

First Quarter 2021 Results

Q1 2021

- **Revenue** increased to 150.9 M€ (127.7)
- **EBITDA** excluding non-recurring items* increased to 18.7 M€ (13.8)
- **EBITDA margin** excluding non-recurring items increased to 12.4% (10.8%)
- **Operating cash flow** increased to 11.7 M€ (7.3)
- **Net debt/EBITDA*** decreased to 3.3 (3.8)

Accelerated organic growth and increased profitability

During the first quarter, organic growth amounted to 20%, excluding currency impact and the EBITDA margin increased 1.6pp. Drivers for increased growth and profitability largely remains the same as for 2020. Revenue growth is driven predominately by the eCommerce & Tech sector. Profitability improvements are driven by increased volumes, increased productivity and a continued positive mix shift towards eCommerce & Tech.

2021 revenue from newly signed contracts amounts to €44 million, already exceeding the full year revenue from new contracts during 2020. The strong sales momentum is enabled by our digital offering, including customer facing solutions such as chatbots and email automation, as well as operational solutions for agent engagement, coaching and performance. Our momentum is also supported by our near and offshore expansion. In Q4 we announced new sites in Bogota, Malaga and Zenica, which are now ramping for clients.

At the AGM on May 3, Lisa Stoner and Donald Hicks were appointed to the Board of Directors. Both have extensive experience of Customer Experience from world leading tech companies. Their experience will support our development in North America and in the eCommerce & Tech sector.

Our strategy delivers and we're staying the course. We are going for profitable growth through client focus and operational excellence, driven by great culture and leadership. And we will continue to strengthen our digital offering, increase our near/offshore delivery and grow in the eCommerce & Tech sector.

The outlook for the full year is strong, albeit ramp-up cost for new clients and the Covid pandemic will have an impact in the near term.

Jonas Dahlberg,

President & CEO

* EBITDA and Net debt including IFRS 16 Leases, please refer to note 13 for details of restated figures for comparison periods.

Group financial overview

(€m)	2021 Q1	2020 Q1	Change Y-o-Y	2021 Q1 LTM	2020 Q1 LTM	Change Y-o-Y
Revenue	150.9	127.7	18.1%	580.9	534.1	8.8%
EBITDA excl. non-recurring items*	18.7	13.8	4.9	75.7	60.6	15.1
EBITDA margin excl. non-recurring items*	12.4%	10.8%	1.6pp	13.0%	11.3%	1.7pp
EBITA excl. non-recurring items	11.2	7.7	3.5	48.3	36.9	11.4
EBITA margin excl. non-recurring items	7.4%	6.0%	1.4pp	8.3%	6.9%	1.4pp
Operating cash flow	11.7	7.3	4.4	54.7	45.6	9.1
Net debt*	251.4	231.0	20.4	251.4	231.0	20.4
Net debt/EBITDA excl. non-recurring items*	3.3	3.8	-0.5	3.3	3.8	-0.5

Q1 2021

Income and profit

Revenue amounted to €150.9 million (127.7) with a growth of 18.1%. Organic growth was 20.3% and impact from currency was -2.2%pp.

EBITDA excluding non-recurring items* amounted to €18.7 million (13.8) with a margin of 12.4% (10.8%). Non-recurring items totalled €-0.1 million (-1.6). EBITDA definition is adjusted in Q1 2021 to include IFRS 16 Leases – note 13 contains details of restated figures for comparison periods.

The Covid pandemic continues to impact Transcom. The pandemic accelerates the shift of consumer spending from physical retail to eCommerce, most which is expected to be permanent. At the same time, Transcom has revenue from specific Covid-related projects, such as vaccination hotlines, amounting to €3.9 million in the quarter.

About 60% of Transcom's over 28,000 employees worked from home during the quarter. Covid-related costs for business continuity and protective measures amounted to €1.5 million and were reported as operating costs. In Q1 2020 such costs were reported as Non-recurring items and amounted €0.8 million.

Net financial items amounted to €-5.0 million compared to €-4.3 million last year. Taxes amounted to €-1.5 million (-0.3).

Cash flow and financial position

Operating cash flow was €11.7 million (7.3). Increased operating cash flow is mainly due to improved profit before tax. Cash flow from investing activities amounted to €-17.6 million (-3.1), €-13.7 million relates to final payment of acquisition of Awesome. Cash flow from financing activities amounted to €9.0 million (-1.2). Cash flow totalled €3.1 million (3.0).

