



**telelink
business
services**

Quarterly Financial Review as of June 30, 2024

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Outlook Update for 2024-2028

September 26, 2024

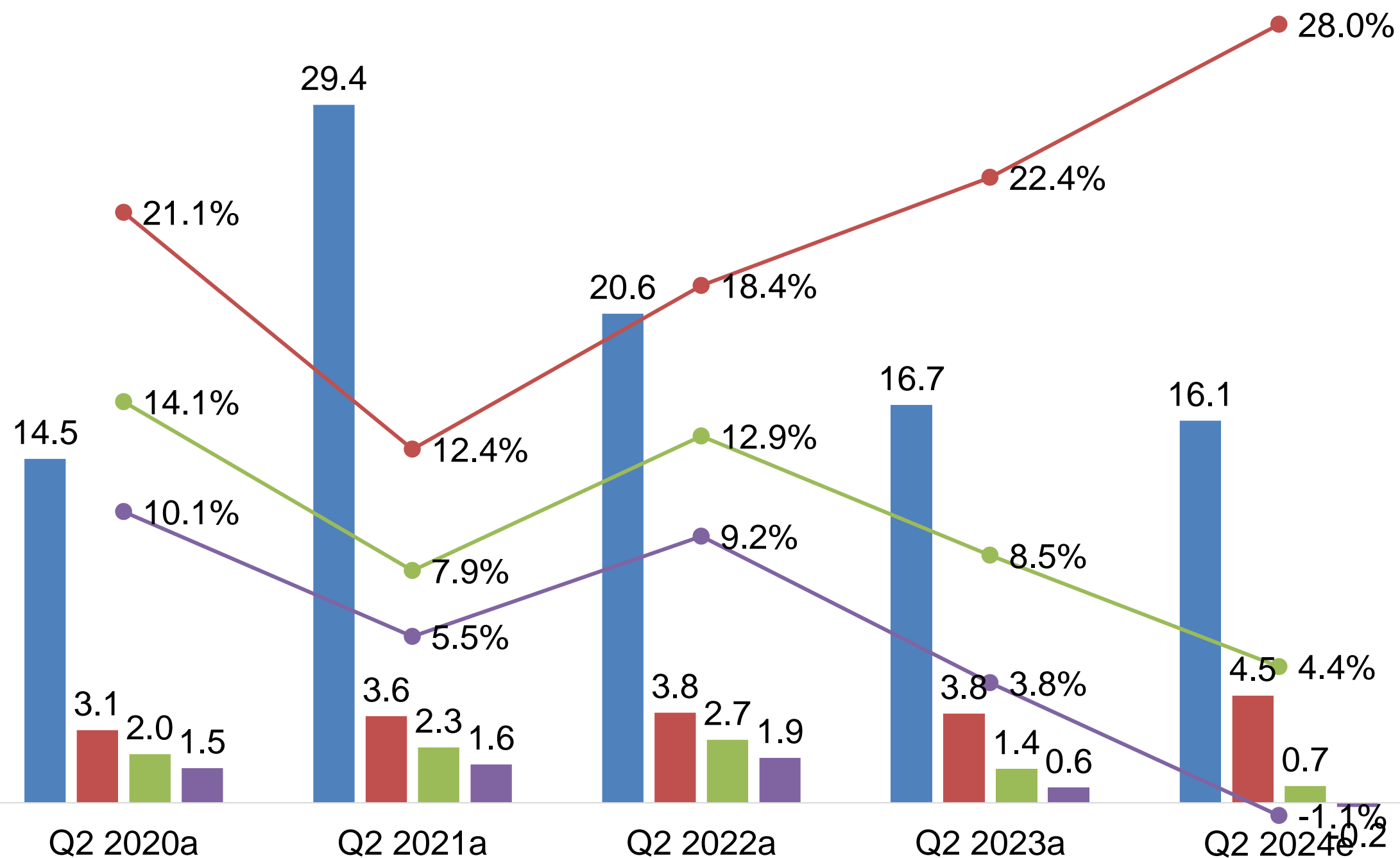
Financial Review

Q2, H1 & TTM* Results

as of June 30, 2024

* Trailing 12 months period from October 01, 2022 to September 30, 2023

P&L by Quarter (Q2)



■ Revenue ■ Gross Profit ■ EBITDA ■ Net Profit
● Gross Margin ● EBITDA Margin ● Net Margin

- Revenue:
 - Q2/Q2 24/23 = -4%

- Gross Profit:
 - Q2/Q2 24/23 = +20%
 - margin (chg.) = +5.6%

- EBITDA:
 - Q2/Q2 24/23 = -50%
 - margin (chg.) = -4.1%

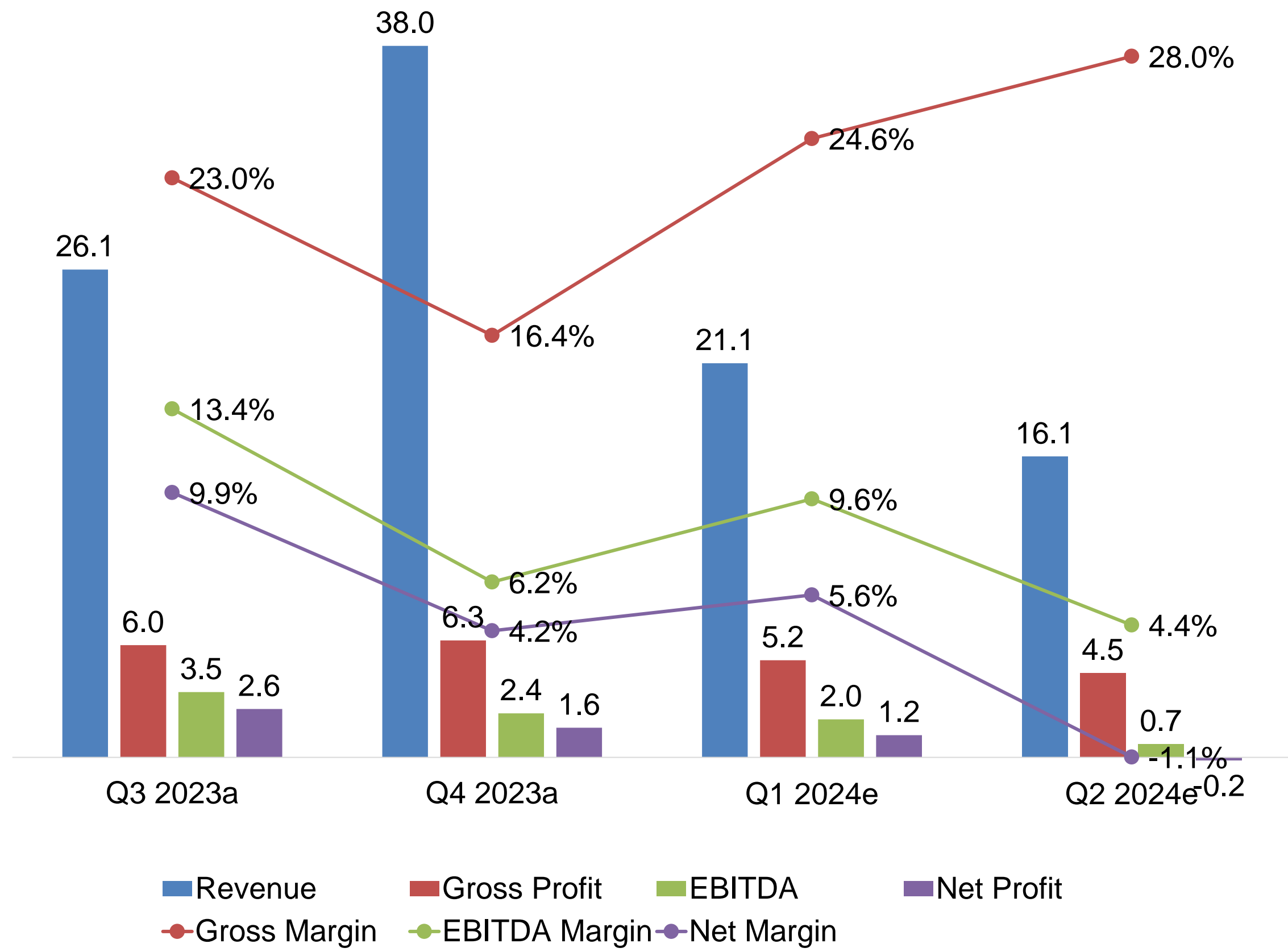
- Net Profit:
 - Q2/Q2 24/23 = -128%
 - margin (chg.) = -4.9%



P&L by Quarter (consecutive)



EUR million



- Revenue:
 - Q2'24/Q1'23 = -24%

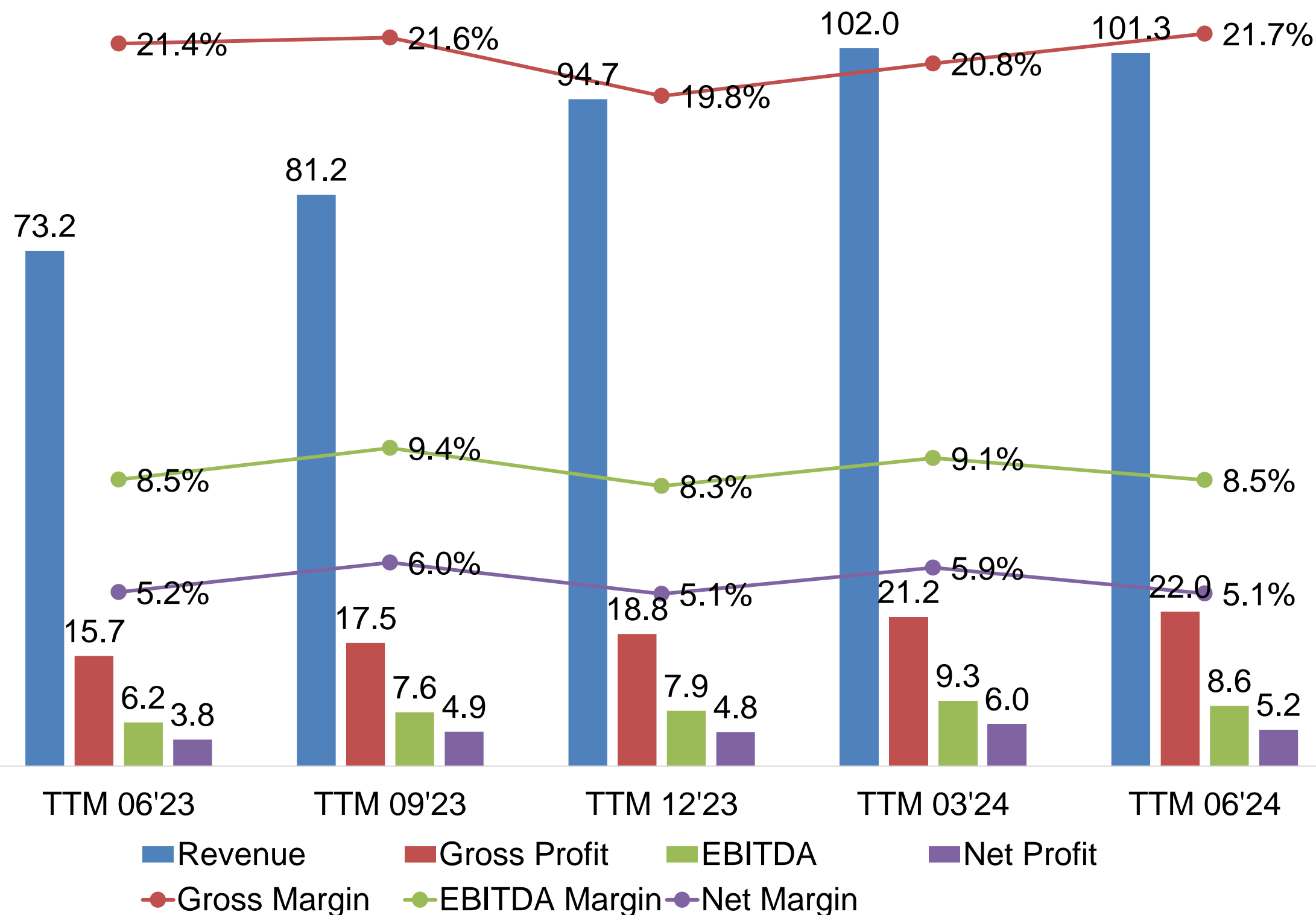
- Gross Profit:
 - Q2'24/Q1'23 = -13%
 - margin (chg.) = +3.4%

