



**telelink
business
services**

Annual Financial Review 2023

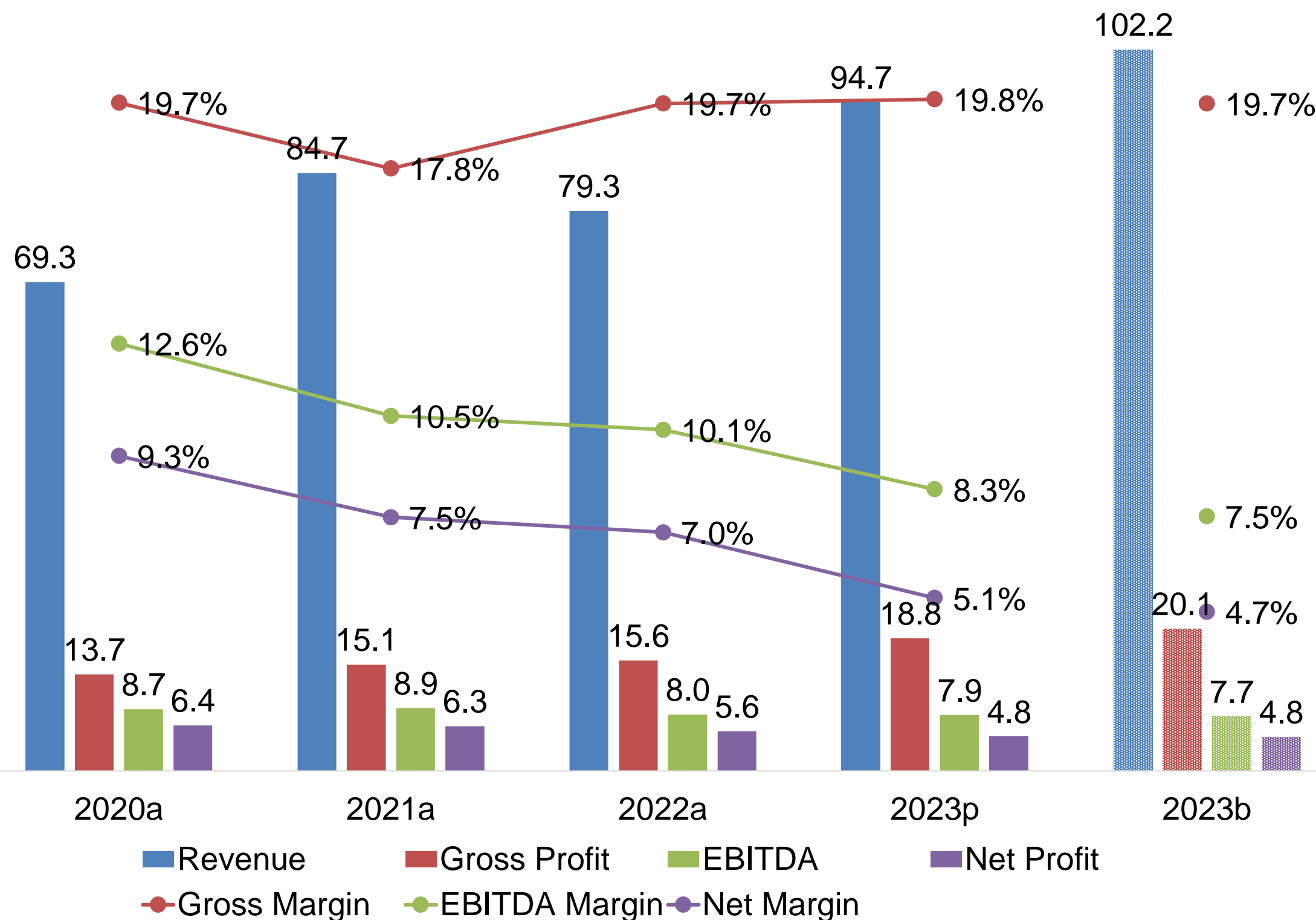
Outlook 2024-2028

APRIL 24, 2024

Annual Financial Review: **Results 2023***

* Reflecting Consolidated Annual Financial Statements and Management Report submitted to auditors but yet to be confirmed as final as of the date of this event.

P&L 2023



- Revenue:
 - Y/Y 23/22 = +19%
 - 3Y CAGR 23/20 = +11%

- Gross Profit:
 - Y/Y 23/22 = +20%
 - margin 23-22 = +0.1%
 - 3Y CAGR 23/20 = +11%

- EBITDA:
 - Y/Y 23/22 = -1%
 - margin 23-22 = -1.8%
 - 3Y CAGR 23/20 = -3%

- Net Profit:
 - Y/Y 23/22 = -14%
 - margin 23-22 = -1.9%
 - 3Y CAGR 23/20 = -9%

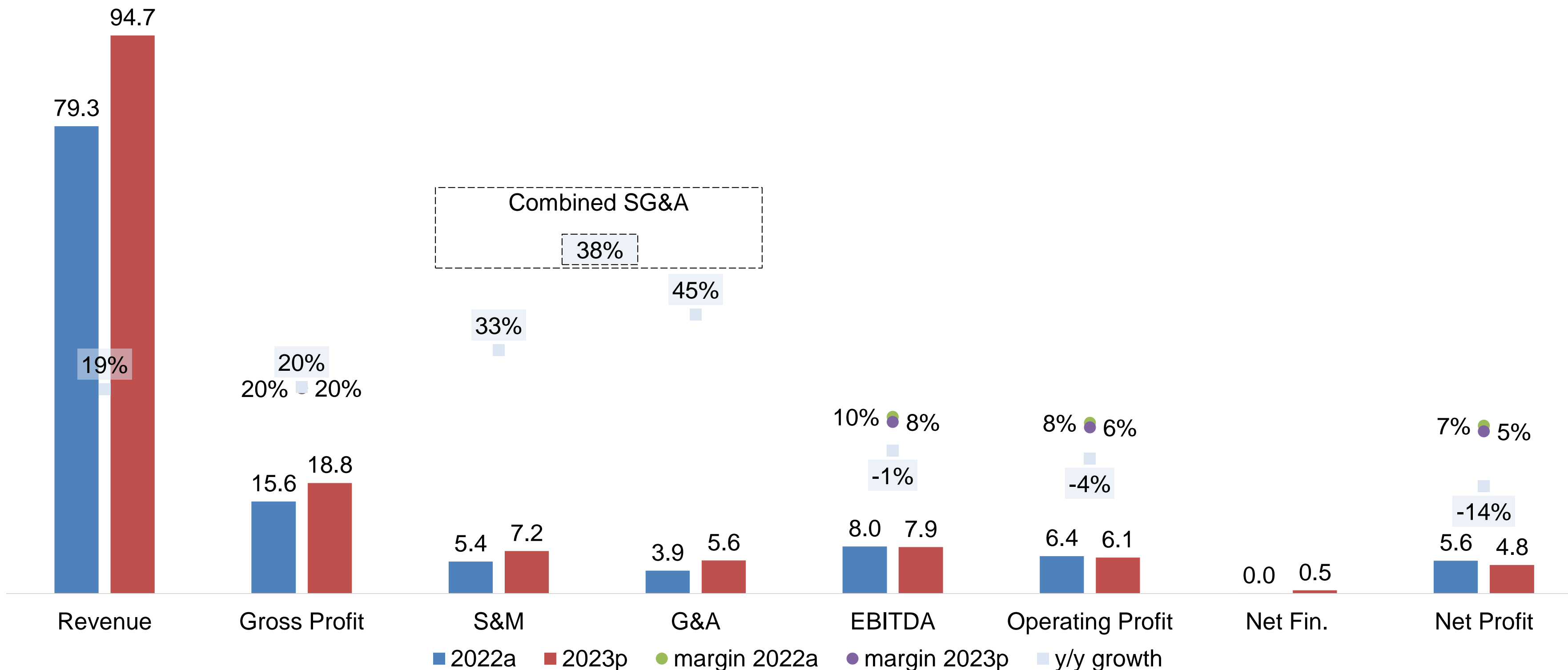
(a) = actual audited, (p) = actual preliminary, (b) budget / guidance



P&L 2023 vs. 2022 (detailed)



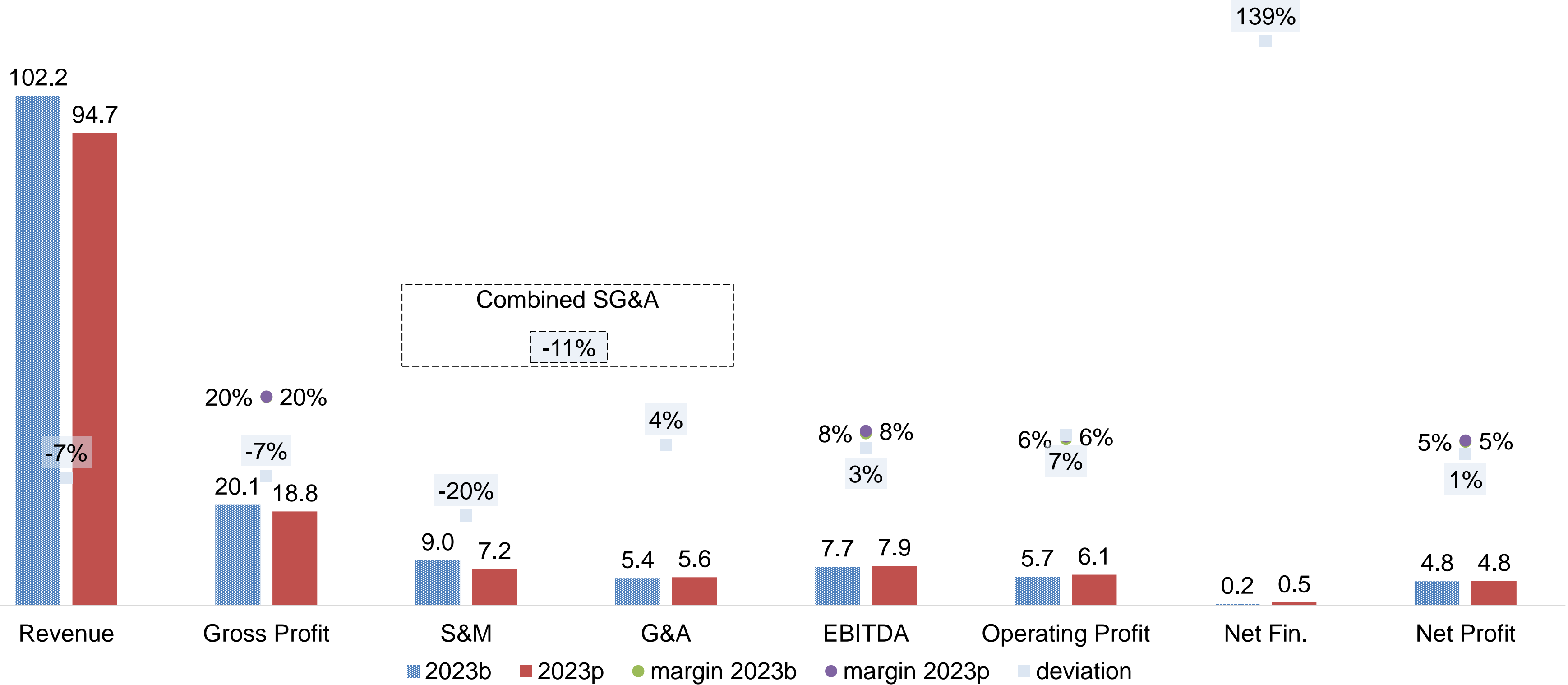
EUR million



(a) = actual audited, (p) = actual preliminary



P&L 2023 vs. Budget (detailed)



