



STATEMENT

Pursuant to ANNEX No 4 to ORDINANCE No 2 as of 9th November 2021 on the initial and subsequent disclosure of information in public offerings of securities and admission of securities to trading on a regulated market

TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

OF TELELINK BUSINESS SERVICES GROUP AD FOR THE FIRST QUARTER OF 2022

The Managing Board of TELELINK BUSINESS SERVICES GROUP AD, city of Sofia, hereby notifies all the existing and potential investors that this statement has been prepared with regard to the requirements of Art. 14 of Ordinance No 2 of the Financial Supervision Commission (FSC) and represents Annex No 4 to the abovementioned ordinance. It contains information about the Company's business for the reporting period from 1st January 2022 to 31st March 2022.

The persons who are liable for damages caused by false, misleading or incomplete information, provided in this statement, are as follows:

- Ivan Krasimirov Zhitiyanov – Chairperson and Executive Member of the Managing Board
- Teodor Dimitrov Dobrev – member of the Management Board
- Nikoleta Elenkova Stanailova – member of the Managing Board
- Orlin Emilov Rusev - member of the Managing Board
- Gojko Martinovic – member of the Managing Board

1.1. Change of the persons who exercise control over the Company

There has been no change of the persons who exercise control over TELELINK BUSINESS SERVICES GROUP AD for the period from 1st January 2022 to 31st March 2022.

1.2. Initiation of insolvency proceedings for the Company or its subsidiary and all substantial phases related to the proceedings until the declared bankruptcy

No insolvency proceedings of TELELINK BUSINESS GROUP AD and its subsidiaries have been initiated during the reporting period.

1.3. Entering into or completion of material transactions

During the reporting period 1st January 2022 – 31st March 2022, the following agreements have been concluded:

On a meeting held on January 18 2022, the Company's MB adopted a preliminary resolution on extending the term of the suretyship agreement whereby TBS EAD has provided security in favour of Raiffeisen Bank AD Beograd, Serbia, for the due fulfillment of the obligations of Comutel.



On January 21 2022, the suretyship commitment of TBS EAD was extended with regard to an annex to the credit agreement between Comutel and Raiffeisen Bank AD Beograd, Serbia, in order to secure the due fulfillment of the respective obligations of Comutel.

On January 21 2022, Comutel and Raiffeisen Bank AD Beograd, Serbia signed an annex to Credit agreement № 265-0000001624611-36, whereby the agreement's term was extended until January 31 2023.

On January 24 2022, subsidiary Telelink Business Services GmbH was entered in the Trade register of the Federal Republic of Germany as represented by Silviya Marinova. The company's capital in the amount of EUR 25,000 has been fully paid in.

On February 10 2022, the Company's MB resolved upon entering into an Overdraft Agreement with Raiffeisenbank (Bulgaria) EAD, signed on February 15 2022, with the following limits:

- Overdraft credit up to EUR 2,000,000, with a repayment term until February 28 2026;
- Contingent bank credit up to EUR 2,000,000, with a utilization term until January 28 2026.

All limits are available for utilization in BGN, EUR or USD, at respectively applicable interest rates of RIR + 1.5%, 1m. EURIBOR + 1.5% and 1m. LIBOR + 1.5%, but not less than 1.5% (regardless of the currency of utilization).

Provided security to the agreement includes:

- pledge on receivables from accounts with the bank;
- pledge of current and future receivables from commercial agreements between TBSG AD and its subsidiaries;
- suretyship by TBS EAD.

The agreement was signed on February 15 2022.

On February 11 2022, the Company's MB resolved upon the extension of a corporate guarantee by the Company for securing the obligations of TBS Croatia under operating lease agreements with UniCredit Leasing Croatia d.o.o. On February 15 2022, the Company issued a corporate guarantee for EUR 56,554.95.

On February 14 2022, the Company published a statement by CEO Ivan Zhytiyanov on the successful completion of due diligence and the subsequent termination of the consultations with Slovenia Broadband S.a.r.l. with regard to the potential acquisition of the Company due to diverging strategic views on key areas of business development and growth. Without prejudice to the above, Mr. Zhytiyanov also stated his maintained solidarity with the selling shareholders' intention to offer a majority stake in case of further interest from strategic investors matching the Company's goals.

