



**telelink
business
services**

Quarterly Financial Review

January-March 2023

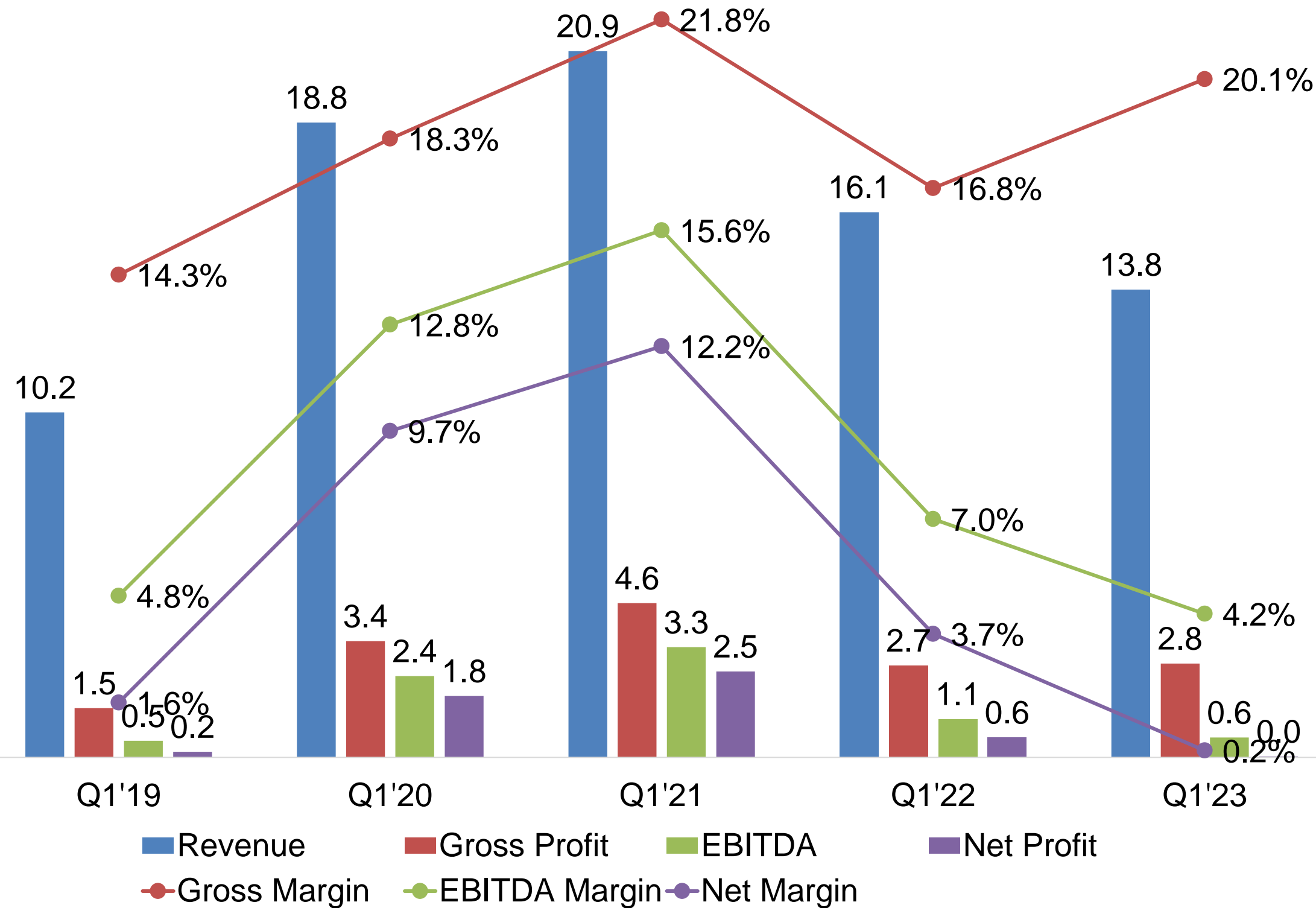
JUNE 20, 2023

Financial Review

Q1'2023 & TTM* Results

* Trailing 12 months period from April 01, 2022 to March 31, 2023

P&L by Quarter (Q1)



