



Pareto

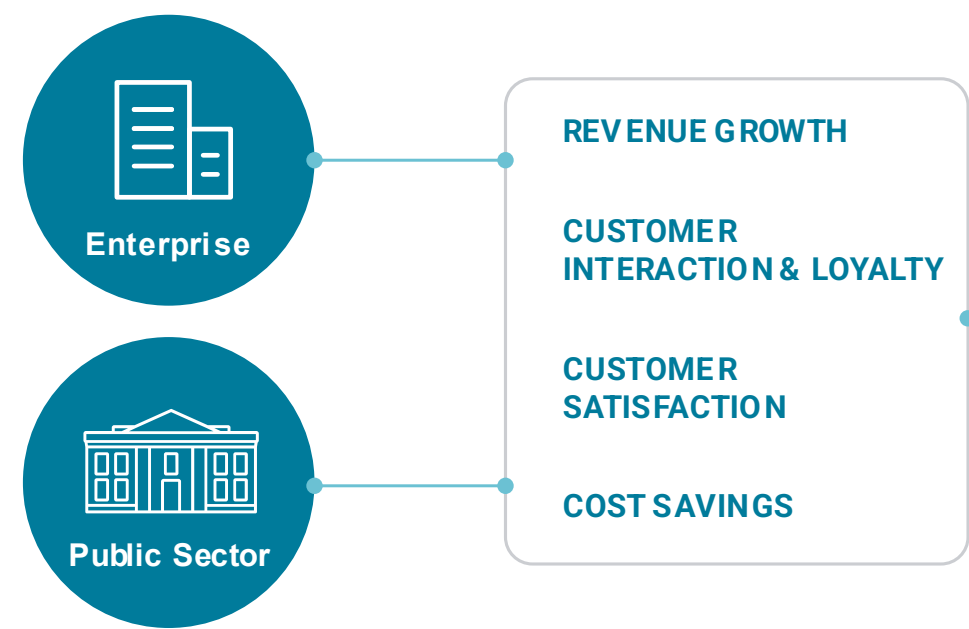
Nordic Corporate Bond Conference

Stockholm, 23 March 2023

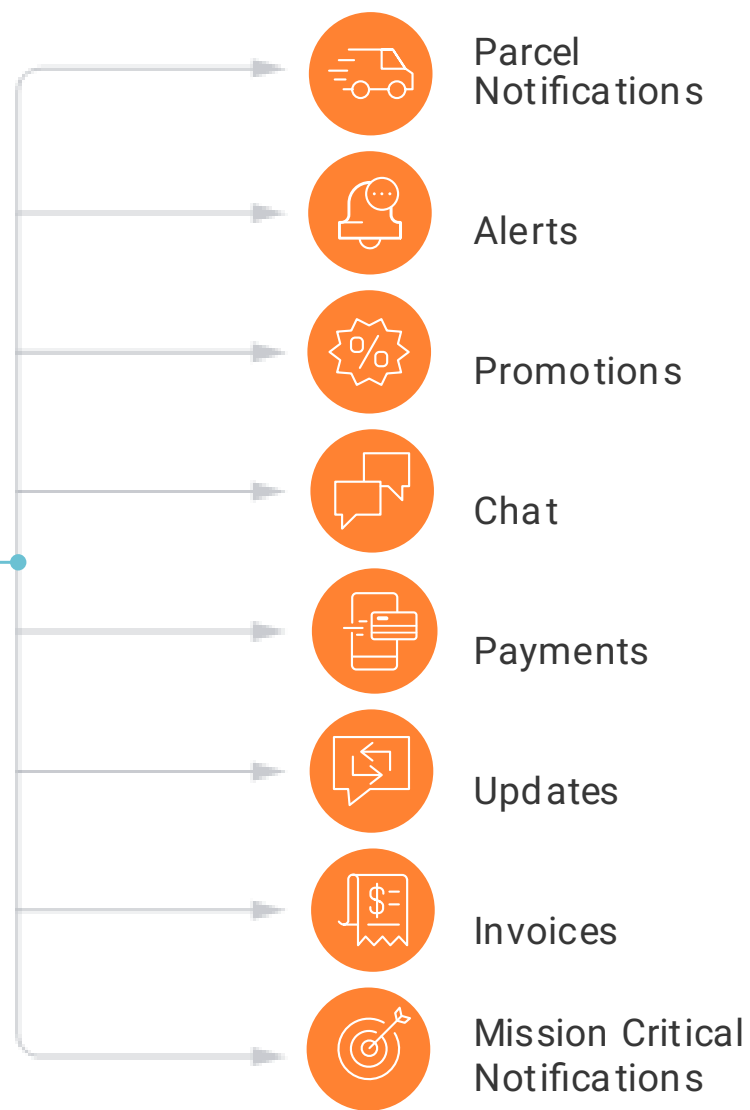


LINK connects businesses to customers and governments to citizens

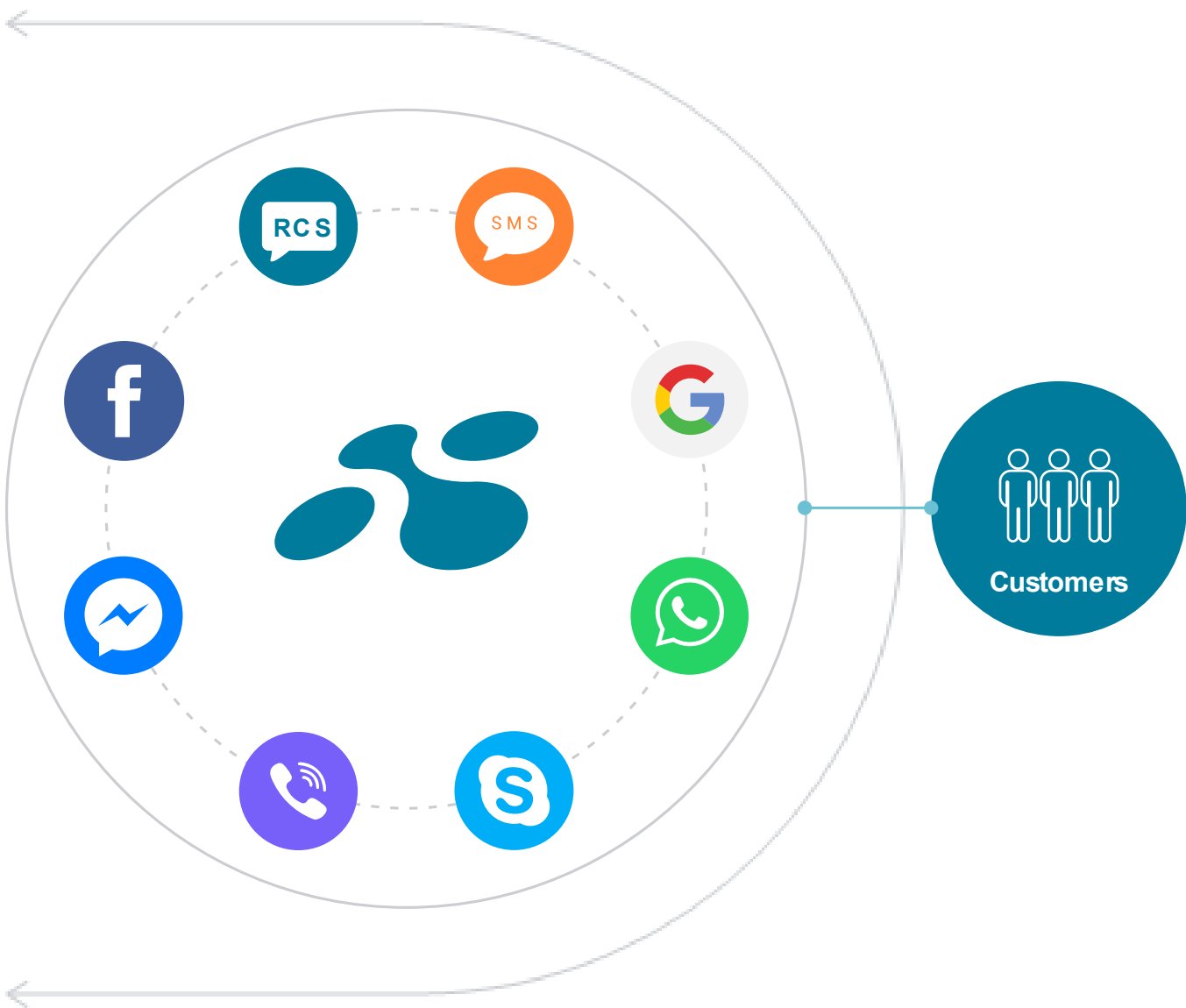
Creating value through digital messaging solutions - Communication Platform as a Service (CPaaS)



