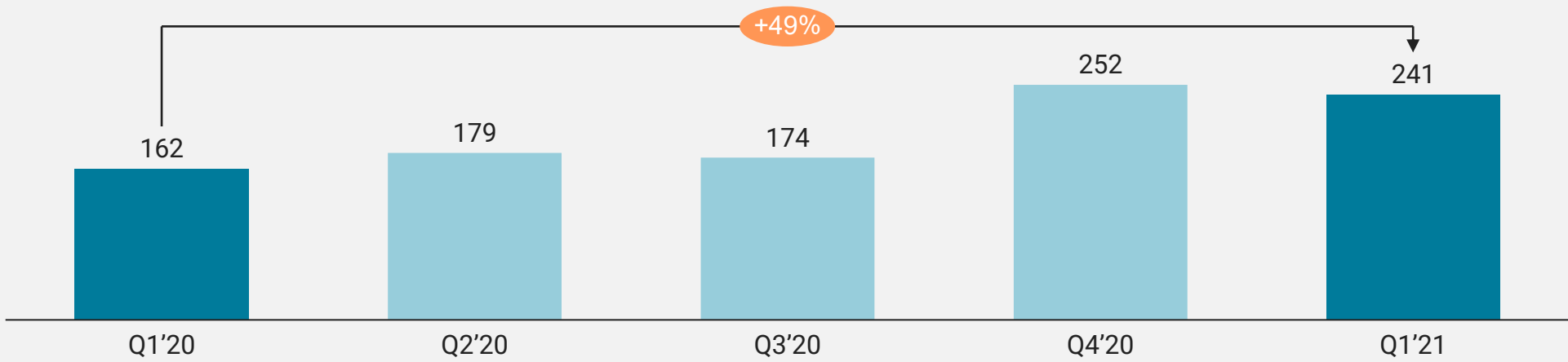


Adjusted EBITDA before group cost (NOKm / %)