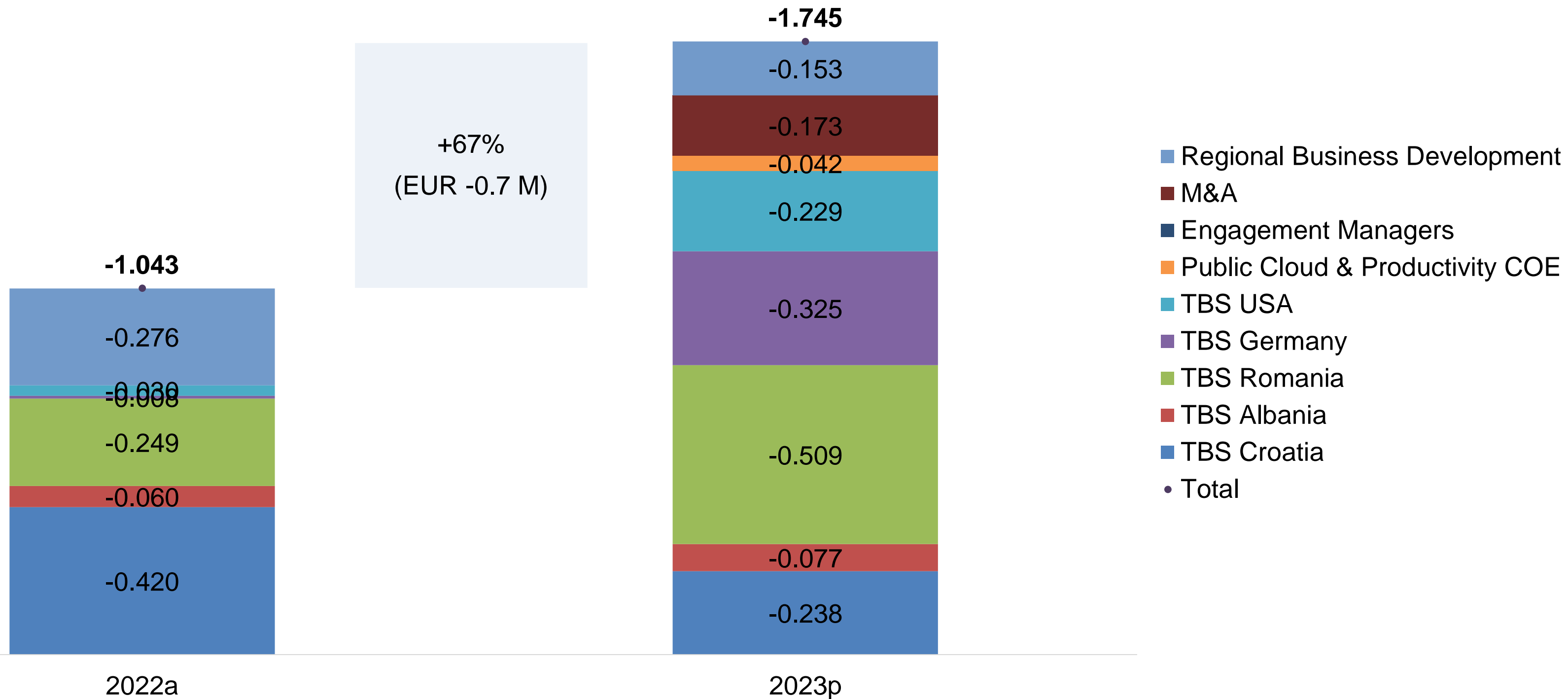
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P&L Investments* 2023: New Markets



EUR million



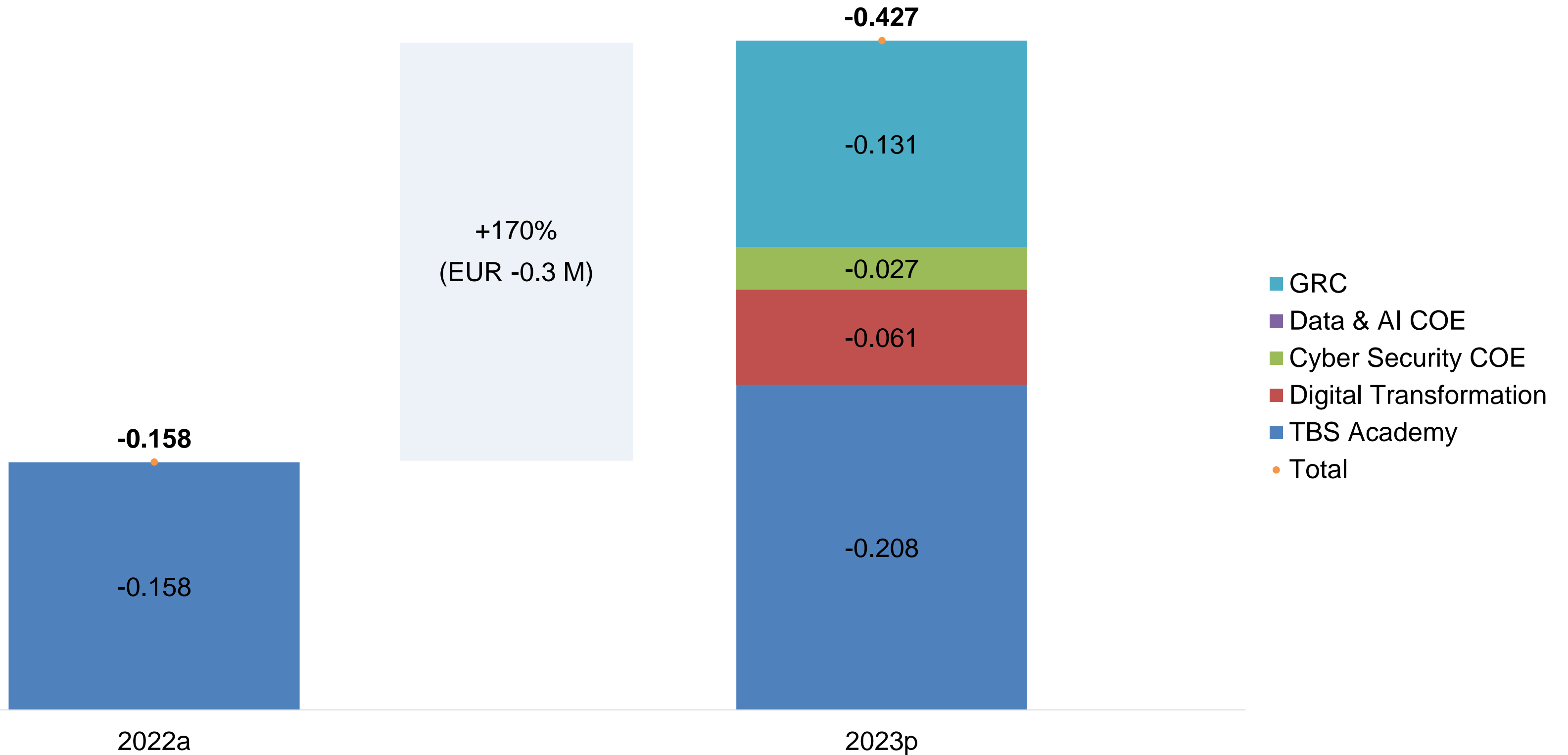
* Net cost of new business development with direct P&L impact in the current year and payback delayed beyond the current year.



P&L Investments* 2023: Functional Evolution



EUR million



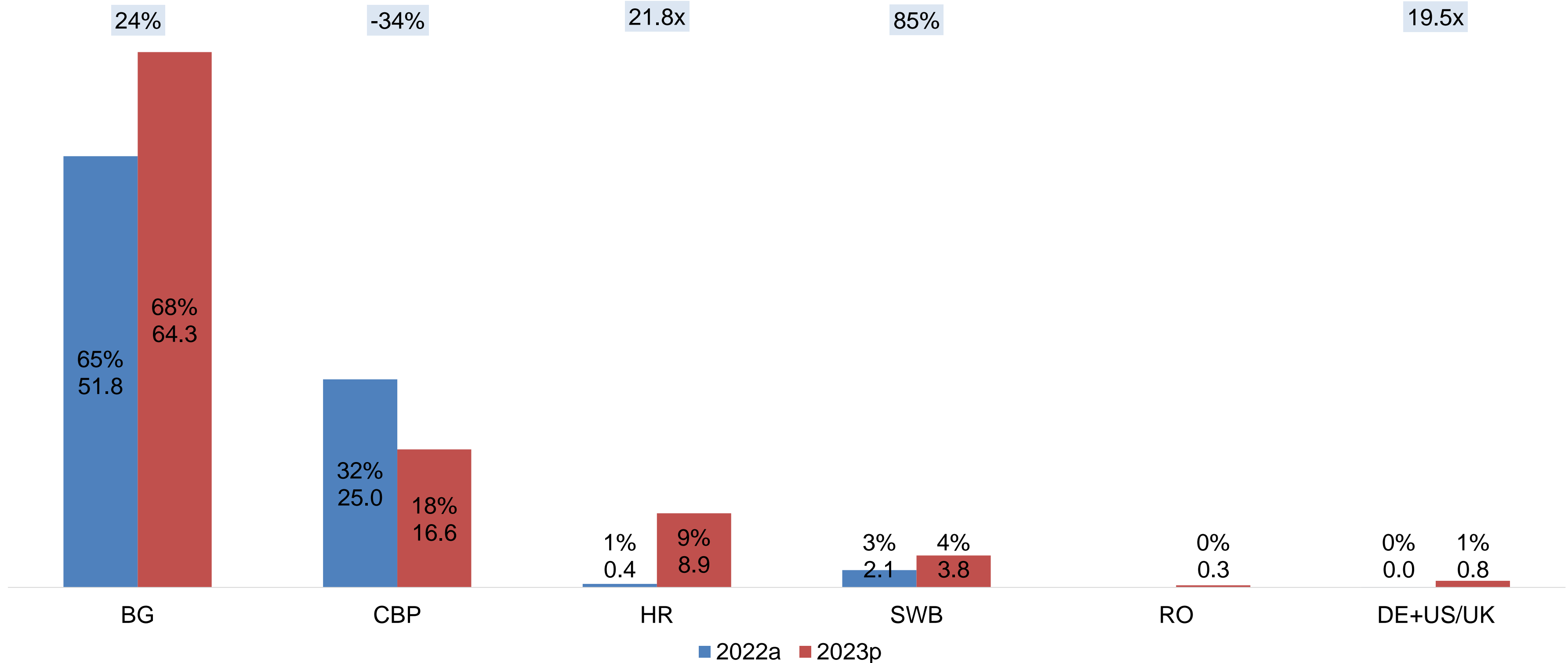
* Net cost of new business development with direct P&L impact in the current year and payback delayed beyond the current year.