Revenue



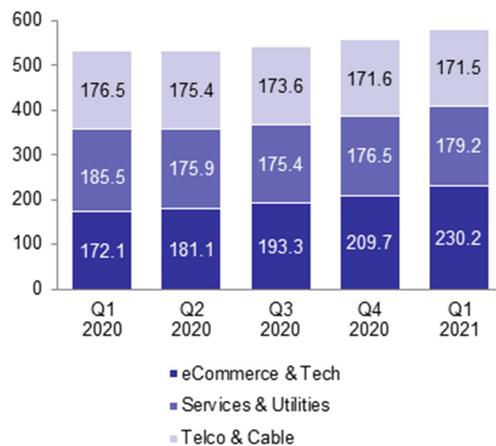
EBITDA excl. non-recurring items*



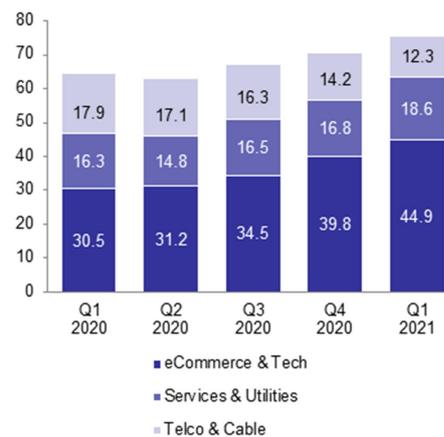
* EBITDA and Net debt including IFRS 16 Leases, please refer to note 13 for details of restated figures for comparison periods.

Net debt* amounted to €251.4 million (231.0). Net debt/EBITDA* amounted to 3.3 (3.8). Financing in the Group includes five-year €180 million Senior Secured Fixed Rate Notes, €10 million Senior Unsecured Fixed Rate Notes, a Super Senior Revolving Credit Facility Agreement (SSRCF) of €47.4 million and a senior secured term loan facility agreement of €20 million. As per Q1 2021, €14.1 million of the SSRCF was utilized in loans, excluding guarantees and overdraft facility usage. Unused credit facilities totalled €28.2million.

Revenue by sector (LTM)



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



Sector development

We continue to grow strongly in the eCommerce & Tech sector. The revenue growth in eCommerce & Tech amounted to 46.2% during the first quarter, compared to the same quarter 2020. In 2021 all Fintech clients are classified as belonging to eCommerce & Tech. The comparison figures are shown in the charts.

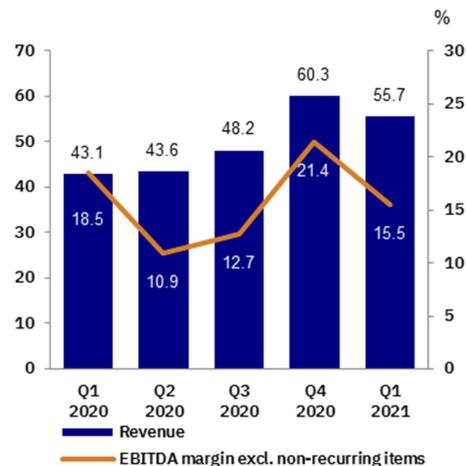
* EBITDA and Net debt including IFRS 16 Leases, please refer to note 13 for details of restated figures for comparison periods.

Quarterly development by geographical segment

English-speaking segment

Revenue amounted to €55.7 million (43.1) with a growth of 29.2%. Revenue growth is driven by the increase of Work-at-home business (WAH) in North America within eCommerce & Tech.

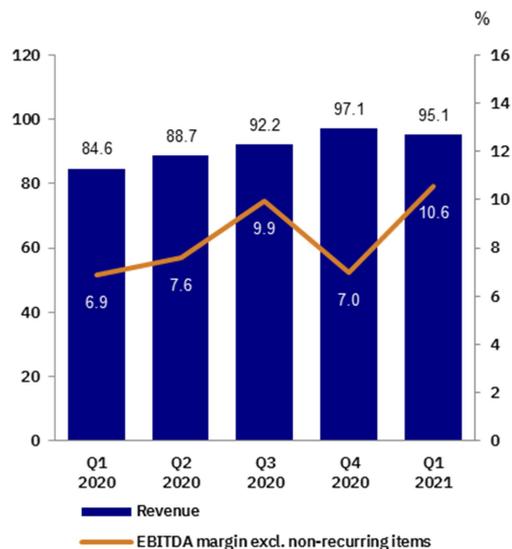
EBITDA excl. non-recurring items* amounted to 8.6 million (8.0) with a margin of 15.5% (18.5%). The decrease in EBITDA margin is mainly driven by a mix shift from higher delivery in the Philippines to North America, increased operational cost related to the pandemic and ramp-up cost for WAH expansion in North America.



