



**telelink  
business  
services**

# Quarterly Financial Review

## January-September 2023

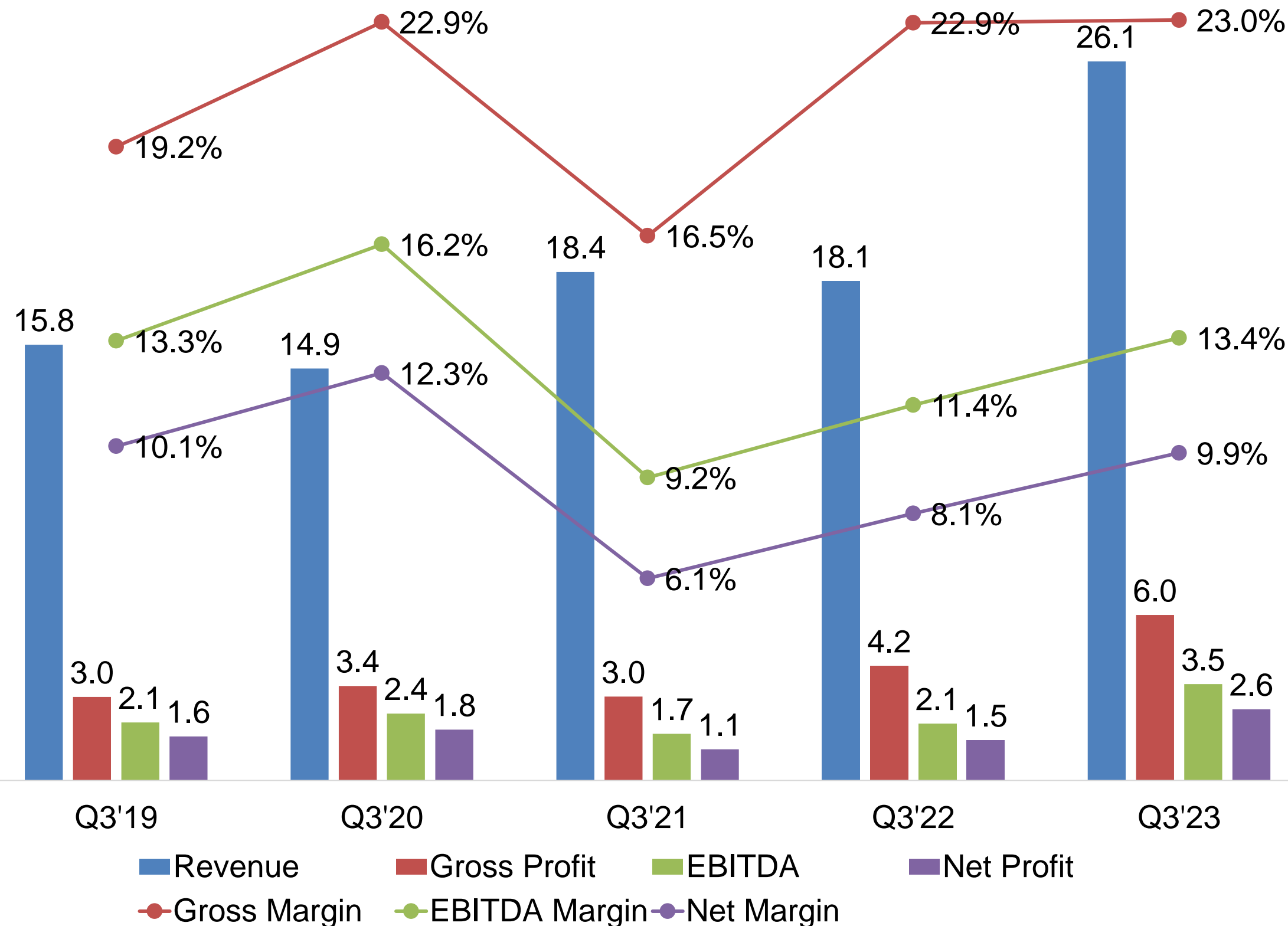
December 21, 2023

# Financial Review

## **9M'2023 & TTM\* Results**

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

# P&L by Quarter (Q3)



- Revenue:
  - Q3/Q3 23/22 = +44%

- Gross Profit:
  - Q3/Q3 23/22 = +45%