- EBITDA:
 - Q2'24/Q1'23 = -65%
 - margin (chg.) = -5.2%

- Net Profit:
 - Q2'24/Q1'23 = -115%
 - margin (chg.) = -6.7%



P&L TTM*



• Revenue:

- TTM 06'24/06'23 = +38%

• Gross Profit:

- TTM 06'24/06'23 = +40%
- margin (chg.) = +0.3%

• EBITDA:

- TTM 06'24/06'23 = +38%
- margin (chg.) = -0.0%

• Net Profit:

- TTM 06'24/06'23 = +37%
- margin (chg.) = -0.0%

* Trailing 12 months ending [month]'[year]

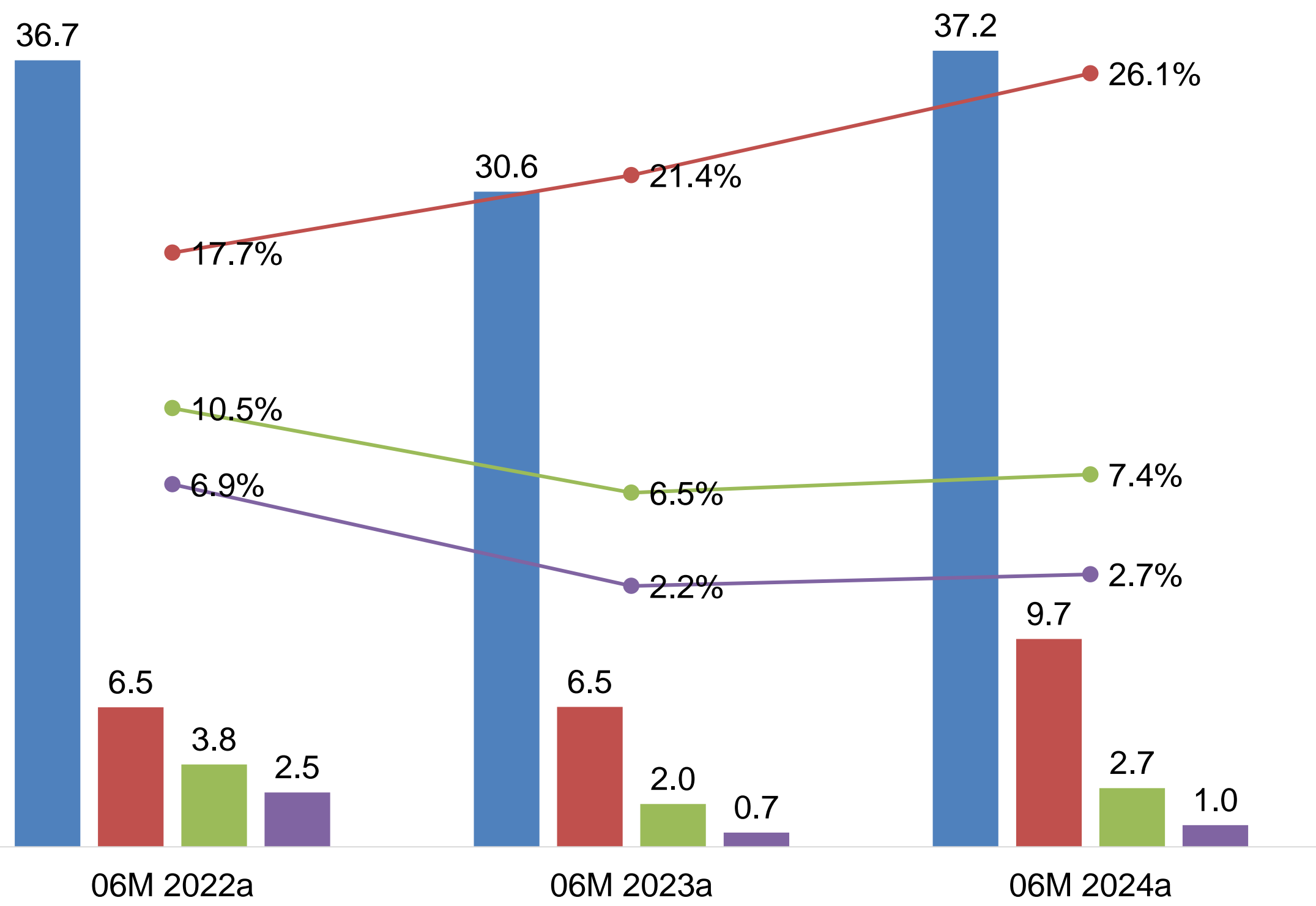


EUR million

P&L H1



EUR million



■ Revenue ■ Gross Profit ■ EBITDA ■ Net Profit
● Gross Margin ● EBITDA Margin ● Net Margin

- Revenue:
 - 06M/06M 24/23 = +22%

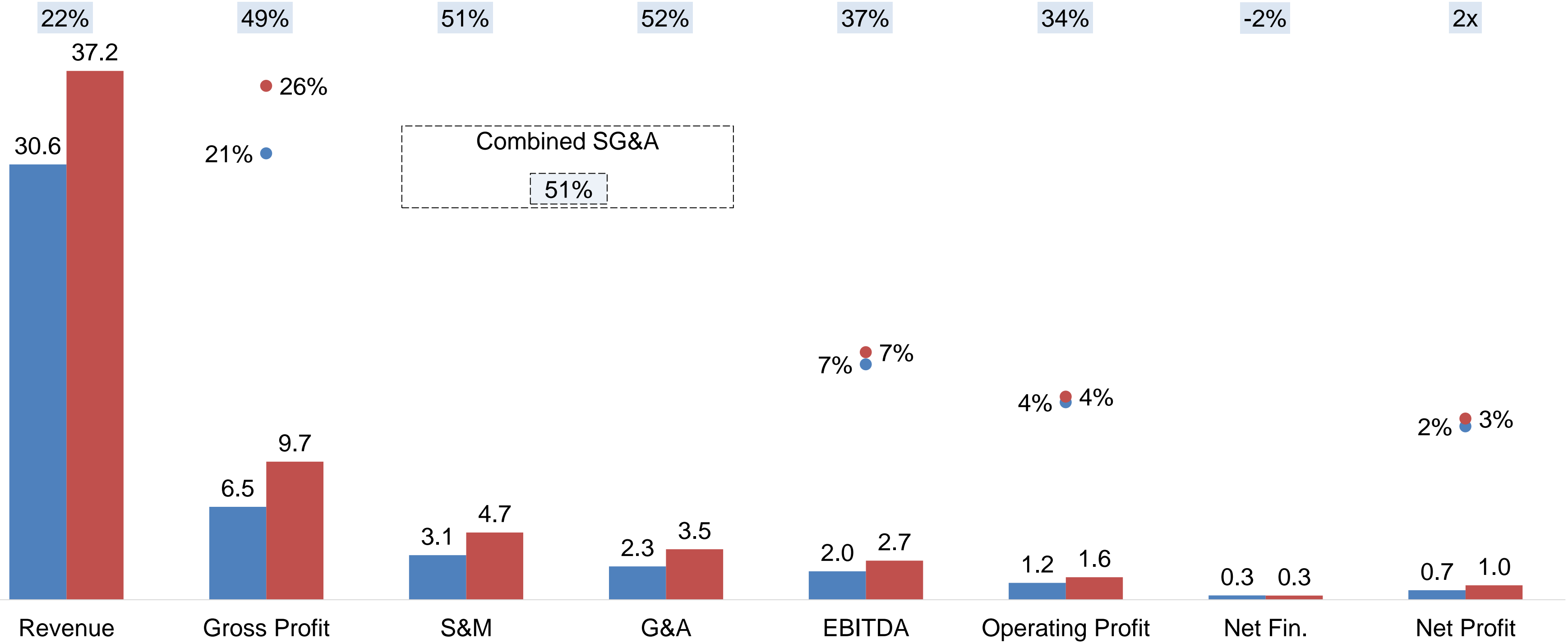
- Gross Profit:
 - 06M/06M 24/23 = +49%
 - margin (chg.) = +4.8%

- EBITDA:
 - 06M/06M 24/23 = +37%
 - margin (chg.) = +0.9%

- Net Profit:
 - 06M/06M 24/23 = +52%
 - margin (chg.) = +0.5%



P&L H1 (detailed)



■ 06M 2023a ■ 06M 2024a ● margin 06M 2023a ● margin 06M 2024a

growth
H1'24/H1'23

Combined SG&A
51%

EUR million

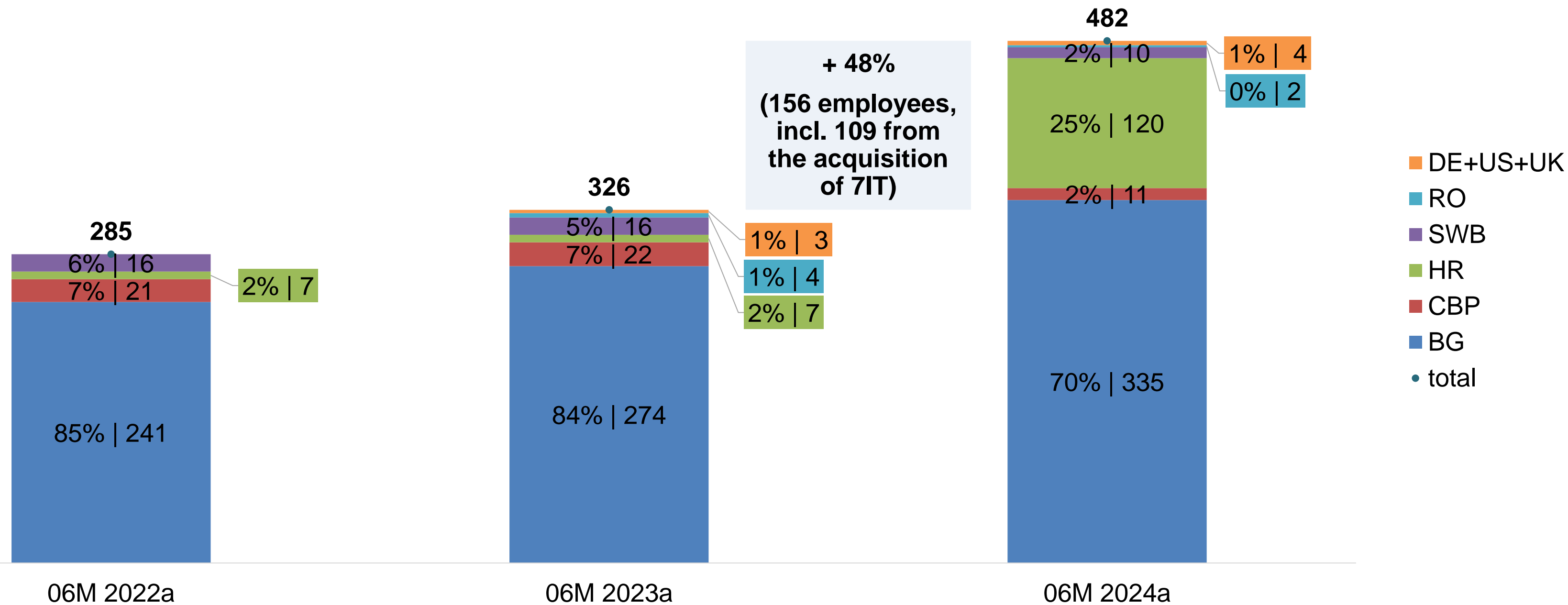
S&M = Sales and Marketing Expenses; G&A = General and Administrative Expenses; SG&A = S&M + G&A