European segment

Revenue amounted to €95.1 million (84.6) with a growth of 12.5%. Growth continues with new and existing clients, mainly within eCommerce & Tech and Service & Utilities.

EBITDA excl. non-recurring items* amounted to €10.1 million (5.8) with a margin of 10.6% (6.9%). The positive EBITDA development is mainly driven by volume and scale impact and operational improvements.



Events after the end of the period

At the Annual General Meeting on May 3, Lisa Stoner and Donald Hicks were appointed to the Board of Directors.

Stoner is Global Head of Support Operations at Uber. Before joining Uber, she had a 20 year career at Convergys, a Global Customer Experience outsourcer.

Hicks is VP of Trust Policy and Partnerships at Airbnb. Prior experience includes VP of Operations at Twitter, Global head of customer care at Facebook, Global head of customer care of Google's advanced technology division, Global Director of Customer Care at Amazon.

At the same time, Eivind Roald has resigned from the board, to focus his efforts on his new role as CEO of QNTM group.

Fredrik Cappelen, Brent Welch, Alfred von Platen, Klas Johansson and Mattias Holmström were reelected as

* EBITDA and Net debt including IFRS 16 Leases, please refer to note 13 for details of restated figures for comparison periods.

members of the board.

Outlook

The outlook for the full year is strong. Recent contract wins and a strong sales pipeline bodes for continued profitable growth. We target to continue to improve our margins above 2020 levels driven by volume growth of existing clients and ramp-up of new logos, despite cost for ramping new sites and clients and increased cost related to the pandemic that will have an impact in the short term.

The shift from physical retail to eCommerce continues and supports increased demand for Transcom's services. The macroeconomic situation, potential shifts in consumer and employee behavior and consequences of the pandemic are key risks to the development.

In Q1 2021 we had minimal extraordinary costs. For full year 2021 we are budgeting for NRI in the low single digits, as our transformational program has been setup with no additional costs expected, and Covid-related costs are reported as operational costs in 2021.

Other information

Earnings call

Transcom will host a webcast at 9:00 CET on May 12, 2021. The webcast will be held in English. The presentation will be available on <https://www.transcom.com/en/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-q1-2021-investor-presentation?type=detailed>

Financial calendar

Transcom's Q2 2021 report will be published on Aug 27, 2021.

Transcom's Q3 2021 report will be published on Nov 17, 2021.

Other information

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

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This information is such that Transcom Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 CET on May 12, 2021.

Transcom Group - Condensed consolidated income statement

(€ '000)	Notes	2021 Q1	2020 Q1	2021 LTM	2020 Jan-Dec
Revenue	4	150,891	127,749	580,942	557,800
Cost of sales	5	-116,751	-99,433	-448,417	-431,099
Gross profit		34,140	28,316	132,525	126,701
Sales and marketing expenses		-1,763	-1,201	-6,204	-5,643
Administrative expenses		-24,074	-23,642	-109,054	-108,622
Other operating income/expenses		67	-108	-766	-940
Operating profit/loss	4,5	8,370	3,365	16,501	11,496
Net financial items		-5,041	-4,288	-20,198	-19,445
Profit/loss before tax		3,329	-923	-3,697	-7,949
Income tax expense/income		-1,495	-265	-2,711	-1,481
Profit/loss for the period attributable to equity holders of the parent		1,834	-1,188	-6,408	-9,429

Transcom Group - Condensed consolidated statement of comprehensive income

(€ '000)	2021 Q1	2020 Q1	2021 LTM	2020 Jan-Dec
Profit/loss for the period attributable to equity holders of the parent	1,834	-1,188	-6,408	-9,429
Other comprehensive income:				
Exchange differences on translation of foreign operations	1,357	-1,184	-2,001	-3,237
Net gain/loss on cash flow hedges	-431	-383	-975	-181
Other comprehensive income to be reclassified to profit or loss in subsequent periods	926	-1,567	-2,976	-3,418
Actuarial profit/loss on post-employment benefit obligations	-	-	39	-691
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	-	-	39	-691
Other comprehensive income for the period, net of tax	926	-1,567	-2,938	-4,110
Total comprehensive income for the period, net of tax, attributable to equity holders of the parent	2,760	-2,755	-9,345	-13,539