LINK messaging products



On preferred channels



LINK facts and figures

2000

FOUNDING YEAR

#1

MESSAGING PLAYER IN EUROPE

~ 16.8 bn

MESSAGES SENT per year

30

OFFICES GLOBALLY

19

COUNTRIES IN OUR GROUP

~ 50 k

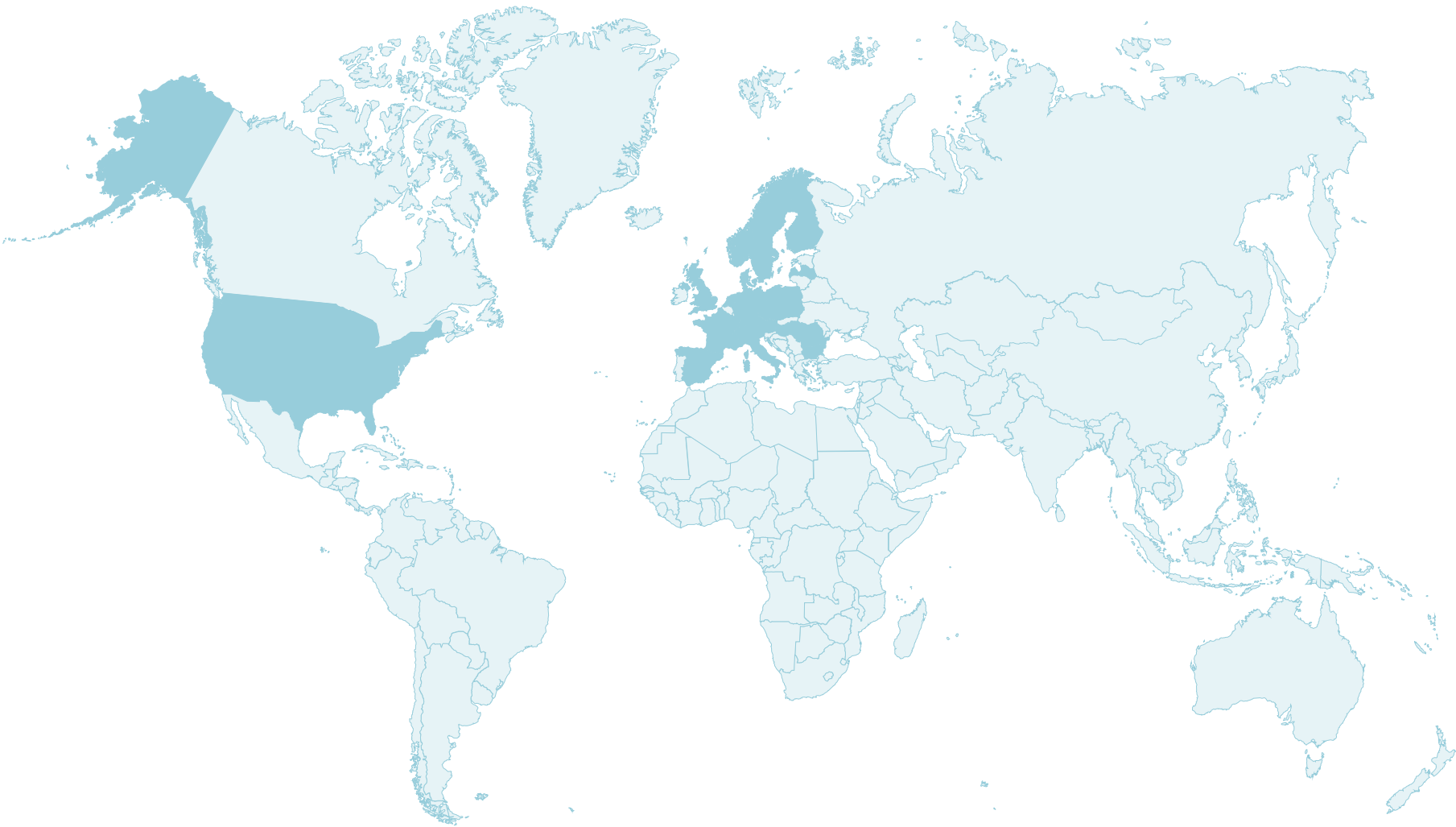
HAPPY CLIENTS WORLDWIDE

NOK 5.2 bn

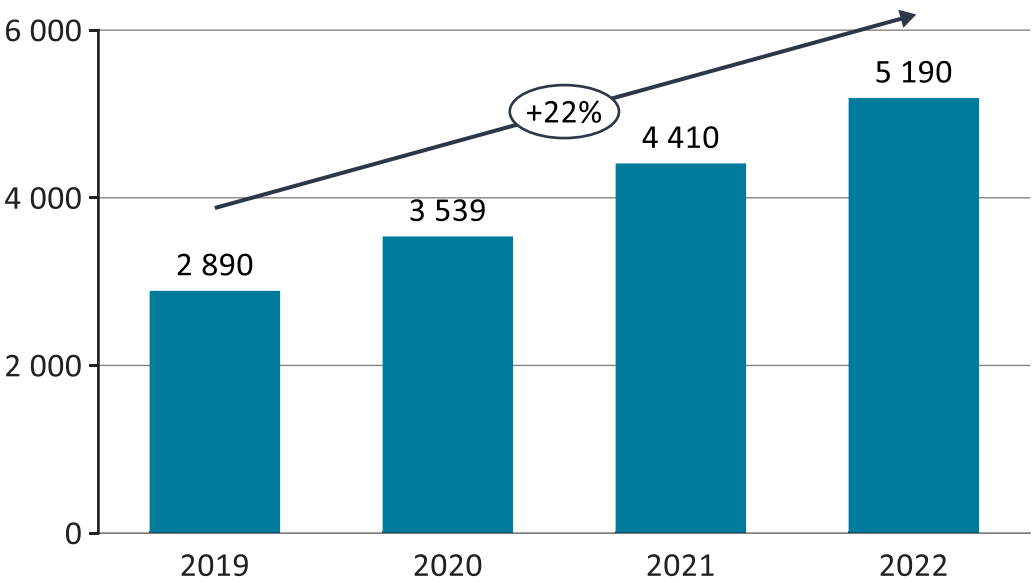
Revenue 2022

NOK 625 m

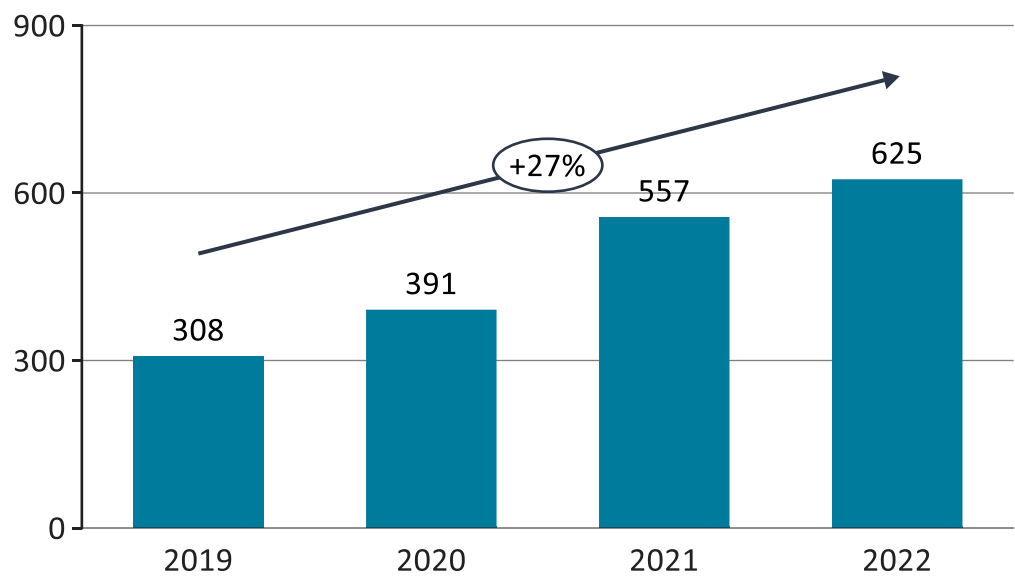
Adjusted EBITDA 2022



Revenue NOKm



Adjusted EBITDA NOKm