Personnel by Invoicing Region H1



as of period end, % = share in total

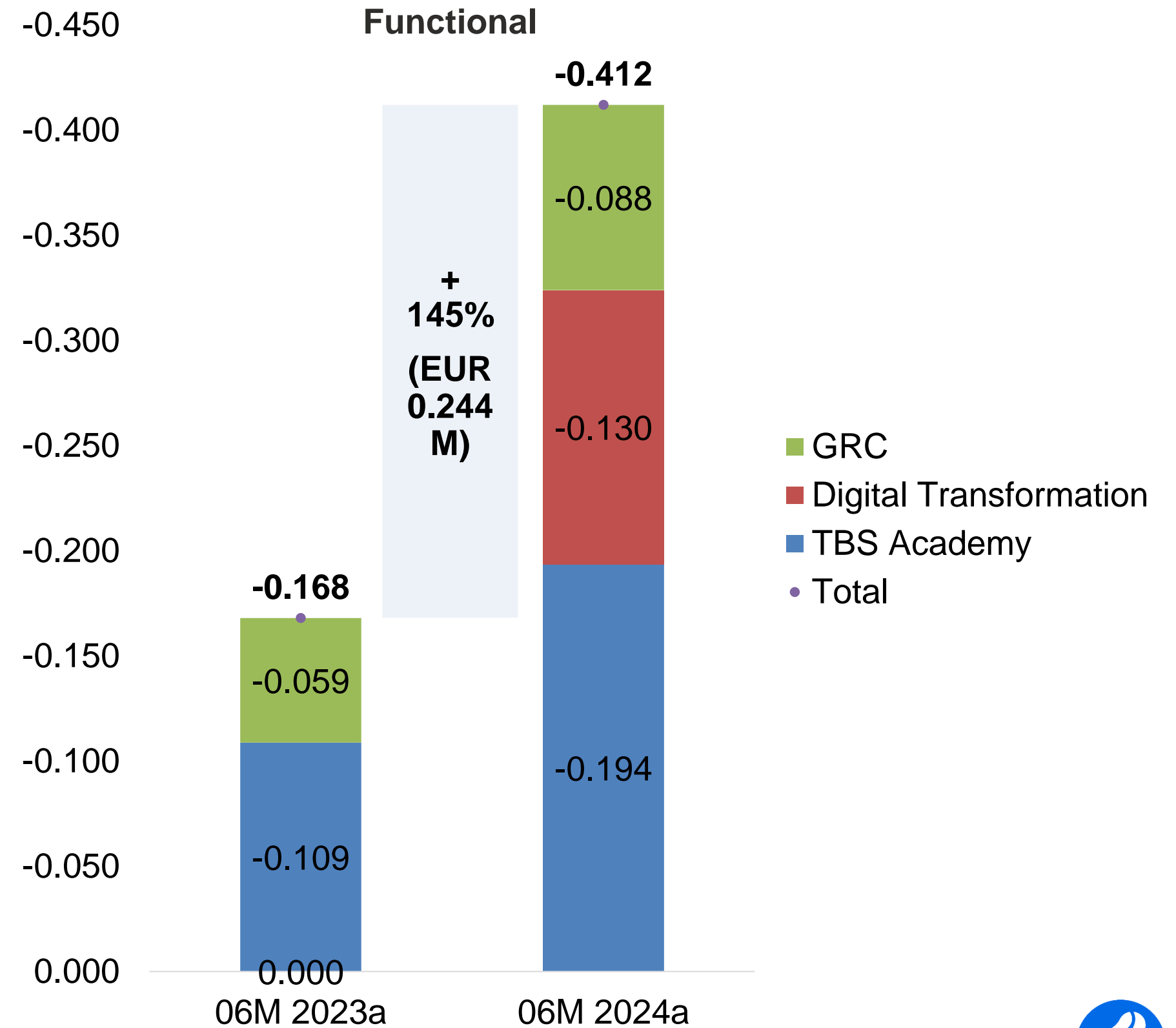
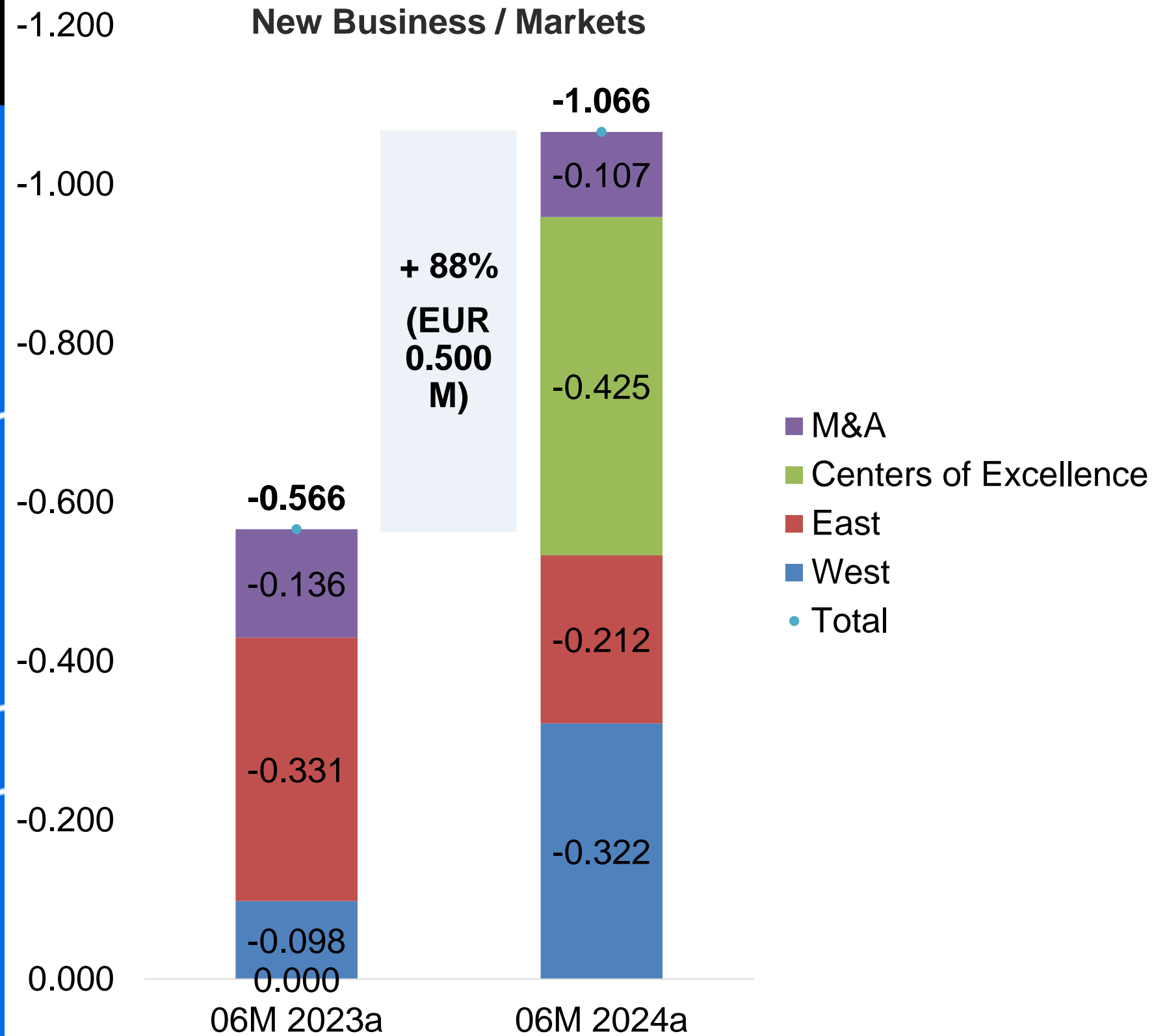


BG = Bulgaria, incl. International Clients serviced by TBS EAD;
CBP = Serbia, Montenegro, Bosnia and Herzegovina & Slovenia; **HR** = Croatia

SWB (South Western Balkans) = Macedonia & Albania, **RO** = Romania, **DE+US** = Germany and the USA



P&L Investments* H1



* Net cost of new business development with direct P&L impact in the current year and payback delayed beyond the current year.



Revenue by Invoicing Region* H1



EUR million, % = share in total



BG = Bulgaria, incl. International Clients serviced by TBS EAD;
CBP* = Serbia, Montenegro, Bosnia and Herzegovina & Slovenia; **HR*** = Croatia, incl. 7IT)

growth
H1'24/H1'23

SWB (South-Western Balkans) = Macedonia & Albania, **RO** = Romania, **DEUS** = Germany and the USA