  - margin (chg.) = +0.1%

- EBITDA:
  - Q3/Q3 23/22 = +70%
  - margin (chg.) = +2.0%

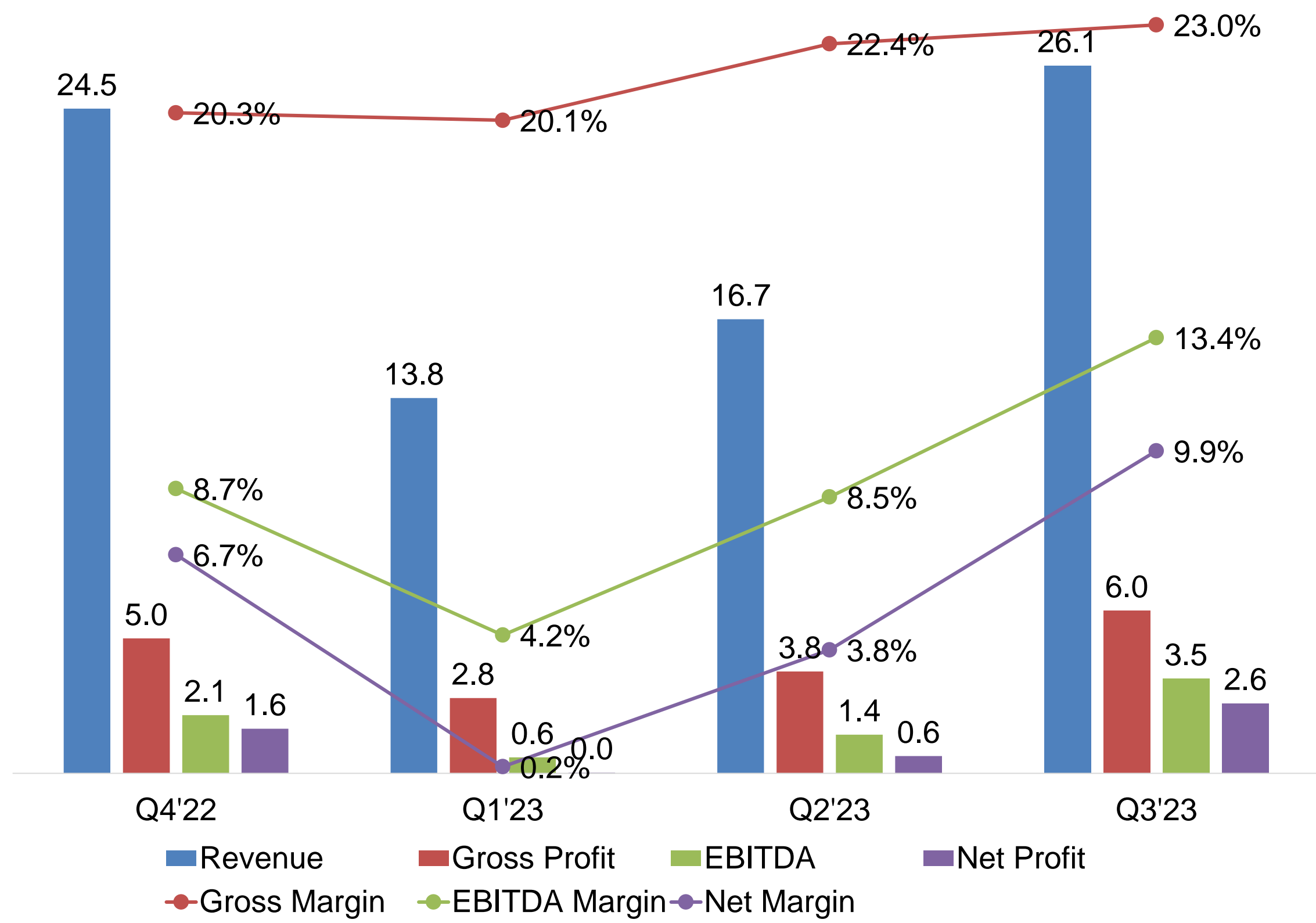
- Net Profit:
  - Q3/Q3 23/22 = +77%
  - margin (chg.) = +1.8%



# P&L by Quarter (consecutive)



EUR million



- Revenue:
  - Q3'23/Q2'23 = +56%

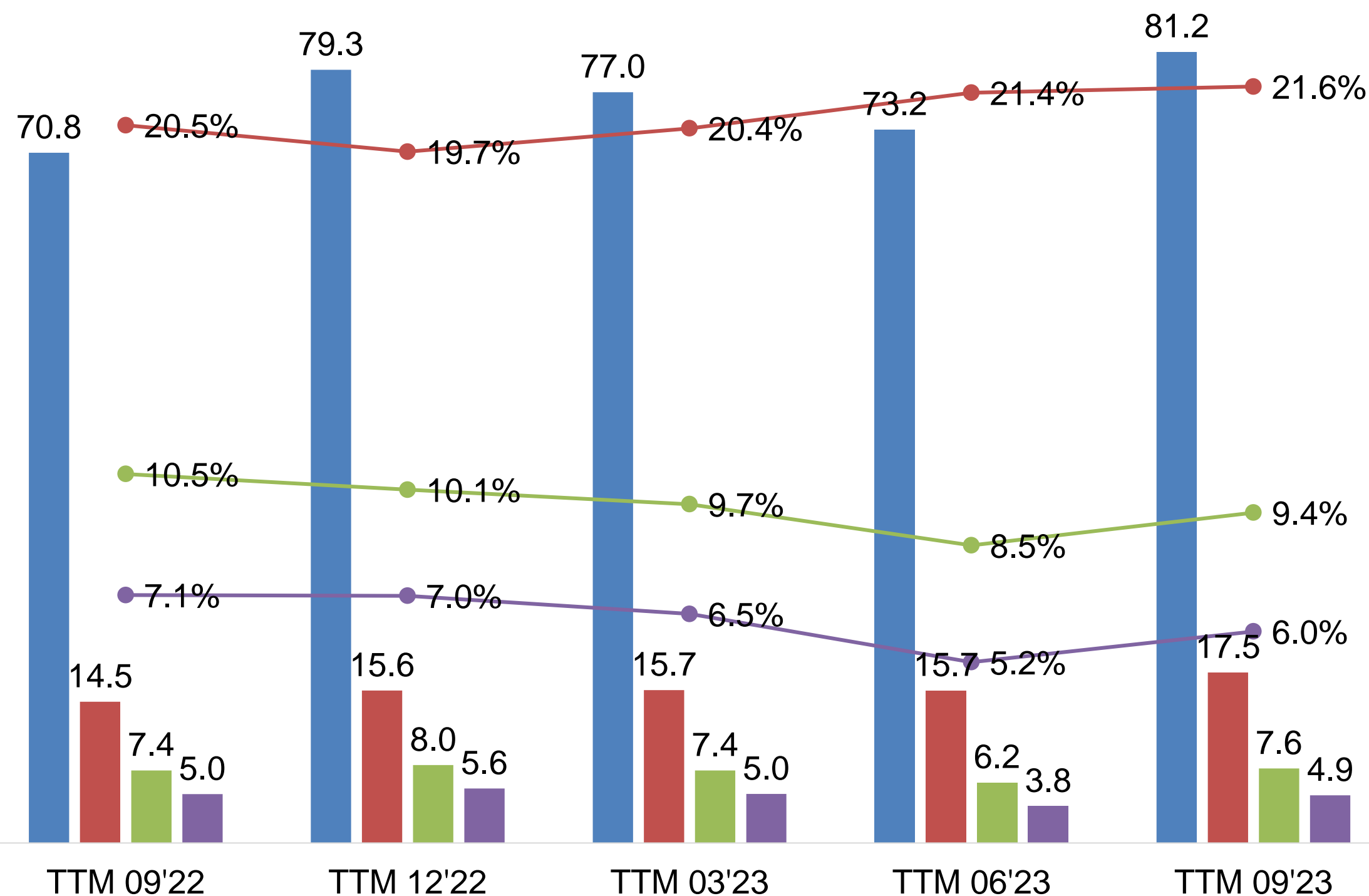
- Gross Profit:
  - Q3'23/Q2'23 = +60%
  - margin (chg.) = +0.6%