LINK uniquely positioned for future growth

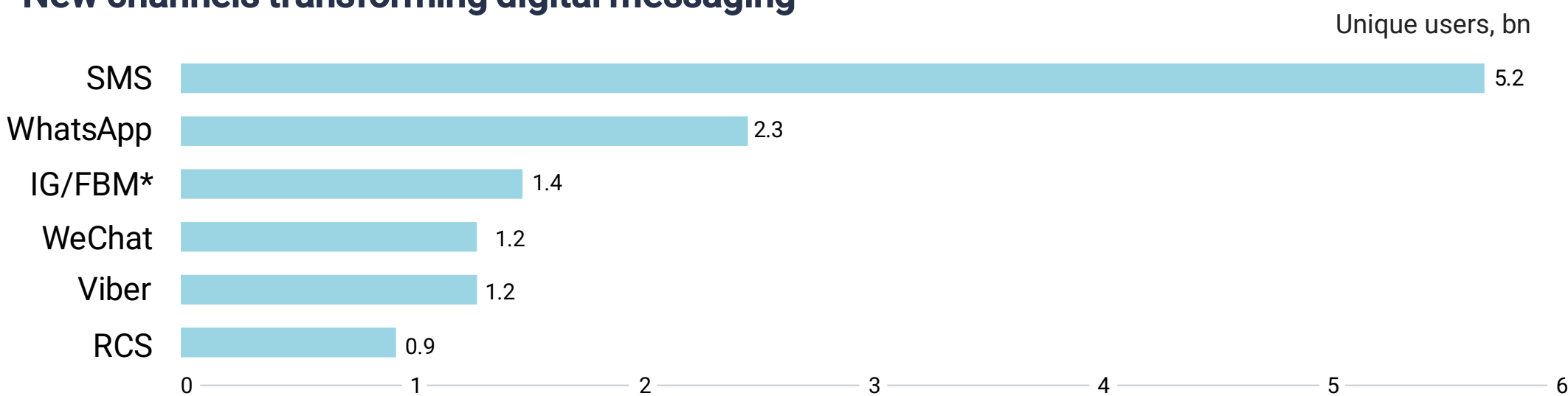
Communication Platform as a Service (CPaaS) fast growing new market

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

LINK ranked established leader by Juniper Research highlighting

- Integrations with Customer Relation Management (CRM) platforms
- Ability to capitalize on growth in Contact Center as a Service (CCaaS)
- Local Go to Market (GTM) strategy in Europe and expansion to the US