- Revenue:
 - Q1/Q1 23/22 = -14%

- Gross Profit:
 - Q1/Q1 23/22 = +2%
 - margin (chg.) = +3.2%

- EBITDA:
 - Q1/Q1 23/22 = -48%
 - margin (chg.) = -2.8%

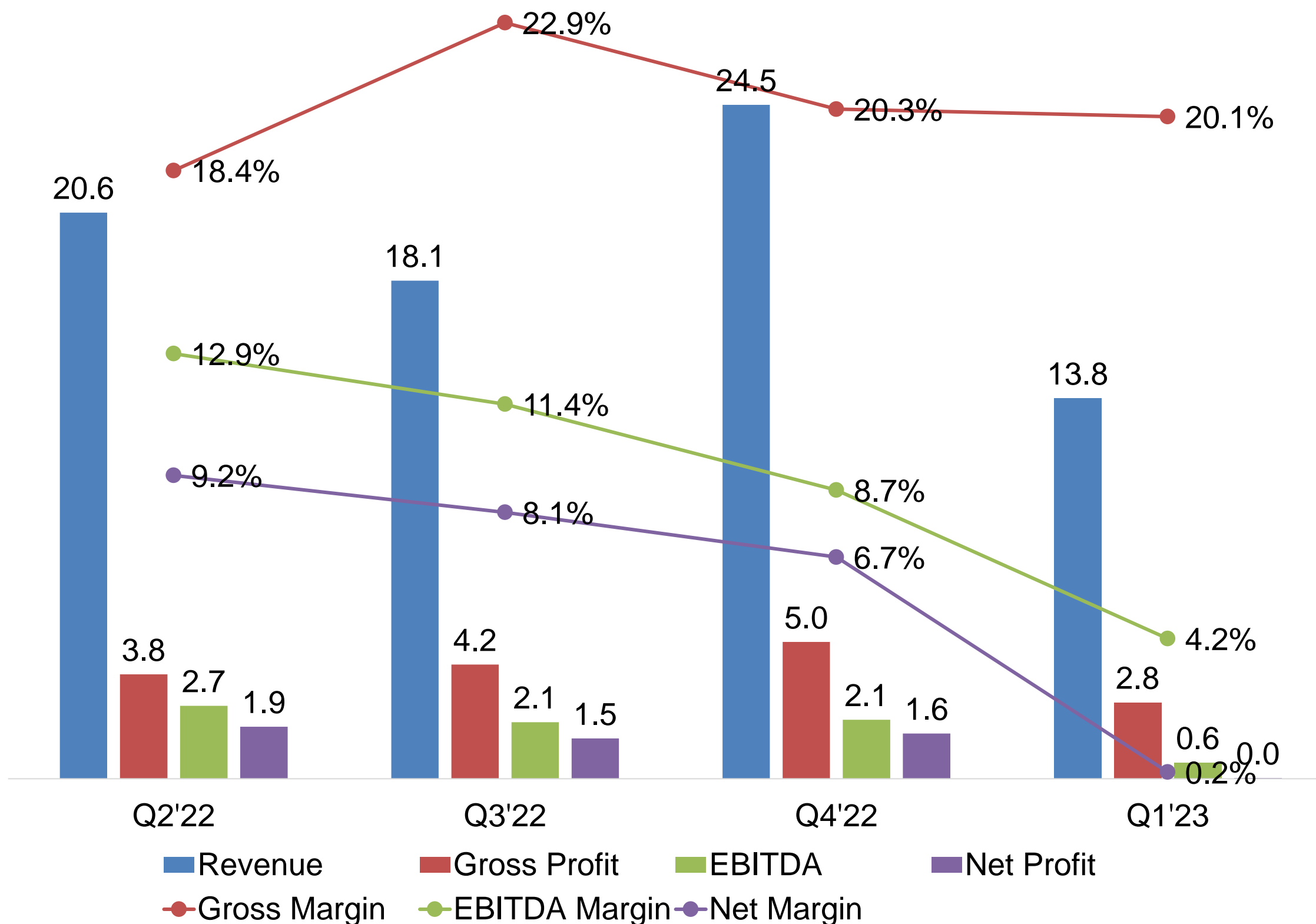
- Net Profit:
 - Q1/Q1 23/22 = -95%
 - margin (chg.) = -3.4%



P&L by Quarter (consecutive)



EUR million



- Revenue:
 - Q1'23/Q4'22 = -44%

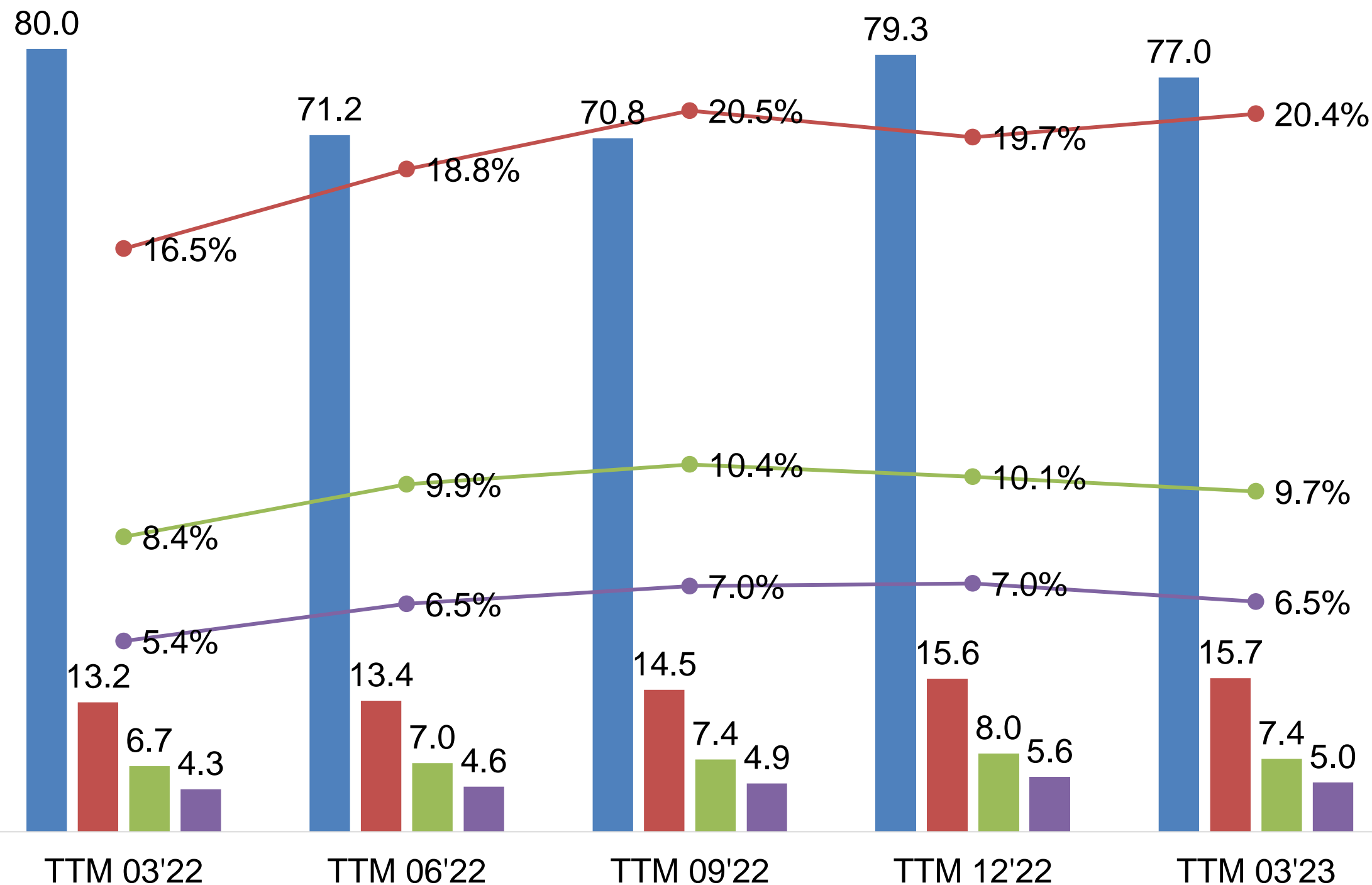
- Gross Profit:
 - Q1'23/Q4'22 = -44%
 - margin (chg.) = -0.2%