Transcom Group - Condensed consolidated statement of financial position

(€ '000)	Notes	2021 Mar 31	2020 Mar 31	2020 Dec 31
ASSETS				
Non-current assets				
Goodwill		204,361	204,434	203,502
Other intangible assets		87,704	100,684	89,977
Tangible assets		25,672	22,281	24,369
Right of use assets	10	31,017	27,311	26,553
Deferred tax assets		1,854	1,315	1,528
Other receivables		3,055	3,014	2,800
		353,664	359,039	348,730
Current assets				
Trade receivables		66,234	58,480	73,088
Income tax receivables		3,066	5,817	3,474
Other receivables		11,895	11,428	11,960
Prepaid expenses and accrued income		50,841	38,228	37,887
Cash and cash equivalents		15,194	17,826	13,663
		147,230	131,778	140,071
TOTAL ASSETS		500,895	490,817	488,801
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
		94,341	102,364	91,581
Non-current liabilities				
Interest-bearing liabilities	7	227,523	216,541	213,411
Employee benefit obligations		3,315	2,186	3,113
Leasing liabilities	10	19,678	17,522	16,775
Provisions	6,11	154	135	157
Deferred tax liabilities		16,745	20,489	16,637
		267,415	256,873	250,093
Current liabilities				
Interest-bearing liabilities	7	2,405	1,226	1,632
Leasing liabilities	10	13,647	11,328	12,040
Provisions	6,8	11,217	31,311	24,659
Trade payables		14,180	16,460	20,120
Income tax payables	11	9,316	11,033	8,884
Other liabilities	12	34,795	18,501	33,177
Accrued expenses and prepaid income		53,579	41,722	46,615
		139,139	131,580	147,127
Total liabilities		406,554	388,453	397,219
TOTAL EQUITY AND LIABILITIES		500,895	490,817	488,801

Transcom Group - Condensed consolidated statement of changes in equity

(€ '000)	Equity attributable to equity holders of the parent				Total equity
	Total number of shares ('000)	Share capital	Share premium reserve	Other reserves and Retained earnings	
Balance, Jan 1, 2020	11,938	55	20,501	84,565	105,120
Profit/loss for the period	-	-	-	-1,188	-1,188
Other comprehensive income, net of tax	-	-	-	-1,567	-1,567
Balance, Mar 31, 2020	11,938	55	20,501	81,811	102,364
Profit/loss for the period	-	-	-	-8,241	-8,241
Other comprehensive income, net of tax	-	-	-	-2,543	-2,543
Balance, Dec 31, 2020	11,938	55	20,501	71,027	91,581
Profit/loss for the period	-	-	-	1,834	-
Other comprehensive income, net of tax	-	-	-	926	-
Balance, Mar 31, 2021	11,938	55	20,501	73,787	94,341

Transcom Group - Condensed consolidated statement of cash flows

(€ '000)	Notes	2021 Q1	2020 Q1	2020 Jan-Dec
Cash flows from operating activities				
Profit/loss before tax		3,329	-923	-7,949
Adjustments to reconcile profit before tax to net cash:				
Adjustments for non cash items		9,775	8,071	38,599
Net financial items		5,041	4,292	19,445
Income taxes paid		-575	-126	-4,881
Cash flows from operating activities before changes in working capital		17,570	11,315	45,214
Changes in working capital		-5,874	-3,997	5,040
Cash flow from operating activities		11,696	7,318	50,255
Investments and disposals of tangible assets		-3,299	-2,953	-13,145
Investments and disposals of intangible assets		-507	-191	-1,293
Consideration paid from previous years' acquisitions	6	-13,675	-	-6,781
Changes in other non-current assets		-166	27	49
Interest received		0	-	49
Cash flow from investing activities		-17,647	-3,117	-21,121
Proceeds from borrowings	7	14,757	8,966	27,881
Repayment of borrowings	7	-414	-6,319	-27,990
Payment of lease liabilities	10	-4,011	-3,161	-12,341
Interest and other financial costs paid		-1,288	-728	-16,325
Cash flow from financing activities		9,045	-1,242	-28,775
Cash flow for the period		3,094	2,959	359
Cash and cash equivalents at beginning of the period		13,663	14,295	14,296
Cash flow for the period		3,094	2,959	359
Exchange rate differences in cash and cash equivalents		-1,563	572	-991
Cash and cash equivalents at end of the period		15,194	17,826	13,663