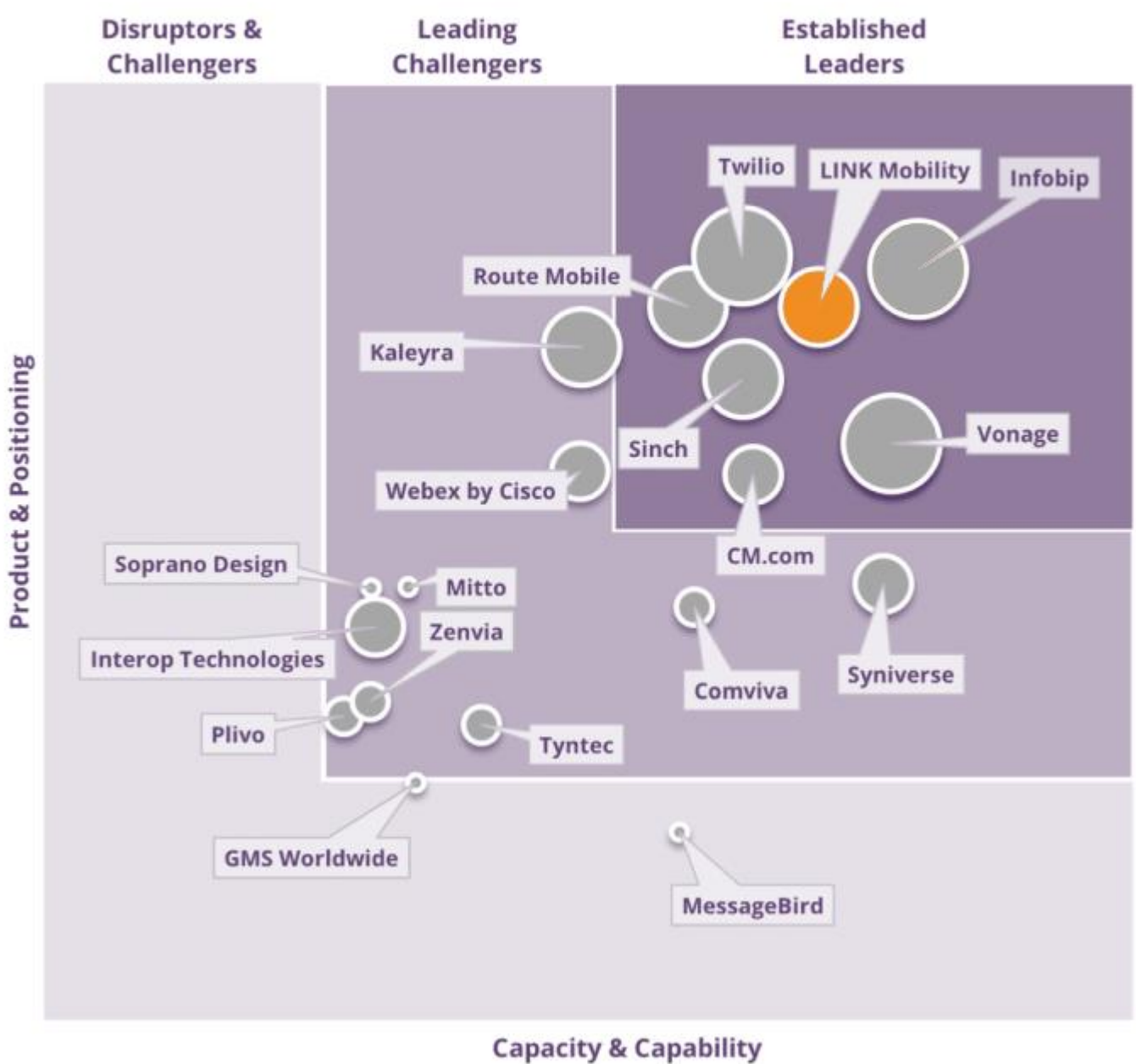
New channels transforming digital messaging



* Instagram / Facebook Messenger

Source: Mobilesquared

Juniper Research Competitor Leaderboard CPaaS Vendors



Source: Juniper Research

Significant growth potential for LINK in Europe

Norway and Sweden early adopters

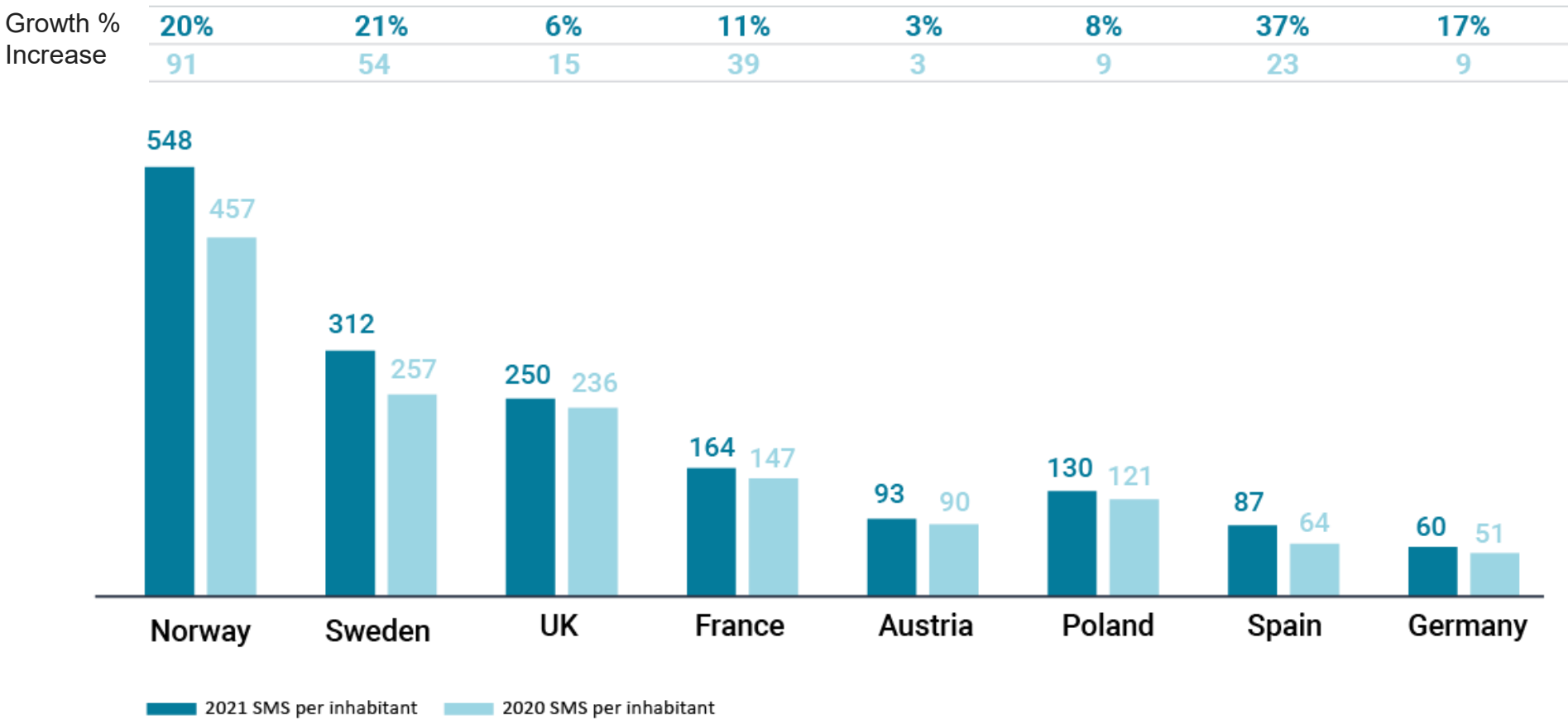
- Markets partly developed by LINK during past decades