As of February 24 2022, the structure of subsidiary TBS Croatia has been changed by the removal of its supervisory board as a governing body.

In accordance with a preliminary resolution of the Company's MB from February 23 2022, on February 25 2022, TBS Group AD signed contracts for the provision of corporate and business development services with subsidiaries TBS EAD, Comutel, TBS Montenegro, Telelink Bosnia, Telelink Slovenia, TBS Macedonia, Telelink Albania and TBS Croatia.

On a meeting held on March 04 2022, the MB resolved to convene a general meeting of shareholders on April 11 2022.

On a meeting held on March 11 2022, the SB approved the Group's annual budget for 2022 and a policy for the motivation of stakeholders.

On March 16 2022, TBSG AD provided a corporate guarantee securing the obligations of Telelink Slovenia under Framework Credit Agreement №. 5074/2022 with Unicredit Banka Slovenia d.d. for the amount of EUR 1,500,000, as approved by the Company's MB on March 15 2022.

As of March 18 2022, the structure of subsidiary Comutel has been changed by the removal of its supervisory board as a governing body.

On March 22 2022, Telelink Slovenia signed a framework agreement for financing and guarantees with UniCredit Banka Slovenija d.d. with a limit of up to EUR 1,500 thousand, annual interest rate of 1.5% +1m. EURIBOR and a maximum term until January 19 2023.

On March 23 2022, a Cash Loan Agreement was signed between TBS EAD (lender) and TBSG AD (borrower) with a limit of up to BGN 1,000 thousand subject to revolving utilization and repayment for a term of 12 months, at an interest rate of 2.25%. As of the date of this Report, the utilized amount is BGN 250 thousand. The agreement was approved in preliminary by resolution of the GMS held on September 14 2021.

On a meeting held on March 28, the MB approved the individual annual financial statements of TBSG AD.

On March 29 2022, an annex was signed to the loan agreement between TBSG AD (lender) and TBS Croatia (borrower), whereby the limit was extended to EUR 500 thousand and the term – until December 21 2022.

As of March 31 2022, the Group has made the following transactions with related parties outside the Group:

Operating Activities (BGN thousand)	Sales to related parties	Purchases from related parties
Other related parties (under common control)	135	424
Total	135	424

Operating Activities (BGN thousand)	Receivables from related parties	Payables to related parties
Other related parties (under common control)	731	81
Total	731	81

The interest of Group companies in consortia in terms of revenues, costs, assets and liabilities over the period under review are presented below.

Operating Activities (BGN thousand)	Sales	Purchases
Participation in joint operations (consortia)	161	0

Operating Activities (BGN thousand)	Receivables	Payables
Participation in joint operations (consortia)	35	48

1.4. Resolution for conclusion, termination and cancellation of joint venture agreement

The Company has not adopted resolution on conclusion, termination and cancellation of joint venture agreement during the reporting period.



1.5. Change of Company's auditors and reasons for the change

On 14th September 2021 the General Meeting of the Shareholders of Telelink Business Services Group AD approved the annual financial statements of Telelink Business Services Group AD for 2021 to be audited by Ernst and Young Audit OOD, having its seat and registered address in the 1124 city of Sofia, 47A Tsarigradsko Shose Blvd., Polygraphia Office Centre, 4th floor, registered in the register of audit companies with number 108.

The auditors for the financial statements for 2022 will be appointed by the General meeting.

1.6. Initiation or termination of legal or arbitration proceedings related to liabilities or receivables of the Company or its subsidiary, with claim price of at least 10 percent of the Company's equity

No legal or arbitration proceedings related to liabilities or receivables of the Company or its subsidiary with claim price of at least 10 percent of the Company's equity have been initiated or terminated during the reporting period.

1.7. Purchase, sale or established pledge on shareholdings in business companies by the Issuer or its subsidiary

On 24th January 2022 the subsidiary Telelink Business Services Germany GmbH with representative Silviya Marinova was entered in the German companies registry. Company's authorized capital amounts to EUR 25,000 and is fully contributed.

Except for the information, reported by the Company in p. 1.3., neither the issuer, nor its subsidiaries had established, acquired, or sold new companies during the reporting period.

During the reporting period there had been no changes in the amount of the Issuer's participation in the capital of the existing subsidiaries.

30th May 2022

Ivan Zhitiyanov,
TELELINK BUSINESS SERVICES GROUP AD