- EBITDA:
 - Q1'23/Q4'22 = -73%
 - margin (chg.) = -4.5%

- Net Profit:
 - Q1'23/Q4'22 = -98%
 - margin (chg.) = -6.5%



P&L TTM*



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

• Revenue:

- TTM 03'23/03'22 = -4%

• Gross Profit:

- TTM 03'23/03'22 = +19%
- margin (chg.) = +3.8%

• EBITDA:

- TTM 03'23/03'22 = +11%
- margin (chg.) = +1.3%

• Net Profit:

- TTM 03'23/03'22 = +16%
- margin (chg.) = +1.1%

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

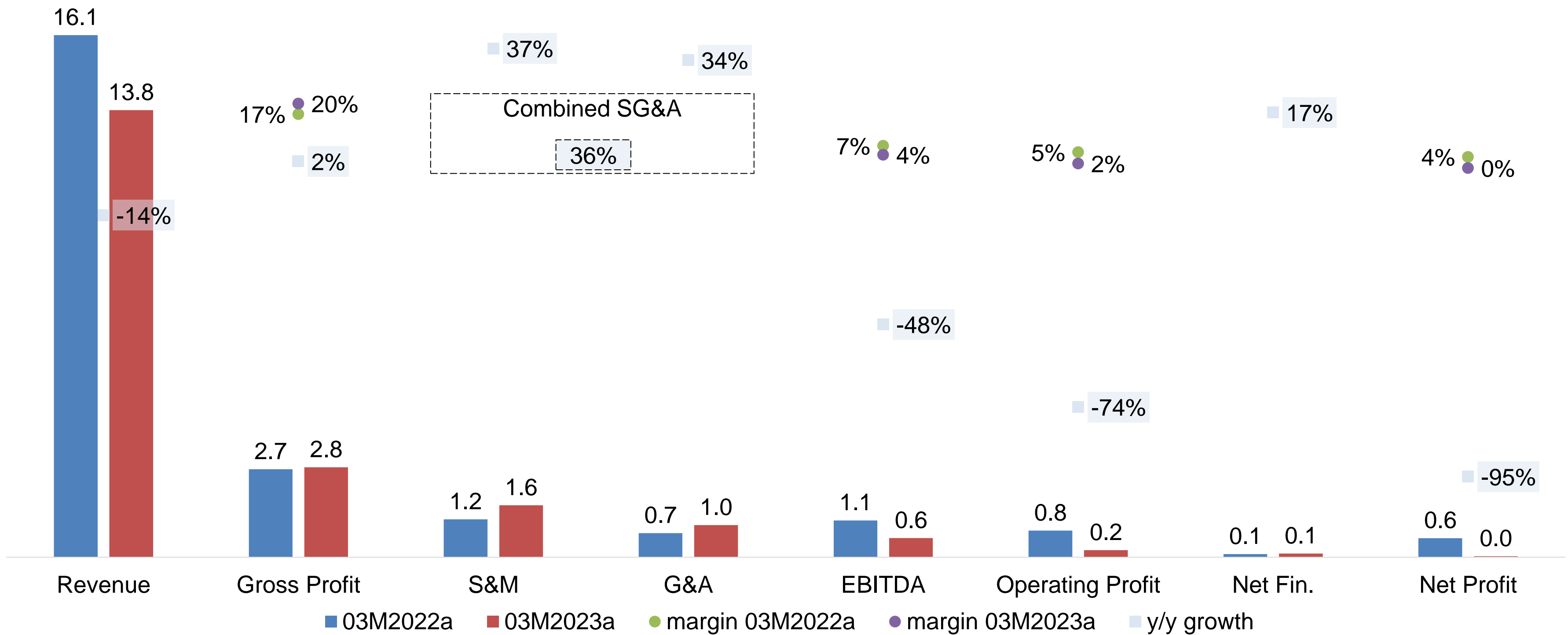


EUR million

P&L Q1 (detailed)