UK advanced within digital messaging marketing

Most European countries still early on S-curve

- Significant benefits to be harvested

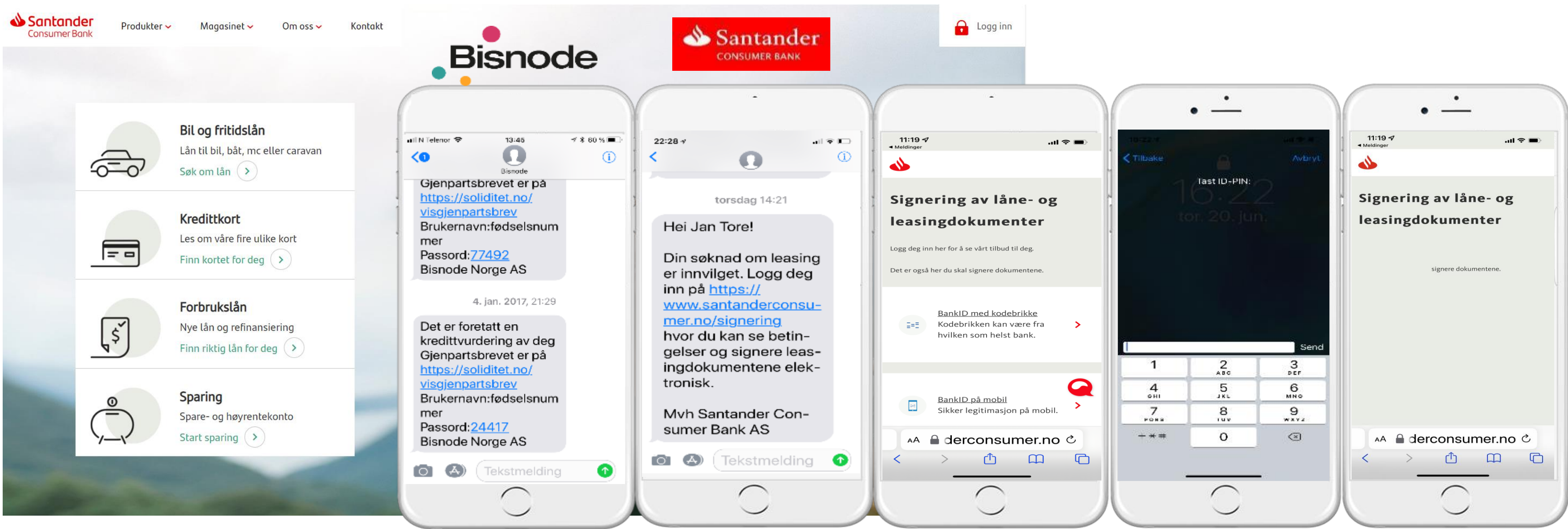
Adoption of digital messaging* varies greatly in Europe



* Annual number of A2P messages per capita

SMS is versatile - Car leasing in the palm of your hand

Click through car leasing from application to receipt of signed documents



SMS customer journey →

Credit assessment

Application approved

Leasing to sign

BankID signing

Leasing documents

Commercial refocus - Strong growth in forecasted contribution from new wins

Large upswing in forecasted gross profit contribution from new contract wins

- Not including strong growth momentum also in the US which comes on top

Higher contract wins clearly supportive to gross profit growth

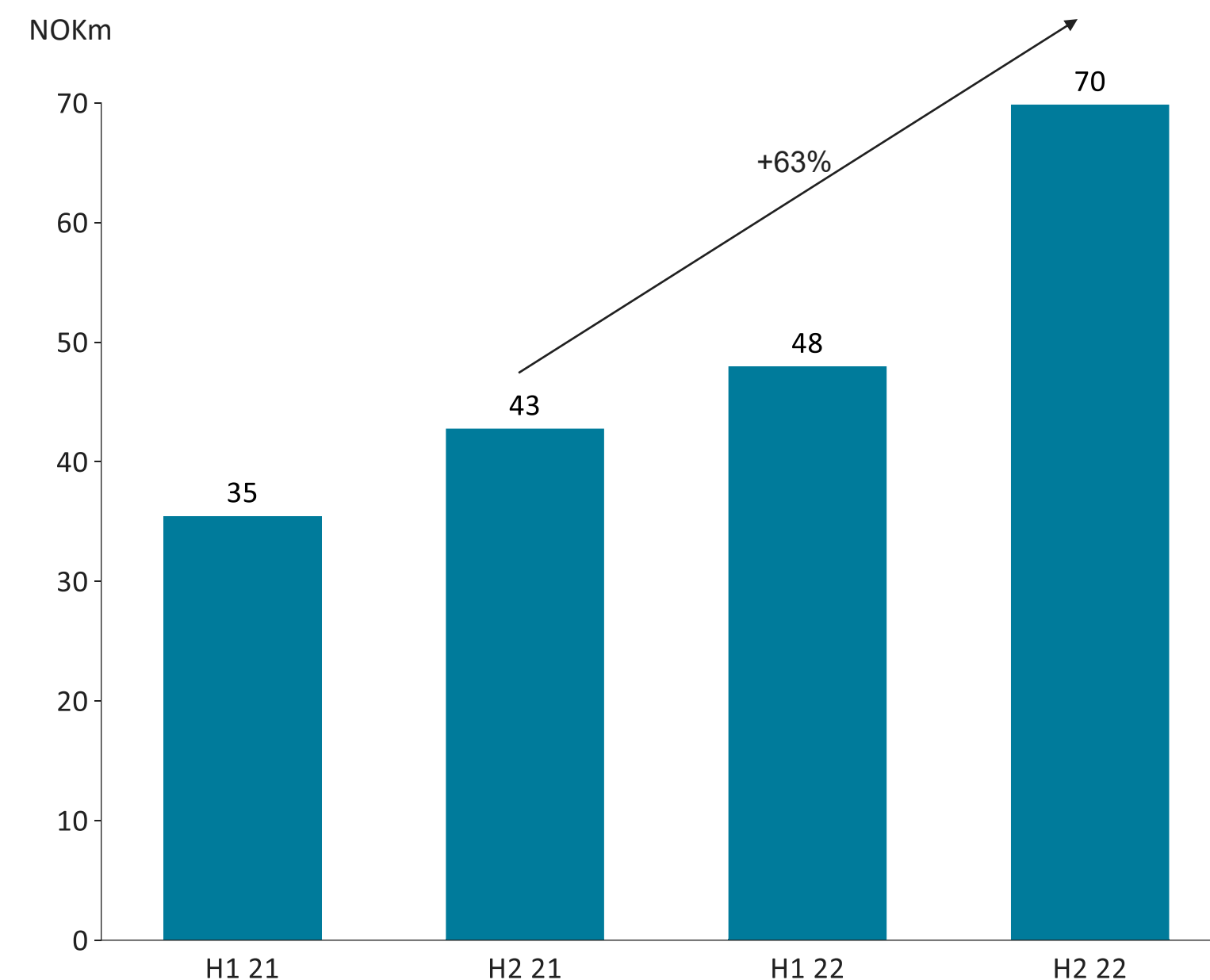
- Historical data indicates 75% of gross profit will be recorded in the P&L within 12 months

Several measures implemented in 2022 to execute on higher gross profit growth

- Stronger focus on products with proven market demand and less resources spent on building market adoption
 - Sell more SMS and switch customers to Rich SMS and OTT* channels with higher profitability
 - Upsell Xenioo and WhatsApp to customers

*) OTT channels include new communication methods like RCS, WhatsApp, Messenger etc.