Revenue by Invoicing Region* 2023



EUR million, % = share in total



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

■ 2022a ■ 2023p

y/y growth

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

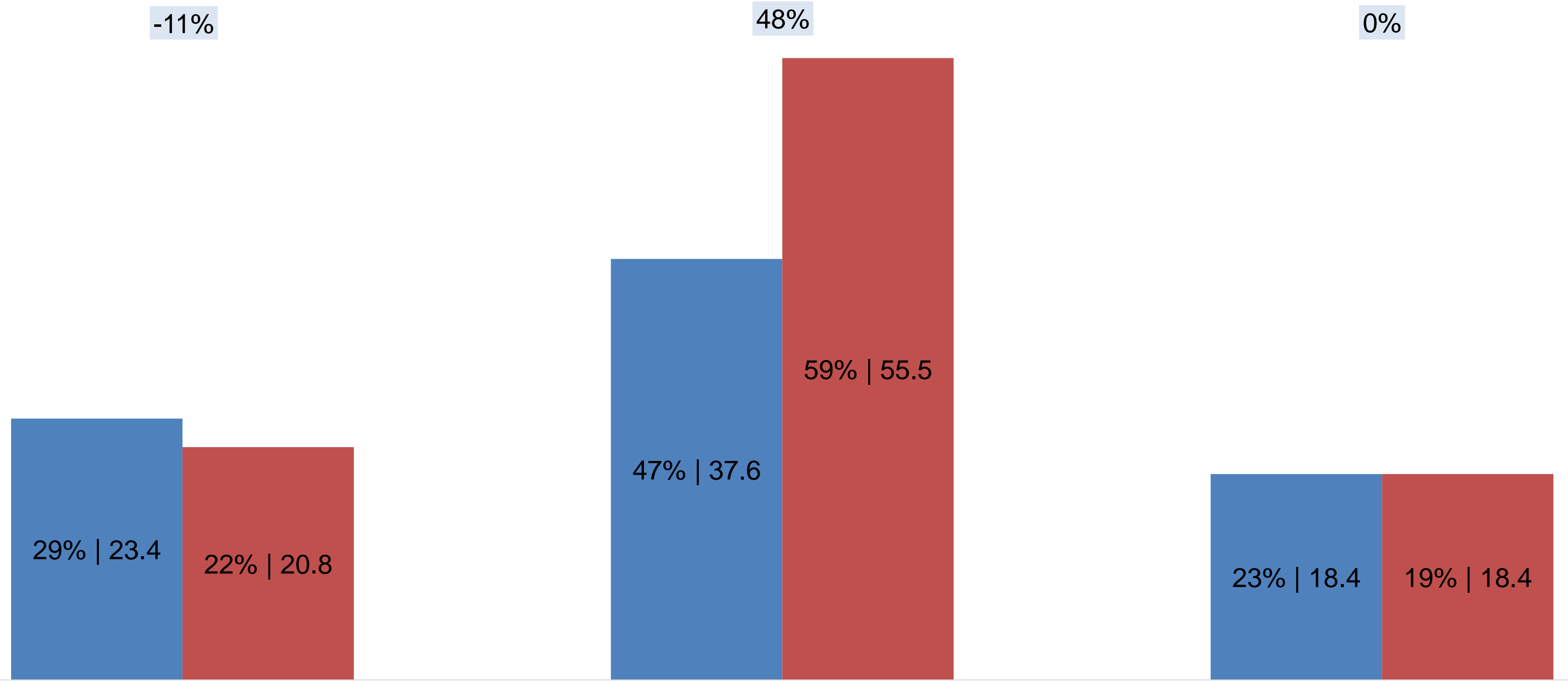


* Adjusted for sales through TBS Croatia generated and managed by Comutel (Serbia)

Revenue by Sector 2023 (identified by End Client)



EUR million, % = share in total



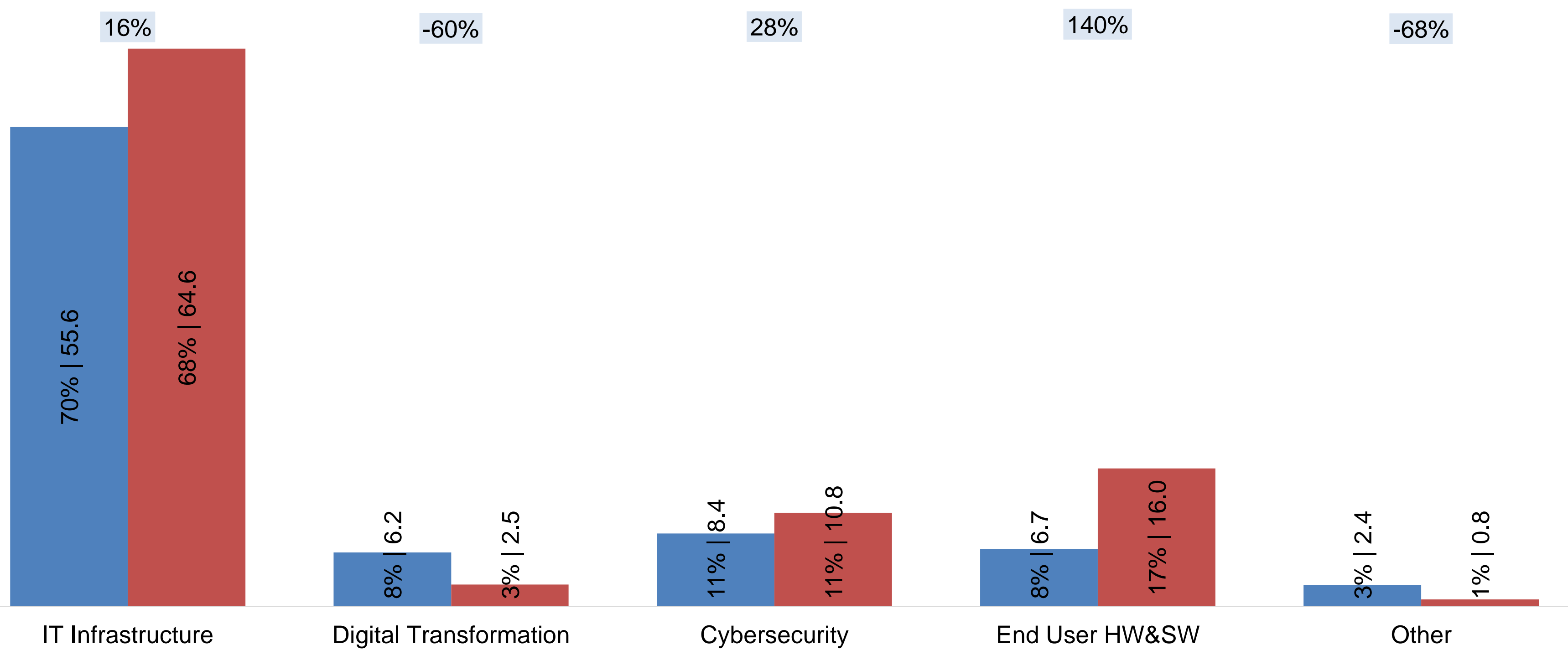
■ 2022a ■ 2023p
y/y growth



Revenue by Product Family 2023



EUR million, % = share in total



IT Infrastructure = Service Provider Specific + Enterprise Connectivity + Private Cloud + Public Cloud + Modern Workplace (non-End User)

■ 2022a ■ 2023p
 y/y growth

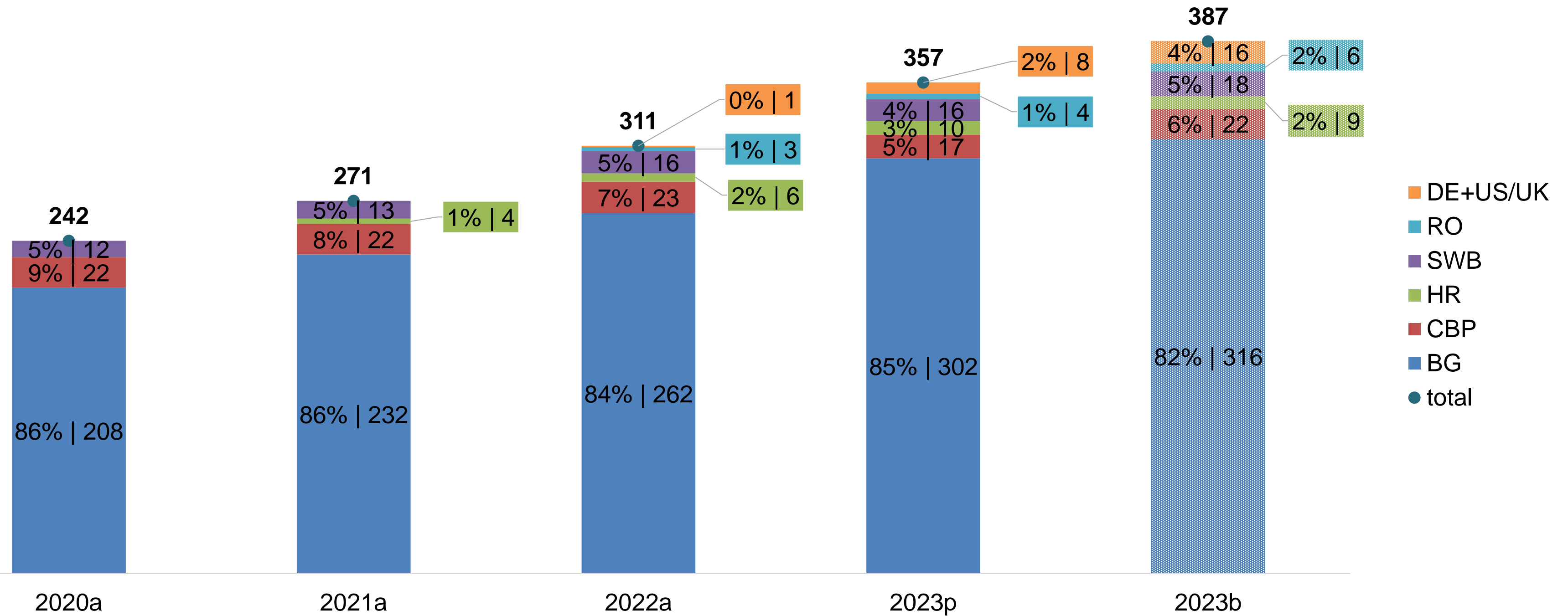
End-User HW&SW = Computers and Peripherals + Modern Workplace (End User); **Digital Transformation** = Application Services + Hyperautomation



Personnel by Invoicing Region 2023



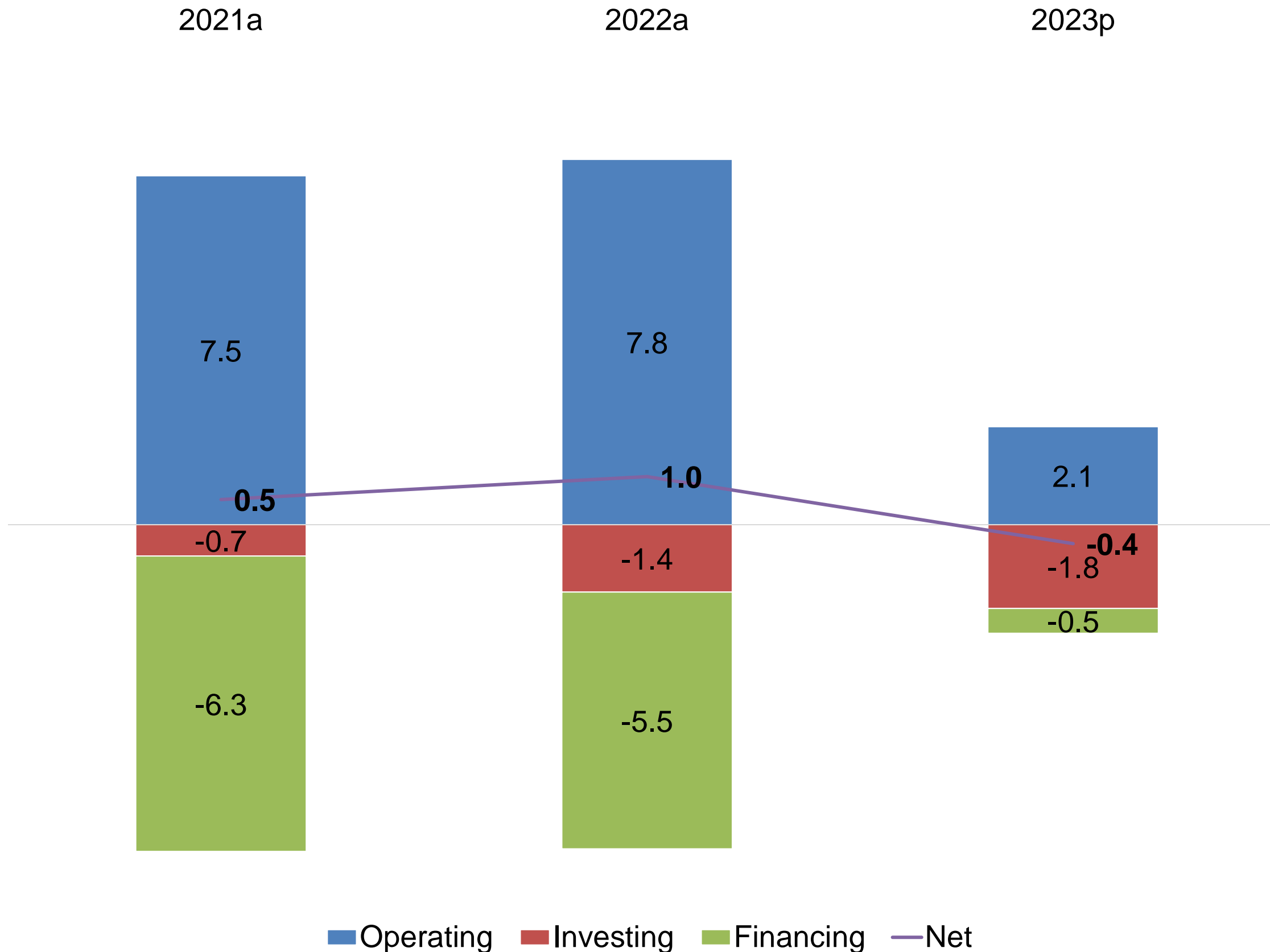
as of period end, % = share in total



Cash Flow 2023



EUR million, % = share in total



• Operating:

