

## 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 (Ordinance No 2)**

**TELELINK BUSINESS SERVICES GROUP AD**

**FOR THE FIRST QUARTER OF 2023**

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 statutory instrument. It contains information about the Company's business for the reporting period from 1<sup>st</sup> January 2023 to 31<sup>th</sup> March 2023.

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

- Ivan Krasimirov Zhitiyanov – Chairman 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, exercising control over the Company**

There has been no changes of the persons, exercising control over TELELINK BUSINESS SERVICES GROUP AD for the period from 1<sup>st</sup> January 2023 to 31<sup>th</sup> March 2023.

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

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

## **1.3. Conclusion or execution of material transactions**

The agreements, concluded during the reporting period 1st January 2023 – 31st March 2023 are as follows:

On January 13 2023 an annex was signed to the Agreement for the undertaking of credit commitments under an overdraft credit line № 0018/730/10102019 from October 10 2019 between Unicredit Bulbank AD (lender) and TBS EAD (borrower), whereunder TBSG AD is a Guarantor and Pledgor, whereby the interest index for overdraft in BGN was changed from BIR to the bank's average deposit index (ADI).

On January 16 2023, an annex was signed to the Credit agreement between Comutel and Raiffeisen Bank AD Belgrade, Republic of Serbia, updating interest rates and extending the utilization term until January 27 2024, as well as a suretyship by TBS EAD for the due fulfillment of the respective commitments of Comutel.

On January 16 2023, TBSG approved the signing of an annex to the Agreement for issuing bank guarantees between Comutel and Raiffeisen Bank AD Belgrade with a term until January 31 2024.

On January 26 2023, an annex was signed to Frame Loan Agreement № 5074/2022 between Unicredit Banka Slovenia d.d. and Telelink Slovenia with a limit of up to EUR 1,500,000, whereby the term was extended until January 18 2024 and the annual interest rate was amended to 1.6% + 3-month EURIBOR. The corporate guarantee provided by TBSG AD to secure the obligations of Telelink Slovenia under the agreement remained in force.

On February 20 2023, the MB resolved to allow CCL CEECAT Fund II SCSp, Luxembourg, to conduct business, financial and legal due diligence in compliance with applicable Bulgarian and European legislation, by-laws, guidelines of the European Securities and Markets Authority (ESMA), with regard to its expression of interest in a potential investment in TBSG AD, which was disclosed to the FSC, BSE and the public.

On February 23 2023, an annex was signed to the agreement between TBS Croatia and Zagrebska banka from June 27 2022 for the issuance of bank guarantees, whereby the agreement's term was extended until February 29 2024.

On March 01 2023, the MB issued a preliminary approval for the signing of a contract between TBS EAD and Consortium TELESEC DZZD with regard to the execution of a contract with the Ministry of Interior with the subject matter of "Implementation of a National intelligent security system by upgrading the Integrated automated security system", whereby equipment of a total value exceeding the threshold of 5% of the subsidiary's assets as per the latest audited statement of financial position as of December 31 2021, taking into consideration the participation of parties under common management in the dealing.

On March 01 2023, the Company extended a corporate guarantee for the amount of EUR 245,500 thousand securing the obligations of TBS Croatia with regard to the subsequent signing of an overdraft agreement with Zagrebska banka d.d.

On March 01 2023, a frame overdraft agreement was signed between TBS Croatia and Zagrebska banka d.d. with a tenor of 12 months, a maximum amount of EUR 245,500 and an interest rate of 3-month EURIBOR plus 0.39% p.a.

On March 06 2023, a contract was signed between TBS EAD and Consortium TELESEC DZZD with regard to the execution of a contract with the Ministry of Interior with the subject matter of “Implementation of a National intelligent security system by upgrading the Integrated automated security system”, whereby TBS EAD will deliver to the Consortium equipment and services with a total value of BGN 19,163 thousand.

On April 05 2023, an annex was signed to the overdraft agreement between the Company and Raiffeisenbank (Bulgaria) EAD (now KBC Bank Bulgaria EAD), as pre-approved by an MB resolution from March 31 2023, whereby terms were extended as follows:

- Overdraft credit with a repayment deadline until February 28 2027;
- Contingent bank credit securing the issuance of guarantees available for utilization until January 28 2027.

On April 07 2023, the Company provided a corporate guarantee for the amount of EUR 900 thousand to secure the obligations of TBS Croatia from its agreement for the issuance of bank guarantees with Zagrebska banka from June 27 2022.

On April 07 2023, an annex was signed to the agreement between TBS Croatia and Zagrebska banka from June 27 2022 for the issuance of bank guarantees, whereby the limit was raised from HRK 1,500,000 (EUR 199 thousand) to EUR 900 thousand.

Information on transactions with related parties during the reporting period 1<sup>st</sup> January 2023 - 31<sup>th</sup> March 2022

Table 1

Operating Activities (BGN thousand)	Sales to related parties	Purchases from related parties
Other related parties (under common control)	297	0
<b>Total</b>	<b>297</b>	<b>0</b>
Operating Activities (BGN thousand)	Receivables from related parties	Payables to related parties
Other related parties (under common control)	3,894	31
<b>Total</b>	<b>3,894</b>	<b>31</b>

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)	722	0
Operating Activities (BGN thousand)	Receivables	Payables
Participation in joint operations (consortia)	231	174

#### **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 21<sup>st</sup> September 2022 the General Meeting of the Shareholders of Telelink Business Services Group AD approved the annual financial statements of Telelink Business Services Group AD for 2022 to be audited by Ernst and Young Audit OOD, with seat and registered office: 47A Tsarigradsko Shose Blvd., Polygraphia Office Centre, 4th floor, 1124 Sofia, entered in the register of audit firms under number 108. There is no change to the Company's auditors from the previous year 2021.

The General Meeting of Shareholders is to elect the auditor for the 2023 annual financial statements.

#### **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 had been initiated or terminated during the reporting period.

#### **1.7. Purchase, sale or pledge of shares in companies by the issuer or its subsidiary**

During the reporting period there had been no changes in the amount of the Issuer's participation in the capital of the existing subsidiaries, accordingly, no pledge of shareholdings in subsidiaries of the Issuer has been established.

During the period 01.01.2023 - 31.03.2023, there were no incorporations, purchases and sales of new companies, either by the Issuer or by the subsidiaries.

30 May 2023

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Ivan Zhitiyanov,  
TELELINK BUSINESS SERVICES GROUP AD