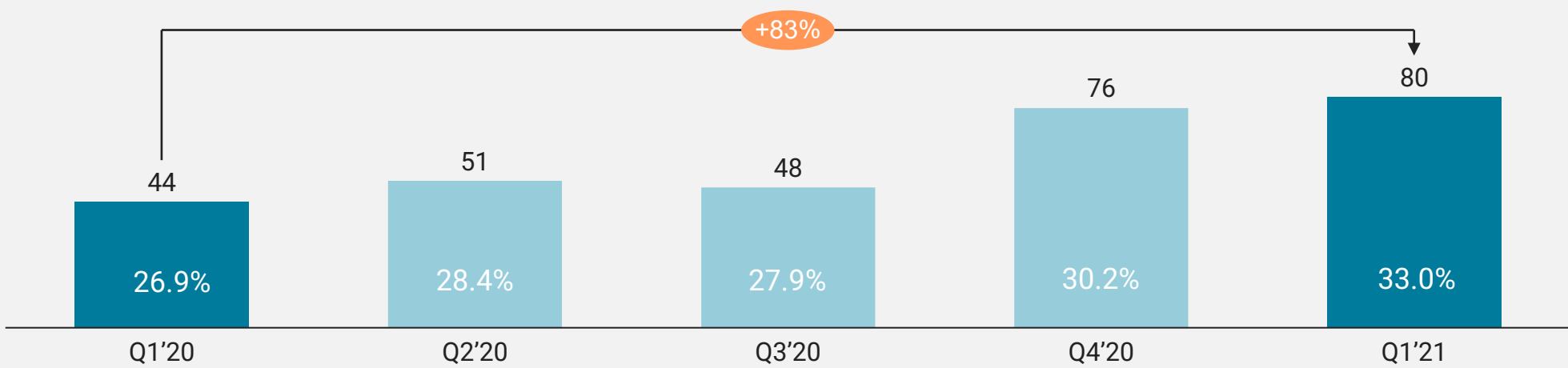


Central Europe

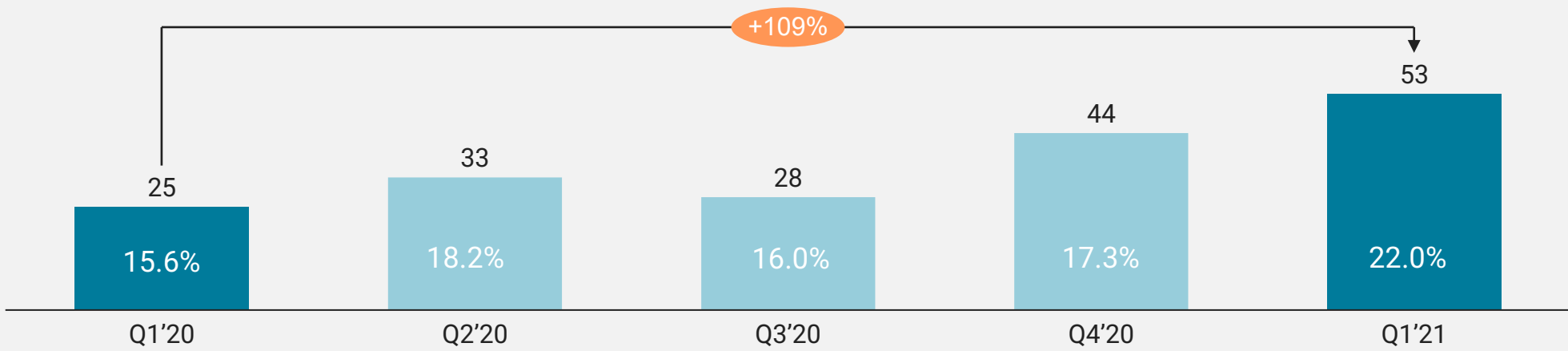
Revenue (NOKm)



Gross Profit (NOKm / %)

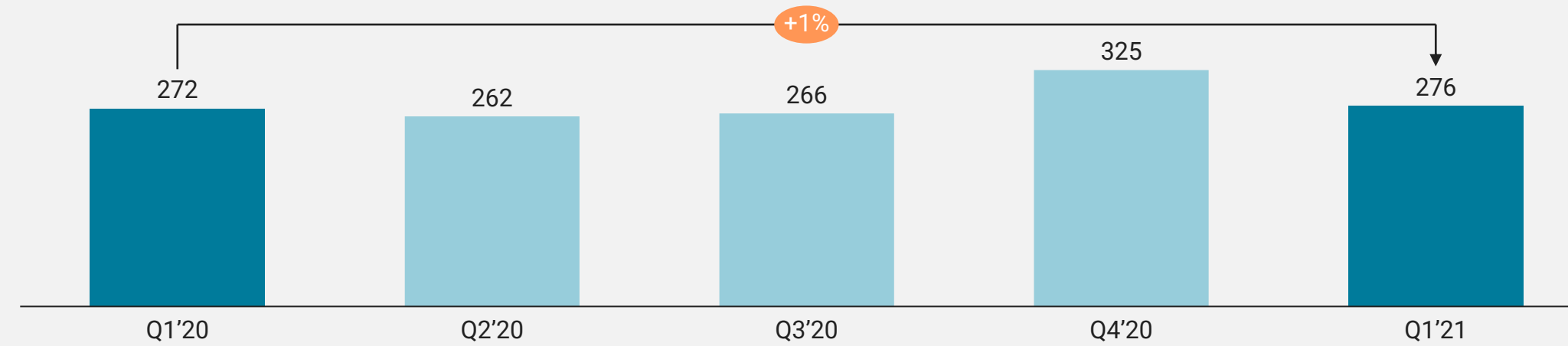


Adjusted EBITDA before group cost (NOKm / %)