- Substantially positive 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 December
 - Lagging growth in Trade & Other Payables

• Investing:

- New office works at TBS EAD
- EaaS and other CapEx

• Financing:

- Moderate increase in credit line utilization to meet Working Capital growth
- Finance Lease Service, Share Buyback, Residual Dividend Payout, Finance Costs



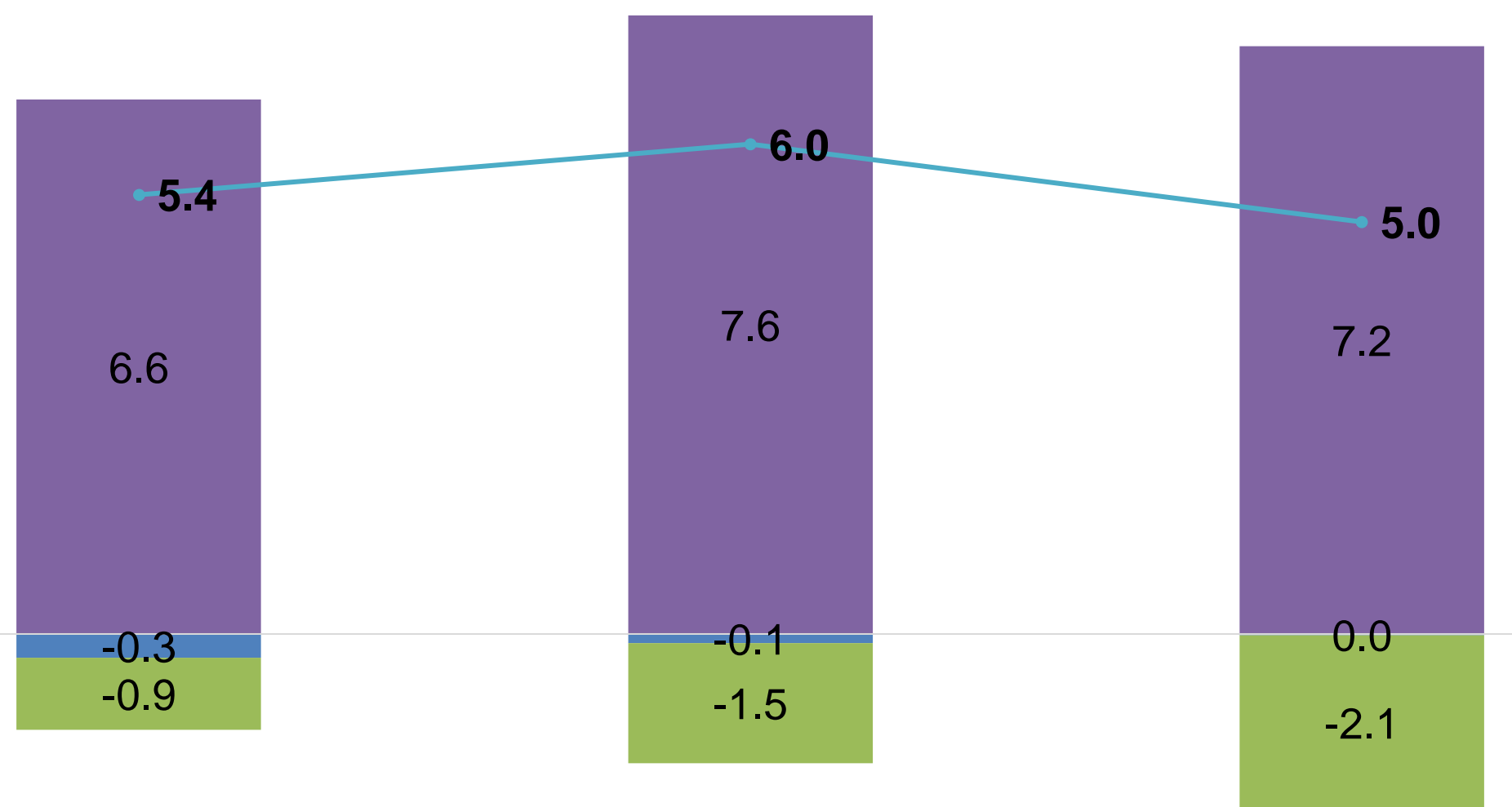
Net Cash/(Debt) Position 2023



12M 2021a

12M 2022a

12M 12M 2023a



(Finance Leases)
Cash & CE

(Term Loans)
Net Cash/(Debt)

(Revolving & Overdraft)

• Finance Leases:

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

• Credit Lines:

- Moderate growth utilization helping 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 2023 in a still solid Net Cash Position



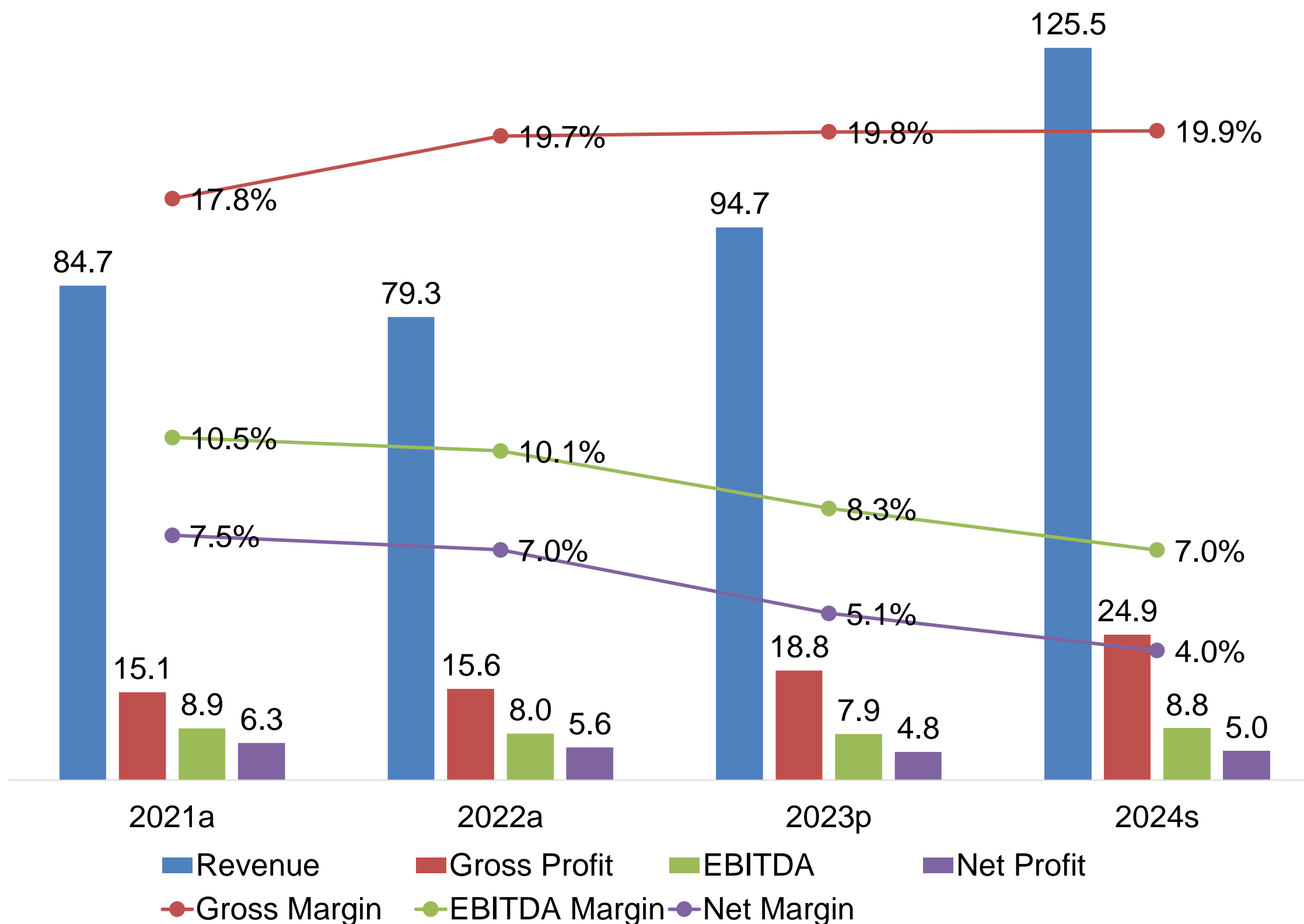
Outlook: **Budget 2024***

* Including the recently acquired Sedam IT d.o.o., Croatia (7IT) from April 01, 2024, unless noted otherwise.