Transcom Holding AB (publ) - Condensed income statement

(€ '000)	2021 Q1	2020 Q1	2020 Jan-Dec
Revenue	847	485	3,303
Cost of sales	-	-	-
Gross profit	847	485	3,303
Administrative expenses	-883	-510	-3,410
Other operating income/expenses	7	12	-25
Operating profit/loss	-29	-13	-131
Net financial items	-2,205	-2,292	-9,193
Profit/loss before tax	-2,235	-2,305	-9,324
Income tax expense/income	-	-	-
Profit/loss for the period*	-2,235	-2,305	-9,324

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

Transcom Holding AB (publ) - Condensed balance sheet

(€ '000)	Notes	2021 Mar 31	2020 Mar 31	2020 Dec 31
ASSETS				
Non-current assets				
Investments in Group companies		278,919	278,919	278,919
Receivables from Group companies		92,986	81,576	91,809
		371,905	360,495	370,728
Current assets				
Receivables from Group companies		1,924	1,611	2,431
Other receivables		30	20	60
Cash and cash equivalents		162	468	82
		2,116	2,099	2,573
TOTAL ASSETS		374,021	362,594	373,300
EQUITY AND LIABILITIES				
Restricted equity		55	55	55
Unrestricted equity		156,947	166,200	159,181
		157,002	166,255	159,236
Non-current liabilities				
Interest-bearing liabilities	7	209,251	189,314	209,190
Liabilities to Group companies		1,172	1,085	1,196
		210,423	190,399	210,386
Current liabilities				
Other liabilities		6,597	5,940	3,678
		6,597	5,940	3,678
Total liabilities		217,020	196,339	214,064
TOTAL EQUITY AND LIABILITIES		374,021	362,594	373,300

Notes to the condensed financial statements

The accompanying notes are an integral 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, 2020.

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, 2020. 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, 2020.

4. Segment information

(€ '000) Jan-Mar 2021	English speaking	Europe	Group
Revenue from external customers	55,749	95,141	150,891
EBITDA excl. non-recurring items*	8,627	10,068	18,695
Depreciation and amortization			-10,180
Non-recurring items			-144
EBIT			8,370
Net financial items			-5,041
Profit/loss before tax			3,329

(€ '000) Jan-Mar 2020	English speaking	Europe	Group
Revenue from external customers	43,149	84,599	127,749
EBITDA excl. non-recurring items*	7,981	5,835	13,816
Depreciation and amortization			-8,856
Non-recurring items			-1,595
EBIT			3,365
Net financial items			-4,288
Profit/loss before tax			-923

*EBITDA including IFRS 16 Leases, please refer to note 13 for details of restated figures for comparison periods.

5. Items affecting comparability

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

(€ '000)	2021 Q1	2020 Q1	2020 Jan-Dec
Operational non-recurring items	-	-1,103	-20,812
Transaction-related non-recurring items	-144	-492	-1,595
Total	-144	-1,595	-22,406

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

(€ '000)	2021 Q1	2020 Q1	2020 Jan-Dec
Cost of sales	-	-125	-3,567
Administrative expenses	-60	-1,030	-17,464
Other operating income/expenses	-84	-439	-1,376
Total	-144	-1,595	-22,406

6. Acquisitions

No material acquisitions during the period. During the quarter, the final payment was done (€13.7 million) relating to the acquisition of Awesome OS in 2018.

7. Interest-bearing liabilities

Financing in the Group includes five-year €180,000 thousand Senior Secured Fixed Rate Notes, €10,000 thousand Senior Unsecured Fixed Rate Notes, €47,400 thousand Super Senior Credit Facility Agreement (SSRCF), and a senior secured term loan facility agreement of €20,000 thousand (the "Term Facility"). For the SSRCF the Company is committed to follow certain covenants if so called test conditions is met. The test conditions were not exceeded in Q1 2021. The Term Facility is encumbered with financial covenants. Transcom continuously works with follow-up of the covenants and the Board examines the result of these follow-ups.

As per Q1 2021, €14.1 million of the SSRCF was utilized in loans, excluding guarantees and overdraft facility usage. Unused credit facilities totalled €28.2million.

After quarter end the Super Senior Credit Facility (SSRCF) was reduced by €2,400 thousand to €45,000 thousand.

There are share pledges in material companies (€216.3 million) 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 at March 31, 2021.

