TELELINK BUSINESS SERVICES
FINANCIAL OUTLOOK 2022-2026

24TH MARCH, 2022

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FINANCIAL OUTLOOK 2022-2026

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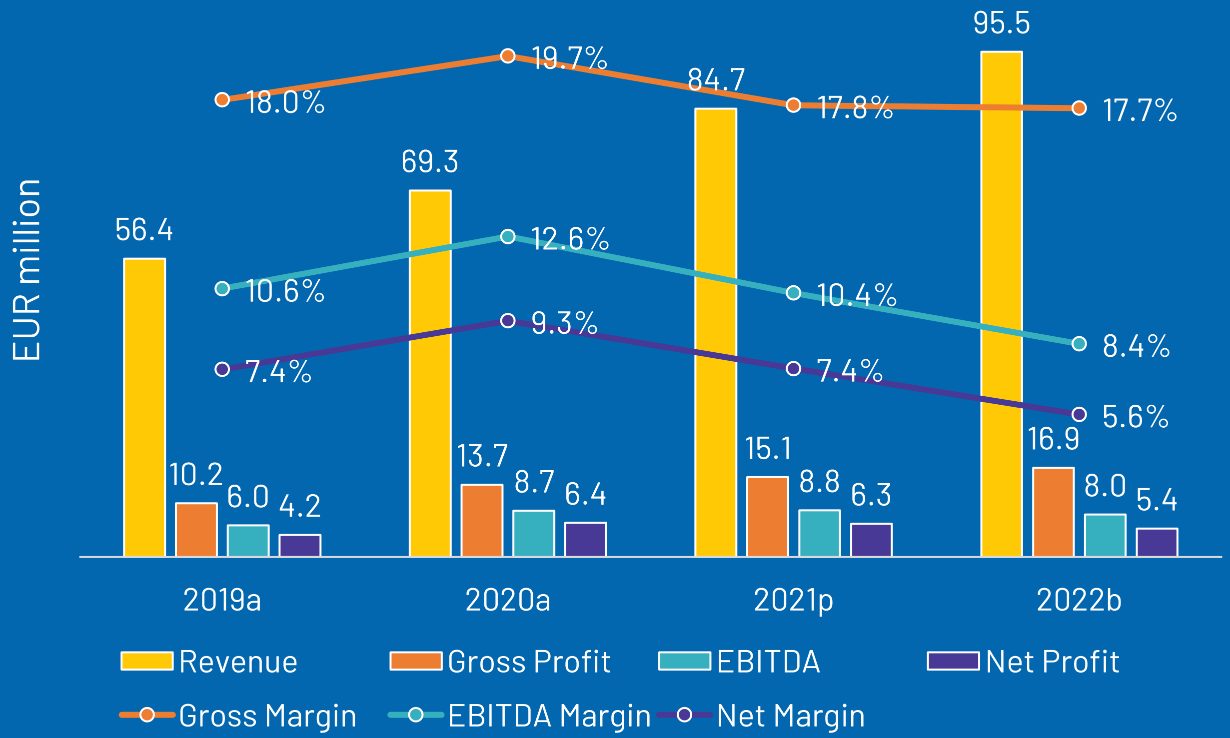
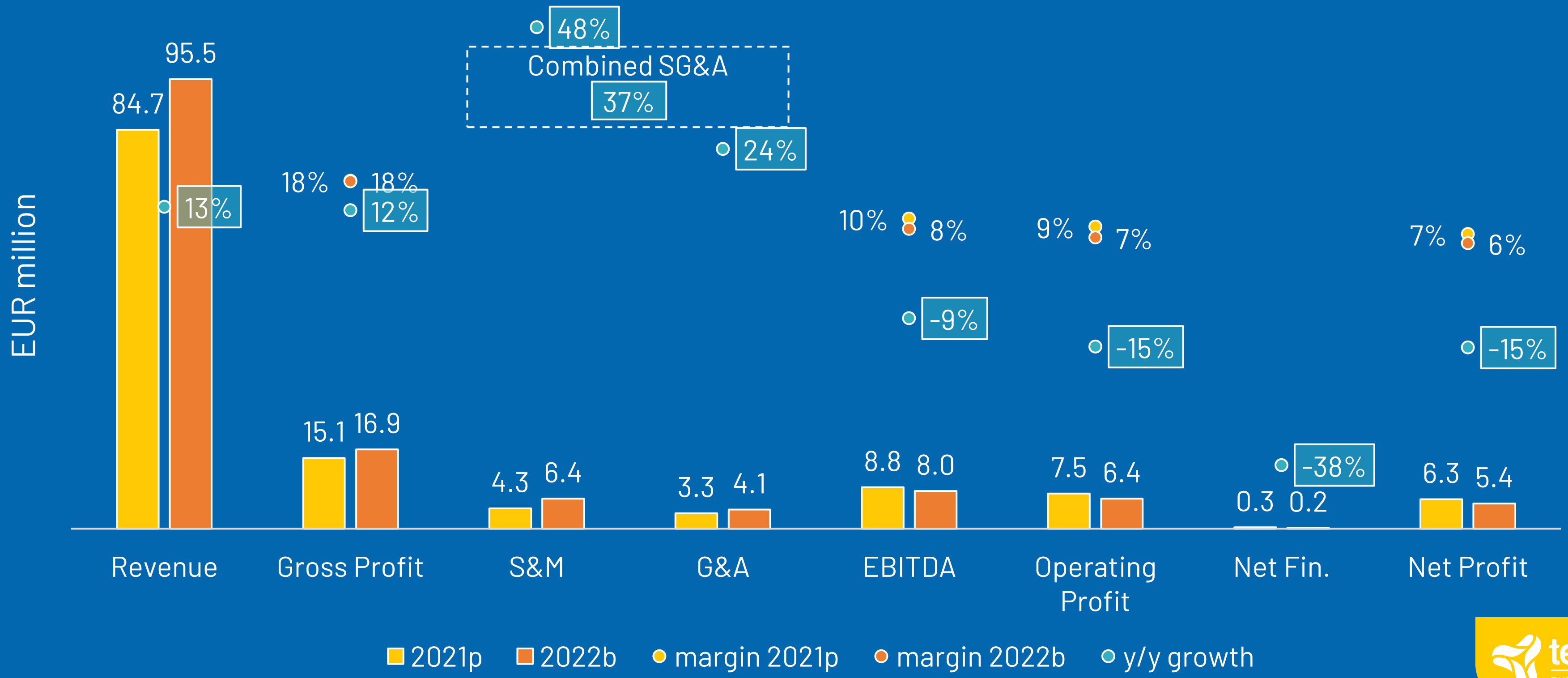
P&L TRENDS BUDGET 2022



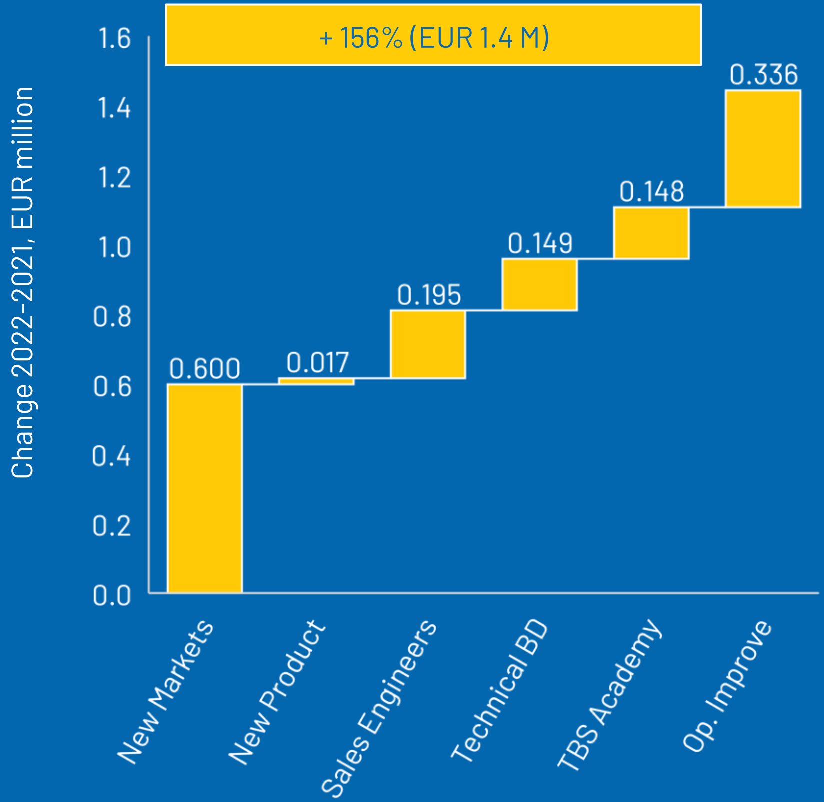
- Revenue:
  - Y/Y 22/21 = +13%
  - 3Y CAGR 22/19 = +19%
- Gross Profit:
  - Y/Y 22/21 = +12%
  - margin 22-21 = -0.1%
  - 3Y CAGR 22/19 = +18%
- EBITDA:
  - Y/Y 22/21 = -9%
  - margin 22-21 = -2.0%
  - 3Y CAGR 22/19 = +10%
- Net Profit:
  - Y/Y 22/21 = -15%
  - margin 22-21 = -1.8%
  - 3Y CAGR 22/19 = +9%

