

## Q1 2022

- **Revenue** increased to 175.6M€ (150.9)
- **EBITDA** excluding non-recurring items increased to 20.5M€ (18.7)
- **EBITDA margin** excluding non-recurring items amounted to 11.7% (12.4%)
- **Operating cash flow** amounted to 15.2M€ (11.7)
- **Net debt/EBITDA** amounted to 4.1 (3.3)

### Off to a good start

Transcom starts the year with solid growth and increased EBITDA. Revenue growth in the first quarter was 16.4%, whereof 7.3% organic, while EBITDA increased to €20.5 million (18.7).

The positive drivers of the development are largely the same as for recent quarters. Growth is driven by a continued positive organic development in the eCommerce & Tech sector, and with the acquisition of City Connect contributing positively to revenue and profit.

In addition, price renegotiations during the end of 2021 contributes positively to revenue and EBITDA during the quarter, while ramp down of temporary projects, predominantly Covid hotlines, had a negative impact.

We continue to win new contracts. Annual revenue of new contracts closed in the quarter amounted to €11 million and our sales pipeline is solid.

We expect a continued good market for outsourced customer experience services, to cost efficient near/offshore locations. To meet client demand, we have expanded our capacity in North Macedonia, Spain, and the Philippines. This expansion also supports an increased share of work-at-office and hybrid work models, as Covid measures are eased up.

The Russian invasion of Ukraine and the uncertainty in the macro-economic development has not directly impacted Transcom. Historically, the outsourced CX industry has proven to be highly resilient. Moreover, when clients are looking for improved efficiency, Transcom is available as their partner, offering cost efficient digital solutions and near/offshore delivery.

Our strategy is focused on client service and operational excellence, through strong culture and leadership. Moreover, we are continuing our shift towards digital services, eCommerce & Tech and increased near/offshore delivery.

We are entering the second quarter with positive momentum and we stand committed to our long-term targets of double digit organic growth and 16% EBITDA margin.

Jonas Dahlberg, President & CEO

## Group financial overview

(€m)	2022 Q1	2021 Q1	Change Y-o-Y	2022 Q1 LTM	2021 Q1 LTM	Change Y-o-Y
Revenue	175.6	150.9	16.4%	647.8	580.9	11.5%
EBITDA excl. non-recurring items	20.5	18.7	1.8	76.4	75.7	0.7
EBITDA margin excl. non-recurring items	11.7%	12.4%	-0.7pp	11.8%	13.0%	-1.2pp
EBITA excl. non-recurring items	12.3	11.2	1.1	45.3	48.3	-3.0
EBITA margin excl. non-recurring items	7.0%	7.4%	-0.4pp	7.0%	8.3%	-1.3pp
Operating cash flow	15.2	11.7	3.4	25.6	54.7	-29.1
Net debt	314.4	251.4	63.0	314.4	251.4	63.0
Net debt/EBITDA excl. non-recurring items	4.1	3.3	0.8	4.1	3.3	0.8

## January-March 2022

### Income and profit

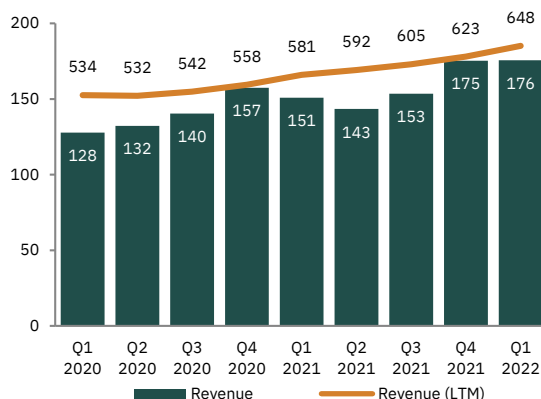
Revenue amounted to €175.6 million (150.9) with a growth of 16.4%. Organic growth was 7.3%, where recurring contracts contributed positively with 9.5pp, while ramp down of temporary projects, such as Covid hotlines, impacted organic growth negatively with -2.2pp. Acquired growth was 6.9% and contribution from currency effects was 2.2%.

EBITDA excluding non-recurring items amounted to €20.5 million (18.7) with a margin of 11.7% (12.4%). The lower EBITDA margin is driven by aftermath from typhoon Odette in December in the Philippines and startup costs for new clients and sites as well as ramp down of non-recurring business in Service & Utilities.