P&L Budget 2024



EUR million



• Revenue:

- Y/Y 24/23 = +32%
- 3Y CAGR 24/21 = +14%

• Gross Profit:

- Y/Y 24/23 = +33%
- margin 24-23 = +0.0%
- 3Y CAGR 24/21 = +18%

• EBITDA:

- Y/Y 24/23 = +12%
- margin 24-23 = -1.3%
- 3Y CAGR 24/21 = +0%

• Net Profit:

- Y/Y 24/23 = +3%
- margin 24-23 = -1.1%
- 3Y CAGR 24/21 = -8%

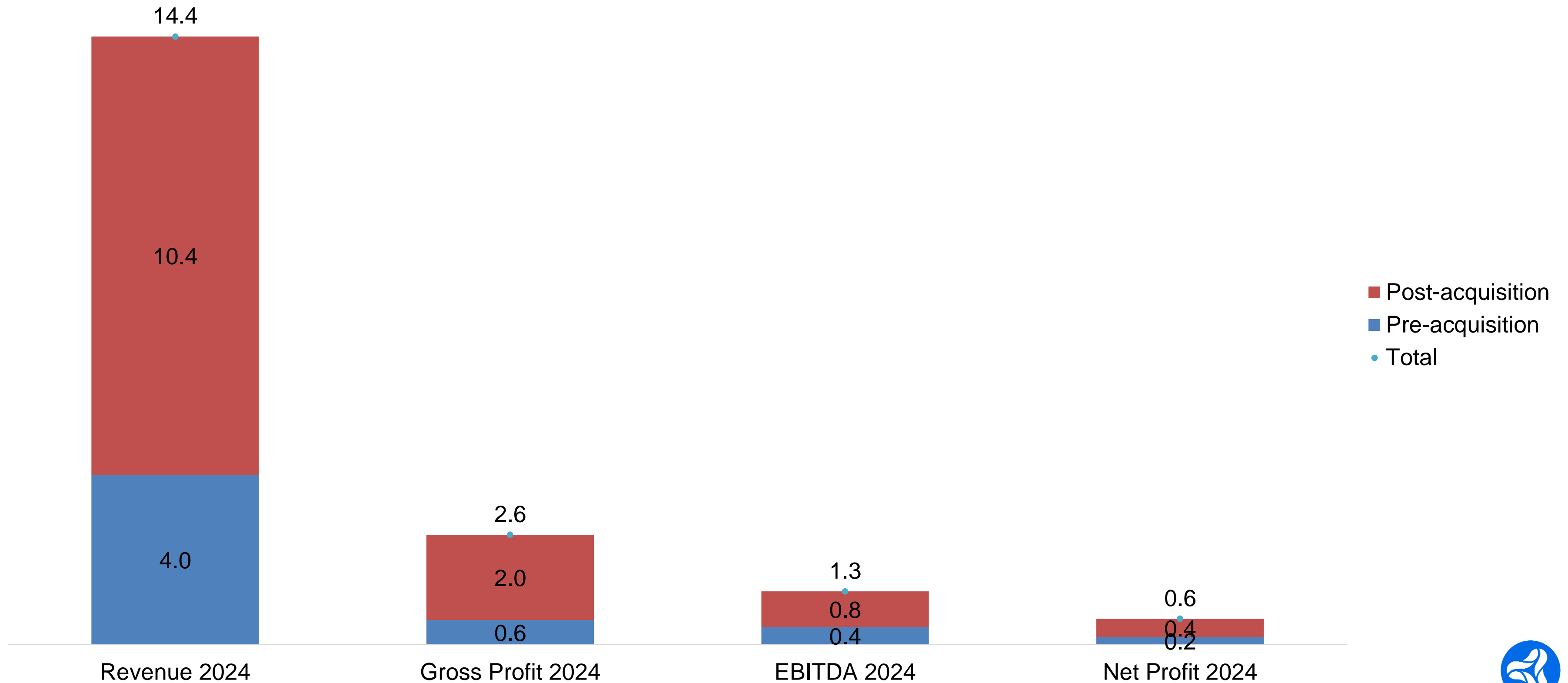
(a) = actual audited, (p) = actual preliminary, (s) organic growth + 7IT



P&L 2024*: 7IT



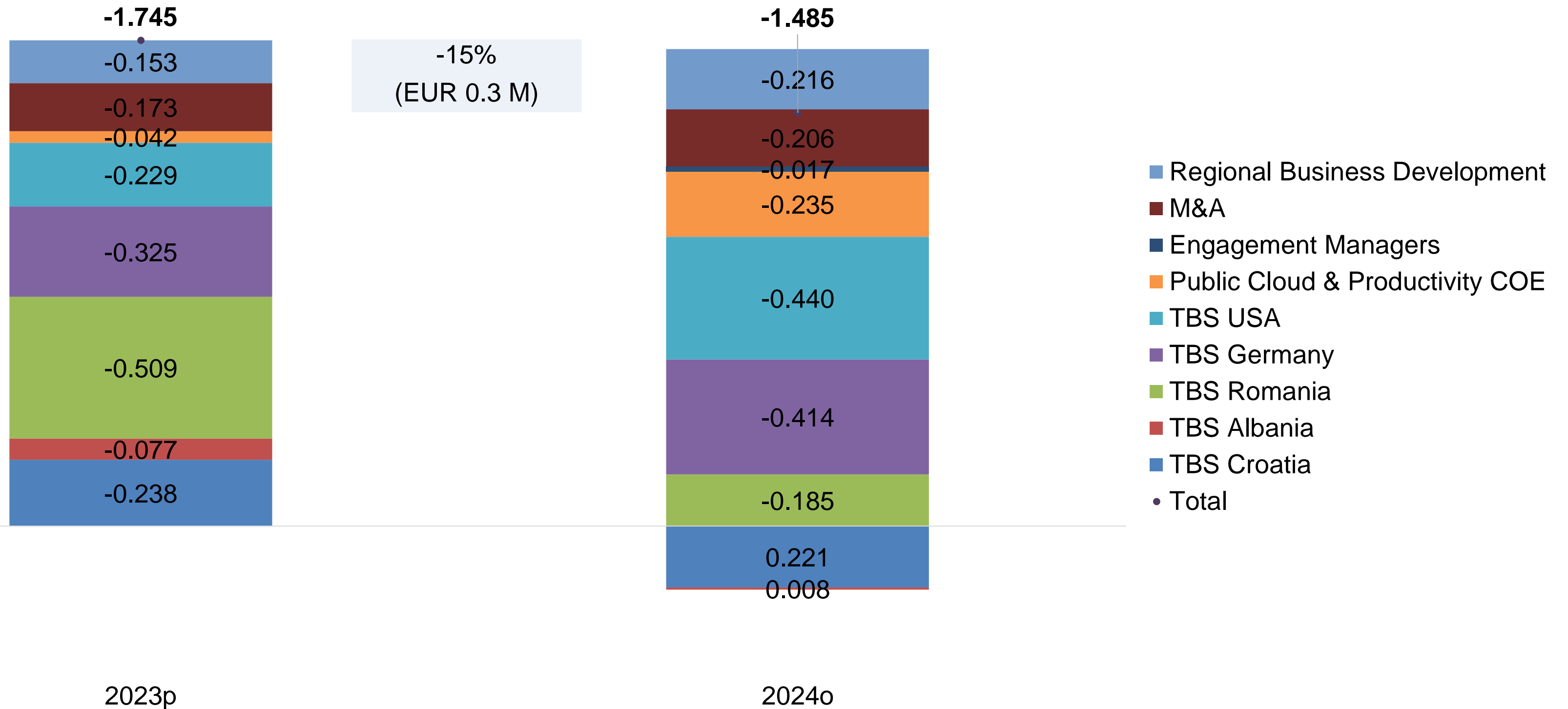
EUR million, % = share in total



* Acquired on March 29, 2024, part of TBS Group P&L from April 2024; figures based on preliminary projections, subject to update.



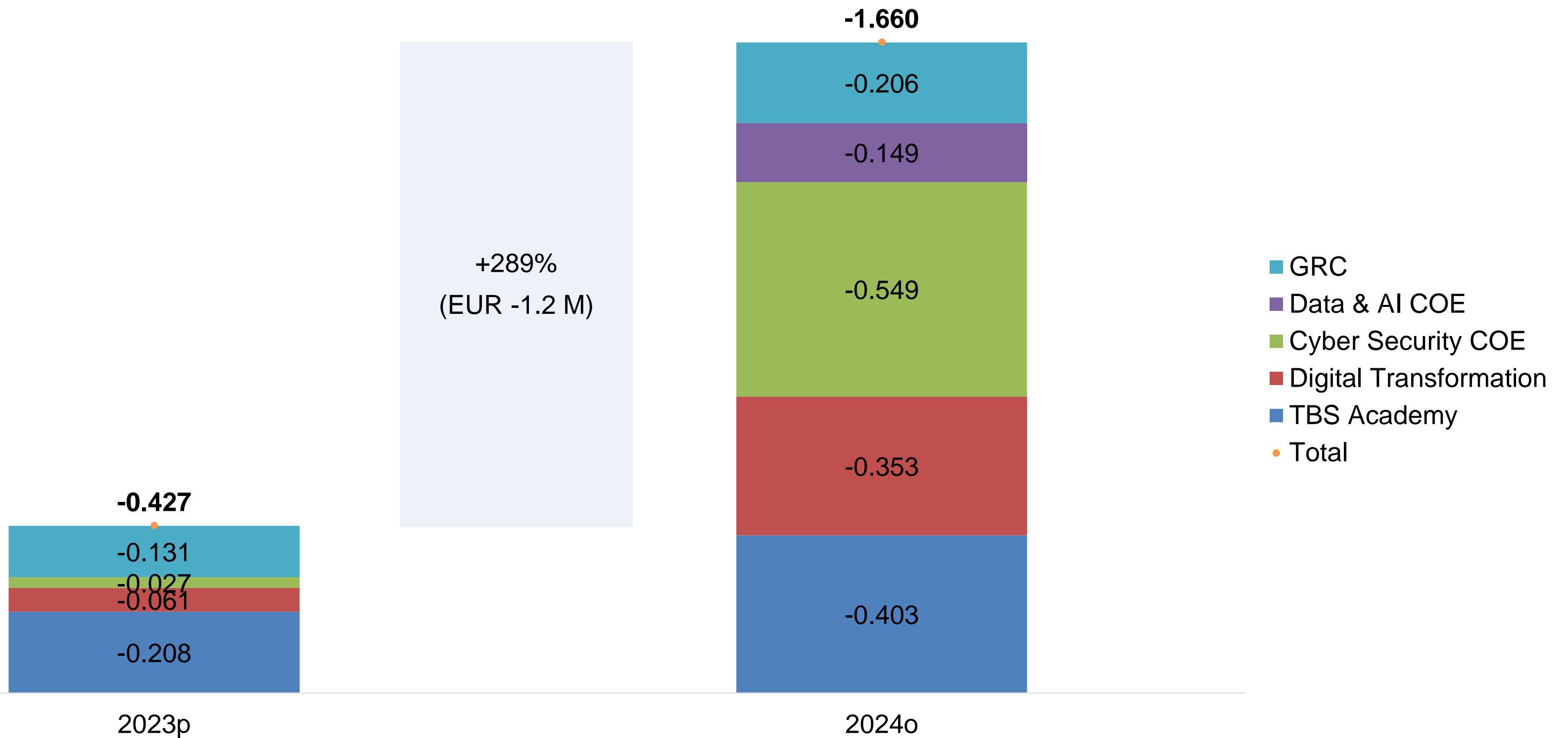
P&L Investments* 2024: Organic (w/o 7IT) - New Markets



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



P&L Investments* 2024: Organic (w/o 7IT) - Functional



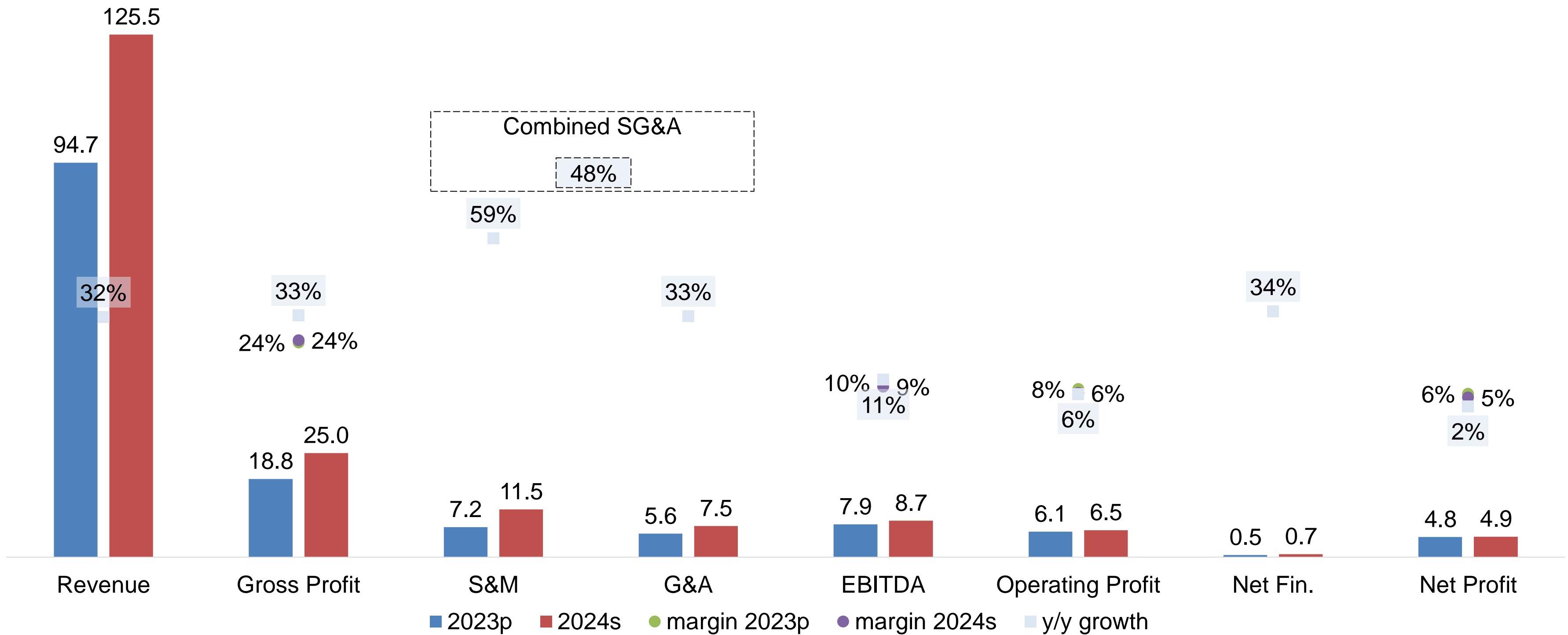
* Net cost of new business development with direct P&L impact in the current year and payback delayed beyond the current year.