EUR million



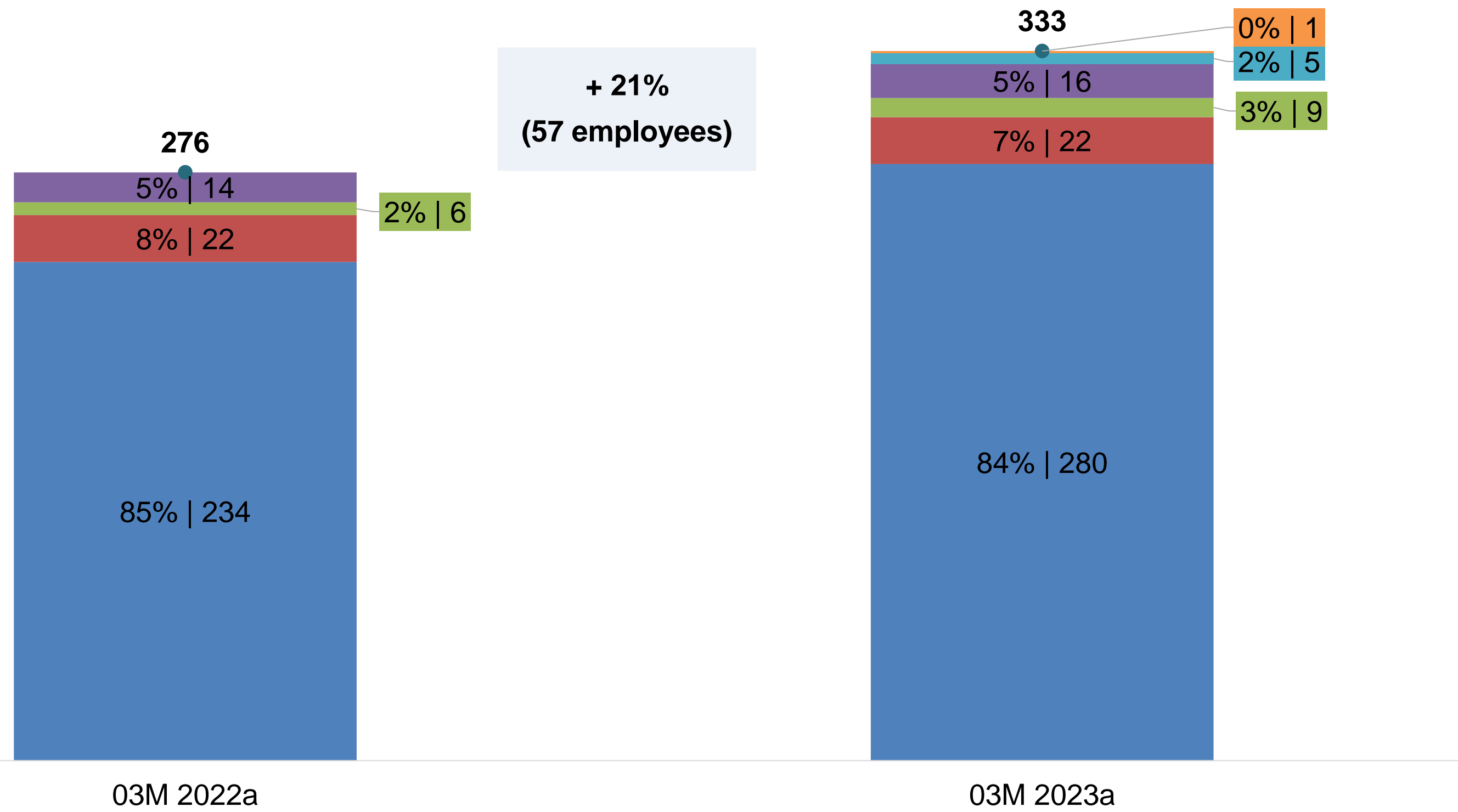
S&M = Sales and Marketing Expenses; G&A = General and Administrative Expenses; SG&A = S&M + G&A



Personnel by Invoicing Region (Q1)



as of period end, % = share in total



+ 21%
(57 employees)