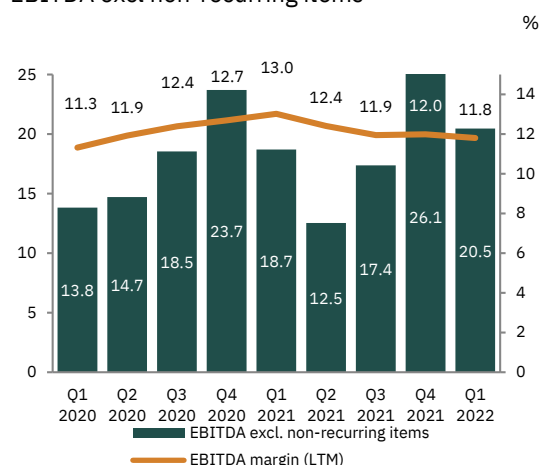
Net financial items amounted to €-5.3 million compared to €-5.0 million last year. Taxes amounted to €-2.2 million (-1.5).

Non-recurring items totalled €0.3 million (-0.1).

### Revenue



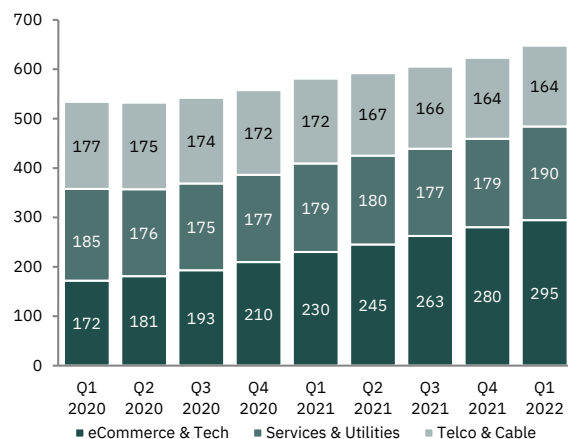
### EBITDA excl non-recurring items



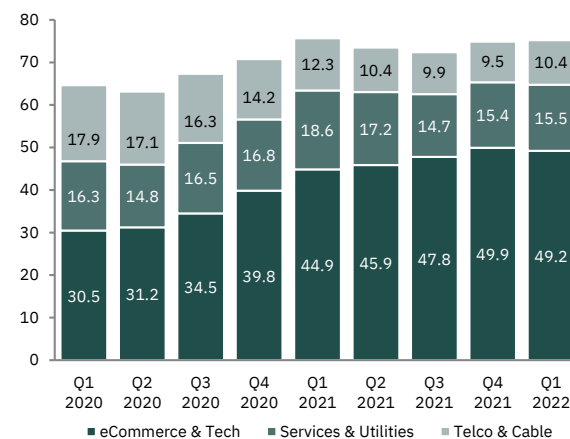
### Sector development

We continue to grow strongly in the eCommerce & Tech sector. The revenue growth in eCommerce & Tech amounted to 22% during the first quarter, compared to the same quarter 2021. ECommerce & Tech represents 45% (43%) of the total revenue in Q1 2022. LTM Q1 EBITDA margin 16.8% (19.6%) was below last year Q1 LTM, driven by shortages in the US labor in Q2 and Q3 2021, and ramp up of new clients and services in Q1 2022.

Revenue by sector (LTM)



EBITDA excl. non-recurring items by sector (LTM)



### Development by geographical segment

#### English-speaking segment

Revenue amounted to €53.4 million (48.5) with a growth of 10%, driven by growth in eCommerce & Tech from Offshore locations and work-at-home delivery business (WAH) in North America.

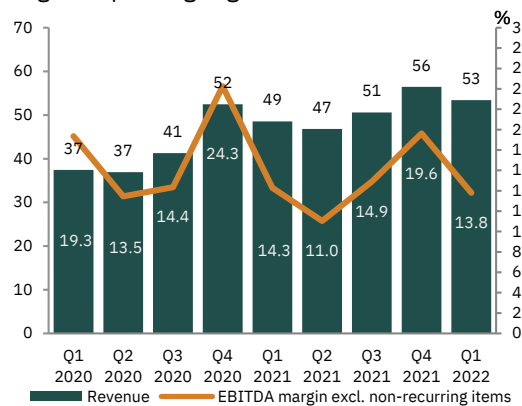
EBITDA excl. non-recurring items amounted to 7.4 million (6.9) with a margin of 13.8% (14.3%). The lower EBITDA margin is mainly driven by aftermath from typhoon Odette in December in the Philippines and startup costs for new clients and sites.