P&L 2024 vs. 2023 (detailed)



EUR million



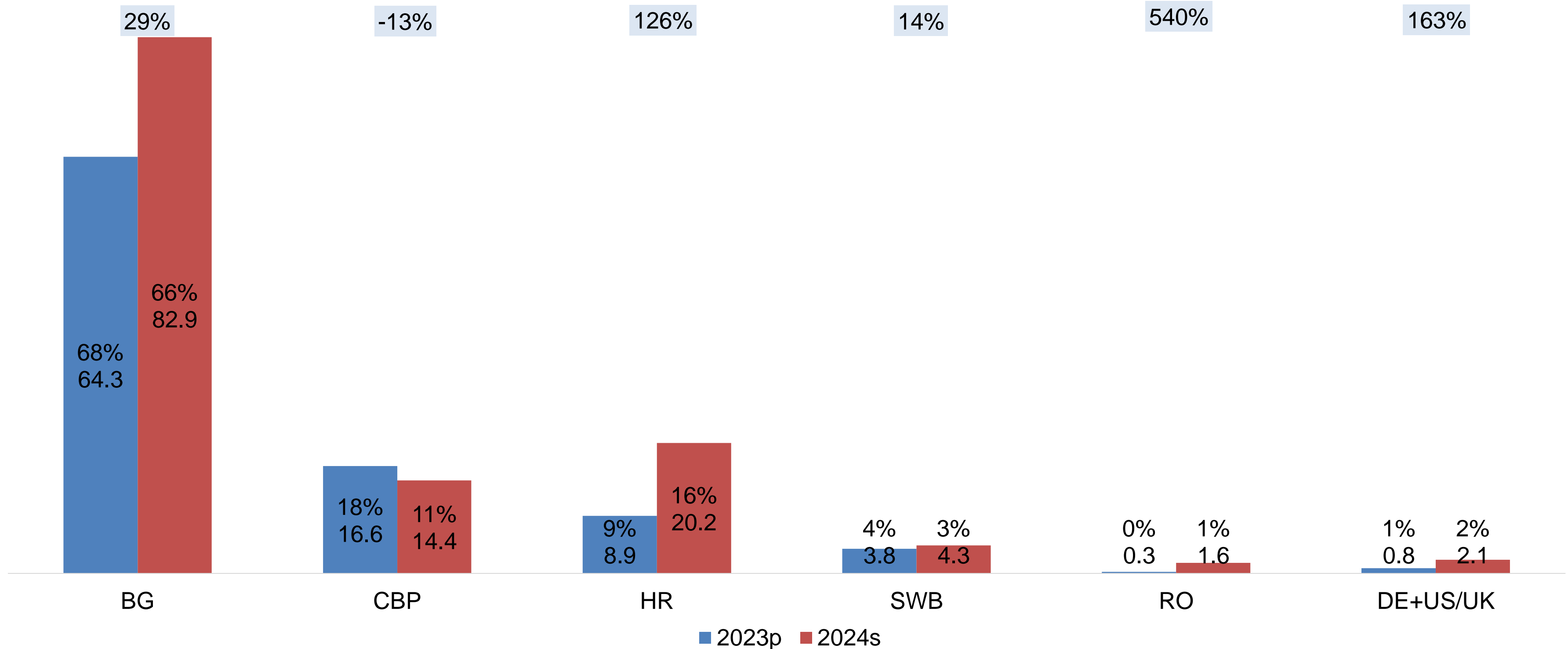
(p) = actual preliminary, (s) organic growth + 7IT



Revenue by Invoicing Region 2024



EUR million, % = share in total



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

■ 2023p ■ 2024s

y/y growth

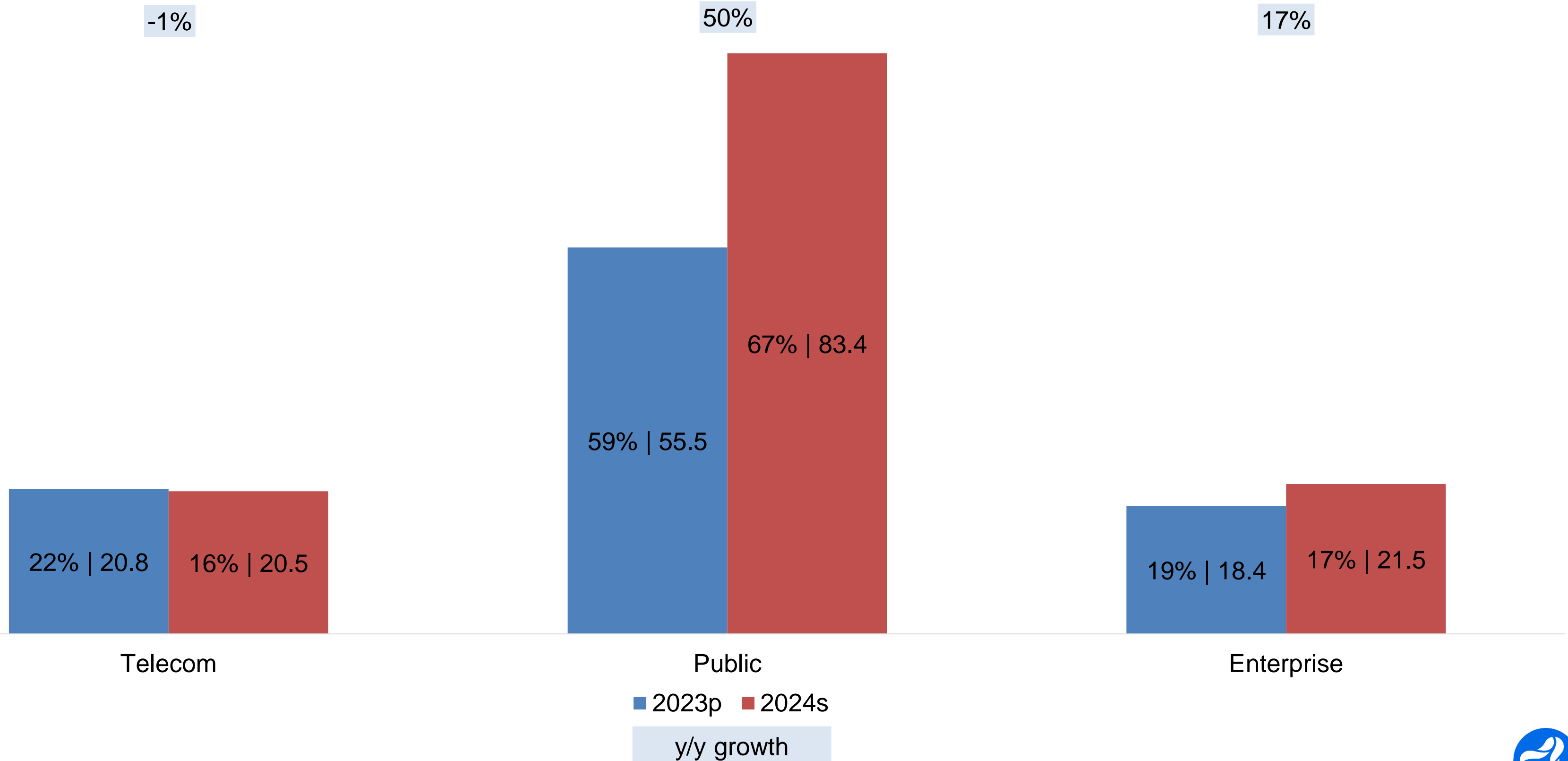
SWB (South-Western Balkans) = Macedonia & Albania, **RO** = Romania, **DE+US/UK** = Germany, USA and newly targeted business in UK



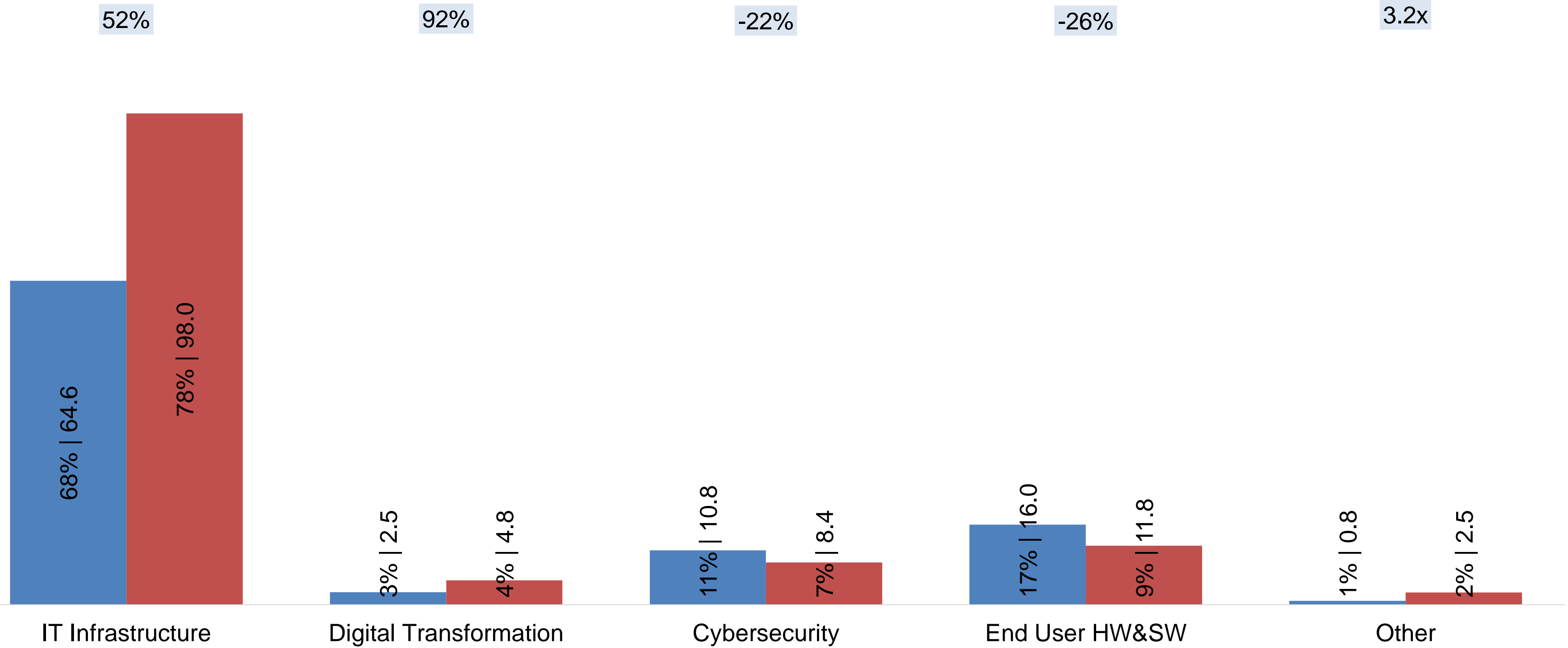
Revenue by Sector 2024 (identified by End Client)