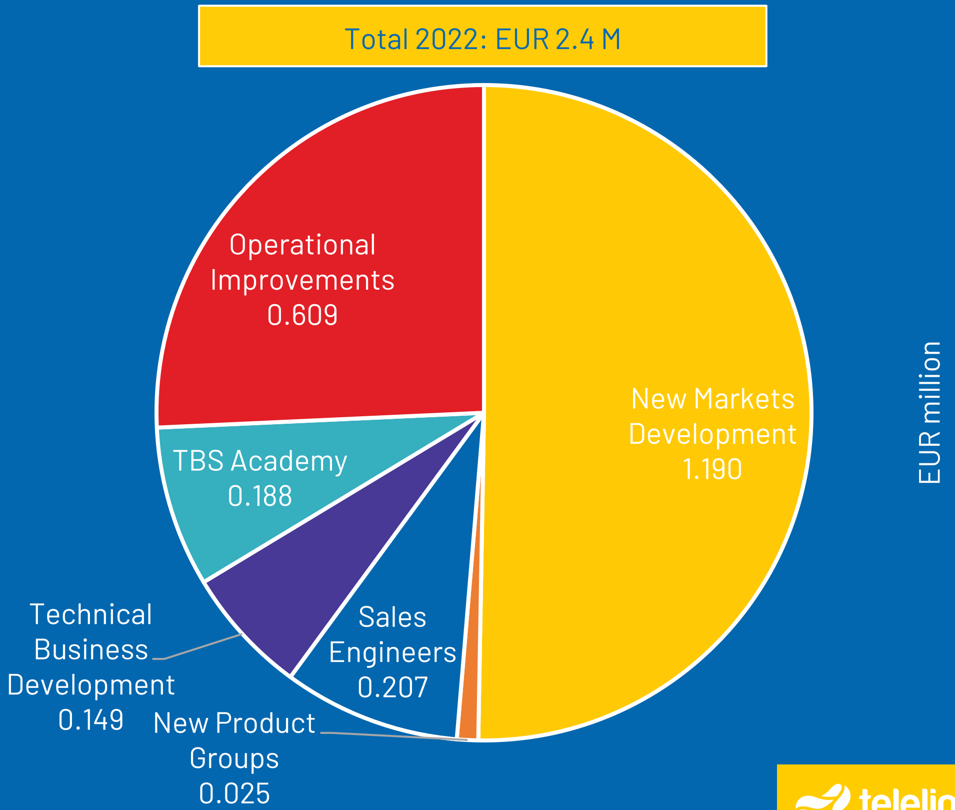
P&L TRENDS BUDGET 2022 (DETAILED)



S&M = Sales & Marketing Expenses, **G&A** = General & Administrative Expenses, **SG&A** = S&M + G&A

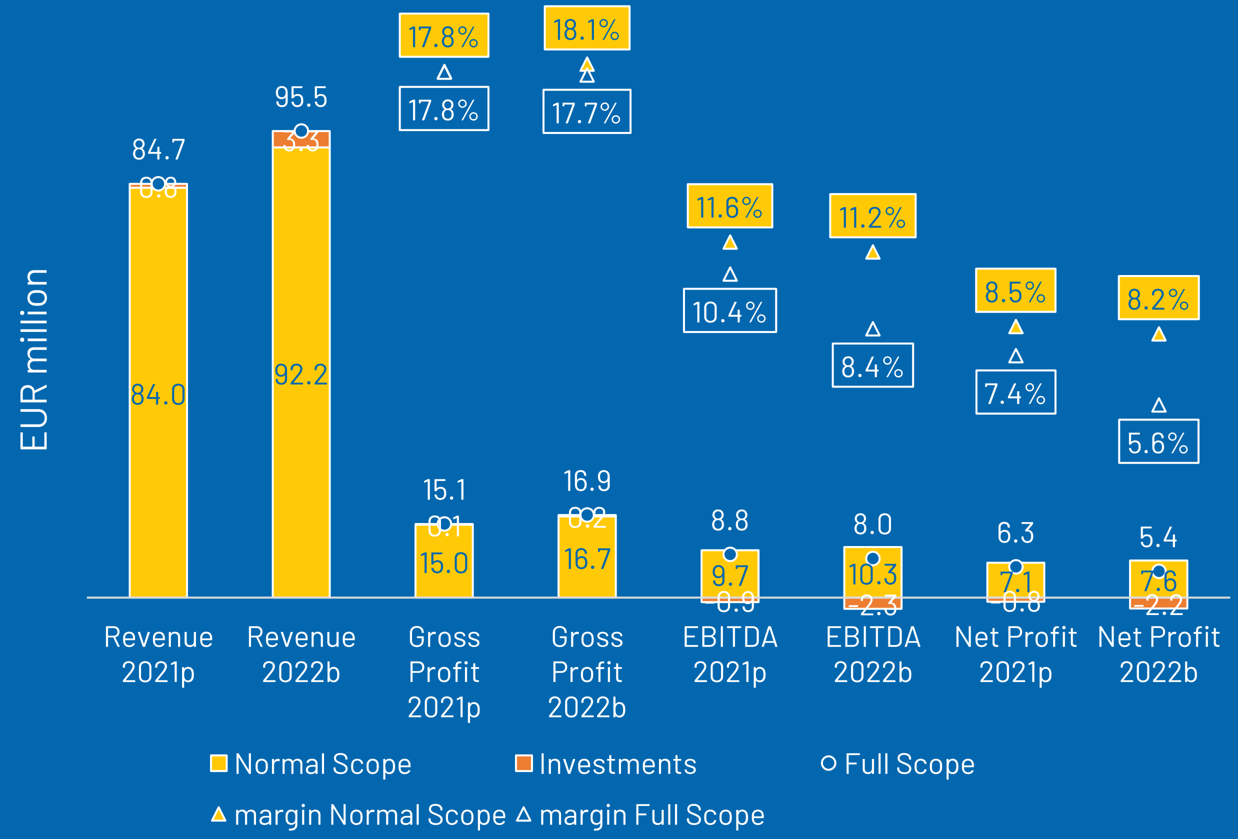
INVESTMENTS* 2022





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

INVESTMENT*-ADJUSTED P&L TRENDS 2022



- Revenue:
  - Adj. Y/Y 22/21 = +10%
  - Adj. 3Y CAGR 22/19 = +18%
- Gross Profit:
  - Adj. Y/Y 22/21 = +11%
  - Adj. margin 22-21 = +0.3%
  - Adj. 3Y CAGR 22/19 = +18%
- EBITDA:
  - Adj. Y/Y 22/21 = +6%
  - Adj. margin 22-21 = -0.4%
  - Adj. 3Y CAGR 22/19 = +20%
- Net Profit:
  - Adj. Y/Y 22/21 = +6%
  - Adj. margin 22-21 = -0.3%
  - Adj. 3Y CAGR 22/19 = +22%