growth Q1/Q1

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

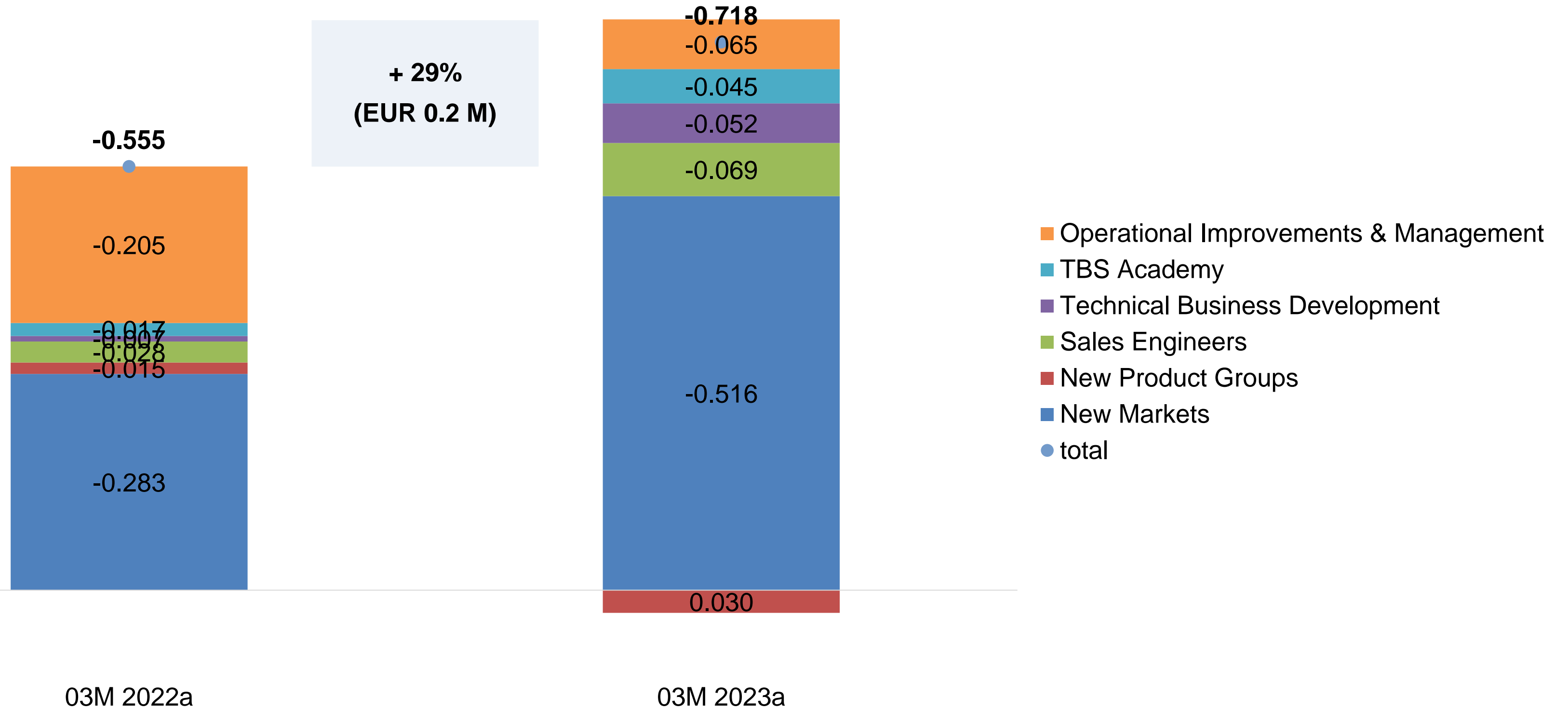
SWB (South-Western Balkans) = Macedonia & Albania, **RO** = Romania, **DE+US** = Germany and the USA



P&L Investments* (Q1)



EUR million



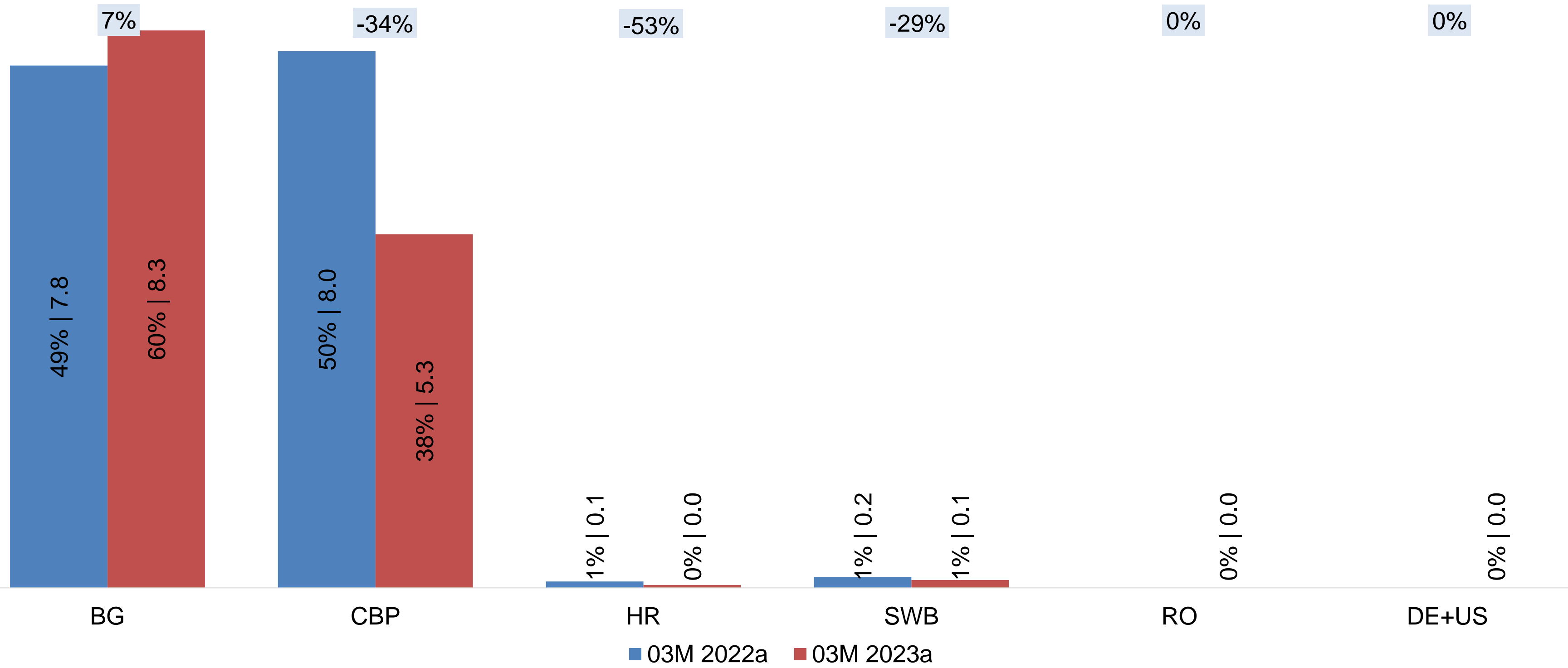
* Net cost of new business development with direct P&L impact in the current year and payback delayed beyond the current year.