#### European segment

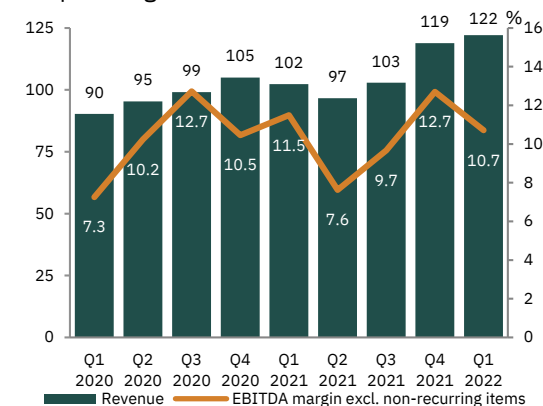
Revenue amounted to €122.1 million (102.3) with a growth of 19%. Growth continues with new and existing clients, mainly within eCommerce & Tech, but growth is impacted negatively by ramp down on non-recurring business in Service & Utilities. Growth is also positively impacted by acquisitions in Q3 2021.

EBITDA excl. non-recurring items amounted to €13.1 million (11.8) with a margin of 10.7% (11.5%). The lower EBITDA margin is mainly driven by startup costs for new clients and sites and ramp down of non-recurring business in Service & Utilities.

English-Speaking segment



European segment



**Cash flow and financial position**

Operating cash flow was €15.2 million (11.7). Higher cash flow from operations is primarily driven by lower working capital and higher positive non-cash adjustments.

Cash flow from investing activities amounted to €-10.5 million (-17.6). Cash flow from financing activities amounted to €-9.8 million (9.0). Cash flow totalled €-5.0 million (3.1).

Net debt amounted to €314.4 million (251.4) including IFRS16 liabilities.

Net debt/EBITDA amounted to 4.1 (3.3). Financing in the Group includes €315 million Senior Secured Floating Rate Notes due in December 2026 and a Super Senior Revolving Credit Facility Agreement (New SSRCF) of €45 million with termination date in June 2026. As per Q1 2022, the SSRCF was unutilized, excluding guarantees and overdraft facility usage. Unused credit facilities totalled €40.7 million.

**Events after the end of the period**

No events having a material effect of the Group's financial performance or financial position have taken place after the end of the interim period.

## Other information

### Earnings call

Transcom will host a webcast at 9:00 CET on May 12, 2022. The webcast will be held in English. The presentation will be available on <https://www.transcom.com/global/about-us/investor-relations>.

Important note: Please register via the link above at least 5-10 minutes prior the webcast in order to obtain the webcast link. If you register in advance, you will be sent an email reminder an hour prior to the webcast.

Online registration link: <https://app.livestorm.co/transcom-holding/transcom-holding-ab-q1-2022-results-presentation>

### Financial calendar

Transcom's Q2 2022 report will be published on Aug 25, 2022

Transcom's Q3 2022 report will be published on Nov 17, 2022

### Other information

The interim report has not been reviewed by the company's auditor.

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## Transcom Group - Condensed consolidated income statement

(€ '000)	Notes	2022 Q1	2021 Q1	2022 LTM	2021 Jan-Dec
Revenue	4	175,582	150,891	647,824	623,132
Cost of sales	5	-137,193	-116,751	-512,913	-492,471
<b>Gross profit</b>		<b>38,390</b>	<b>34,140</b>	<b>134,911</b>	<b>130,661</b>
Sales and marketing expenses		-2,534	-1,763	-9,097	-8,325
Administrative expenses		-26,904	-24,074	-104,271	-101,442
Other operating income/expenses		207	67	1,154	1,014
<b>Operating profit/loss</b>	4,5	<b>9,158</b>	<b>8,370</b>	<b>22,697</b>	<b>21,910</b>
Net financial items		-5,299	-5,041	-27,371	-27,113
<b>Profit/loss before tax</b>		<b>3,859</b>	<b>3,329</b>	<b>-4,674</b>	<b>-5,204</b>
Income tax expense/income		-2,192	-1,495	-2,177	-1,479
<b>Profit/loss for the period attributable to equity holders of the parent</b>		<b>1,667</b>	<b>1,834</b>	<b>-6,851</b>	<b>-6,683</b>