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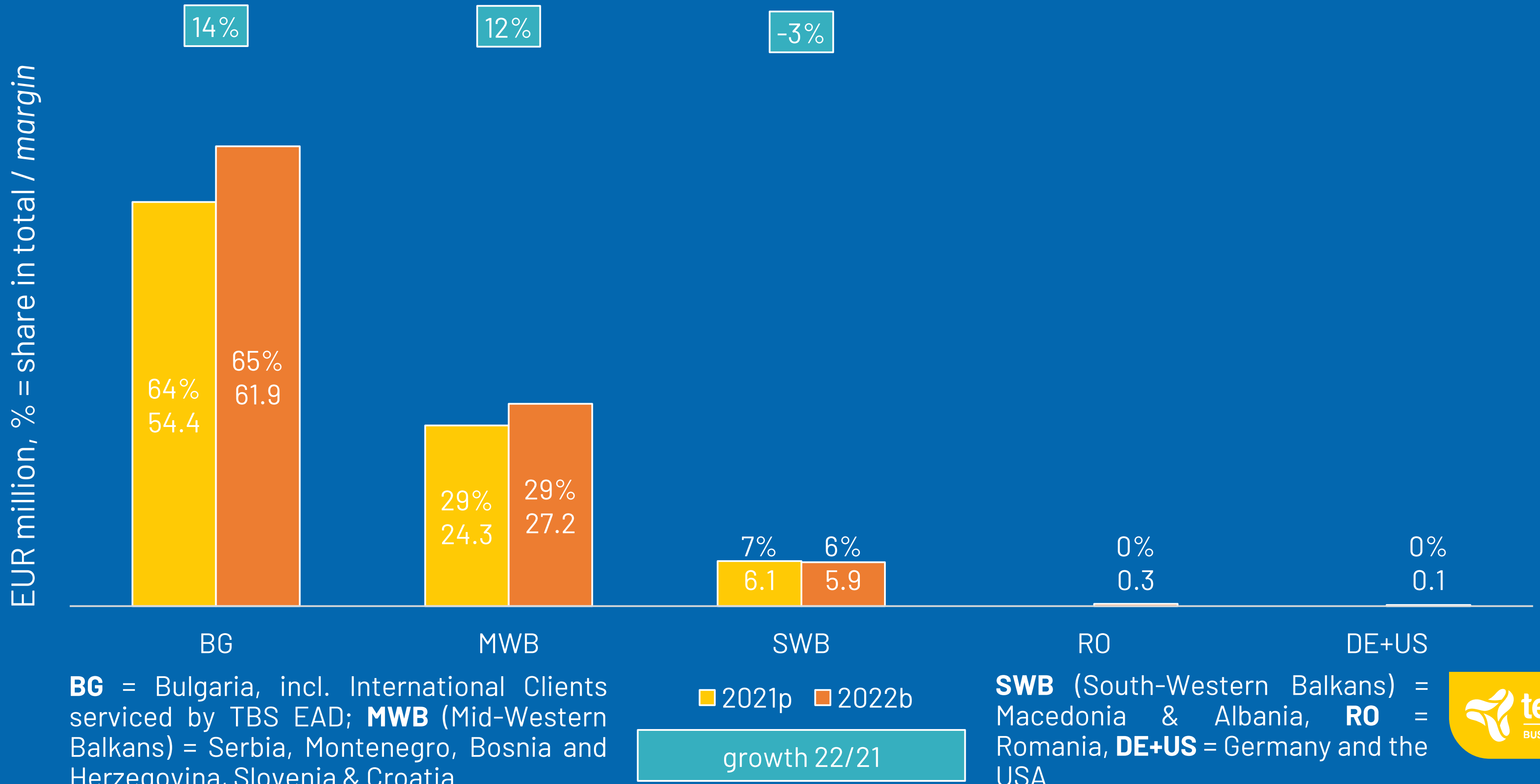
* P&L impact of new business development initiatives with payback delayed beyond the current year

REVENUE BY INVOICING REGION 2022



BG = Bulgaria, incl. International Clients serviced by TBS EAD; **MWB** (Mid-Western Balkans) = Serbia, Montenegro, Bosnia and Herzegovina, Slovenia & Croatia

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

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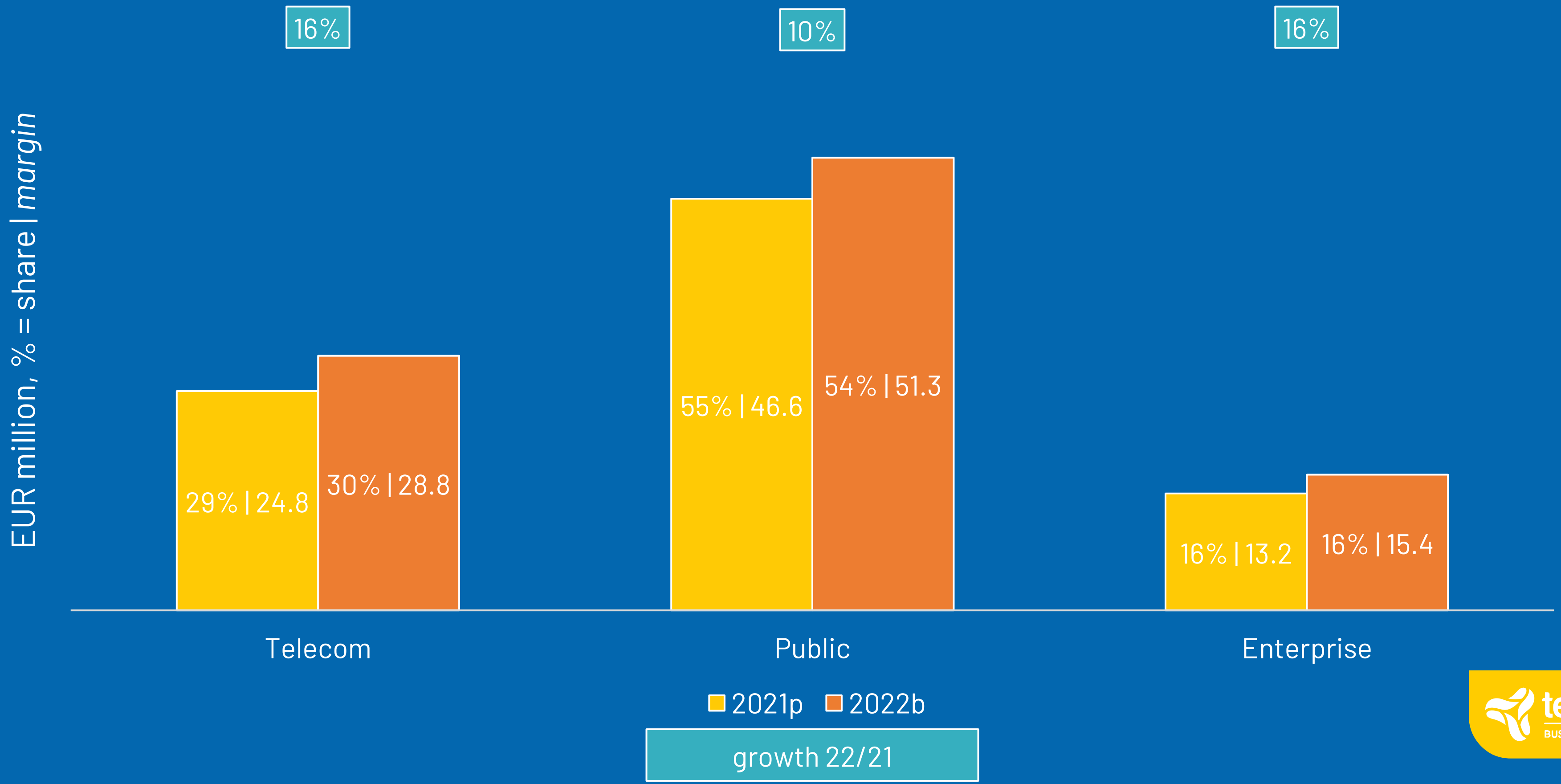
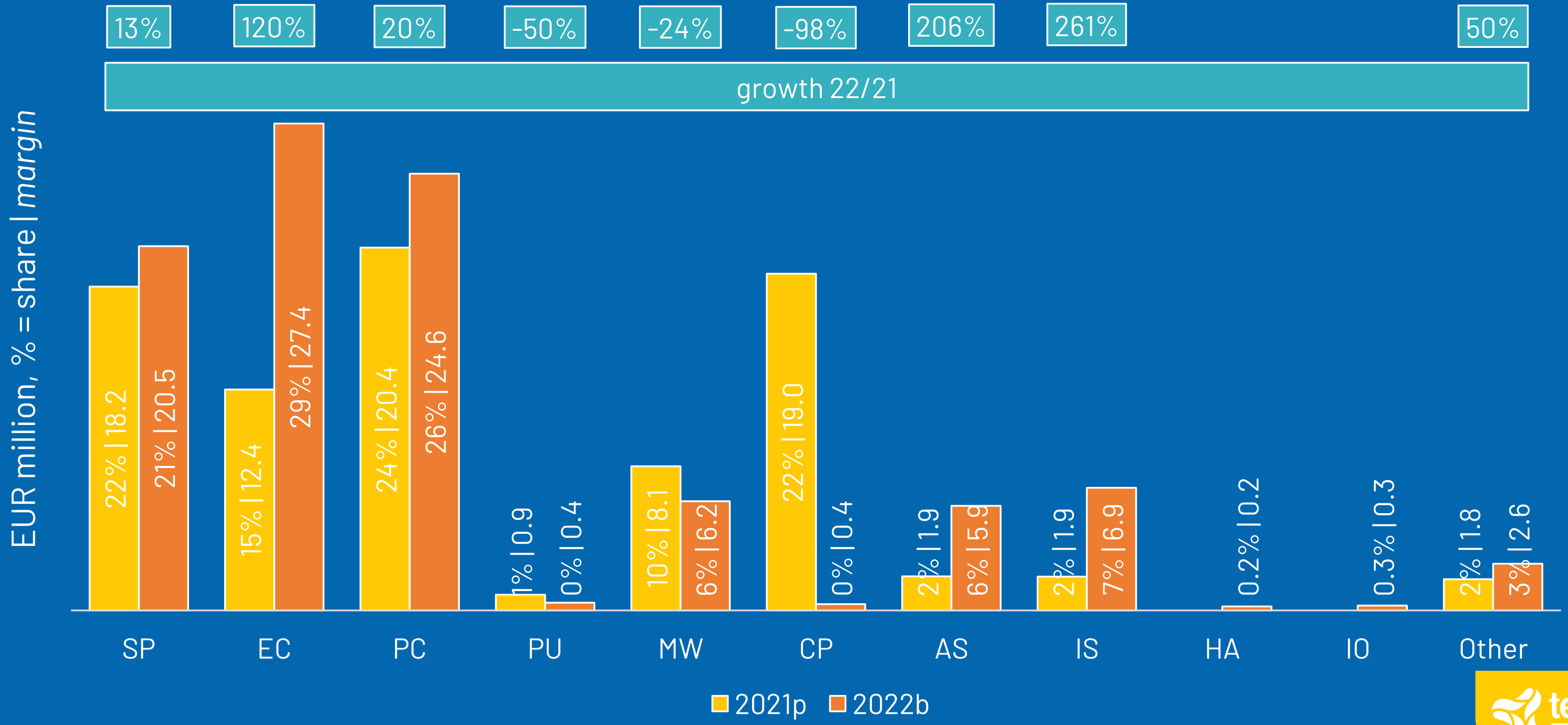
REVENUE BY SECTOR 2022