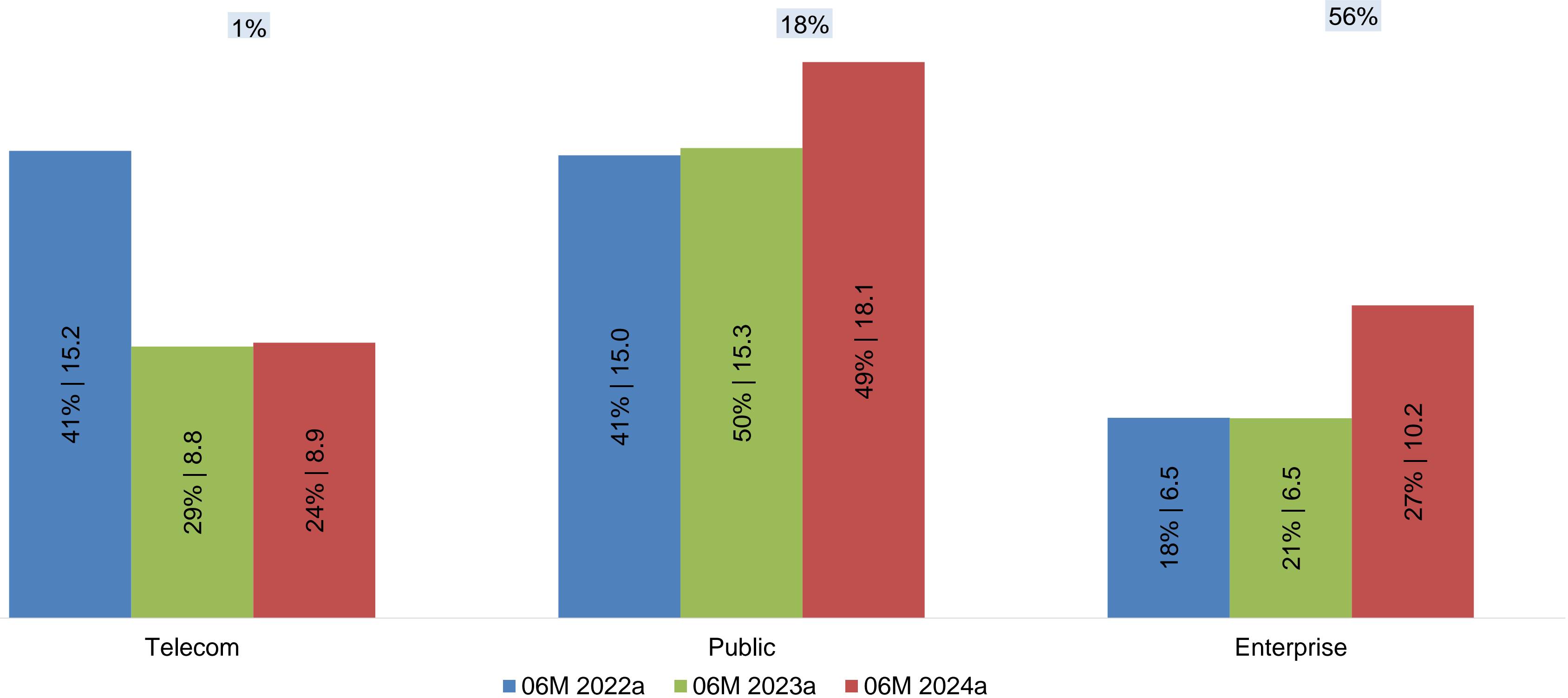
* Adjusted for sales through TBS Croatia generated and managed by Comutel (Serbia)



Revenue by Sector H1 (identified by End Client)



EUR million, % = share in total



1%

18%

56%

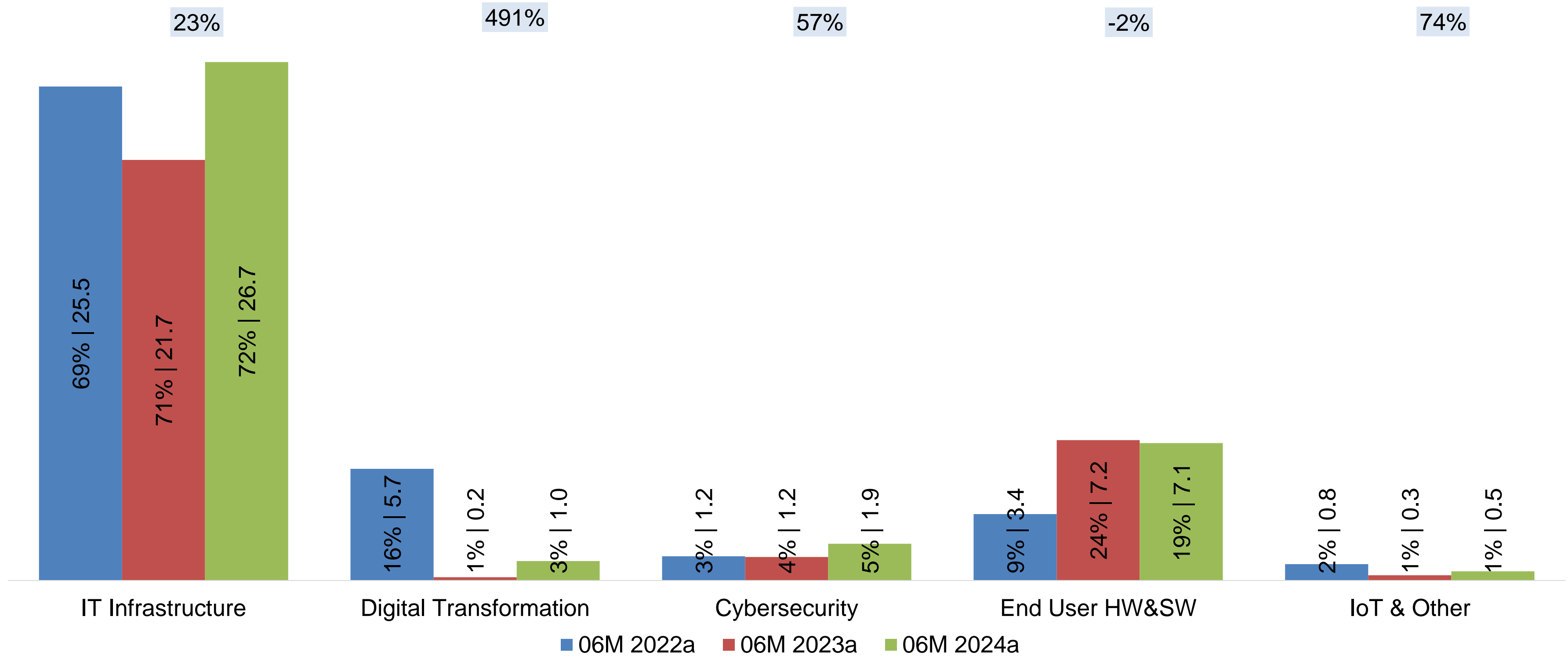
growth
H1'24/H1'23



Revenue by Product Family H1



EUR million, % = share in total



growth
H1'24/H1'23

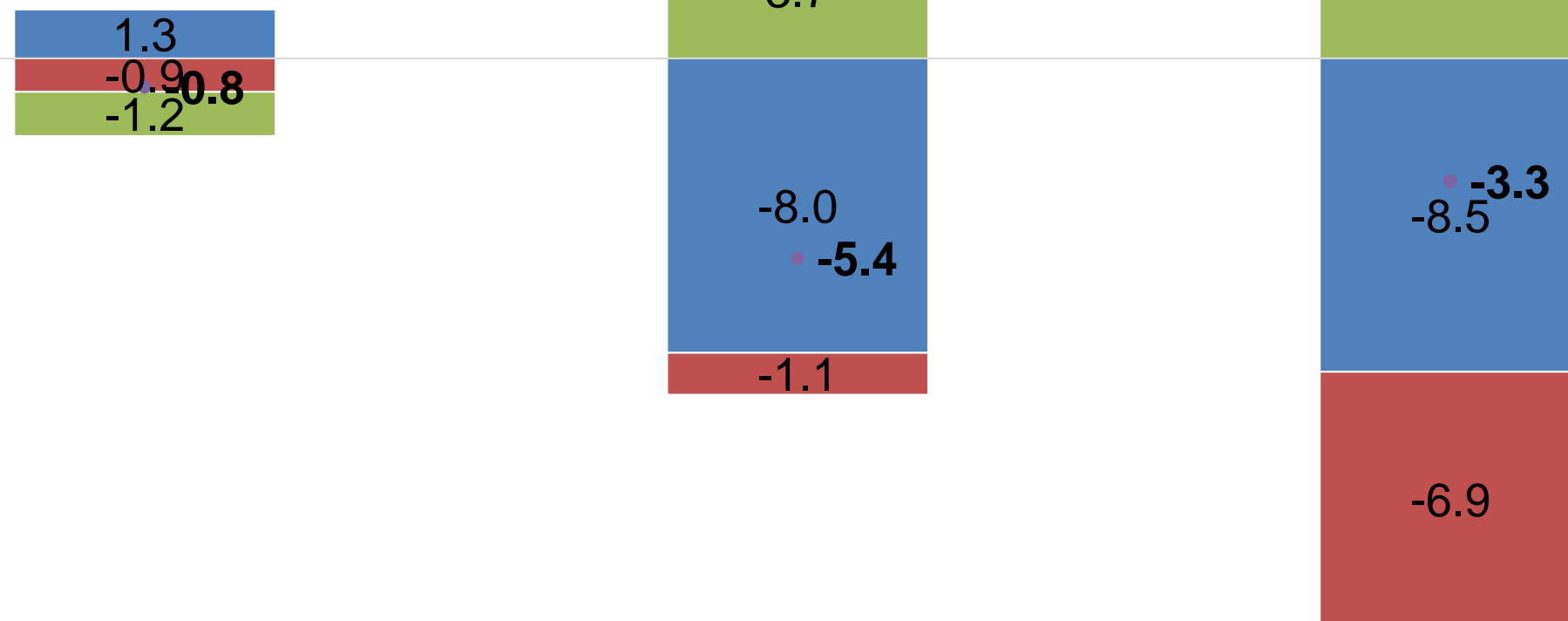


Cash Flow H1

06M 2022a

06M 2023a

06M 2024a



■ Operating ■ Investing ■ Financing • Net

• Operating:

- Strong interim EBITDA
- Much bigger increase in Net non-cash Working Capital before financing:
 - Increase in Goods on Inventory to secure upcoming deliveries
 - Substantially faster decrease in Payables vs. Receivables

• Investing:

- Upfront payment on the acquisition of 7IT (EUR 5.5 M)
- Office area extensions and improvements
- EaaS and general-purpose CapEx

• Financing:

- Funding 70% of the acquisition of 7IT with an Investment Bank Loan
- Increased credit line utilization to meet Working Capital growth