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, 2021 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	Mar 31 2021 Carrying amount	Mar 31 2021 Fair value	Financial instruments at amortized cost	Financial instruments at fair value to the P&L	Derivatives for cashflow hedges	Dec 31 2020 Carrying amount	Dec 31 2020 Fair value
(€ '000)										
Total non-current assets	3,056	-	-	3,056	3,056	2,801	-	-	2,801	2,801
Total current assets	134,409	-	29	134,438	134,438	127,944	-	692	128,636	128,636
Total financial assets	137,464	-	29	137,493	137,493	130,744	-	692	131,437	131,437
Total non-current liabilities	247,354	-	-	247,354	266,015	230,343	-	-	230,343	251,417
Total current liabilities	100,963	-	-	100,963	115,795	97,526	13,400	-	110,926	125,766
Total financial liabilities	348,317	-	-	348,317	381,810	327,869	13,400	-	341,269	377,183

10. Leasing

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

	2021 Jan-Mar	2020 Jan-Mar
(€ '000)		
Reversed cost (EBITDA effect)	4,750	3,655
Depreciations	-4,181	-3,224
Operating profit/loss	569	432
Net financial items	-740	-494
Income tax expense	19	21
Profit/loss for the period	-151	-41
Right of use assets	31,017	27,311
Leasing liabilities, non-current	19,678	17,522
Leasing liabilities, current	13,647	11,328

11. Income tax payables

As per March 31, 2021, 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, 2021 the tax liability related to tax audits amounts to €2,470 thousand.

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 €12,067 thousand.

13. EBITDA and Net debt change of definition

As of 1 January 2021 Transcom has changed the definition of EBITDA and net debt to fully include IFRS 16 Leases standard. The comparison figures from previous years have been restated, see details below.

(€ Million)	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2019 FY	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2020 FY
Operating profit/loss (EBIT)	3.1	2.0	5.2	9.5	19.7	3.4	-0.9	1.1	7.9	11.5
Amortization, transaction-related	2.7	2.7	2.7	2.7	10.9	2.7	2.7	2.7	2.7	10.9
Non-recurring items	4.0	3.1	0.8	0.5	8.4	1.6	7.2	8.3	5.3	22.4
EBITA excl. non-recurring items	9.9	7.8	8.7	12.7	39.0	7.7	9.0	12.1	15.9	44.8
Depreciation IFRS 16	4.0	2.2	3.3	3.4	12.6	3.2	2.9	3.4	3.8	13.3
Depreciation/Amortization	2.2	2.2	2.4	4.1	10.9	2.9	2.8	3.0	4.0	12.7
EBITDA excl. non-recurring items*	16.0	12.2	14.4	20.2	62.8	13.8	14.7	18.5	23.7	70.8
<i>EBITDA margin excl. non-recurring items*</i>	<i>11.8%</i>	<i>9.1%</i>	<i>11.0%</i>	<i>14.3%</i>	<i>11.6%</i>	<i>10.8%</i>	<i>11.1%</i>	<i>13.2%</i>	<i>15.1%</i>	<i>12.7%</i>
EBITDA excl. non-recurring items (previously reported)	11.9	9.7	10.6	16.6	48.8	10.1	11.5	15.3	19.7	56.6
<i>EBITDA margin excl. non-recurring items (previously reported)</i>	<i>8.8%</i>	<i>7.2%</i>	<i>8.1%</i>	<i>11.7%</i>	<i>9.0%</i>	<i>7.9%</i>	<i>8.7%</i>	<i>10.9%</i>	<i>12.5%</i>	<i>10.2%</i>
Net debt (previously reported)	198.1	202.9	206.0	203.7	203.7	202.1	209.4	197.3	204.5	204.5
Leasing liabilities IFRS 16	31.7	29.6	30.5	27.5	27.5	28.9	26.2	30.0	28.8	28.8
Net debt*	229.8	232.5	236.5	231.2	231.2	231.0	235.7	227.3	233.3	233.3
Leverage Net debt/EBITDA (LTM)*	5.0	4.5	4.1	3.7	3.7	3.8	3.7	3.4	3.3	3.3

* Recalculated to include IFRS 16 Leases

14. Events after the reporting period

No events, other than the new appointments in the Board of Directors as described in in the report above, have taken place after the end of the interim period which would require disclosure or amendment of these interim condensed financial statements.

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 is a global customer experience specialist, providing customer care, sales, technical support and collections services through our extensive network of contact centers and work-at-home agents. We are 28,000 customer experience specialists at 50 contact centers across 22 countries, delivering services in 33 languages to international brands in various industry verticals.