- EBITDA:
  - Q3'23/Q2'23 = +2.5x
  - margin (chg.) = +4.9%

- Net Profit:
  - Q3'23/Q2'23 = +4.1x
  - margin (chg.) = +6.1%



# P&L TTM\*



## • Revenue:

- TTM 09'23/09'22 = +15%

## • Gross Profit:

- TTM 09'23/09'22 = +21%
- margin (chg.) = +1.1%

## • EBITDA:

- TTM 09'23/09'22 = +3%
- margin (chg.) = -1.1%

## • Net Profit:

- TTM 09'23/09'22 = -2%
- margin (chg.) = -1.0%

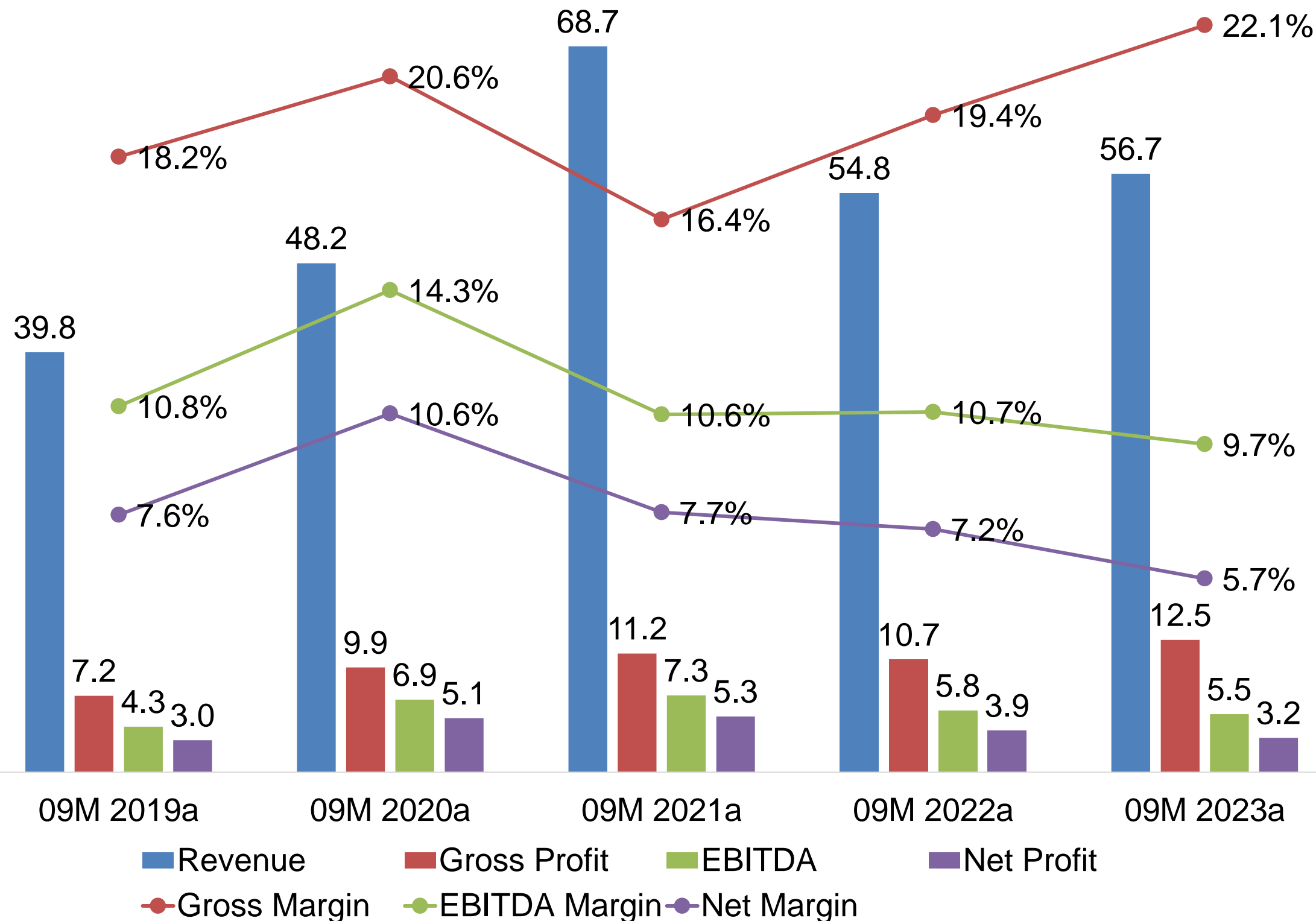
■ Revenue    ■ Gross Profit    ■ EBITDA    ■ Net Profit  
● Gross Margin    ● EBITDA Margin    ● Net Margin



\* Trailing 12 months ended in [month]'[year]