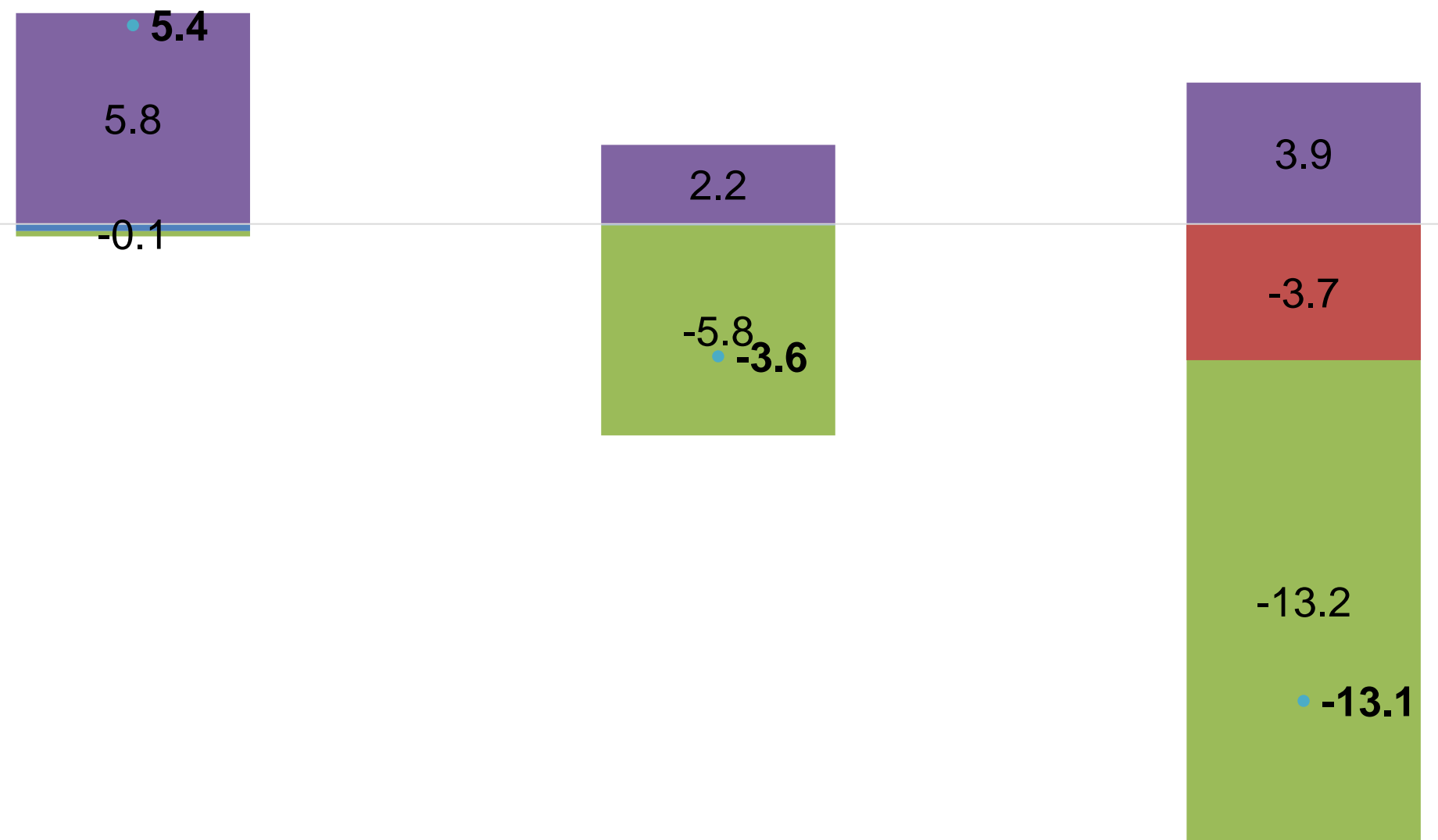
Net Cash/(Debt) Position H1



06M 2022a

06M 2023a

06M 2024a



■ (Finance Leases) ■ (Long-term Loans) ■ (Revolving & Overdraft)
■ Cash & CE ● Net Cash/(Debt)

- **Finance Leases:**
 - Near-zero balance in the absence of new lease financing
- **Long-term Loans:**
 - Funding 70% of cash-out on the upfront payment for the acquisition of 7IT with an Investment Bank Loan
- **Credit Lines:**
 - Increased utilization to meet working capital growth
 - Consolidating the outstanding obligations of 7IT
- **Cash:**
 - Negative net cash flow, as substantial parts of CapEx and Net Working Capital were financed with own funds
- **Net Cash/(Debt):**
 - Transitioning to a Net Debt Position



EUR million, % = share in total

Outlook Update

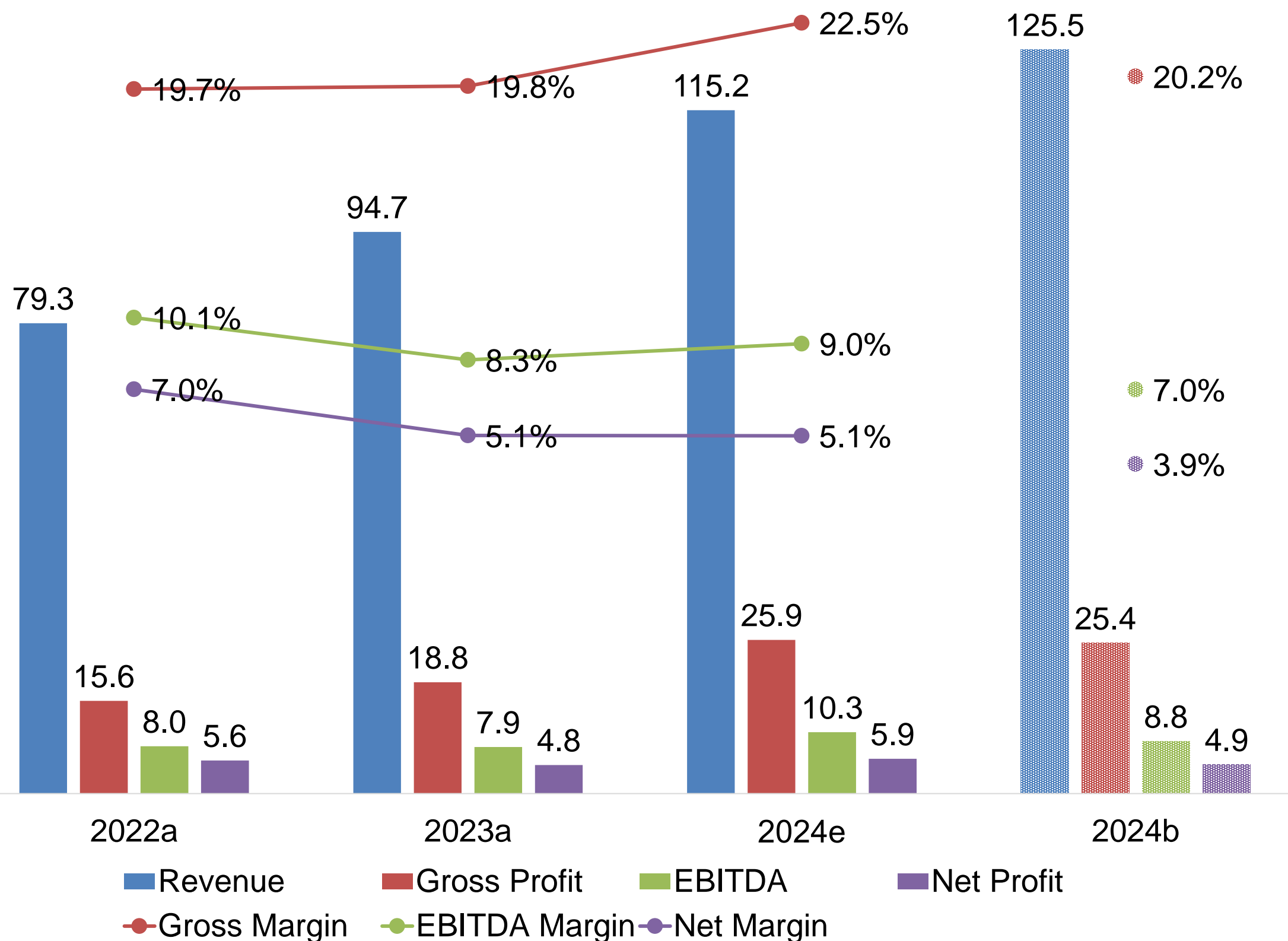
FY'2024*

* Full year estimate as of September 24, 2024

P&L Outlook FY



EUR million



- Revenue:
 - FY/FY 24/23 = +22%

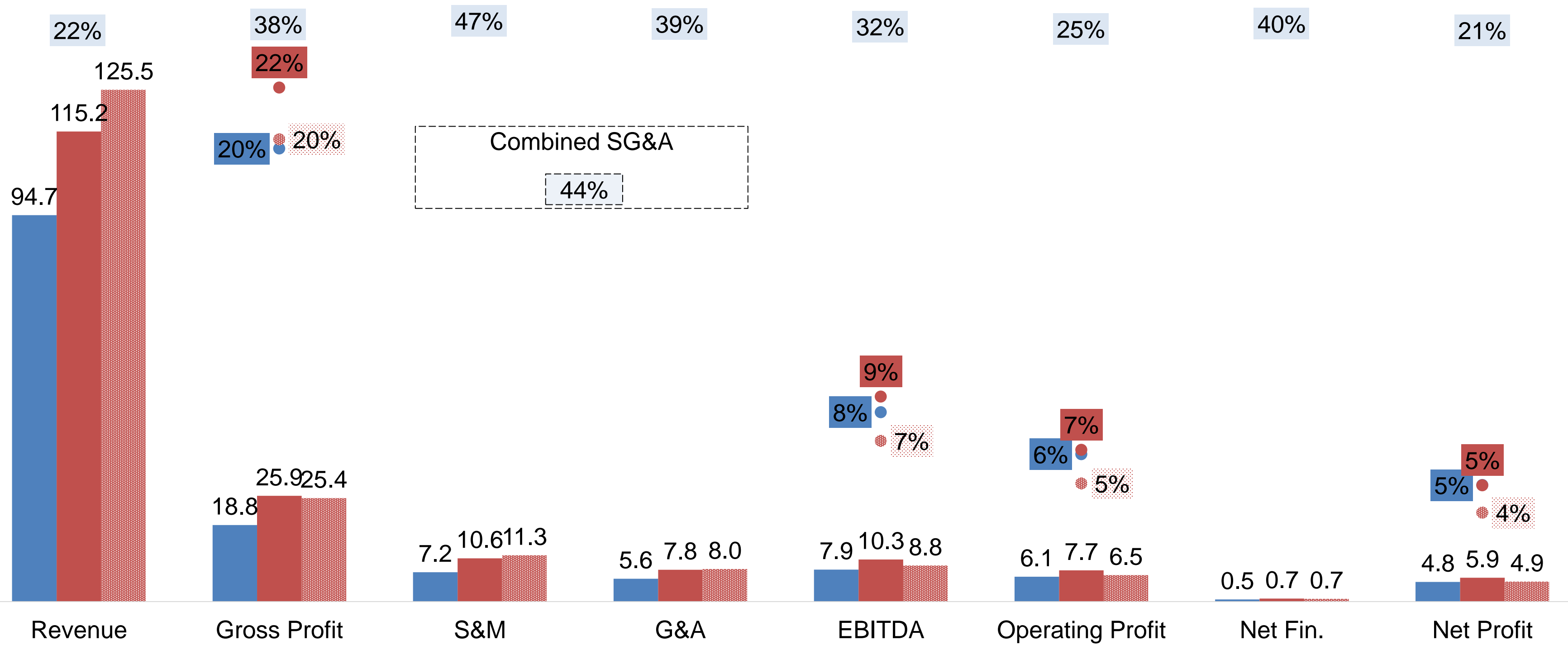
- Gross Profit:
 - FY/FY 24/23 = +28%
 - margin (chg.) = +2.7%

- EBITDA:
 - FY/FY 24/23 = +32%
 - margin (chg.) = +0.7%

- Net Profit:
 - FY/FY 24/23 = +21%
 - margin (chg.) = +0.0%



P&L Outlook FY (detailed)