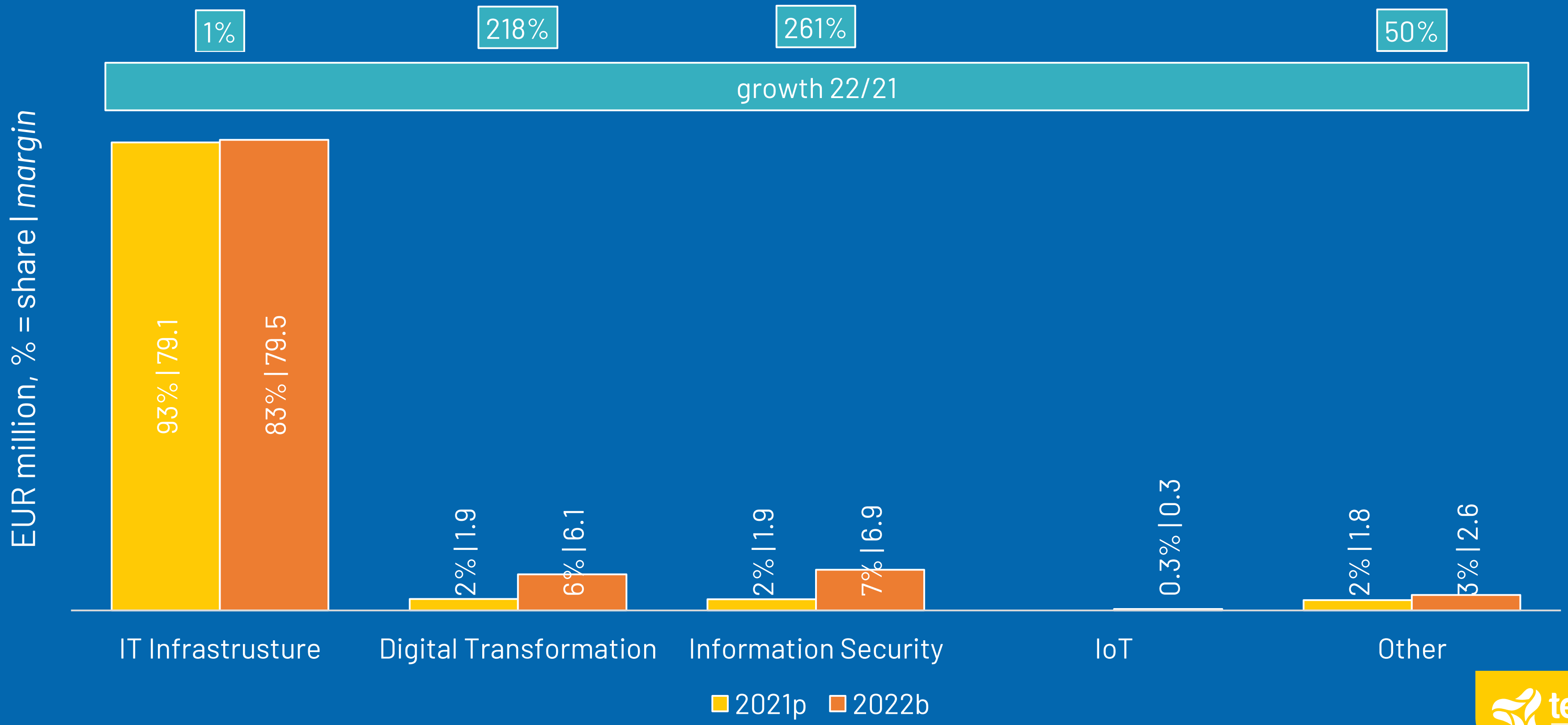


REVENUE BY PRODUCT GROUP 2022



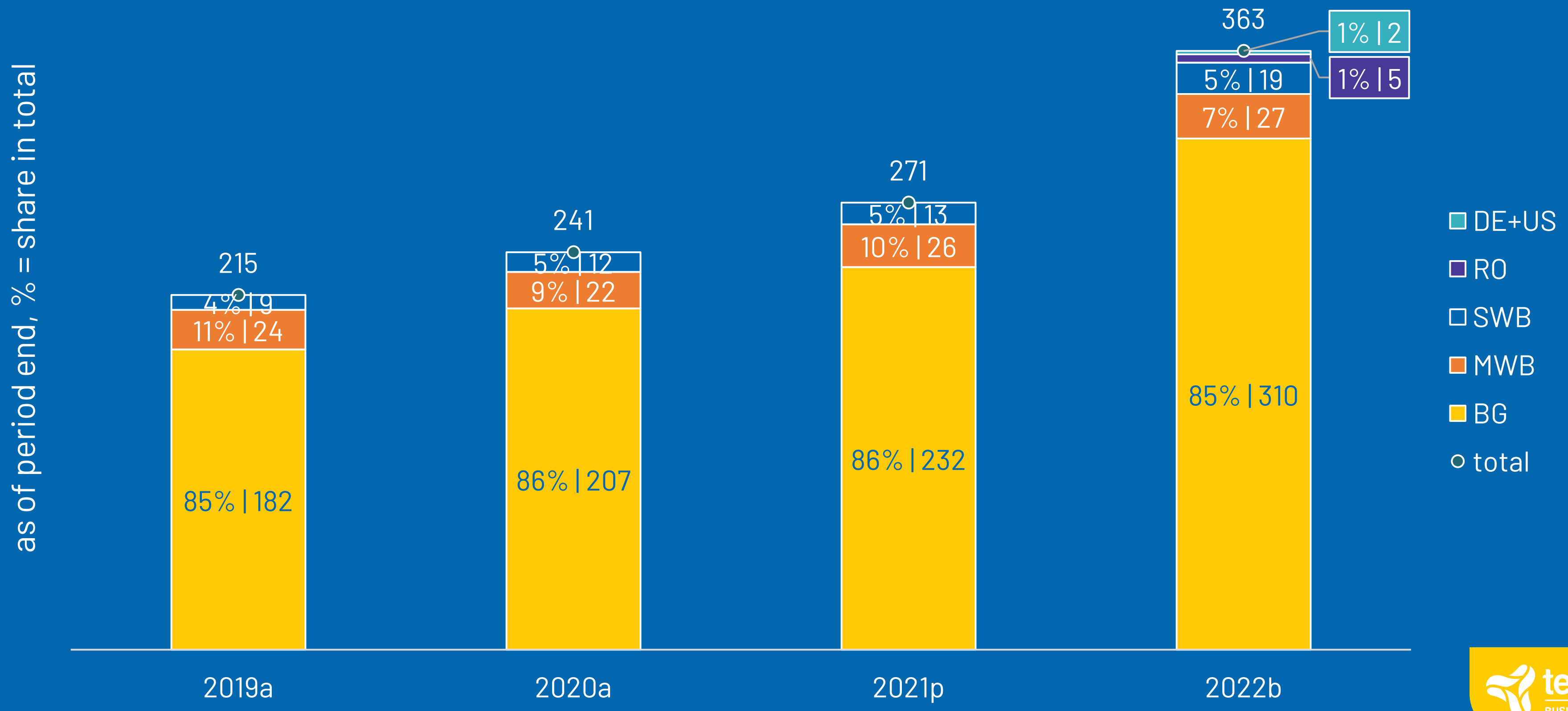
SPS = Service Provider Specific, **EC** = Enterprise Connectivity, **PC** = Private Cloud, **PU** = Public Cloud, **MW** = Modern Workplace, **CP** = Computers & Peripherals, **AS** = Application Services, **IS** = Information Security, **HA** = Hyperautomation, **IO** = IoT