Annualized gross profit contribution* from new contract wins



* Forecasted annual gross profit contribution based on best estimate from CRM system data, US contracts not included

LINK traction in the US and globally

New contracts signed and customer base taken over in the US

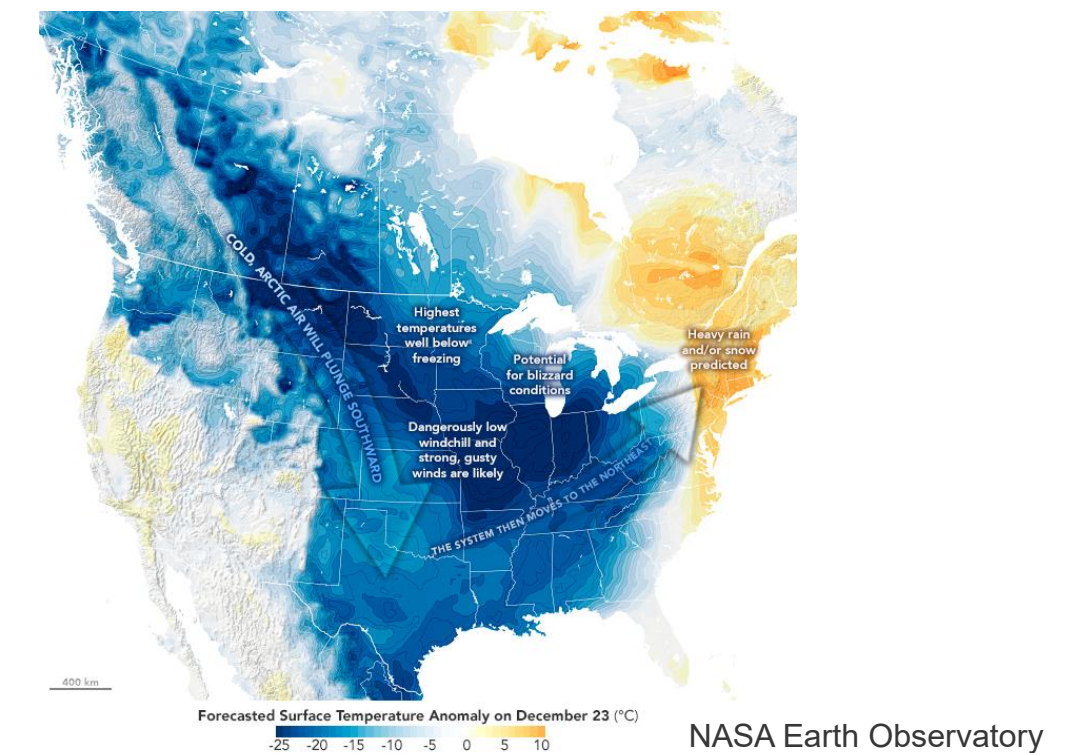
- High order backlog for messaging solutions
- Broader exposure to critical events messaging with utilities
 - New agreements signed across the US with large potential to scale revenue
- Customer base carved-out from larger undisclosed company
 - Merged with Message Broadcast to provide further diversification and growth opportunities

Global Sales strong contributor to upswing in CPaaS contribution

- Sales team gained traction with several leading global clients
- LINK is an official WhatsApp partner
 - Trusted Meta provider to increase adoption of WhatsApp globally



Critical events exposure expanded to US winter storms



 Meta



LINK business model - Diverse customer use cases

Notification use cases for essential communication

- Stable market demand and growth momentum estimated in the high single-digits
- Market growth mainly on alerts, reminders, payment and security products while 2FA is stable

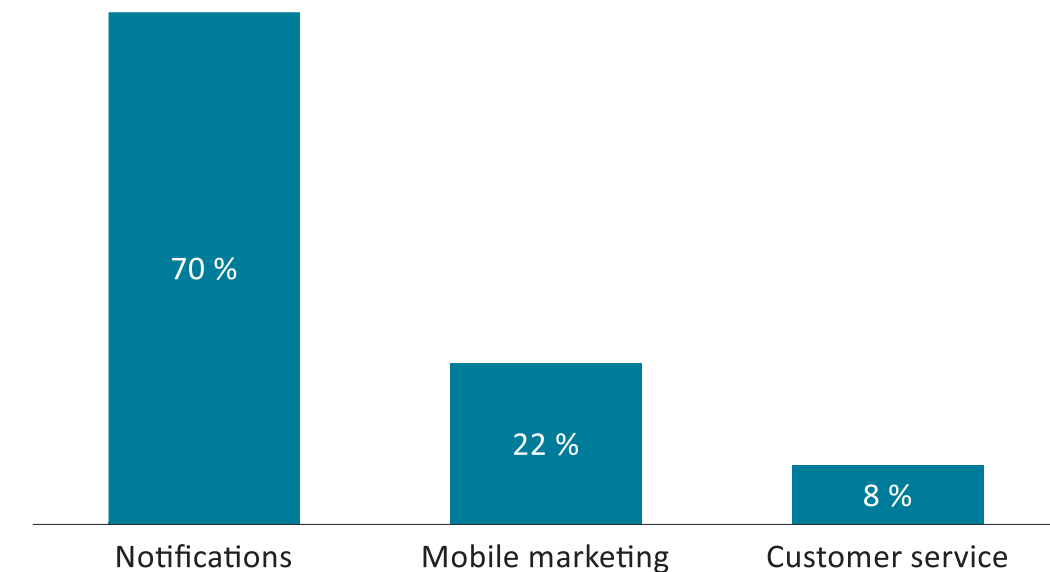
Mobile marketing use cases increasingly adopting new channels

- Accelerated demand for new channels with a richer feature set
 - Use cases evolving from one-way mass communication to more conversational solutions
- Improved retail volumes in Q4 compared to below normal volumes in Q2 22 and Q3 2022
 - Recent market demand exhibiting increased volatility

Customer service growing from lower base of group revenue

- Parts of IVR (automated telephone systems) replaced by messaging services which enhance consumer interaction and reduce supplier costs
- Chatbots and new channels in demand, however more time-consuming to implement and scale