EUR million

# P&L 9M



- Revenue:
  - 9M/9M 23/22 = +3%

- Gross Profit:
  - 9M/9M 23/22 = +18%
  - margin (chg.) = +2.7%

- EBITDA:
  - 9M/9M 23/22 = -6%
  - margin (chg.) = -0.9%

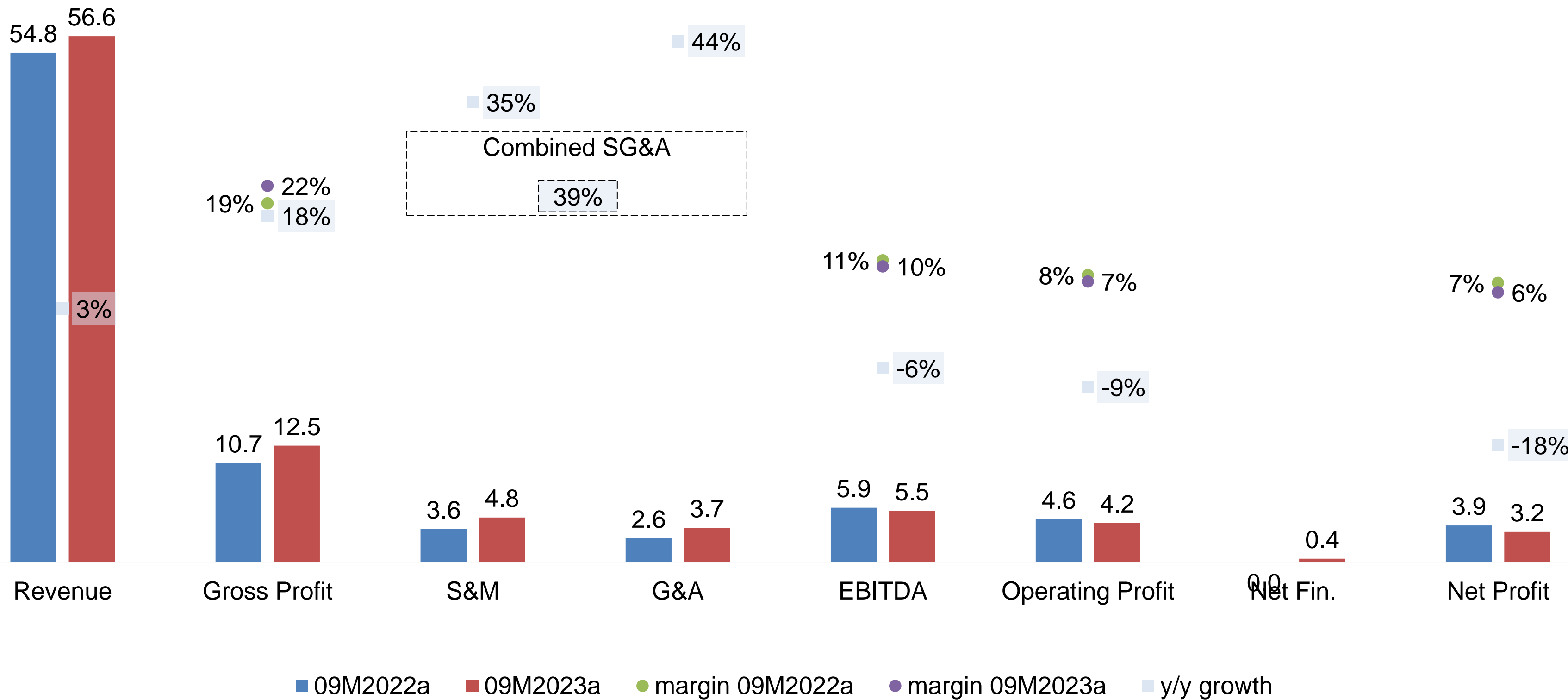
- Net Profit:
  - 9M/9M 23/22 = -18%
  - margin (chg.) = -1.5%



# P&L 9M (detailed)



EUR million



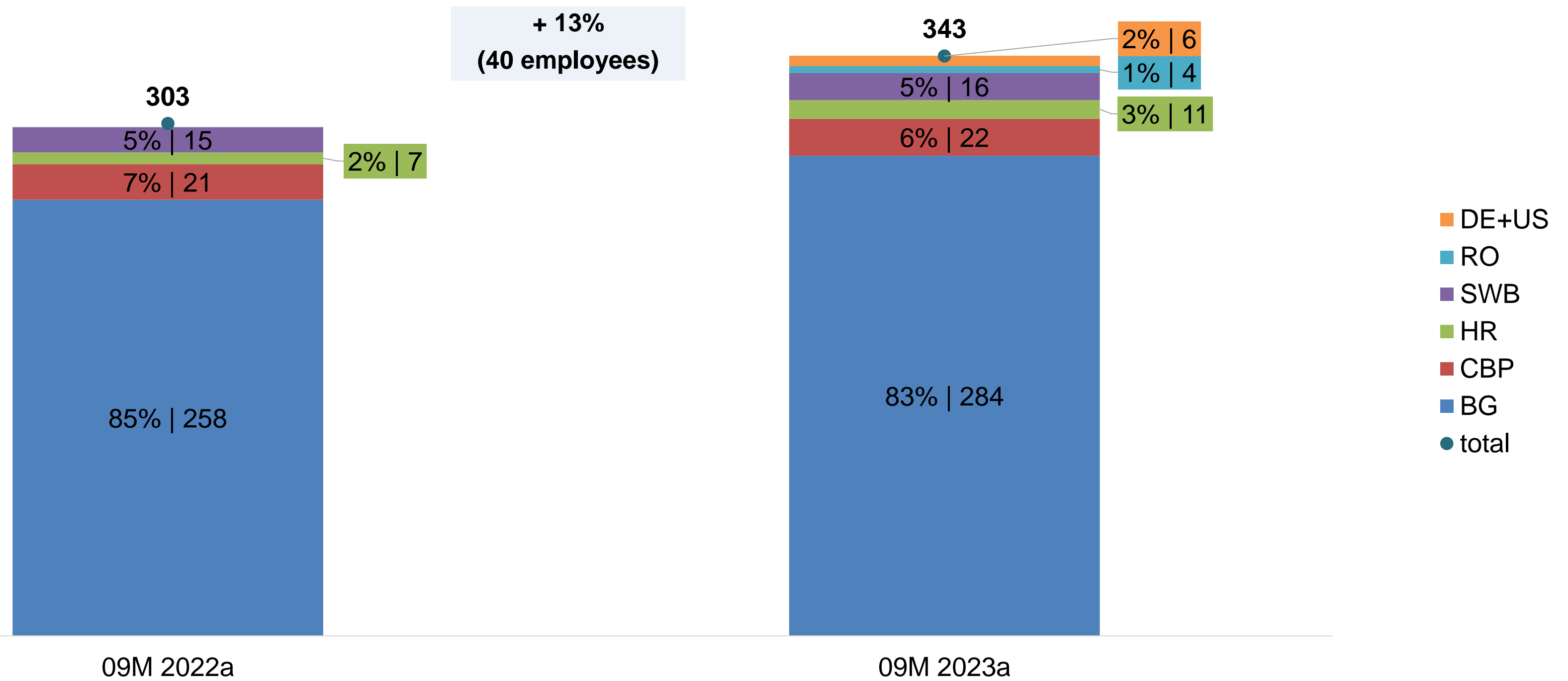
S&M = Sales and Marketing Expenses; G&A = General and Administrative Expenses; SG&A = S&M + G&A