REVENUE BY PRODUCT FAMILY 2022

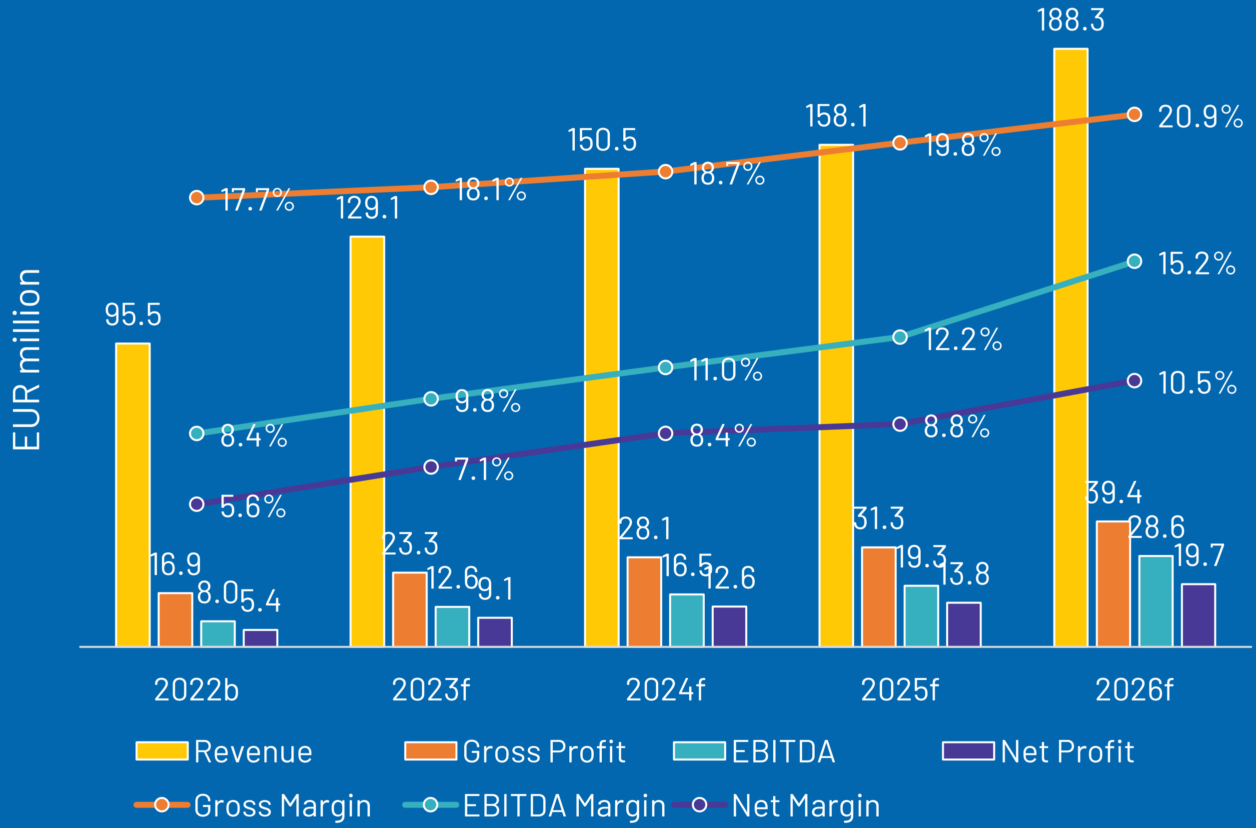


IT Infrastructure = Service Provider Specific + Enterprise Connectivity + Private Cloud + Public Cloud + Modern Workplace + Computers & Peripherals, **Digital Transformation** = Application Services + Hyperautomation

PERSONNEL BY INVOICING REGION 2022



P&L OUTLOOK 2022-2026



- Revenue:
  - 5Y CAGR 26/21 = +17%
- Gross Profit:
  - 5Y CAGR 26/21 = +21%
  - margin 26-21 = +3.2%
- EBITDA:
  - 5Y CAGR 26/21 = +27%
  - margin 26-21 = +4.8%
- Net Profit:
  - 5Y CAGR 26/21 = +26%
  - margin 26-21 = 3.1%

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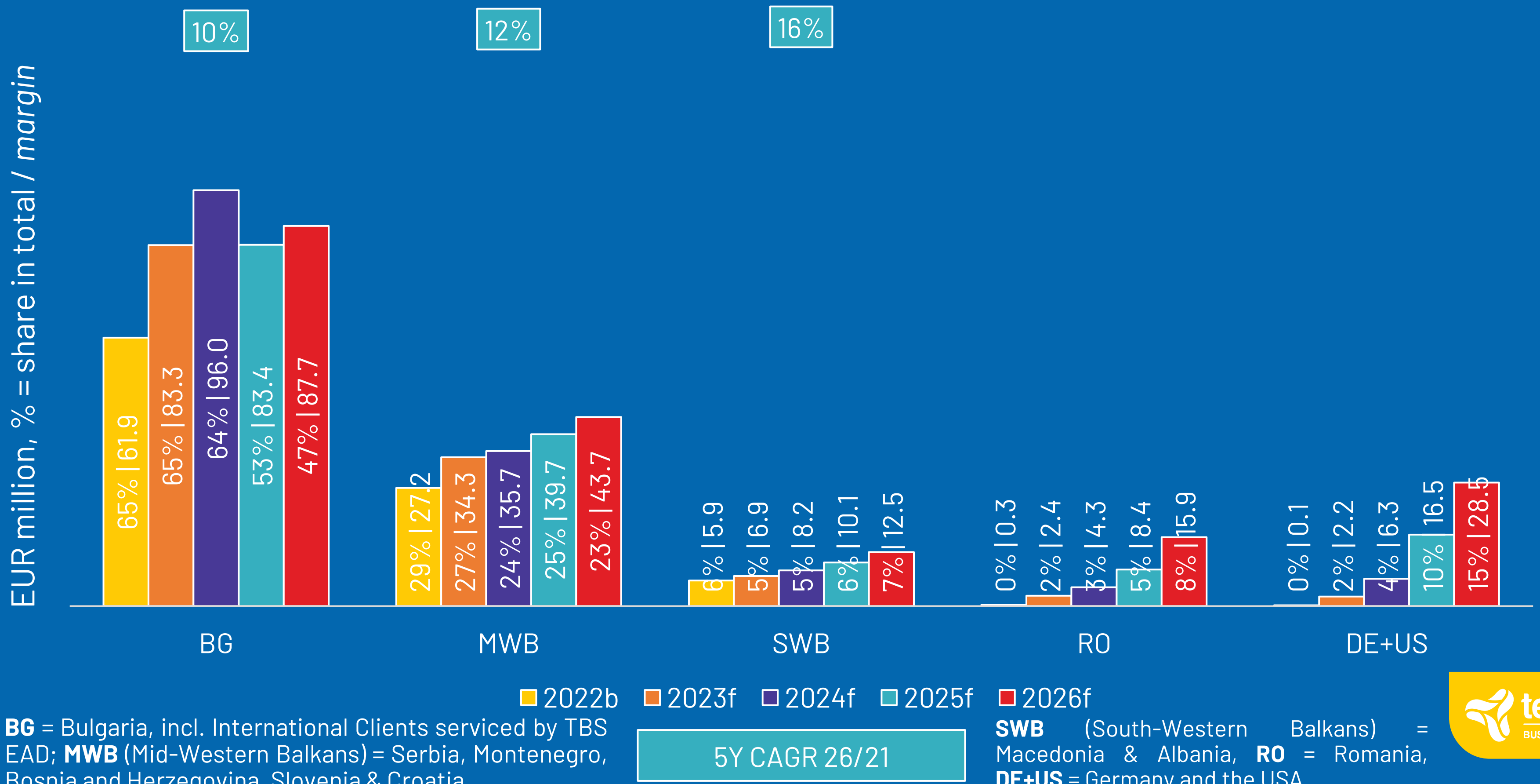
REVENUE BY INVOICING REGION 2022-2026