Revenue by use case*



* Estimated from industry classification of customer data

LINK grows and retains customers

49,907 active customer accounts growing 6% YoY

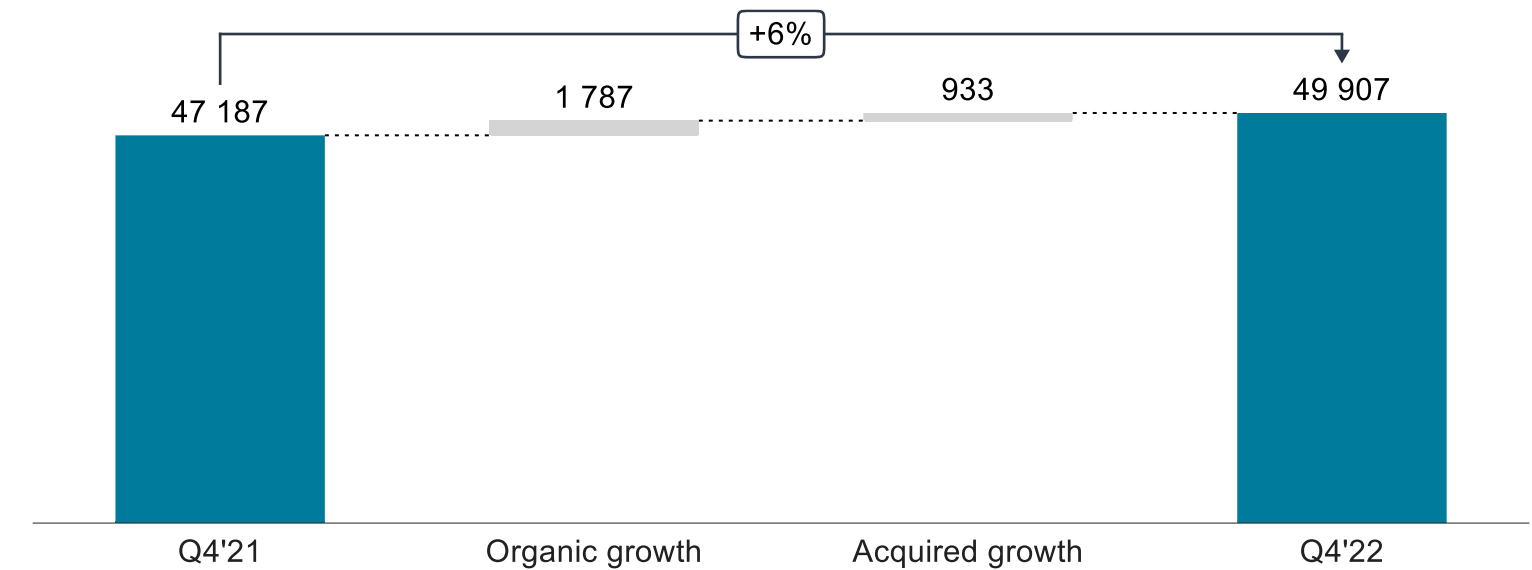
- Organic growth 1,787 new customer accounts
- 933 new customer accounts acquired

New agreements signed was stable at high level YoY

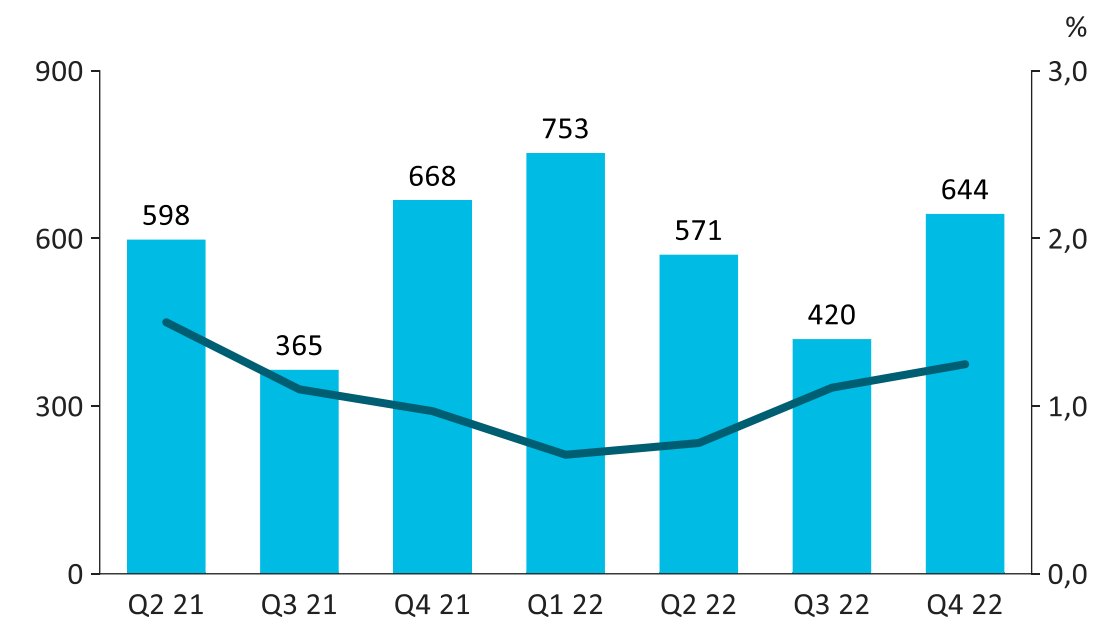
Customer churn remained very low at 1.25% in 4Q 22

- Been stable well below 2% in the last two years

Customer accounts



New agreements signed in quarter / Customer churn (%)



Cost initiatives ahead - Supporting adjusted EBITDA and free cash flow in 2023

Higher cost reductions and execution ahead of plan

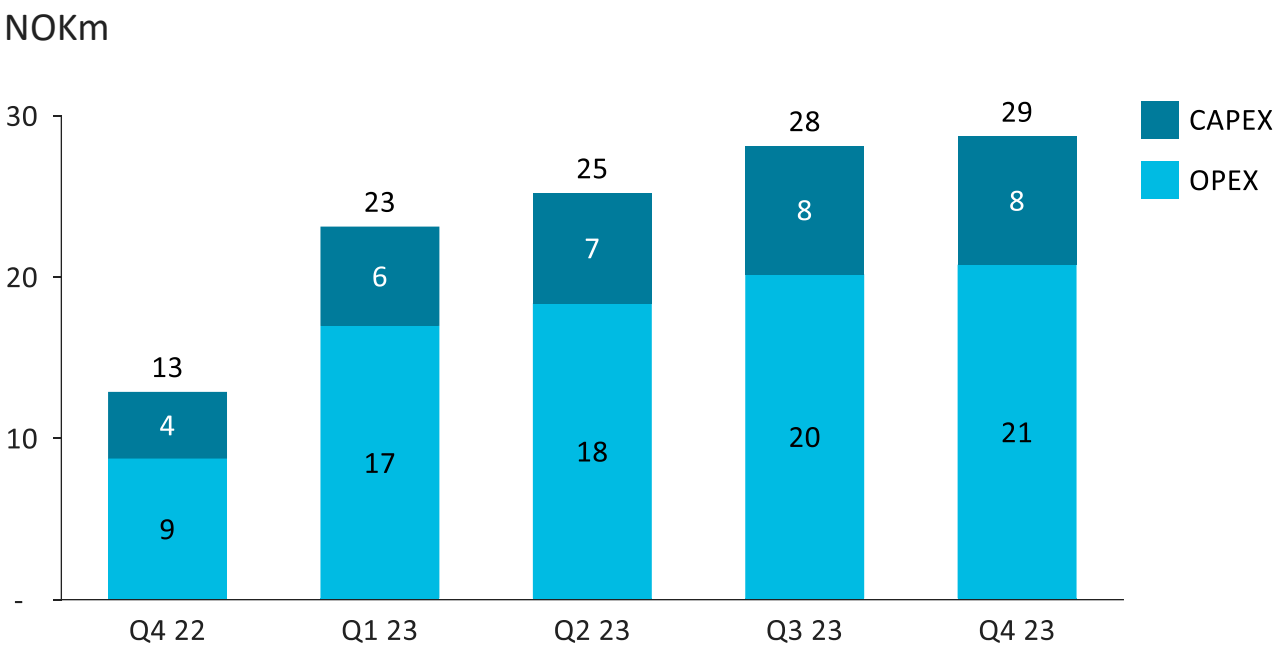
- Updated total cost savings for 2023 to NOK 105 million