■ 2023a ■ 2024e ■ 2024b ● margin 2023a ● margin 2024e ● margin 2024b

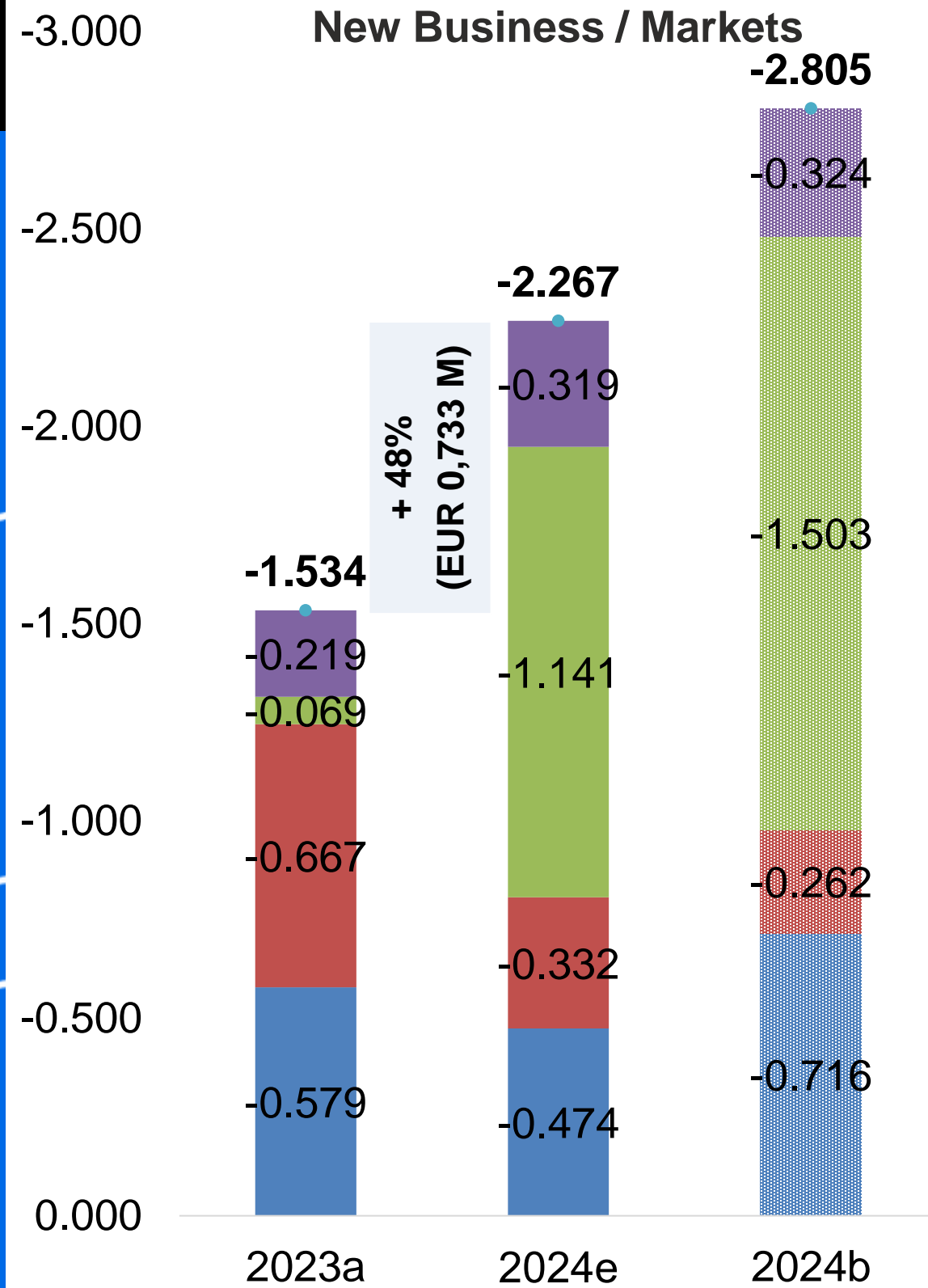
growth
2024e/2023



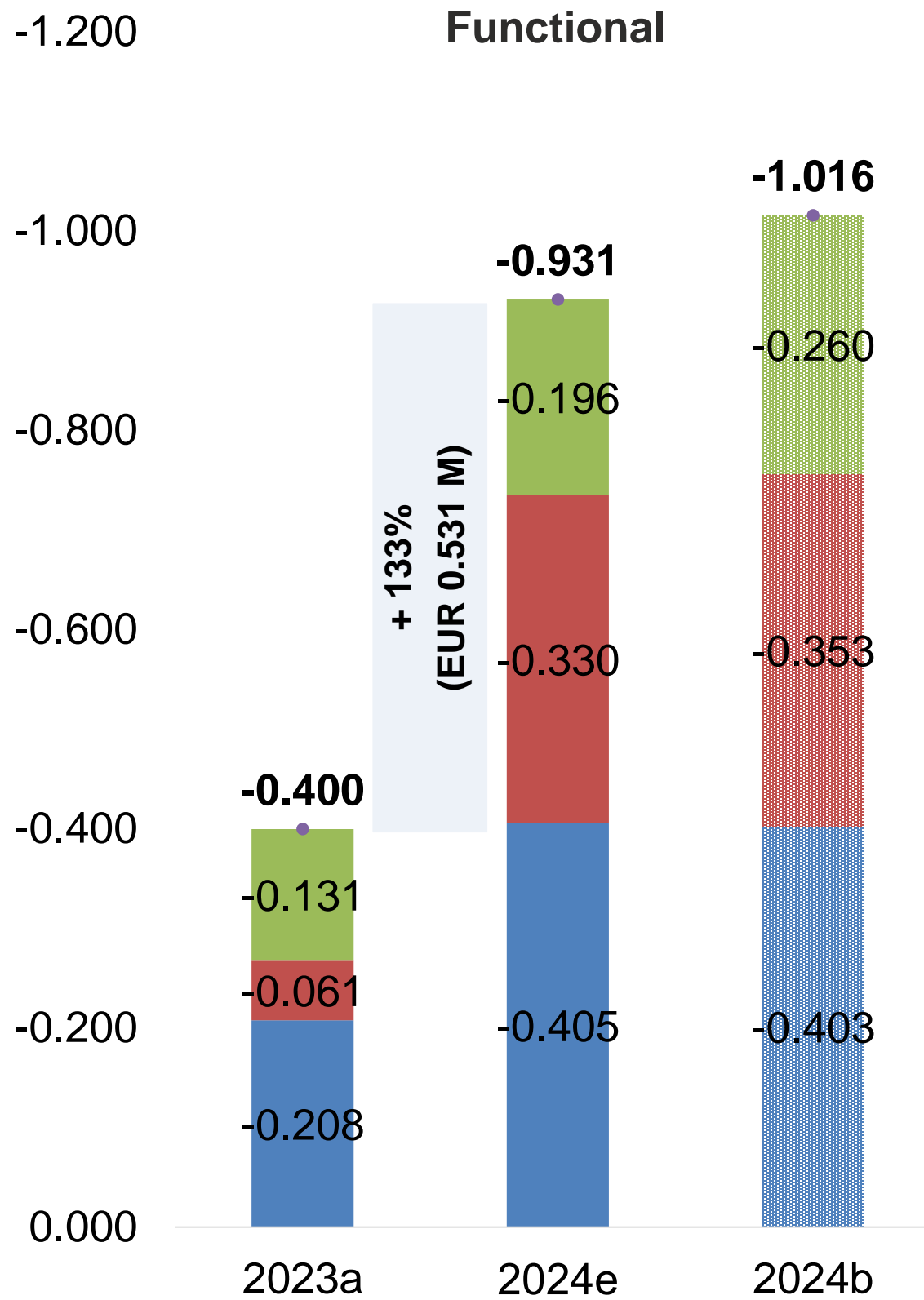
S&M = Sales and Marketing Expenses; G&A = General and Administrative Expenses; SG&A = S&M + G&A

EUR million

P&L Investments* FY



- M&A
- Centers of Excellence
- East
- West
- Total



- GRC
- Digital Transformation
- TBS Academy
- Total

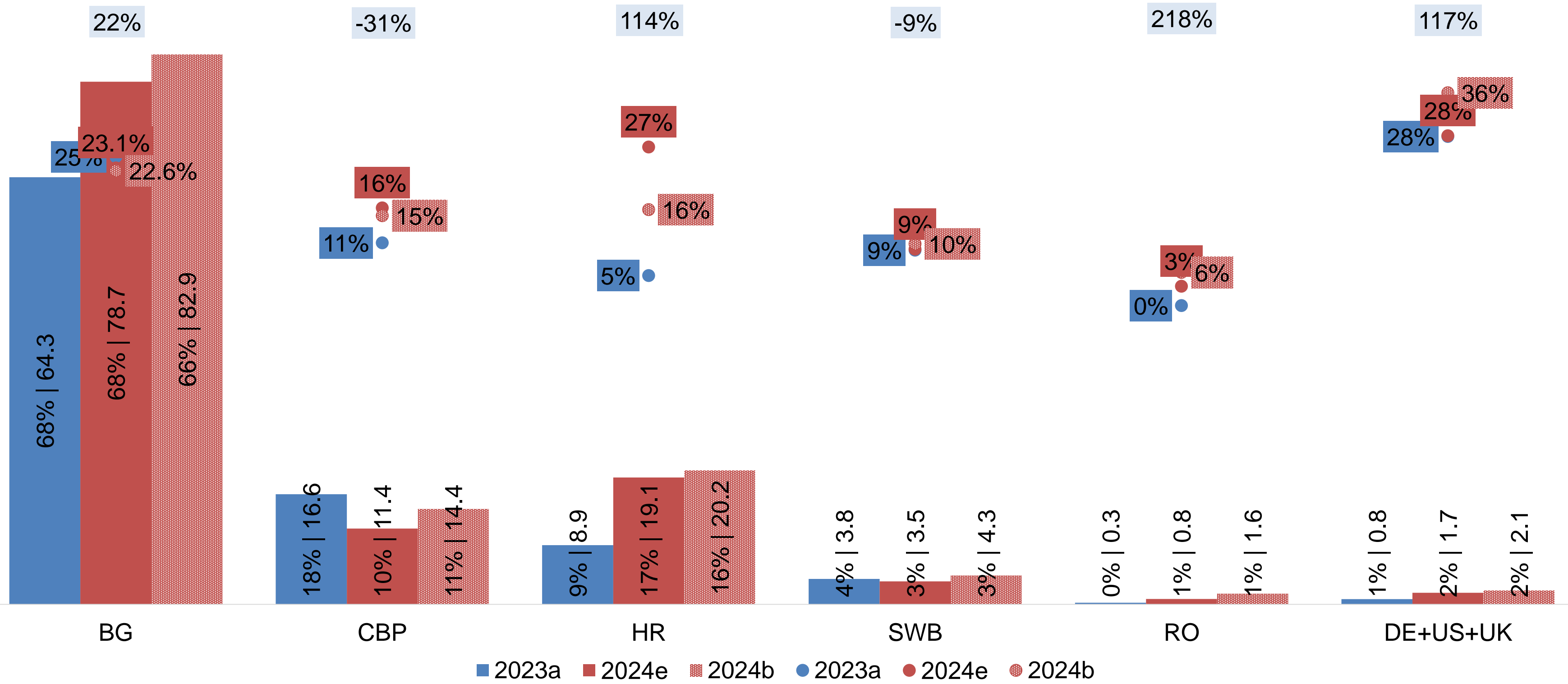
* Net cost of new business development with direct P&L impact in the current year and payback delayed beyond the current year.