## Transcom Group - Condensed consolidated statement of comprehensive income

(€ '000)	2022 Q1	2021 Q1	2022 LTM	2021 Jan-Dec
Profit/loss for the period attributable to equity holders of the parent	1,667	1,834	-6,851	-6,683
<b>Other comprehensive income:</b>				
Exchange differences on translation of foreign operations	575	1,357	3,285	4,067
Net gain/loss on cash flow hedges	-607	-431	-1,325	-1,149
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>	<b>-32</b>	<b>926</b>	<b>1,960</b>	<b>2,918</b>
Actuarial profit/loss on post-employment benefit obligations	-	-	-2,042	-2,042
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>	<b>-</b>	<b>-</b>	<b>-2,042</b>	<b>-2,042</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>-32</b>	<b>926</b>	<b>-82</b>	<b>876</b>
<b>Total comprehensive income for the period, net of tax, attributable to equity holders of the parent</b>	<b>1,635</b>	<b>2,760</b>	<b>-6,933</b>	<b>-5,807</b>

## Transcom Group - Condensed consolidated statement of financial position

(€ '000)	Notes	2022 Mar 31	2021 Mar 31	2021 Dec 31
<b>ASSETS</b>				
<b>Non-current assets</b>				
Goodwill		225,360	204,361	224,911
Other intangible assets		104,684	87,704	107,178
Tangible assets		33,144	25,672	32,583
Right of use assets	10	31,026	31,017	30,382
Deferred tax assets		7,512	1,854	7,737
Other receivables		6,039	3,055	5,869
<b>Total non-current assets</b>		<b>407,763</b>	<b>353,664</b>	<b>408,660</b>
<b>Current assets</b>				
Trade receivables		78,647	66,234	93,233
Income tax receivables		2,720	3,066	2,538
Other receivables		18,795	11,895	13,441
Prepaid expenses and accrued income		58,093	50,841	50,799
Cash and cash equivalents		34,329	15,194	39,236
<b>Total current assets</b>		<b>192,584</b>	<b>147,230</b>	<b>199,247</b>
<b>TOTAL ASSETS</b>		<b>600,348</b>	<b>500,895</b>	<b>607,907</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to equity holders of the parent</b>		<b>93,720</b>	<b>94,341</b>	<b>92,085</b>
<b>Non-current liabilities</b>				
Interest-bearing liabilities	7	308,414	227,523	307,910
Employee benefit obligations		5,615	3,315	5,514
Leasing liabilities	10	16,531	19,678	16,900
Provisions	6	10,272	154	10,050
Deferred tax liabilities		17,890	16,745	18,157
<b>Total non-current liabilities</b>		<b>358,722</b>	<b>267,415</b>	<b>358,531</b>
<b>Current liabilities</b>				
Interest-bearing liabilities	7	2,163	2,405	2,535
Leasing liabilities	10	16,044	13,647	15,200
Provisions	6,8	14,529	11,217	19,769
Trade payables		14,157	14,180	17,638
Income tax payables	11	4,915	9,316	4,869
Other liabilities	12	38,937	34,795	43,619
Accrued expenses and prepaid income		57,159	53,579	53,661
<b>Total current liabilities</b>		<b>147,906</b>	<b>139,139</b>	<b>157,291</b>
<b>Total liabilities</b>		<b>506,628</b>	<b>406,554</b>	<b>515,822</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>600,348</b>	<b>500,895</b>	<b>607,907</b>