Revenue by Invoicing Region* (Q1)



EUR million, % = share in total



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

growth Q1/Q1

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

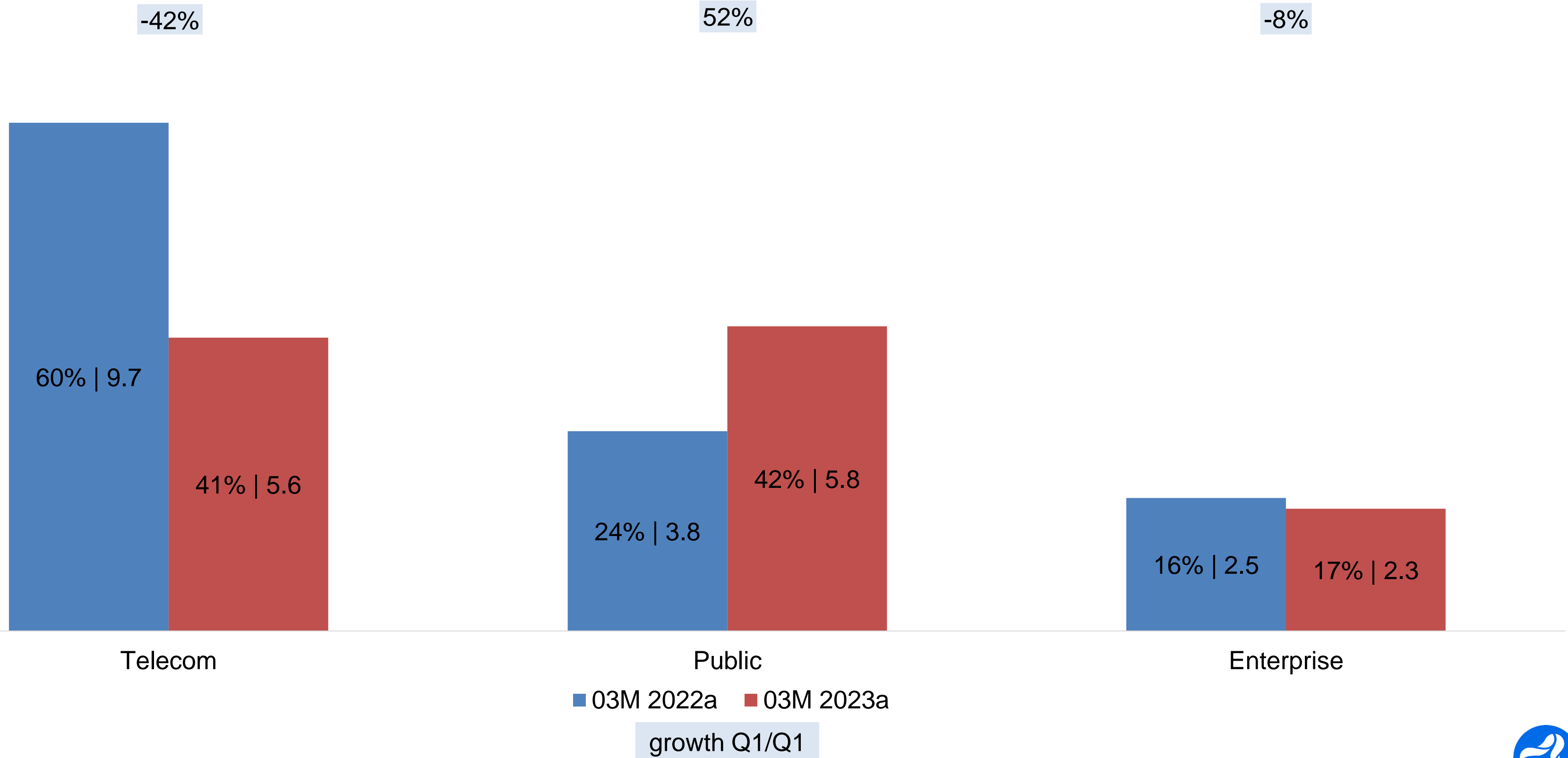
* Adjusted for sales through TBS Croatia generated and managed by Comutel (Serbia)



Revenue by Sector (Q1)