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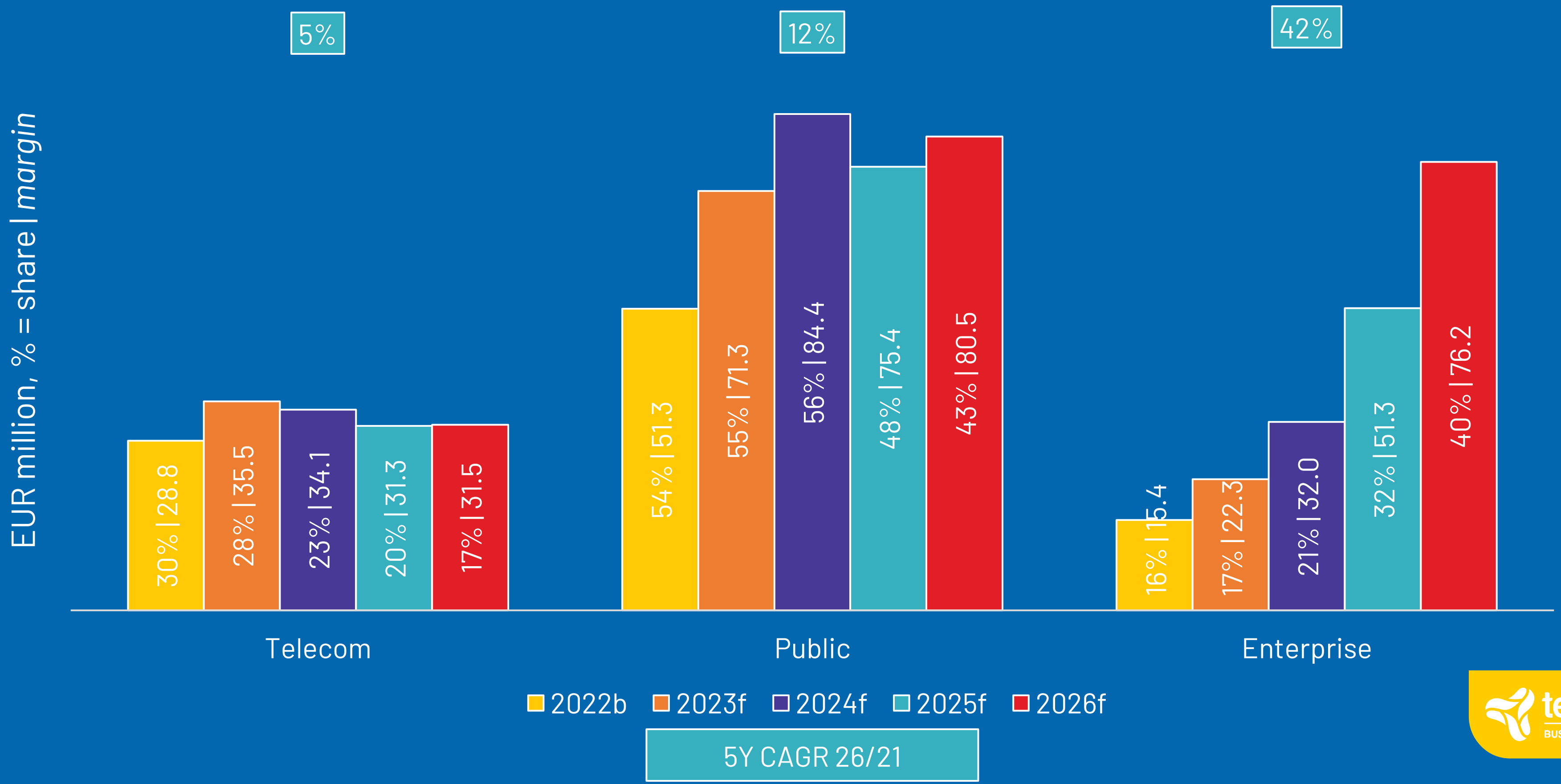
REVENUE BY SECTOR 2022-2026



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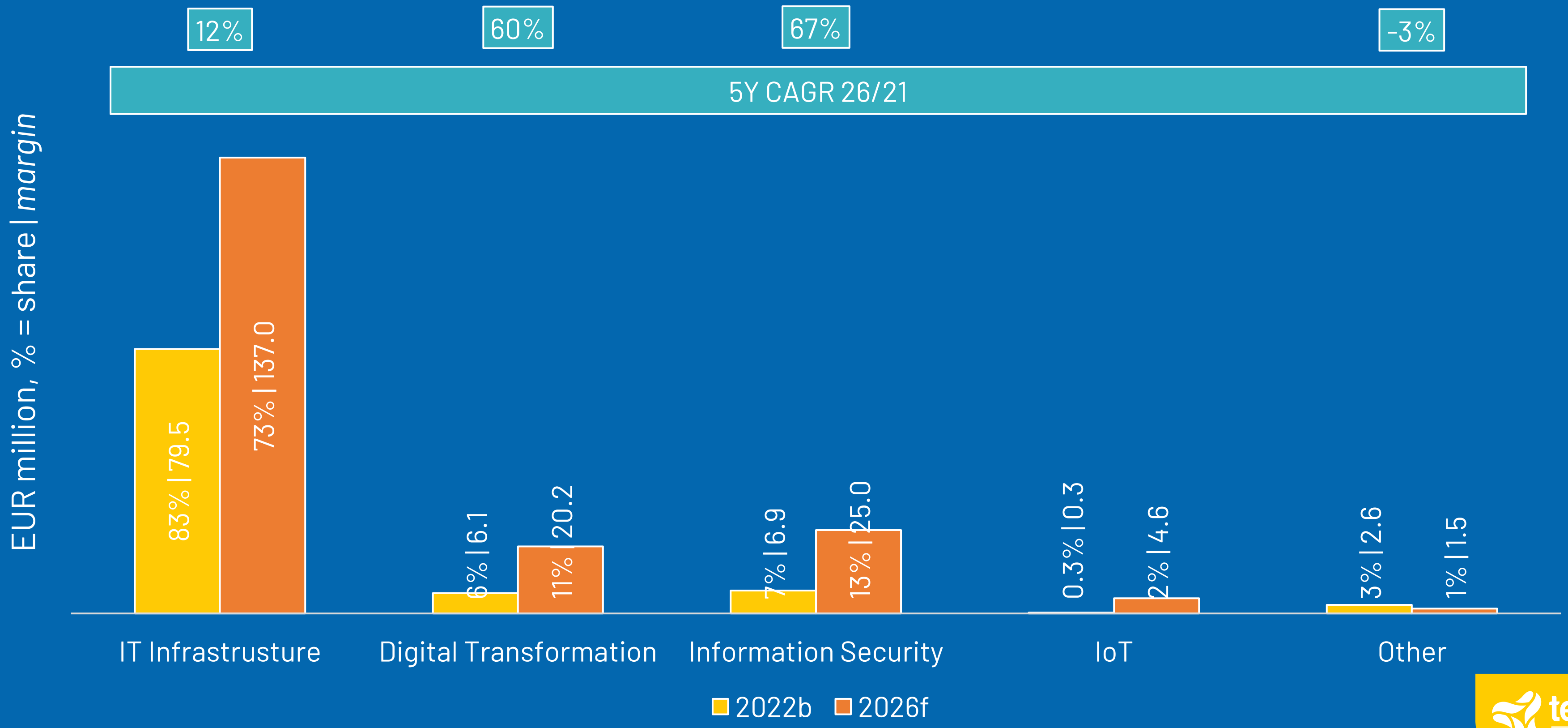
REVENUE BY PRODUCT FAMILY 2022-2026



IT Infrastructure = Service Provider Specific + Enterprise Connectivity + Private Cloud + Public Cloud + Modern Workplace + Computers & Peripherals, **Digital Transformation** = Application Services + Hyperautomation