## Transcom Group - Condensed consolidated statement of changes in equity

(€ '000)	Equity attributable to equity holders of the parent				
	Total number of shares ('000)	Share capital	Other contributed capital	Other reserves and Retained earnings	Total equity
<b>Balance, Jan 1, 2021</b>	<b>11,938</b>	<b>55</b>	<b>20,501</b>	<b>71,025</b>	<b>91,581</b>
Profit/loss for the period	-	-	-	1,834	1,834
Other comprehensive income, net of tax	-	-	-	926	926
<b>Balance, Mar 31, 2021</b>	<b>11,938</b>	<b>55</b>	<b>20,501</b>	<b>73,785</b>	<b>94,341</b>
Profit/loss for the period	-	-	-	-8,517	-8,517
Shareholder contribution, non cash	-	-	3,000	-	3,000
Effect of transaction under common control*	-	-	-	3,311	3,311
Other comprehensive income, net of tax	-	-	-	-50	-50
<b>Balance, Dec 31, 2021</b>	<b>11,938</b>	<b>55</b>	<b>23,501</b>	<b>68,529</b>	<b>92,085</b>
Profit/loss for the period	-	-	-	1,667	1,667
Other comprehensive income, net of tax	-	-	-	-32	-32
<b>Balance, Mar 31, 2022</b>	<b>11,938</b>	<b>55</b>	<b>23,501</b>	<b>70,164</b>	<b>93,720</b>

\*Related to the acquisition of TMS. Please see Note 6 for more information.

## Transcom Group - Condensed consolidated statement of cash flows

(€ '000)	Notes	2022 Q1	2021 Q1	2021 Jan-Dec
<b>Cash flows from operating activities</b>				
Profit/loss before tax		3,859	3,329	-5,204
Adjustments to reconcile profit before tax to net cash:				
Adjustments for non cash items		10,577	9,775	43,384
Net financial items		5,299	5,041	27,113
Income taxes paid		-2,835	-575	-8,972
<b>Cash flows from operating activities before changes in working capital</b>		<b>16,900</b>	<b>17,570</b>	<b>56,321</b>
Changes in working capital		-1,656	-5,874	-34,292
<b>Cash flow from operating activities</b>		<b>15,244</b>	<b>11,696</b>	<b>22,029</b>
Investments and disposals of tangible assets		-4,613	-3,299	-18,659
Investments and disposals of intangible assets		-756	-507	-2,227
Acquisition of subsidiaries, net of cash	6	-5,000	-13,675	-23,694
Changes in other non-current assets		-93	-166	-683
<b>Cash flow from investing activities</b>		<b>-10,462</b>	<b>-17,647</b>	<b>-45,263</b>
Proceeds from borrowings	7	-	14,757	335,757
Repayment of borrowings	7	-375	-414	-233,500
Payment of lease liabilities	10	-4,018	-4,011	-15,801
Interest and other financial costs paid		-5,364	-1,288	-34,654
Other cash flow from financing activities		-	-	-2,199
<b>Cash flow from financing activities</b>		<b>-9,757</b>	<b>9,045</b>	<b>49,603</b>
<b>Cash flow for the period</b>		<b>-4,974</b>	<b>3,094</b>	<b>26,369</b>
Cash and cash equivalents at beginning of the period		39,236	13,663	13,663
Cash flow for the period		-4,974	3,094	26,369
Exchange rate differences in cash and cash equivalents		67	-1,563	-797
<b>Cash and cash equivalents at end of the period</b>		<b>34,329</b>	<b>15,194</b>	<b>39,236</b>



## Transcom Holding AB (publ) - Condensed income statement

(€ '000)	2022 Q1	2021 Q1	2021 Jan-Dec
Revenue	974	847	5,553
Cost of sales	-	-	-
<b>Gross profit</b>	<b>974</b>	<b>847</b>	<b>5,553</b>
Administrative expenses	-1,001	-883	-5,191
Other operating income/expenses	-3	7	-3
<b>Operating profit/loss</b>	<b>-31</b>	<b>-29</b>	<b>359</b>
Result from participations in Group companies	-	-	-
Net financial items	-2,089	-2,205	-14,371
<b>Profit/loss before tax</b>	<b>-2,120</b>	<b>-2,235</b>	<b>-14,012</b>
Income tax expense/income	-	-	-
<b>Profit/loss for the period*</b>	<b>-2,120</b>	<b>-2,235</b>	<b>-14,012</b>

\*Profit/loss for the period corresponds with total comprehensive income.