# Personnel by Invoicing Region 9M



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

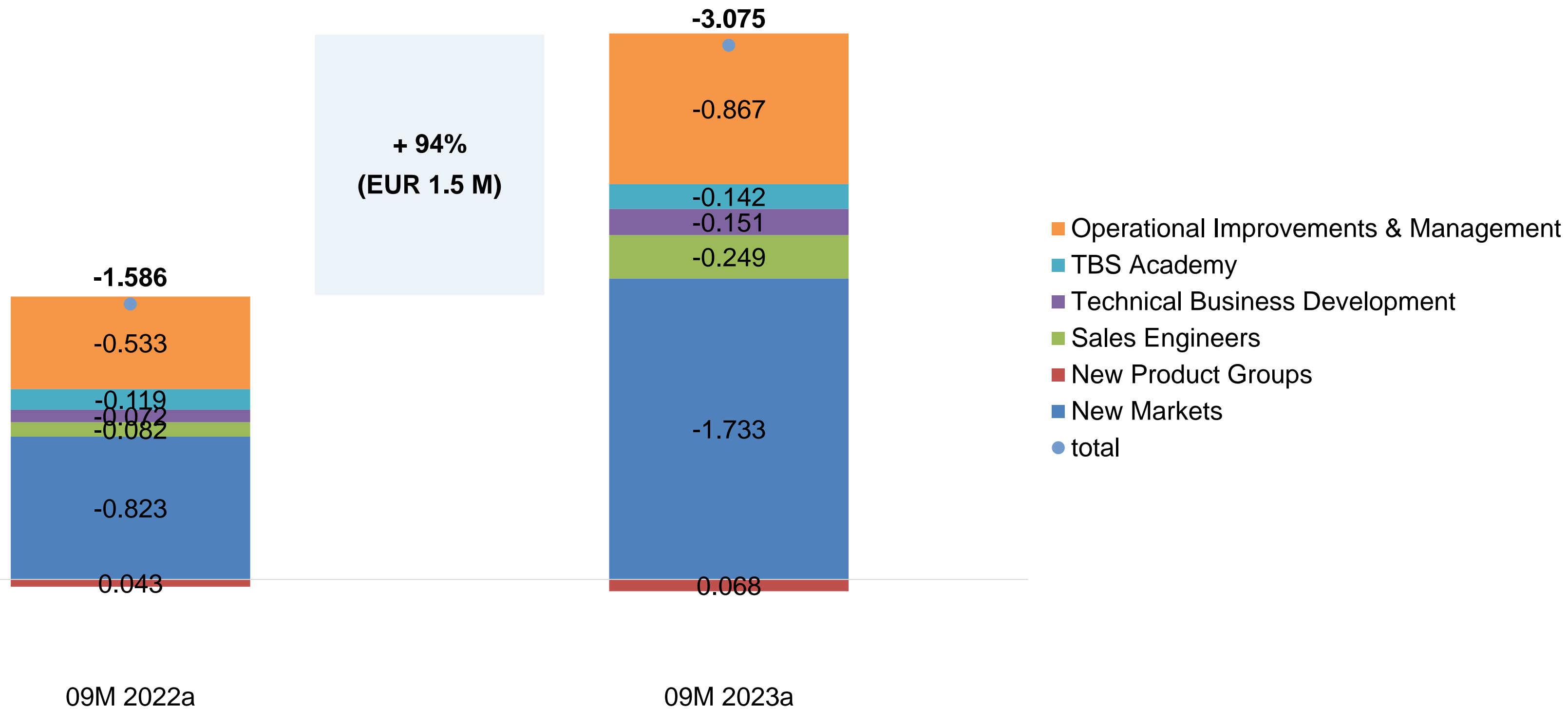




# P&L Investments\* 9M



EUR million



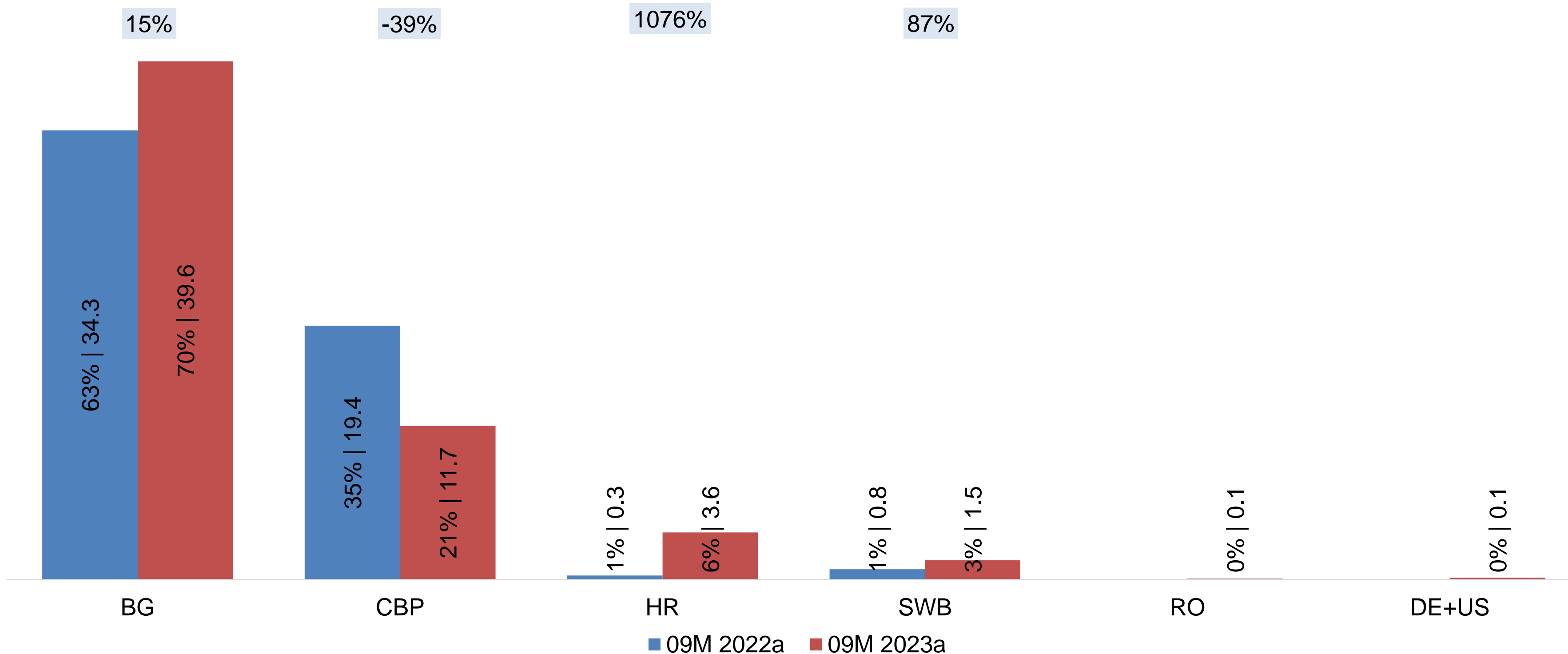
\* Net cost of new business development with direct P&L impact in the current year and payback delayed beyond the current year.