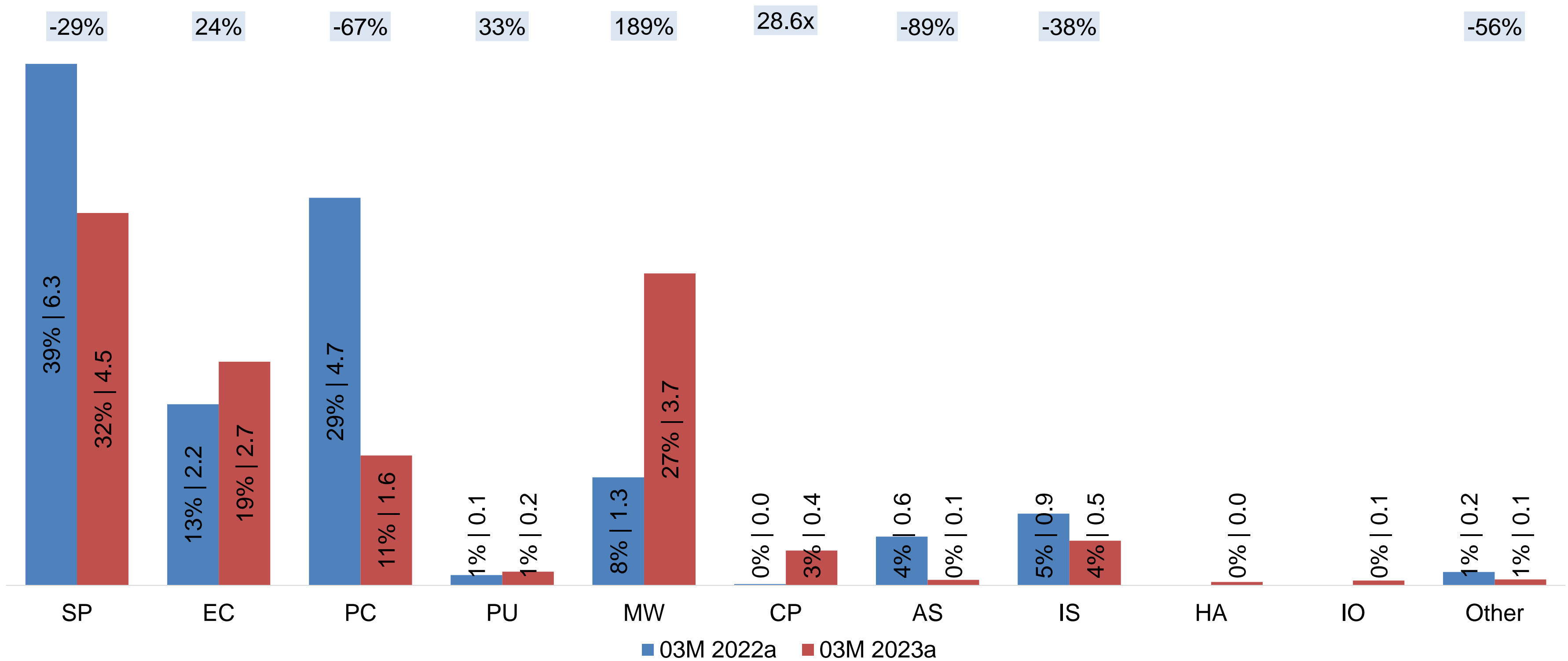
EUR million, % = share in total



Revenue by Product Group (Q1)



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 Q1/Q1

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



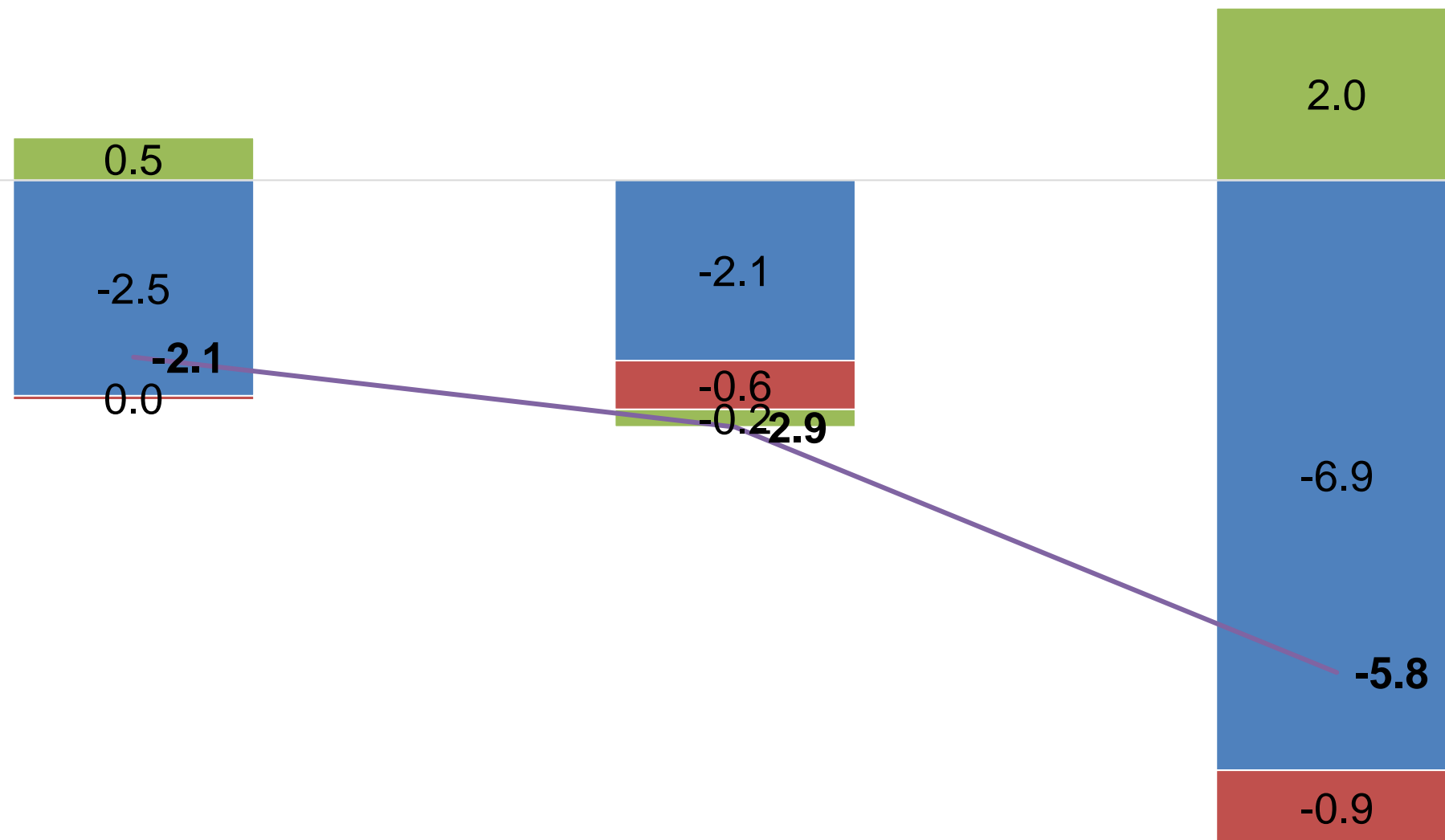
Cash Flow (Q1)