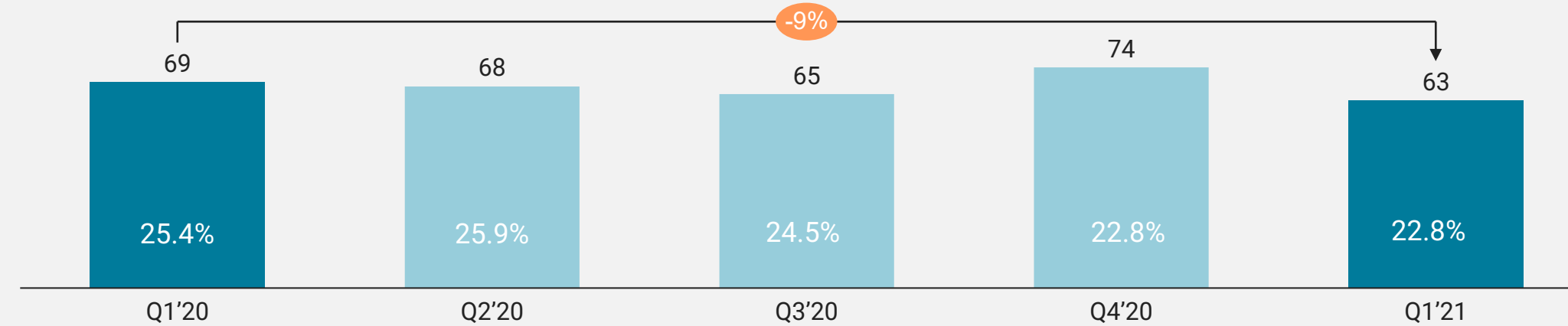


Western Europe

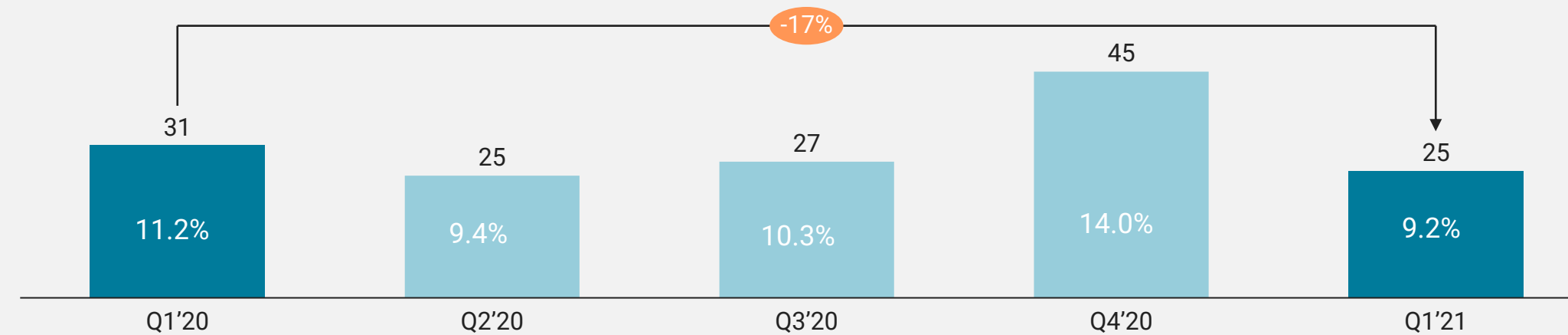
Revenue (NOKm)



Gross Profit (NOKm / %)

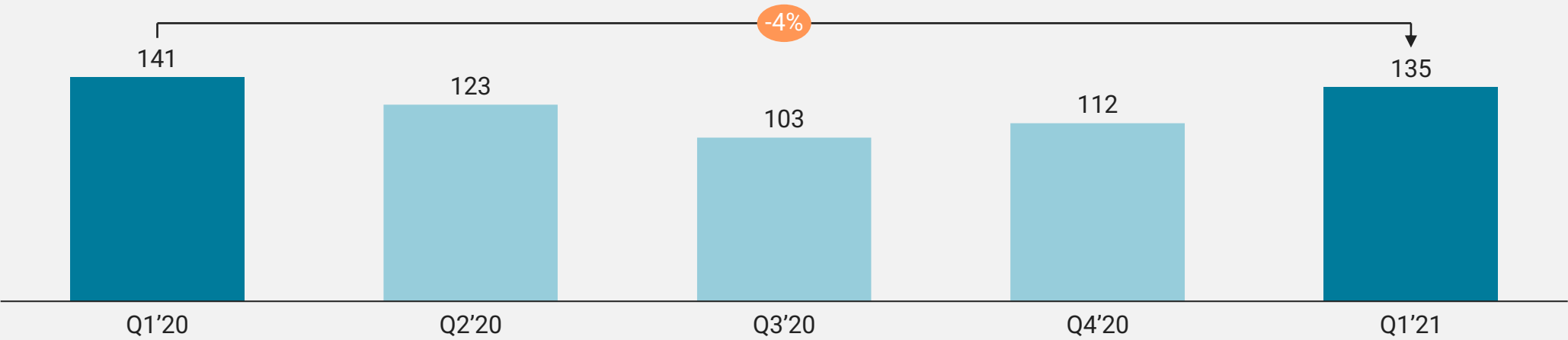


Adjusted EBITDA before group cost (NOKm / %)