## Transcom Holding AB (publ) - Condensed balance sheet

(€ '000)	Notes	2022 Mar 31	2021 Mar 31	2021 Dec 31
<b>ASSETS</b>				
Non-current assets				
Investments in Group companies		281,919	278,919	281,919
Receivables from Group companies		169,745	92,986	170,489
Total non-current assets		<b>451,664</b>	<b>371,905</b>	<b>452,408</b>
Current assets				
Receivables from Group companies		3,202	1,924	3,185
Other receivables		29	30	23
Cash and cash equivalents		278	162	1,833
Total current assets		<b>3,510</b>	<b>2,116</b>	<b>5,041</b>
<b>TOTAL ASSETS</b>		<b>455,174</b>	<b>374,021</b>	<b>457,448</b>
<b>EQUITY AND LIABILITIES</b>				
Equity				
Restricted equity		55	55	55
Unrestricted equity		146,050	156,947	148,169
Total equity		<b>146,105</b>	<b>157,002</b>	<b>148,224</b>
Non-current liabilities				
Interest-bearing liabilities	7	306,902	209,251	307,257
Liabilities to Group companies		-	1,172	-
Total non-current liabilities		<b>306,902</b>	<b>210,423</b>	<b>307,257</b>
Current liabilities				
Interest-bearing liabilities	7	780	-	-
Other liabilities		1,345	6,597	1,967
Total current liabilities		<b>2,168</b>	<b>6,597</b>	<b>1,967</b>
<b>Total liabilities</b>		<b>309,070</b>	<b>217,020</b>	<b>309,224</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>455,174</b>	<b>374,021</b>	<b>457,448</b>

# Notes to the condensed financial statements

The accompanying notes are an integrated part of the interim condensed consolidated financial statements. Amounts are in thousands of Euro, unless otherwise stated.

## 1. General

The Group's parent company, Transcom Holding AB (publ), is a registered company domiciled in Stockholm, Sweden. The address of the Company's headquarter is Hälsingegatan 40, 15th floor, SE-113 43 Stockholm. The parent company is responsible for corporate management and administration and holding functions.

## 2. Accounting principles

The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. Application of IFRS complies with the accounting principles set out in the Group's annual financial statements as at December 31, 2021.

## 3. Risk management

The Group's activities expose it to a variety of business and financial risks, market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's risk management and control framework is designed to support the identification, assessment, monitoring, management and control of risks that are significant to the achievement of the Group's business objectives. The condensed consolidated financial statements do not include all risk management information and should be read in conjunction with the Group's annual financial statements as at December 31, 2021. The Russian invasion of Ukraine and the uncertainty in the macro-economic development has not directly impacted Transcom. There have been no material changes in risks, the risk management policy and procedures during the period compared to what was presented in the annual financial statements as at December 31, 2021.

## 4. Segment information

	2022			2021		
	English speaking	Europe	Group	English speaking	Europe	Group
(€ '000) Q1						
Revenue from external customers	53,425	122,135	175,560	48,545	102,345	150,891
EBITDA excl. non-recurring items	7,373	13,083	20,456	6,935	11,760	18,695
Depreciation and amortization			-12,596			-10,180
Non-recurring items			1,297			-144
<b>EBIT</b>			<b>9,158</b>			<b>8,370</b>
Net financial items			-5,299			-5,041
<b>Profit/loss before tax</b>			<b>3,859</b>			<b>3,329</b>

	2021		
	English speaking	Europe	Group
(€ '000) Jan-Dec			
Revenue from external customers	202,409	420,723	623,133
EBITDA excl. non-recurring items	30,711	44,167	74,878
Depreciation and amortization			-43,226
Non-recurring items			-9,743
<b>EBIT</b>			<b>21,910</b>
Net financial items			-27,113
<b>Profit/loss before tax</b>			<b>-5,204</b>

## 5. Items affecting comparability

Items affecting comparability are reported as Non-recurring items for the purposes of calculated EBITDA, excl. Non-recurring items.

(€ '000)	2022 Q1	2021 Q1	2021 Jan-Dec
Operational non-recurring items	860	-	-9,512
Transaction-related non-recurring items	-551	-144	-378
<b>Total</b>	<b>309</b>	<b>-144</b>	<b>-9,890</b>
whereof depreciation and amortization	-988	-	-147
<b>Total excl. depreciation and amortization</b>	<b>1,297</b>	<b>-144</b>	<b>-9,743</b>

The table below shows where the items effecting comparability is presented in the Group's income statement.