03M 2021a

03M 2022a

03M 2023a



Operating Investing Financing Net

• Operating:

- Low interim EBITDA
- Increase in Net non-cash Working Capital before financing:
 - Accumulation of Work In Progress on projects in the process of implementation
 - General decrease 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

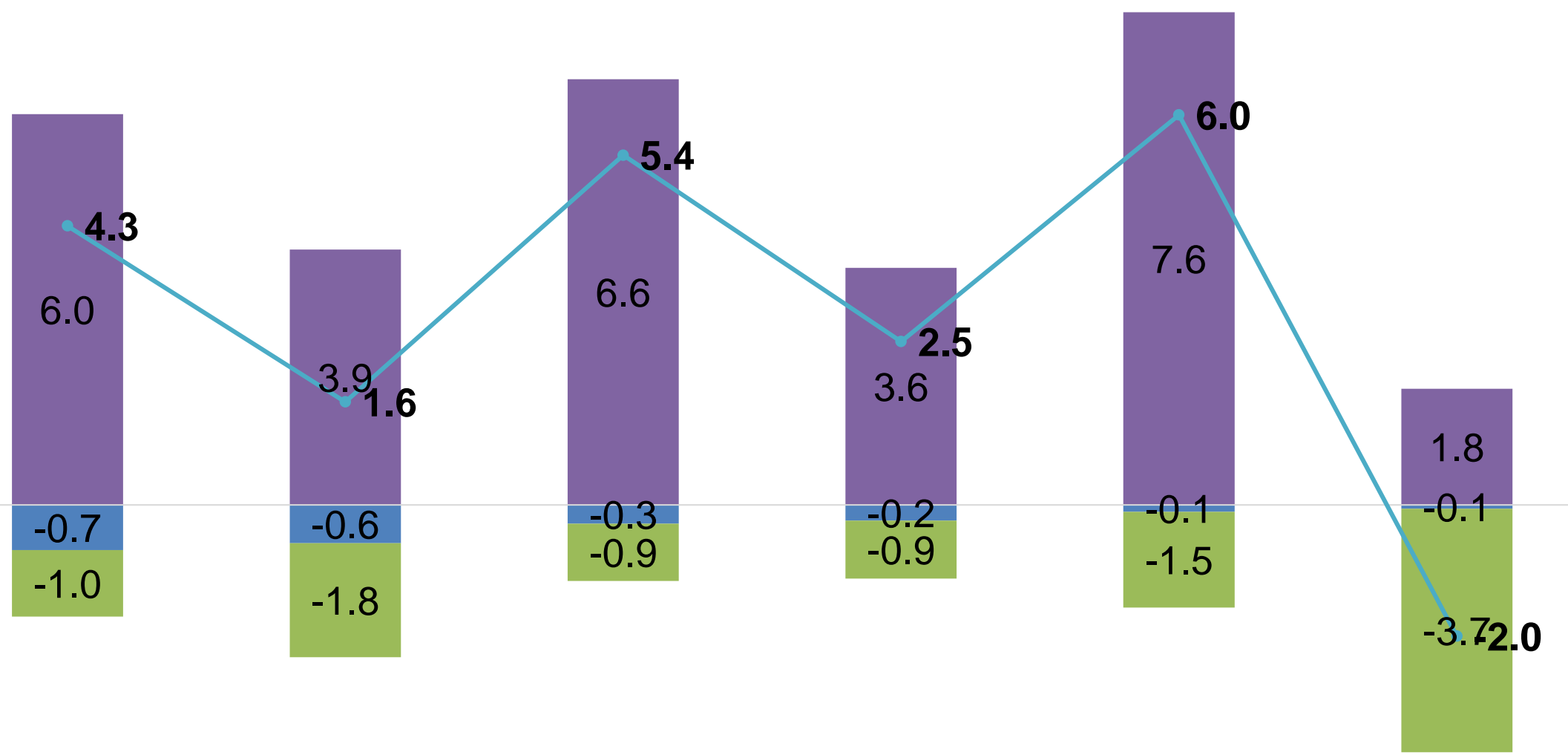


Net Cash/(Debt) Position (Q1 vs. Year End)



12M 2020a 03M 2021a 12M 2021a 03M 2022a 12M 2022a 03M 2023a

EUR million, % = share in total



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

• **Finance Leases:**

- Decreasing in the absence of new lease financing

• **Credit Lines:**

- Increased utilization to meet working capital growth in Bulgaria, Serbia and Slovenia

• **Cash:**

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

• **Net Cash/(Debt):**

- Ending Q1 in a Net Debt Position



Investor & Corporate Highlights

Investor Calendar



- General Meeting of Shareholders:
 - Jun 21:
 - Adoption of the annual financial statements and management reports for 2022
 - Removal of the obligation to distribute min. 50% of net profit as dividend from the AoA in view of the growing cash requirements of the Group's mid-term investment agenda

- Interim Financial Statements for the first half of 2023:
 - Jul 30:
 - Individual
 - Aug 29:
 - Consolidated



Thank You!