Revenue by Invoicing Region* FY



EUR million, % = share in total



BG = Bulgaria, incl. International Clients serviced by TBS EAD;
CBP* = Serbia, Montenegro, Bosnia and Herzegovina & Slovenia; **HR*** = Croatia, incl. 7IT)

growth
2024e/2023

SWB (South-Western Balkans) = Macedonia & Albania, **RO** = Romania, **DEUS** = Germany and the USA

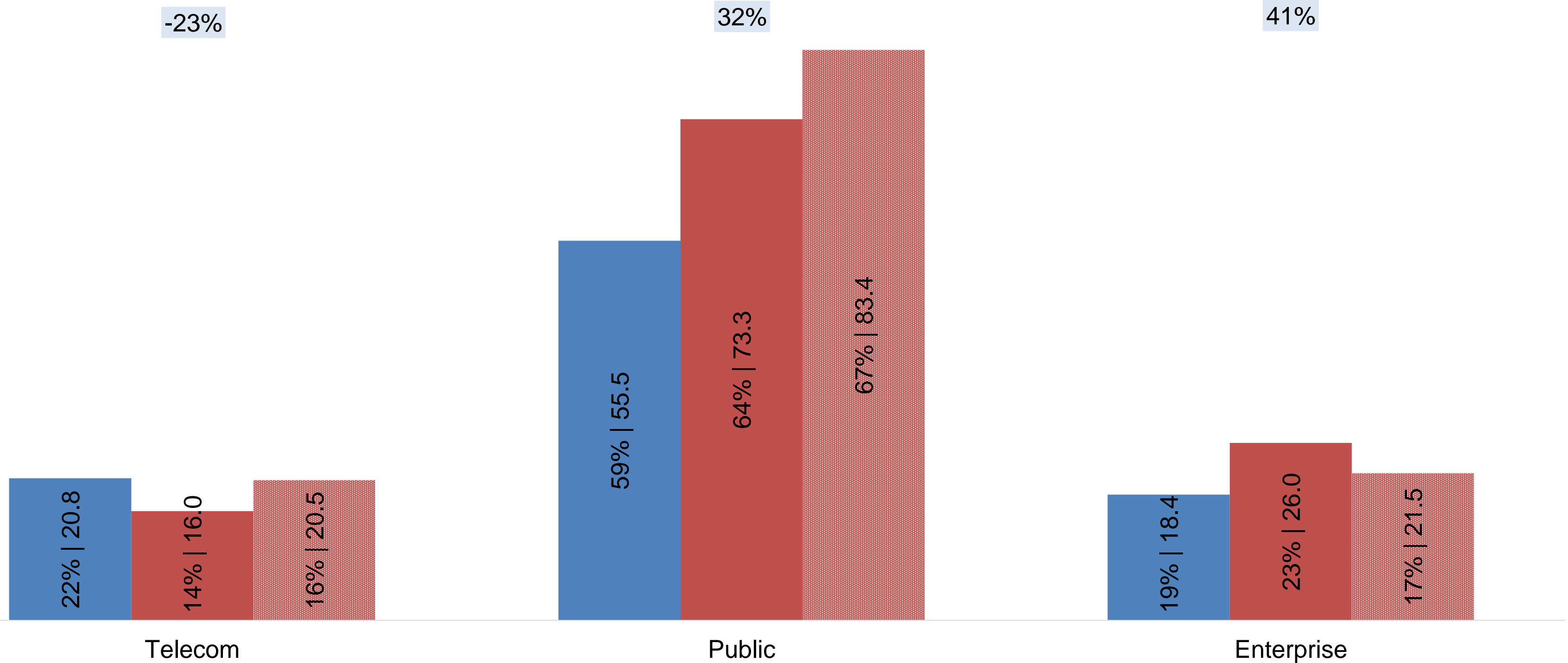
* Adjusted for sales through TBS Croatia generated and managed by Comutel (Serbia)



Revenue by Sector FY (identified by End Client)