Opex reduction for 2023 re-forecasted at NOK 76 million

- Opex initiatives expected to increase profitability in 2023 by NOK 60 million compared to 2022

Capex reduction for 2023 at NOK 29 million

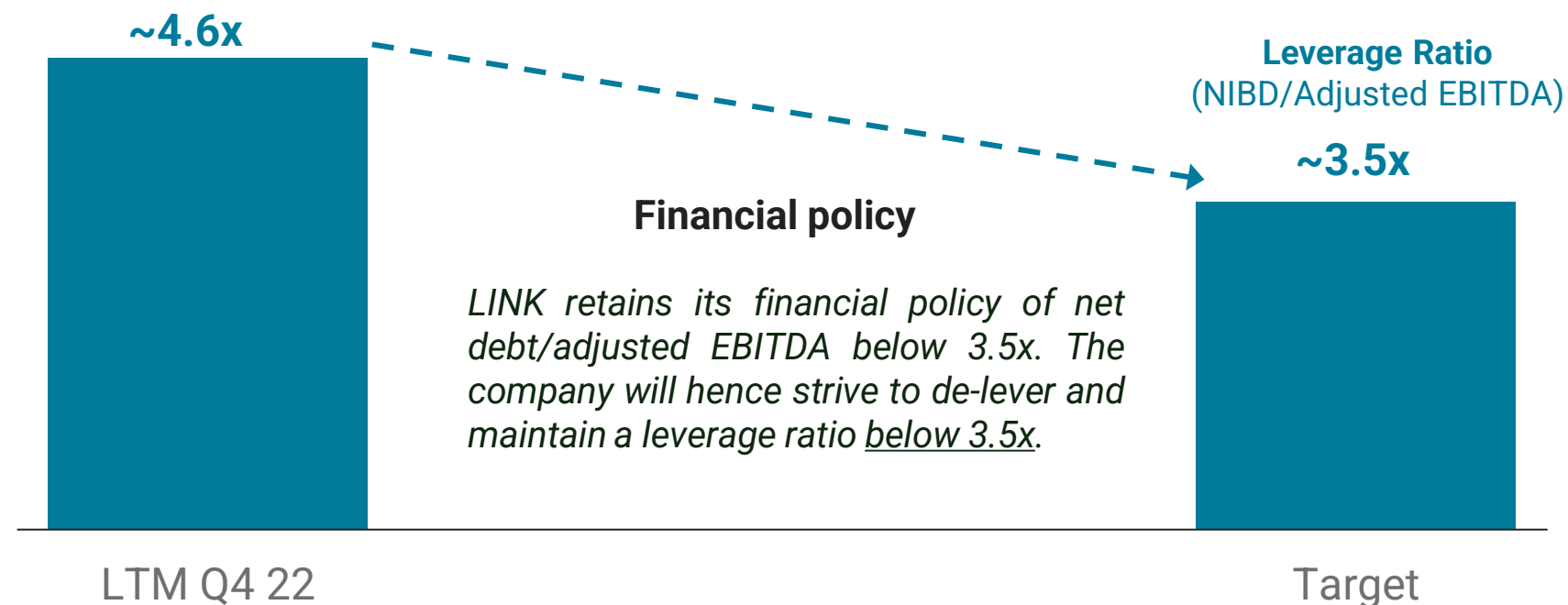
Updated cost saving estimates from Q2 22 cost level



Free cash flow to support deleveraging in 2023

Reported free cash flow

NOK '000	Q1 2022	Q2 2022	Q3 2022	Q4 2022	LTM Q4 2022
Adj.EBITDA	142	129	166	188	625
Change working capital	(98)	89	(103)	66	(46)
Taxes paid	(13)	(6)	(10)	(30)	(58)
Non-recurring costs	(14)	(18)	(15)	(53)	(104)
Net cash flow from operating activities	19	194	38	170	417
Add back non-recurring costs	14	18	15	53	104
Adj. cash flow from operations	32	212	53	223	521
Capex	(50)	(45)	(38)	(47)	(180)
Interest	(3)	(69)	(1)	(69)	(142)
Cash flow after capex and interest	(21)	98	14	107	198



Adjusted LTM cash flow from operations NOK 521 million

- Reported cash flow from operations include M&A related expenses
- FCF generated after capex and interest of NOK 198 million

Working capital varies significantly between quarters

- LTM build mainly reflects periodization and not higher underlying WC
- WC remains net negative and a funding source for organic growth

High cash conversion LTM

- Adjusted cash flow from operations 83% to adjusted EBITDA
- Free cash flow after interest and capex 32% to adjusted EBITDA

Cost reduction initiatives supporting FCF and adjusted EBITDA in 2023

Reported LTM Q4 22 leverage at 4.6x

- FCF and growth in adjusted EBITDA to reduce leverage over time

LINK's EUR 370 million fixed coupon bond matures in December 2025

- Fixed interest rate at 3.375% secured for 33 months

Steps taken delivering positive profit trend into 2023

Expected development for gross profit and profitability in 2023

- Significantly improved commercial momentum to positively impact gross profit growth
- Opex savings progressing ahead of target to further support profitability
 - NOK 60 million improvement to 2022, partly offsetting underlying cost increases
- Covid growth dilution of 3 percentage points in 2022 to disappear after Q1 23
- Macroeconomic uncertainty remains, churn however expected to remain at a low level

Forward-looking statement 2023

- Gross profit growth expected to be higher than in 2022
- Organic adjusted EBITDA growth expected to be 12-15% in fixed currency
 - Supported by execution on opex savings





Q&A



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