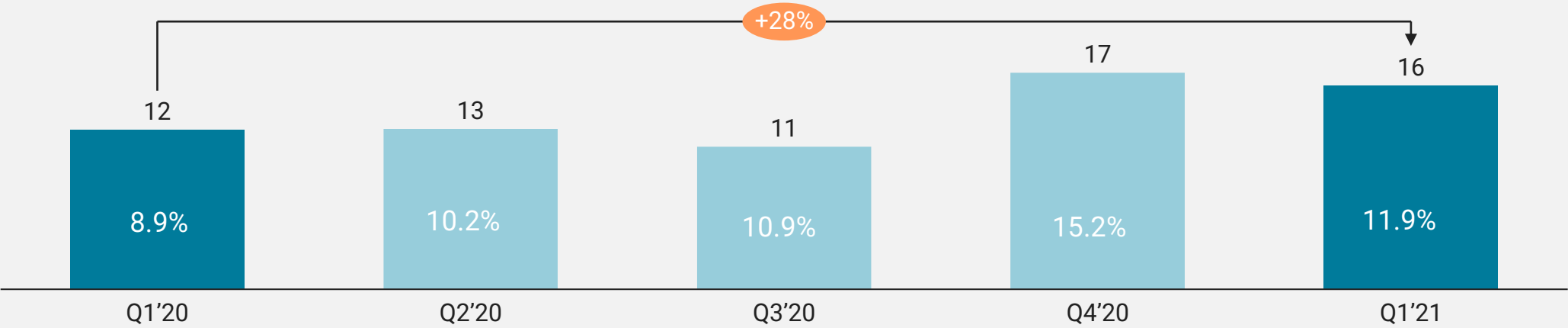


Global Messaging

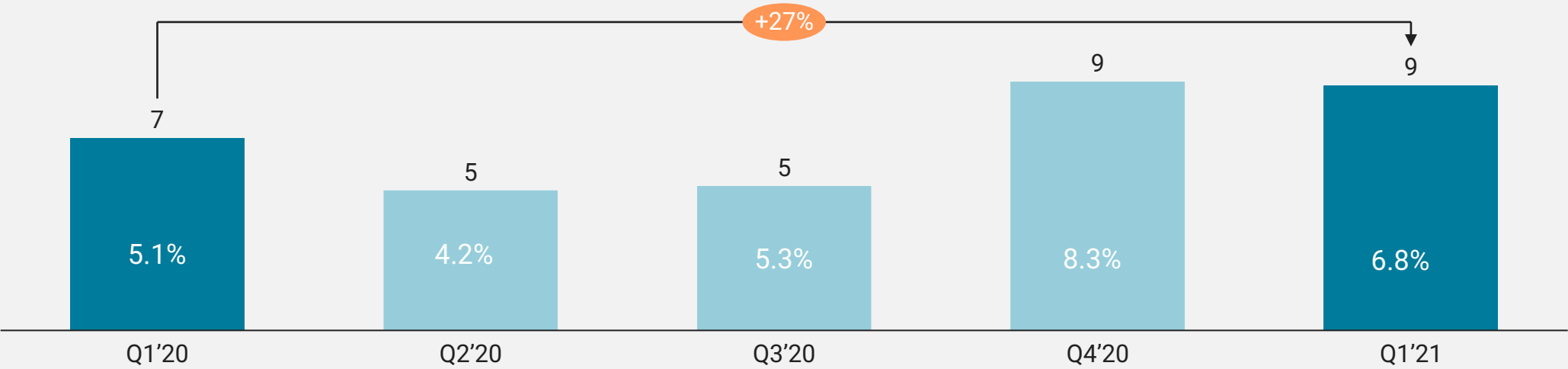
Revenues



Gross Profit (NOKm / %)



Adjusted EBITDA before group cost (NOKm / %)





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