EUR million, % = share in total



■ 2023a ■ 2024e ■ 2024b

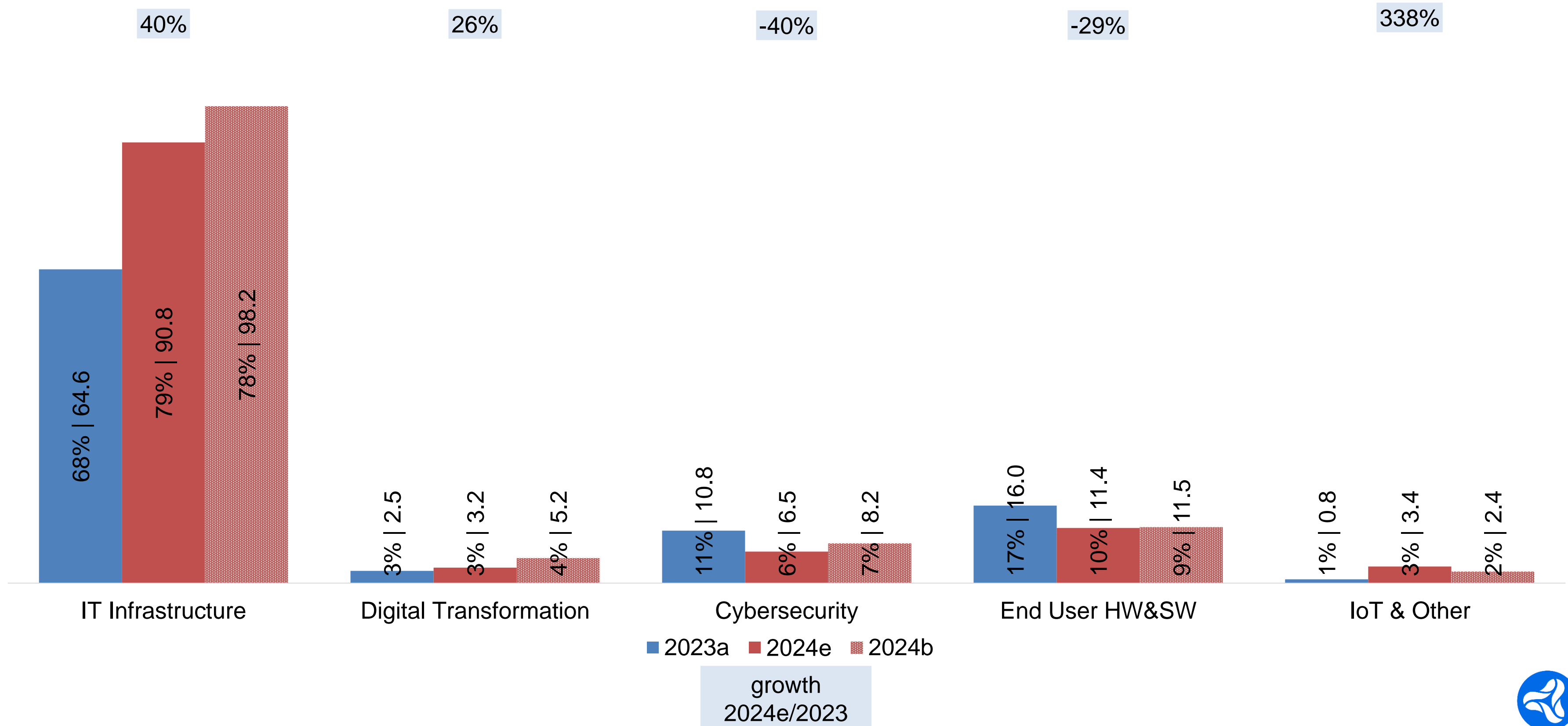
growth
2024e/2023



Revenue by Product Family FY



EUR million, % = share in total

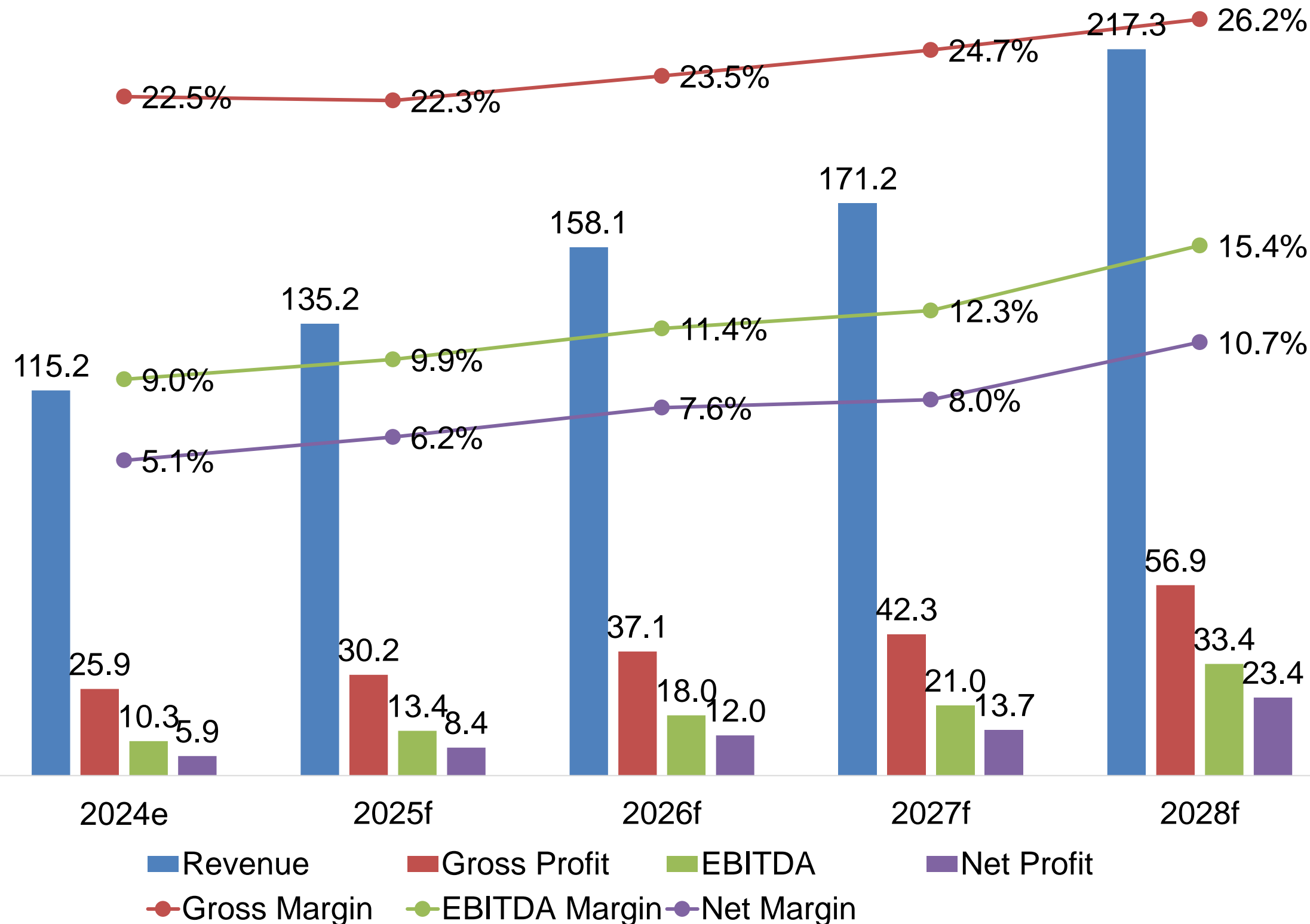


Outlook Update

2025-2028*

*Excluding potential future acquisitions

P&L Outlook FY



- Revenue:
 - 5Y CAGR 28/23 = +18%

- Gross Profit:
 - 5Y CAGR 28/23 = +25%
 - margin (chg.) = +6.4%

- EBITDA:
 - 5Y CAGR 28/23 = +34%
 - margin (chg.) = +7.1%

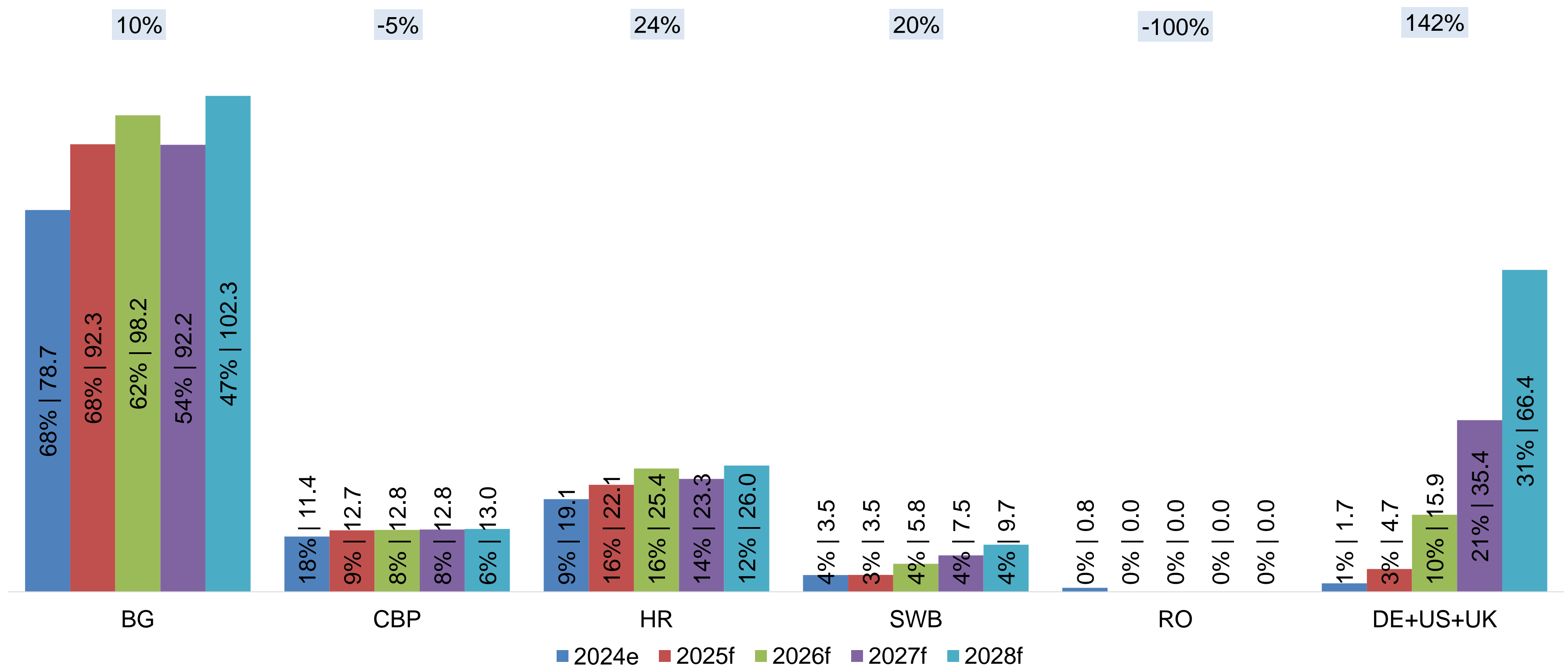
- Net Profit:
 - 5Y CAGR 28/23 = +37%
 - margin (chg.) = +5.6%



Revenue by Invoicing Region* FY



EUR million, % = share in total



BG = Bulgaria, incl. International Clients serviced by TBS EAD;
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5Y CAGR
2028f/2023

SWB (South-Western Balkans) = Macedonia & Albania, **RO** = Romania, **DEUS** = Germany and the USA

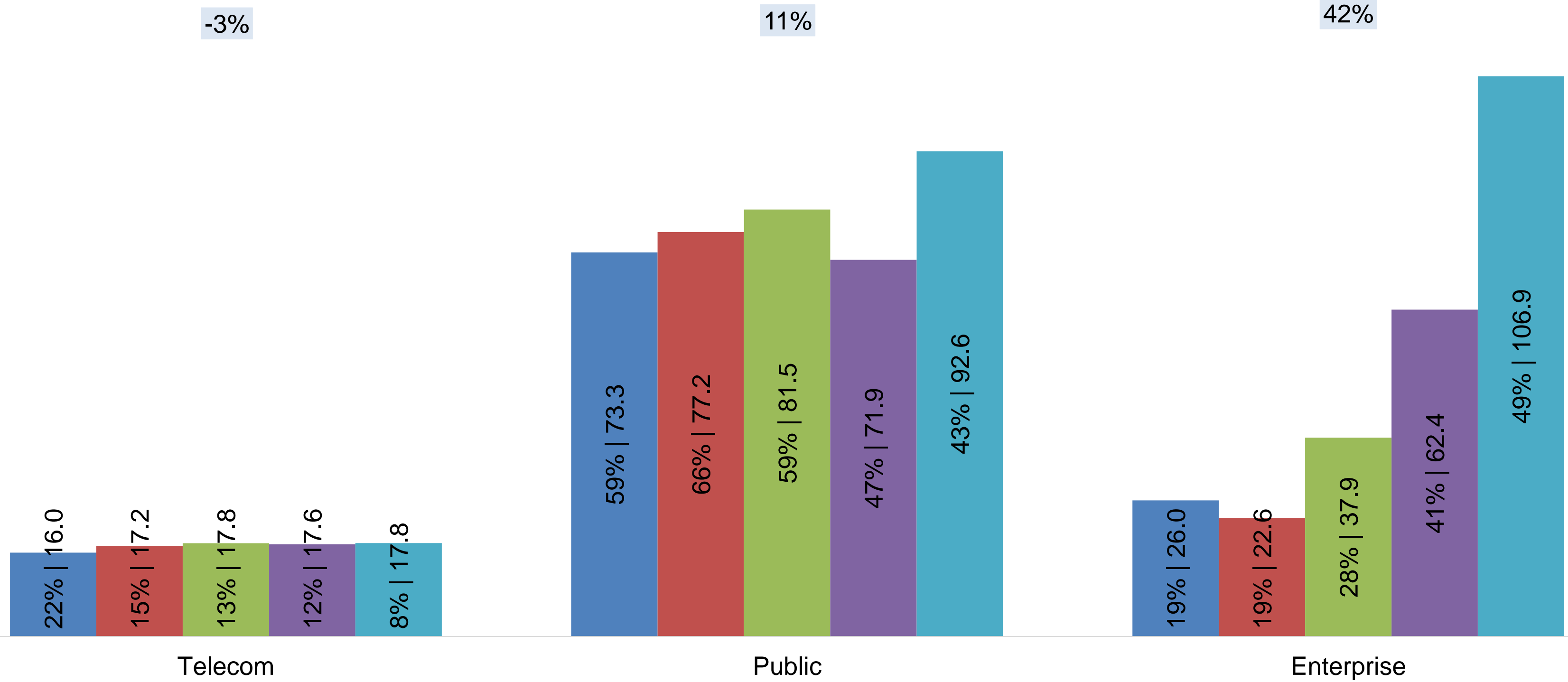


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Revenue by Sector FY (identified by End Client)



EUR million, % = share in total



-3%

11%

42%

■ 2024e ■ 2025f ■ 2026f ■ 2027f ■ 2028f

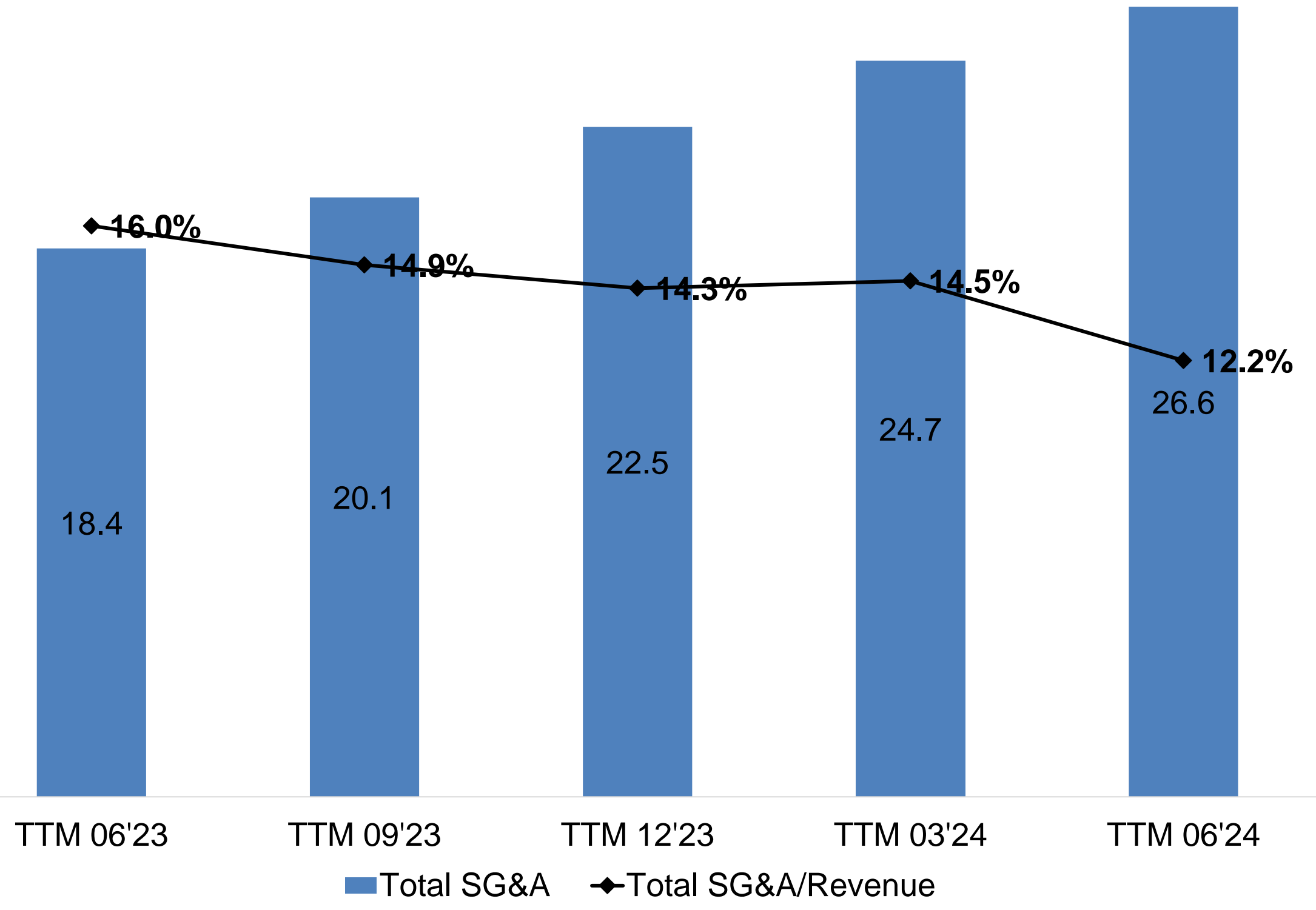
5Y CAGR
2028f/2023



SG&A FY



EUR million



- SG&A:
 - 5Y CAGR 28/23 = +16%
 - % of revenue (chg.) = -1.3%



Thank You!