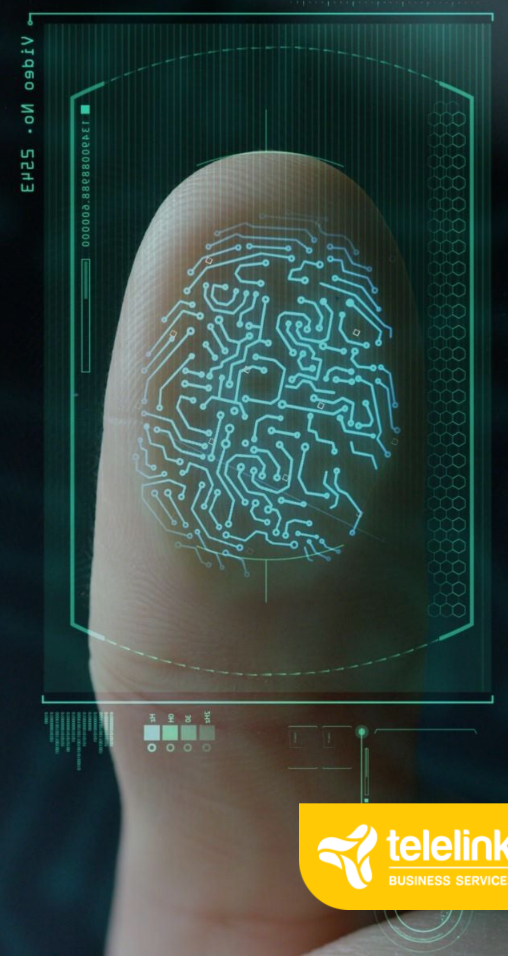
STRATEGIC HIGHLIGHTS

IT INFRASTRUCTURE

DIGITAL TRANSFORMATION

INDUSTRIAL IoT

INFORMATION SECURITY



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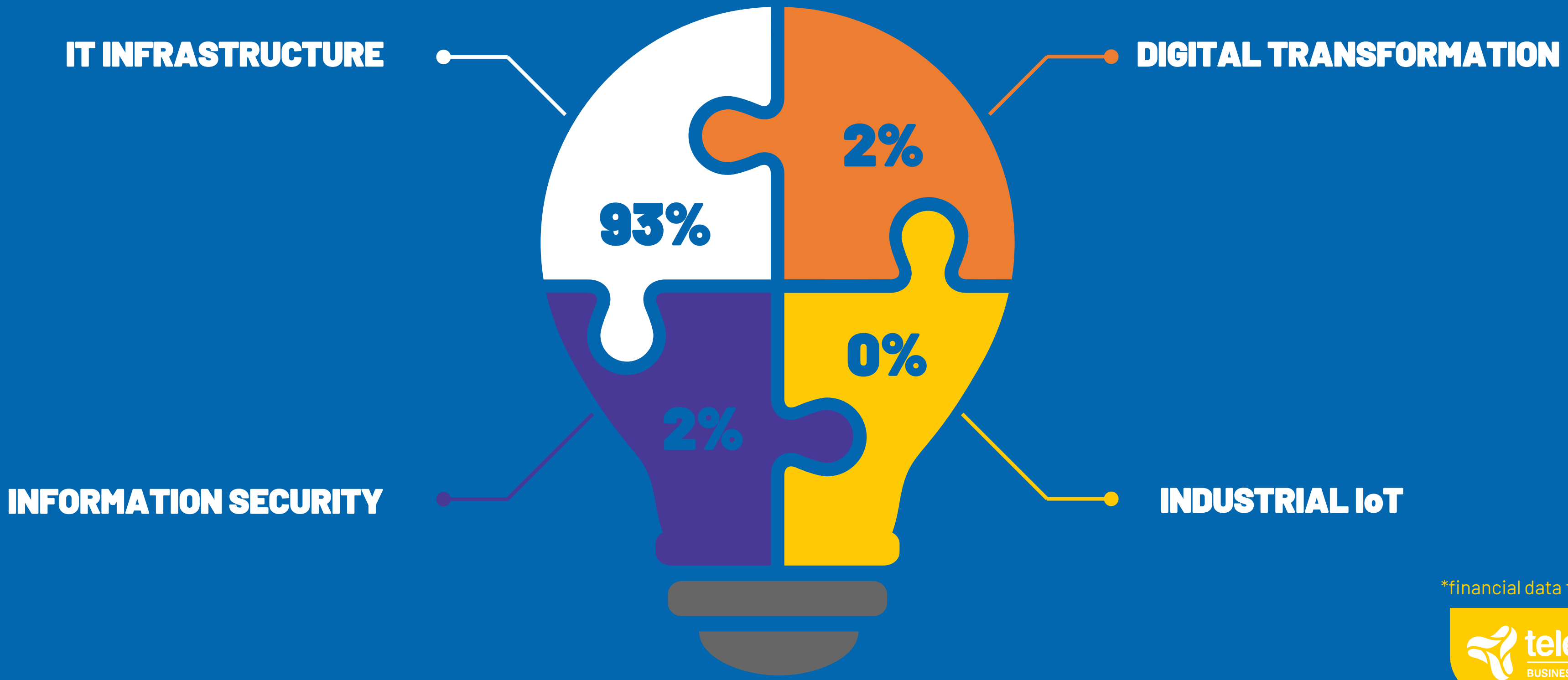
PRODUCT FAMILIES

OVERVIEW



*financial data from 2021

OVERALL STRATEGY

MAINTAIN GROWTH AND GROSS PROFIT% IN IT INFRASTRUCTURE

DEVELOP ADJACENT SELF-COMPLIMENTING TECHNOLOGIES

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IT INFRASTRUCTURE

IS THERE SPACE FOR GROWTH?

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GROWTH DRIVERS

1

INCREASED CORPORATE DEMAND FOR DIGITAL TRANSFORMATION LEADING TO INFRASTRUCTURE SPEND

2

EU RRF & COHESION FUNDING FOCUS ON DIGITALIZATION

3

DIGITAL TRANSFORMATION PRIORITY IN THE WEST PROVIDES IT INFRASTRUCTURE OUTSOURCING OPPORTUNITIES

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EXTERNAL FACTORS

	RRF Budgets			Cohesion fund Budgets	
Digital Transformation Budgets only					**Digital Transformation Budgets only**
€1.62 BILLION	€6.3 BILLION	**CROATIA**	€9 BILLION	10%	
€6.03 BILLION	€29.2 BILLION	**ROMANIA**	€30 BILLION	10%	
€1.45 BILLION	€6.6 BILLION	**BULGARIA**	€10 BILLION	10%	

€14
BILLION
TOTAL ADDRESSABLE FUNDING

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SO, YES, THERE IS.

HOW CAN WE DIFFERNTIATE?

REGIONAL MARKET WEAKNESS

1

COMMODITIZATION

2

INABILITY TO SCALE

3

TUNNEL VISION

4

PROJECT COMPLEXITY

5

LOW PROFICIENCY

6

MARKET IMMATURITY

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TRANSFORMED TO OPPORTUNITIES

1

INNOVATION

2

TALENT & PROCESSES INVESTMENT

3

UNCONVENTIONAL THINKING

4

OUTSTANDING DELIVERY

5

HIGH PROFICIENCY

6

CONSULTATIVE SALES

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AGILE

TECHNICAL BDM

INDUSTRY BDM

GENERAL BDM

SOURCING CAPABILITIES

RENEWAL MANAGEMENT

SALES ENGINEERS

INTERNATIONAL SALES

PERFORMANCE DRIVEN

FOCUS

REDEFINED AM

EMPLOYER BRANDING

BID MANAGEMENT

TRANSPARENCY

EU INITIATIVES DEPARTMENT

TBS ACADEMY

PROACTIVENESS DRIVEN BY TOOLS

FAST RESPONSE

GEOGRAPHICAL EXPANSION

PRODUCT MARKETING

SENIOR ENGINEERS

DIGITAL TRANSFORMATION

REENGINEERD BRAND


DIGITAL
TRANSFORMATION
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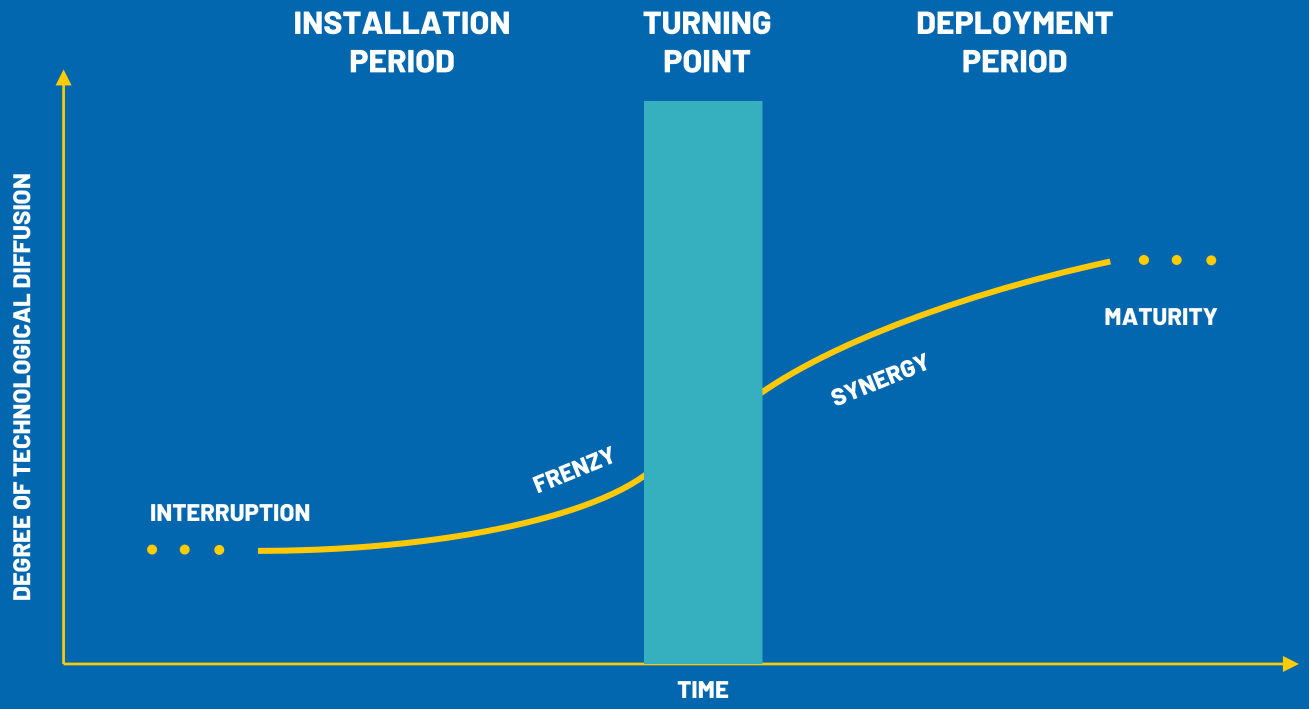
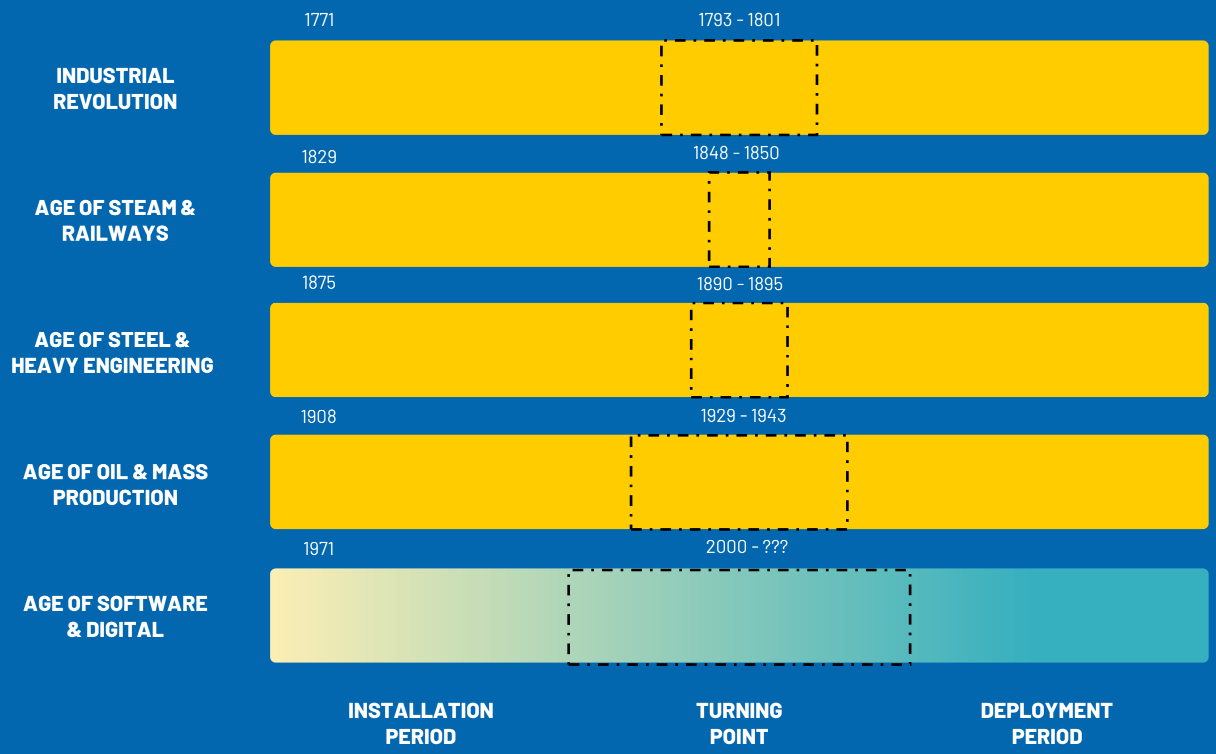
THE TURNING POINT