(€ '000)	2022 Q1	2021 Q1	2021 Jan-Dec
Cost of sales	-713	-	-6,471
Administrative expenses	1,142	-60	-2,752
Other operating income/expenses	-	-84	-667
<b>Total</b>	<b>309</b>	<b>-144</b>	<b>-9,890</b>

The table below shows EBITA and EBITDA, excl. Non-recurring items.

(€ '000)	2022 Q1			2021 Q1		
	Reported	Non-recurring items	Excl. Non-recurring items	Reported	Non-recurring items	Excl. Non-recurring items
Operating profit/loss	9,158	309	8,849	8,370	-144	8,514
Transaction-related amortization	-3,453	-	-3,453	-2,694	-	-2,694
<b>EBITA</b>	<b>12,611</b>	<b>309</b>	<b>12,302</b>	<b>11,064</b>	<b>-144</b>	<b>11,208</b>
Operative depreciation and amortization	-9,143	-988	-8,155	-7,486	-	-7,486
<b>EBITDA</b>	<b>21,754</b>	<b>1,297</b>	<b>20,457</b>	<b>18,550</b>	<b>-144</b>	<b>18,694</b>

(€ '000)	2021 Jan-Dec		
	Reported	Non-recurring items	Excl. Non-recurring items
Operating profit/loss	22,697	-9,890	32,587
Transaction-related amortization	-12,552	-	-12,552
<b>EBITA</b>	<b>35,249</b>	<b>-9,890</b>	<b>45,139</b>
Operative depreciation and amortization	-30,674	-147	-30,527
<b>EBITDA</b>	<b>65,923</b>	<b>-9,743</b>	<b>75,666</b>

## 6. Acquisitions

During the first quarter, Transcom paid the first out of two installments for earn out related to the acquisition of City Connect in 2021.

No acquisitions were done during the first quarter.

In September 2021, Transcom closed the acquisition of TMS Connected GmbH and TMS Connected Verwaltung GmbH adding annual revenues of €20 million. The companies were acquired from Transcom's sister company Transcom DACH Holding AB. Since all companies are ultimately controlled by the same parent company, Transcom TopCo AB, the acquisition is considered as a business combination under common control, whereby IFRS 3 Business Combination is not applicable.

## 7. Interest-bearing liabilities

Financing in the Group includes €315 million Senior Secured Floating Rate Notes due in December 2026 and a Super Senior Revolving Credit Facility Agreement of €45 million with termination date in June 2026. The Notes are listed on The International Stock Exchange. The Notes and the New SSRCF shares security and guarantees in accordance with the provisions of an intercreditor agreement.

As per Q1 2022, the SSRCF was unutilized, excluding guarantees and overdraft facility usage. Unused credit facilities totalled €40.7 million.

There are share pledges in material companies to a value of €229.6 million (216.3) used as security for the financing. Part of the SSRCF is used to cover bank guarantees and cash pool limits.

## 8. Contingent liabilities and provisions

The Group has no material contingent liabilities as per March 31, 2022.

In Q2 2018, a provision of €8.0 million was recorded in the capture Cost of Sales relating to that the Group has an ongoing dispute in Spain with legal professionals hired as consultants where the social security inspection claims that they should be considered as employees. Subsequently, Transcom appealed the case to court. On July 14, 2020, the court ruled in favor of the social security inspection. Transcom has appealed the verdict. As per March 31, 2022 the total provision amounted to €10.4 million.

## 9. Financial instruments

Classification of the Group's financial assets and liabilities:

	Financial instruments at amortized cost	Financial instruments at fair value to the P&L	Derivatives for cashflow hedges	Carrying amount	Fair value
<b>(€ '000) Mar 31, 2022</b>					
Total non-current assets	3,772	-	-	3,772	3,772
Total current assets	177,189	-	6	177,195	177,195
<b>Total financial assets</b>	<b>180,961</b>	<b>-</b>	<b>6</b>	<b>180,967</b>	<b>180,967</b>
Total non-current liabilities	330,467	4,670	-	335,137	396,543
Total current liabilities	103,197	-	1,792	104,989	120,783
<b>Total financial liabilities</b>	<b>433,664</b>	<b>4,670</b>	<b>1,792</b>	<b>440,126</b>	<b>517,326</b>
<b>(€ '000) Dec 31, 2021</b>					
Total non-current assets	5,869	-	-	5,869	5,869
Total current assets	189,717	-	-	189,717	189,717
<b>Total financial assets</b>	<b>195,586</b>	<b>-</b>	<b>-</b>	<b>195,586</b>	<b>195,586</b>
Total non-current liabilities	330,249	4,611	-	334,861	400,807
Total current liabilities	137,021	4,854	1,385	143,259	157,832
<b>Total financial liabilities</b>	<b>467,270</b>	<b>9,465</b>	<b>1,385</b>	<b>478,120</b>	<b>558,639</b>