# Revenue by Invoicing Region\* 9M



EUR million, % = share in total



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

growth 9M/9M

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

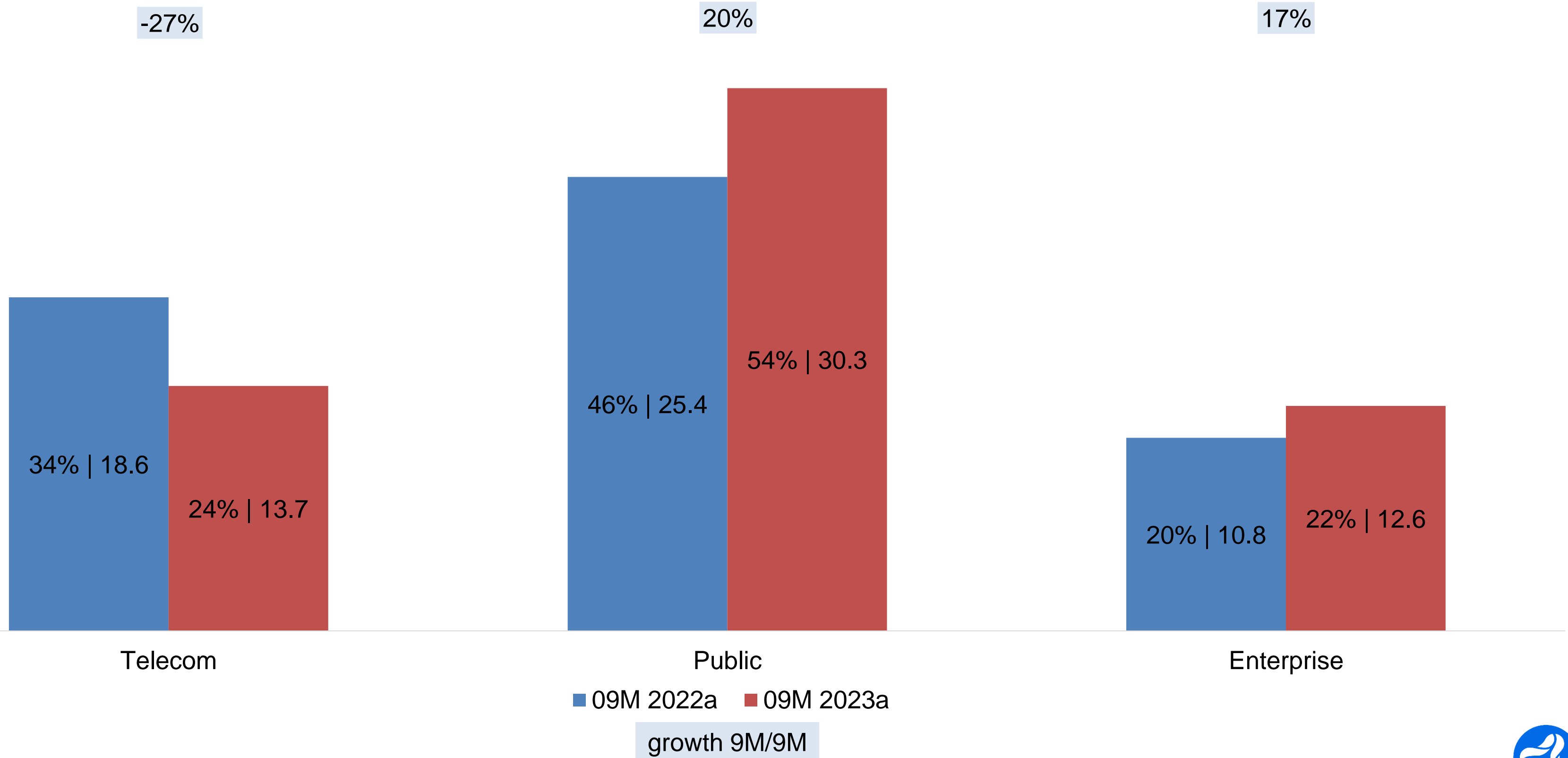
\* Adjusted for sales through TBS Croatia generated and managed by Comutel (Serbia)