SOURCE: "Technological Revolutions and Financial Capital", Carlota Perez (2002)

TECHNOLOGICAL REVOLUTIONS



SOURCE: "Technological Revolutions and Financial Capital", Carlota Perez (2002)

PRODUCT GROUPS

CUSTOM SOFTWARE DEVELOPMENT

LOW-CODE / NO-CODE PLATFORMS

BUSINESS CONSULTANCY

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REENGINEERD BRAND

EMPLOYER BRANDING

FULL-STACK SW DEVELOPMENT

DEVOPS

NETWORK OF SUBCONTRACTORS

BUSINESS CONSULTING

EU PROJECT TEAM

LOW-CODE / NO-CODE TEAM

AGILE TRANSFORMATION

INTERNAL DIGITAL TRANSFORMATION

INDUSTRIAL IoT

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IIoT DRIVERS

DIGITAL TRANSFORMATON DRIVES DEVELOPMENT OF IIoT

SUSTAINABILITY RELIES ON SENSOR TECHNOLOGY FOR ENVIRONMENTAL MONITORING & MANAGEMENT

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84% OF EXISTING IoT DEPLOYMENTS CAN ADDRESS THE SDGs

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INTERNAL CAPABILITY

Develiot

SPIN OFF → CAPABILITY DEVELOPMENT → INTERNALIZE

3 GOOD HEALTH AND WELL-BEING

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

15 LIFE ON LAND

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OWN PLATFORM

DEDICATED SE

IoT FOR SUSTAINABILITY

OWN DESIGN CAPABILITY

EU PROJECT TEAM

DEDICATED TBDM

SYSTEM INTEGRATION

AGILE

EXTENSIVE RESEARCH


INFORMATION
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MARKET DYNAMICS

INCREASING DIGITALIZATION

REGIONAL MARKET		WESTERN MARKET
LOW	MARKET MATURITY	HIGH
LOW	COMPLIANCE	HIGH
ROI NOT REALIZED	INVESTMENT	ROI IS VISIBLE
UNREALIZED	NEED	REALIZED

REGIONAL MARKET

BLUE OCEAN
HIGH BARRIERS
LOW MARKET PENETATION

WESTERN MARKET

RED OCEAN
HIGH PROFICIENCY
VERY HIGH PRICE

OUR STRATEGY

AFFORDABLE SOLUTIONS

REGIONAL FOCUS

AS A SERVICE/PROJECT

INTERNAL PRODUCT SYNERGIES

DIFFERENTIATOR / INITIAL SALE

END to END SOLUTIONS

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TBS TRAINING CENTER

AGILE

RED TEAM

EXOTIC PROJECTS

FOCUS

TBS ACADEMY

AUTOMATION

TECHNICAL BDMS

SALES ENGINEERS

SENIOR ENGINEERS

STRATEGIC FRAMEWORK

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Maintain

Optimize

Differentiate

Expand

M for **Maintain** stands for securing what has already been achieved by investing in right management

O for **Optimize** or the continuous improvement of tools and processes, aiming operational excellence and financial success

D for **Differentiate** by showing customer orientation, high proficiency and a unique blend of services

E for **Expand** both geographically and technologically, by leveraging economy of scale and knowledge

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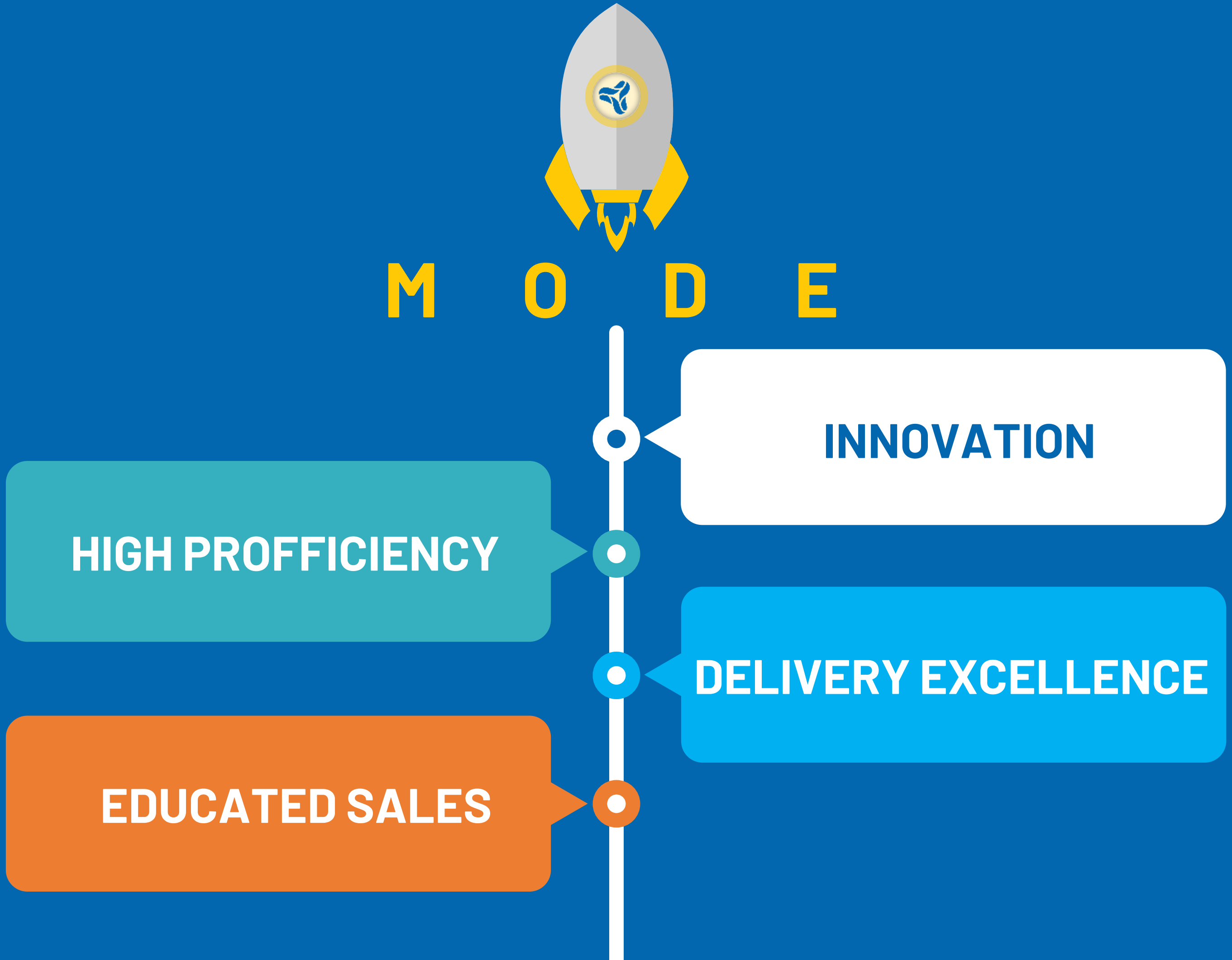

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THANK YOU!
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