EUR million, % = share in total



Revenue by Product Family 2024



EUR million, % = share in total

IT Infrastructure = Service Provider Specific + Enterprise Connectivity + Private Cloud + Public Cloud + Modern Workplace (non-End User)

■ 2023p ■ 2024s
 y/y growth

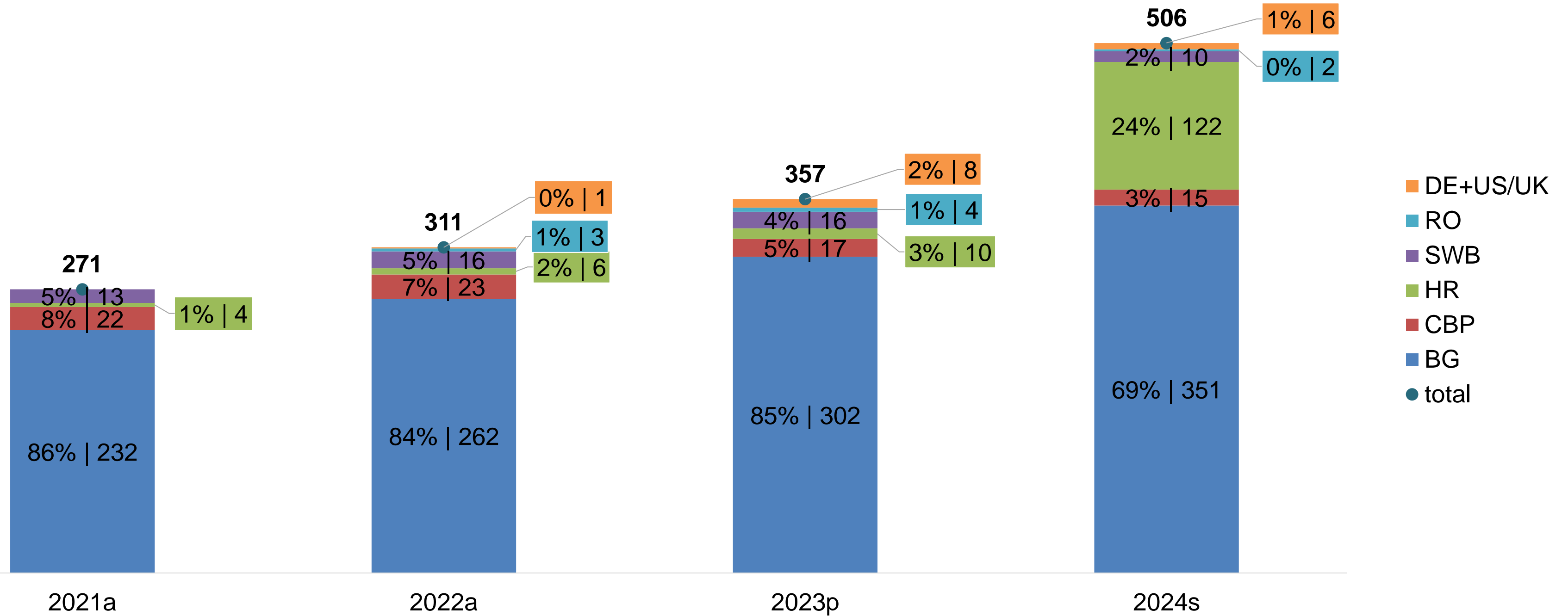
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Personnel by Invoicing Region 2024



as of period end, % = share in total



Outlook

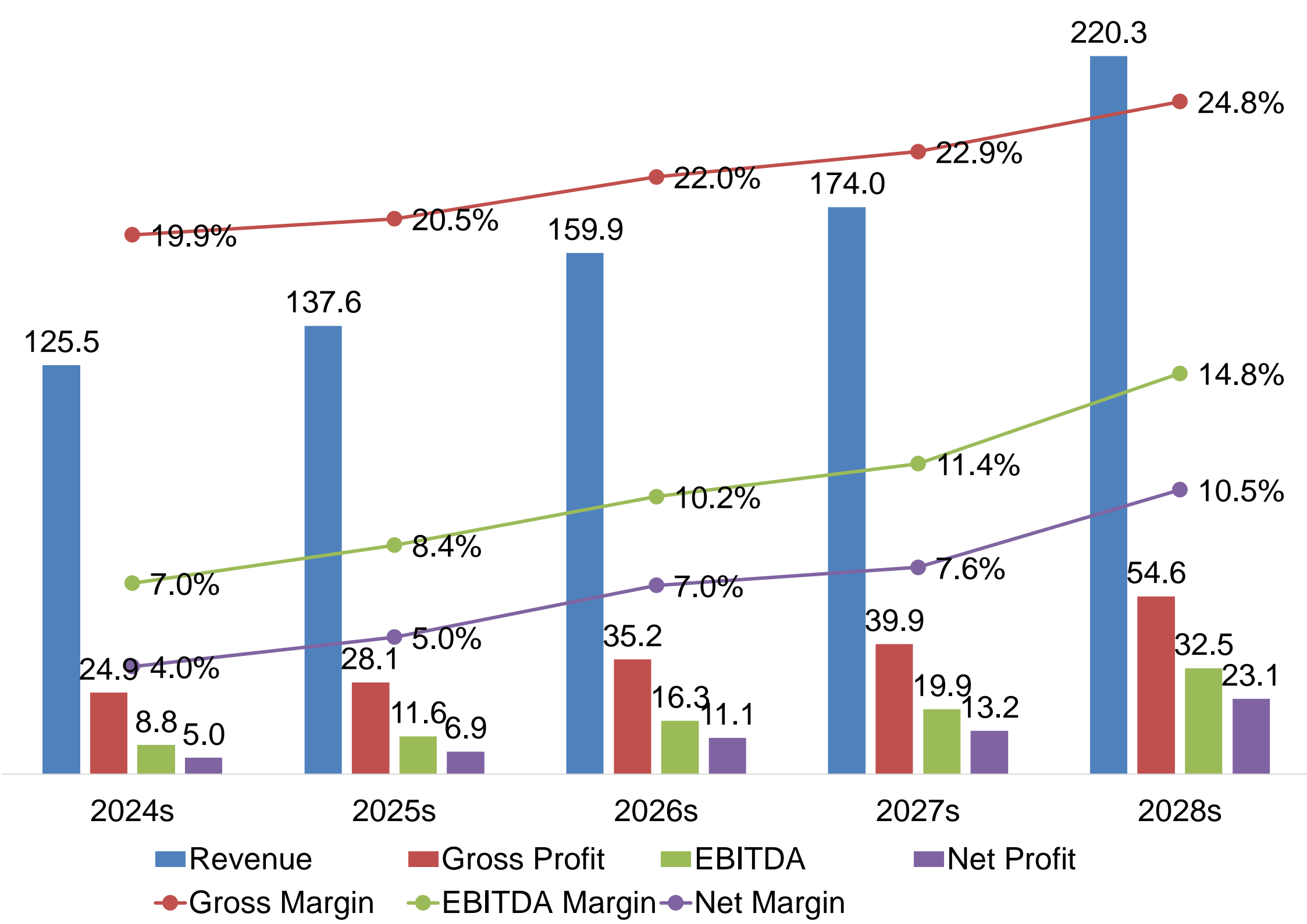
Projections 2024-2028*

* Including the recently acquired Sedam IT d.o.o., Croatia from April 01, 2024, unless noted otherwise; excluding potential further acquisitions.