## 10. Leasing

The following table shows the effect of IFRS 16 on Transcom's income statement and balance sheet:

(€ '000)	2022 Q1	2021 Q1	2021 Jan-Dec
Reversed cost (EBITDA effect)	4,502	4,750	17,684
Depreciations	-4,007	-4,181	-15,763
<b>Operating profit/loss</b>	<b>495</b>	<b>569</b>	<b>1,921</b>
Net financial items	-423	-740	-2,039
Income tax expense	11	19	24
<b>Profit/loss for the period</b>	<b>83</b>	<b>-152</b>	<b>-94</b>
Right of use assets	31,026	31,017	30,382
Leasing liabilities, non-current	16,531	19,678	16,900
Leasing liabilities, current	16,044	13,647	15,200

## 11. Income tax payables

As per March 31, 2022, eleven Group entities were subject to tax audits. Some of these have resulted in reassessments, while others are still at an early stage and no reassessments have yet been raised. As per March 31, 2022 the tax liability related to uncertain tax positions amounted to €1,632 thousand (2,470).

In addition to the above tax risks, the Group may be subject to other tax claims for which the risk of future economic outflows is currently evaluated to be remote.

## 12. Other liabilities

Transcom has deferred some tax payments (VAT and social contribution), mainly in Sweden, enabled by government programs instated during the COVID-19 pandemic. These deferrals amount to €9,830 thousand (12,067).

### Alternative performance measures

The purpose of Transcom's alternative performance measurements is to disclose additional information to support a more comprehensive year-on-year comparison and provide an indication of the Group's performance and financial position. These alternative performance measurements defined below are considered to be widely accepted.

EBIT: corresponds to the Operating profit/loss presented in the Condensed Consolidated Income Statement.

EBITA: is defined as Operating profit/loss, adding back the recorded transaction-related amortization.

Non-recurring items: are defined as rare events or activities that are not part of normal business operations, mainly restructuring activities.

EBITA excluding non-recurring items: is calculated by excluding the non-recurring items and the recorded transaction-related amortization from Transcom's Operating profit/loss. The purpose of disclosing Transcom's EBITA excluding non-recurring items is to provide more transparent year-on-year comparison excluding events that are not considered part of Transcom's normal business, such as restructuring cost and net gain or loss from disposed business.

EBITDA: is defined as Operating profit/loss, adding back the recorded depreciation on fixed assets and depreciation on leases according to IFRS 16 and amortization.

EBITDA excluding non-recurring items: is defined as EBITDA excluding the non-recurring items as defined above. The purpose of disclosing Transcom's EBITDA excluding non-recurring items is to provide more transparent year-on-year comparison excluding events that are not considered part of Transcom's normal business, such as restructuring cost and net gain or loss from disposed business.

Net debt: is defined as interest-bearing liabilities, lease liabilities and employee benefit obligations less cash and cash equivalents per balance sheet day.

Net debt/EBITDA excl non-recurring items: is defined as Net debt, as defined above, divided by EBITDA excl non-recurring items (LTM).

LTM: refers to the timeframe of the immediately preceding last twelve months.

Organic growth: Is defined as growth, excluding impact from currency changes versus the previous period and acquired or discontinued operations.

### Other definitions

English speaking segment: services delivered to multinational clients predominantly domiciled in US and UK.

European segment: services delivered to clients based in Europe.

### ABOUT TRANSCOM

Transcom provides digitally enhanced customer experience (CX) services to some of the world's most ambitious brands. More than 300 clients globally, including disruptive e-commerce players, category redefining fintechs, and technology legends rely on us for on-, off-, and nearshoring services. Transcom's over 30,000 employees work in 69 contact centers and work-at-home networks across 26 countries, creating brilliant experiences in customer care, sales, content moderation and backoffice services. We help our clients drive their brands forward, customer satisfaction up and operating costs down. For more information, visit [www.transcom.com](http://www.transcom.com).