# Revenue by Sector 9M



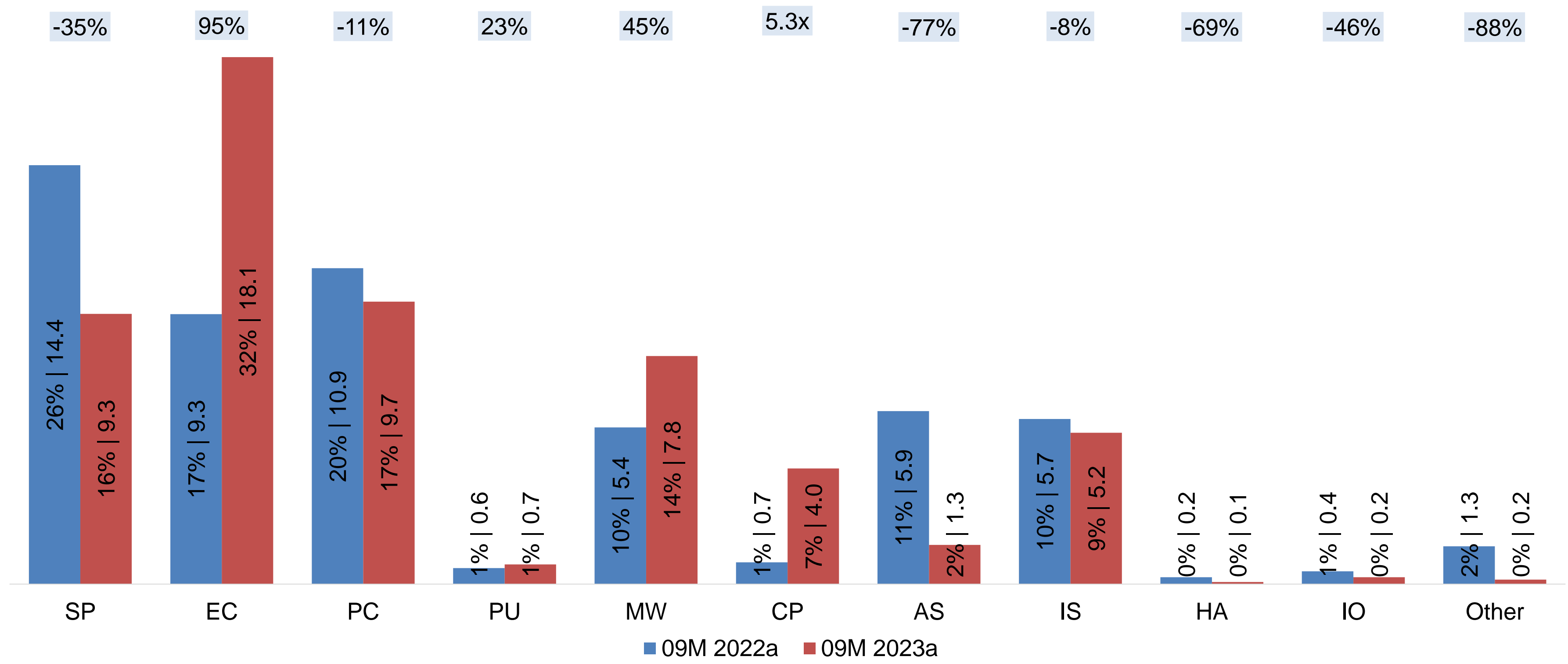
EUR million, % = share in total



# Revenue by Product Group 9M



EUR million, % = share in total



**SPS** = Service Provider Specific, **EC** = Enterprise Connectivity, **PC** = Private Cloud, **PU** = Public Cloud, **MW** = Modern Workplace, **CP** = Computers & Peripherals

growth 9M/9M

**AS** = Application Services, **IS** = Information Security, **HA** = Hyperautomation, **IO** = IoT



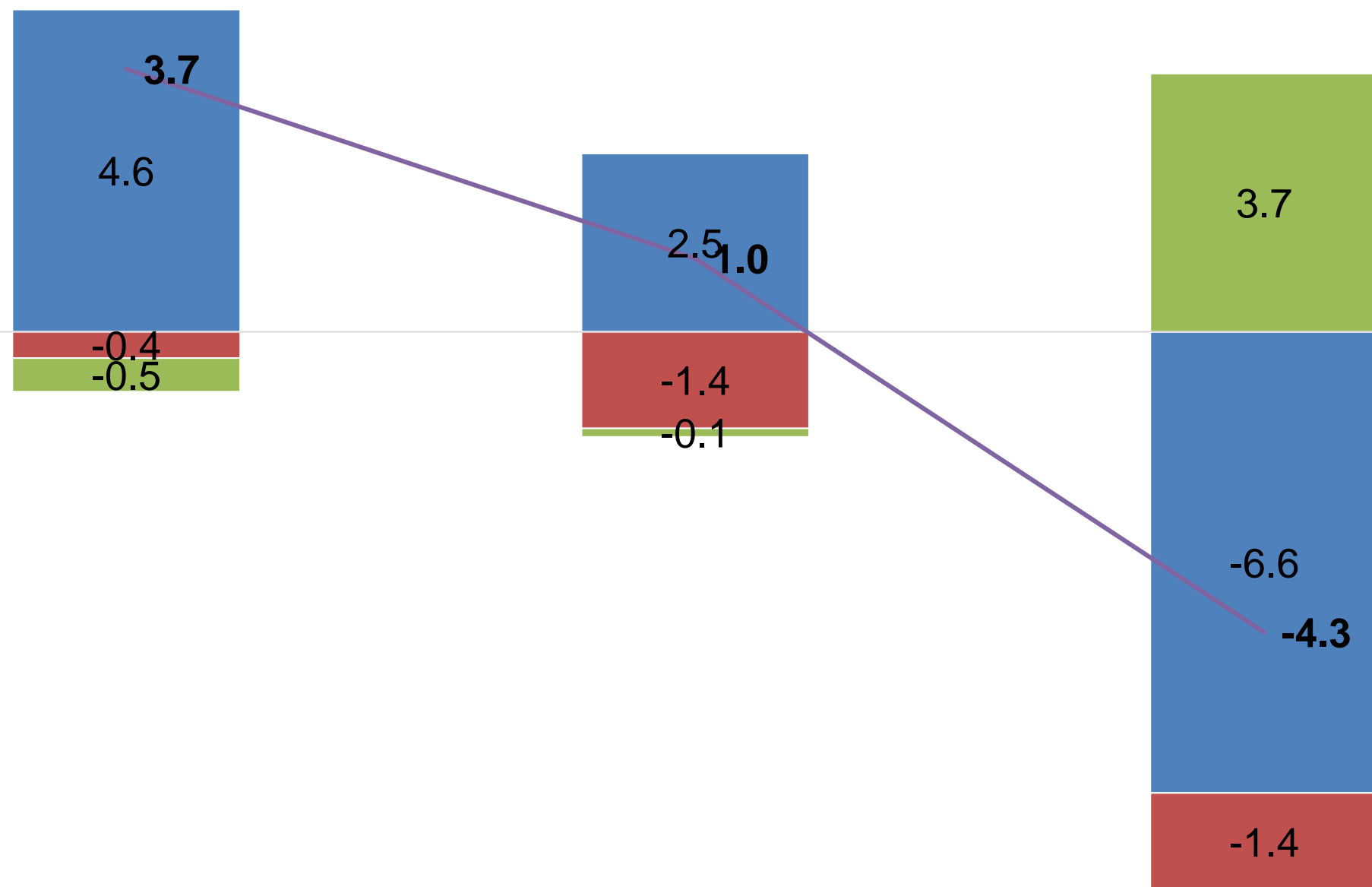
# Cash Flow 9M



09M 2021a

09M 2022a

09M 2023a



## • Operating:

- Low interim EBITDA
- Increase in Net non-cash Working Capital before financing:
  - Growing Goods and Work In Progress on projects in the process of implementation
  - Growth in Trade Receivables from big projects invoiced in August and September
  - Much slower growth in Accounts Payable