P&L Outlook 2024-2028



EUR million



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

- Gross Profit:
 - 5Y CAGR 28/23 = +24%
 - margin 28-23 = +4.9%

- EBITDA:
 - 5Y CAGR 28/23 = +33%
 - margin 28-23 = +6.5%

- Net Profit:
 - 5Y CAGR 28/23 = +37%
 - margin 28-23 = +5.4%



SG&A vs. Revenue 2024-2028



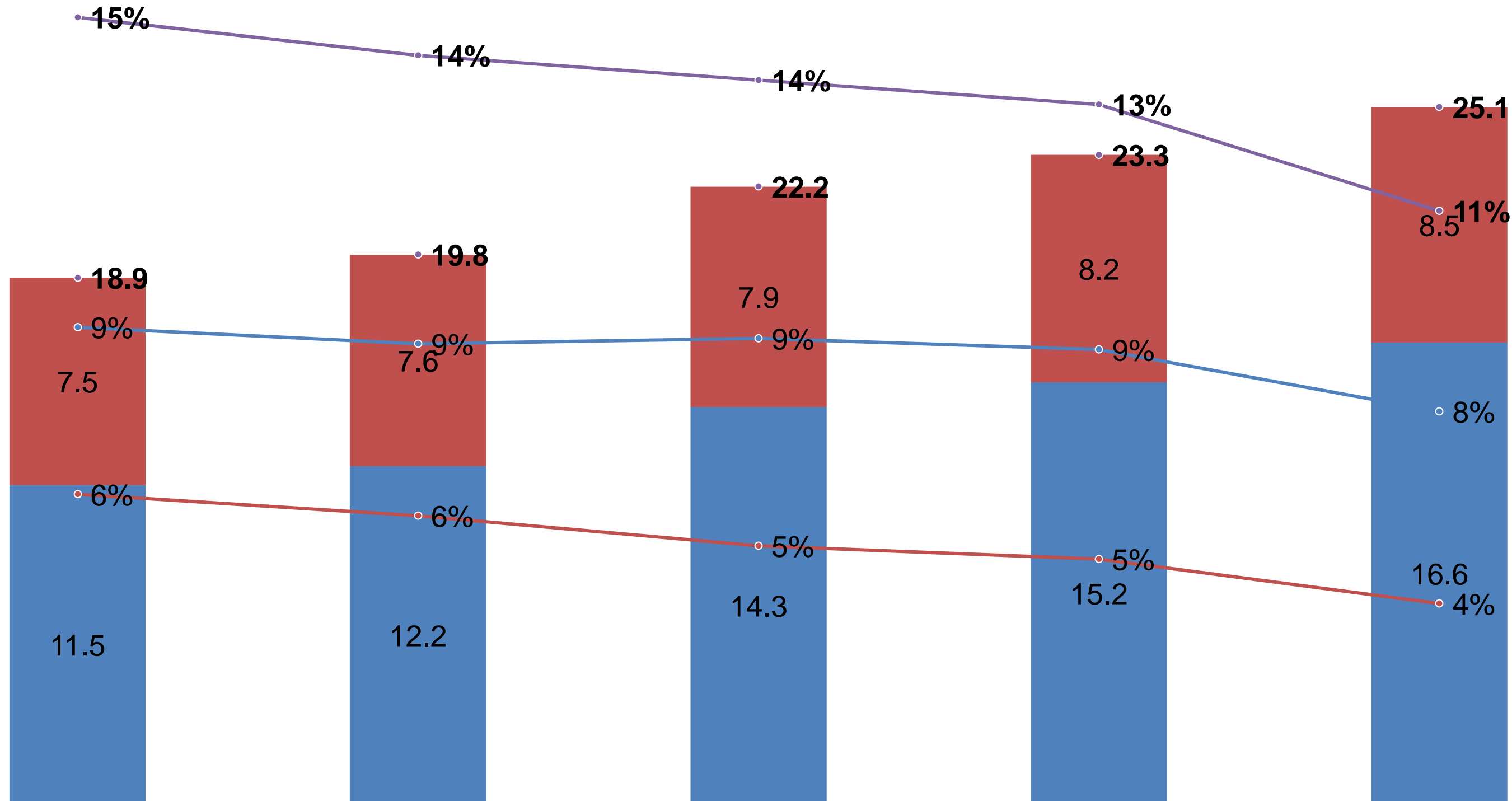
5Y CAGR

14%

9%

18%

EUR million



2024s

2025s

2026s

2027s

2028s

S&M

G&A

Total SG&A

S&M/Revenue

G&A/Revenue

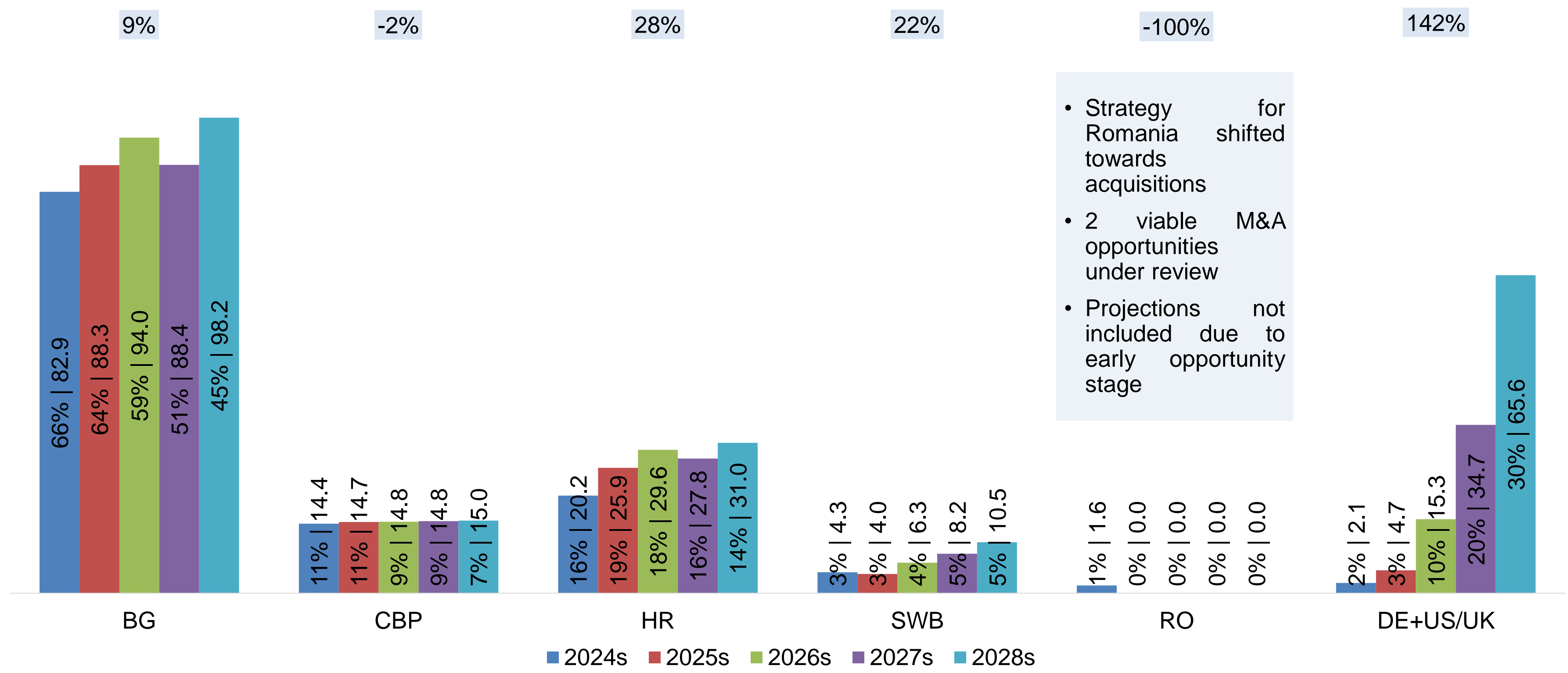
Total SG&A/Revenue



Revenue by Invoicing Region 2024-2028



EUR million, % = share in total



- Strategy for Romania shifted towards acquisitions
- 2 viable M&A opportunities under review
- Projections not included due to early opportunity stage

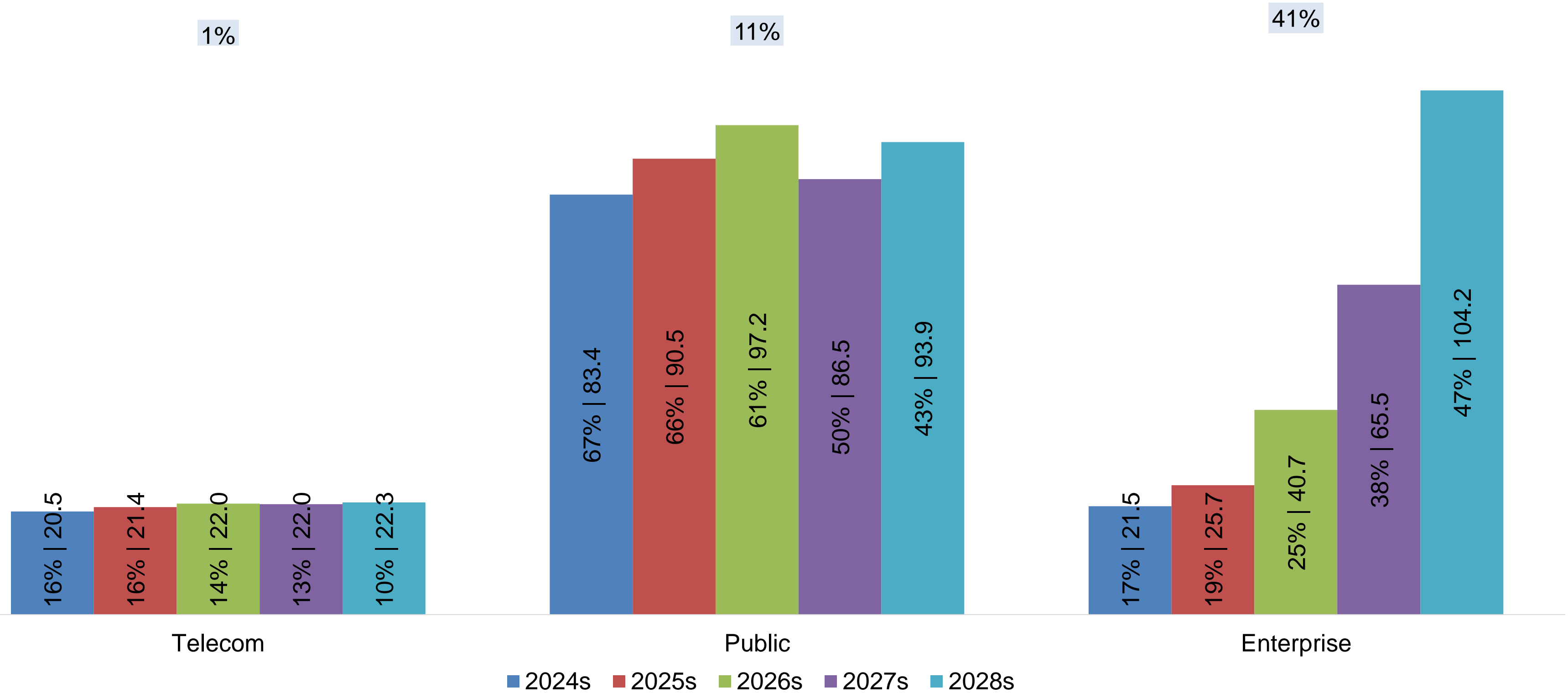
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CAGR 28/23

SWB (South-Western Balkans) = Macedonia & Albania, **RO** = Romania, **DE+US/UK** = Germany, USA and newly targeted business in UK

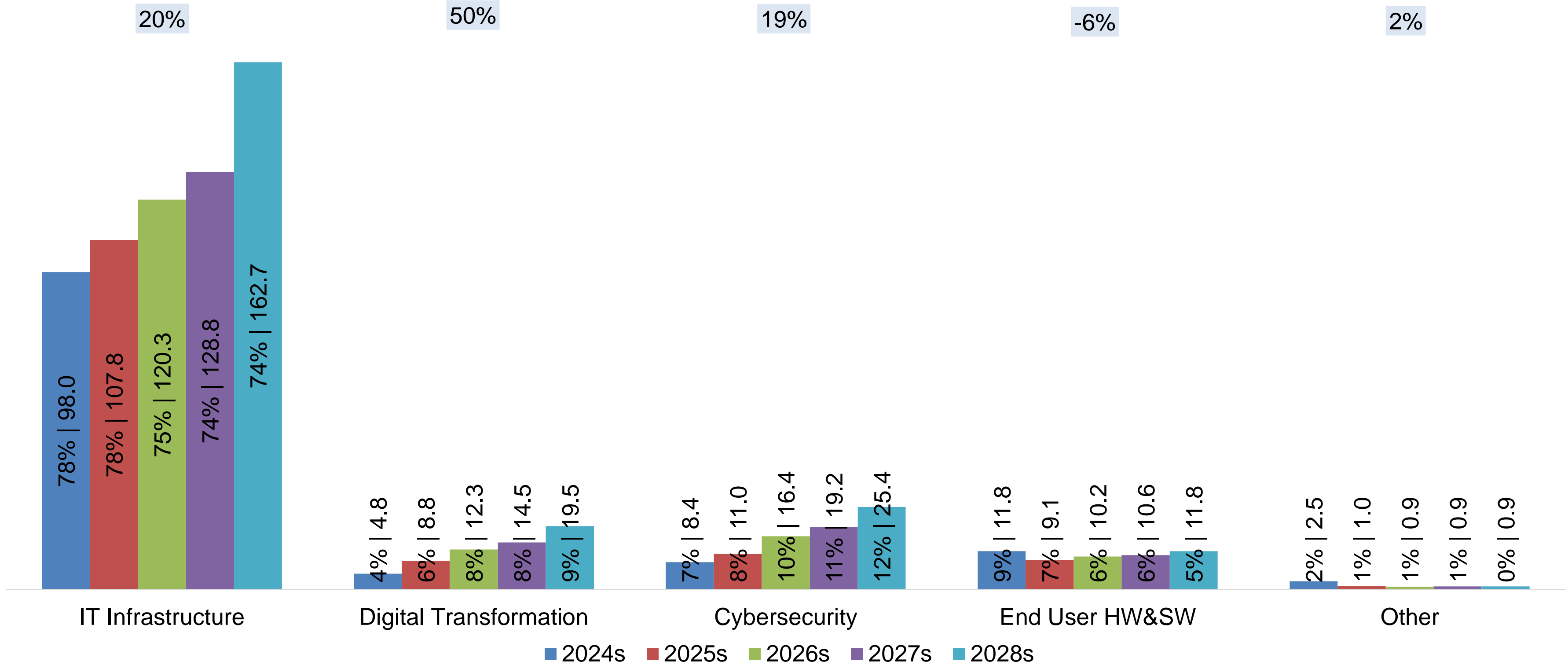


Revenue by Sector 2024-2028 (identified by End Client)



Revenue by Product Family 2024-2028

EUR million, % = share in total



IT Infrastructure = Service Provider Specific + Enterprise Connectivity + Private Cloud + Public Cloud + Modern Workplace (non-End User)

CAGR 28/23

End-User HW&SW = Computers and Peripherals + Modern Workplace (End User); **Digital Transformation** = Application Services + Hyperautomation



Thank You!