## • Investing:

- Improvements on a new office for TBS EAD
- EaaS and other CapEx

## • Financing:

- Increased credit line utilization to meet Working Capital growth

Operating Investing Financing Net



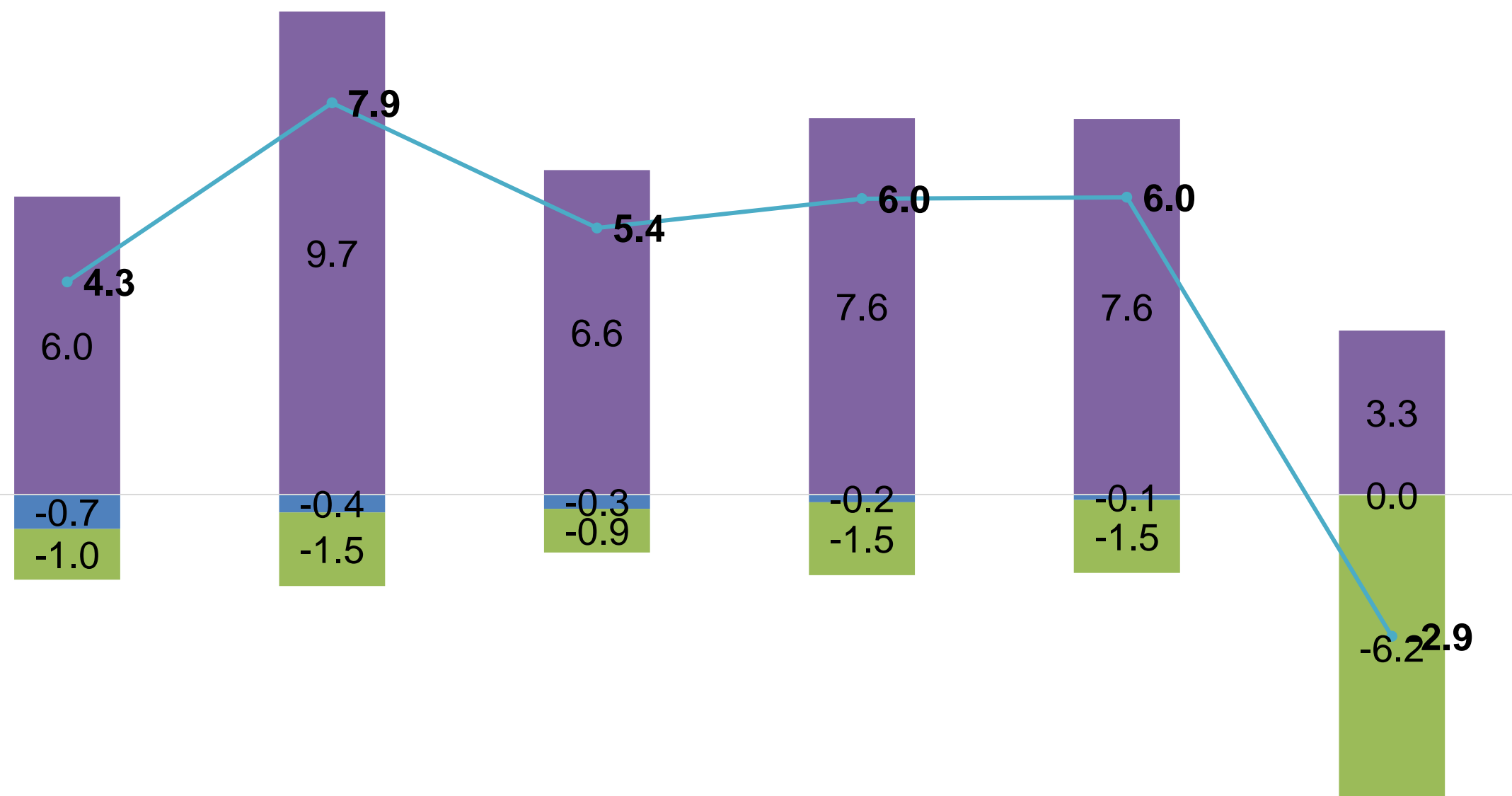
EUR million, % = share in total

# Net Cash/(Debt) Position 9M



12M 2020a    09M 2021a    12M 2021a    09M 2022a    12M 2022a    09M 2023a

EUR million, % = share in total



■ (Finance Leases)    ■ (Term Loans)    ■ (Revolving & Overdraft)  
■ Cash & CE    —●— Net Cash/(Debt)

- Finance Leases:
  - Near-zero balance reached in the absence of new lease financing

- Credit Lines:
  - Increased utilization to meet working capital growth

- Cash:
  - Negative net cash flow, as CapEx and a substantial part of Net Working Capital were financed with own funds

- Net Cash/(Debt):
  - Ending Q3 in a Net Debt Position



# Investor & Corporate Highlights

# Miscellaneous



- Recent changes in the Supervisory Board composition in August-November:
  - Return and withdrawal of the founding shareholder
  - New members bringing in experience and expertise in support of targeted growth
  
- Finalizing negotiations on an SPA for the acquisition of a target company in Croatia
  
- Investor Calendar:
  - Preliminary Financial Statements for the full 2024:
    - January 30:
      - Individual
    - February 29:
      - Consolidated





**Thank You!**

