Transcom

Q4 | 2025

Quarterly Report October 1 – December 31

Q4 2025

- **Revenue** increased to €194.9M (€193.0)
- **EBITDA** excluding non-recurring items increased to €35.1M (€29.2)
- **EBITDA margin** excluding non-recurring items increased to 18.0% (15.1%)
- **Operating cash flow** increased to €18.1M (€8.9)
- **Net debt/EBITDA** was 3.3 (4.1)

Jan-Dec 2025

- **Revenue** decreased to €742.7M (€744.6)
- **EBITDA** excluding non-recurring items increased to €99.9M (€91.8)
- **EBITDA margin** excluding non-recurring items increased to 13.5% (12.3%)
- **Operating cash flow** increased to €71.9M (€55.6)
- **Net debt/EBITDA** was 3.3 (4.1)

Strong Finish to 2025 Driven by Offshore Strategy and Digital Transformation

2025 was a pivotal year for Transcom and I am incredibly proud of how our global team has delivered against our transformational strategies. Revenue in the fourth quarter increased to €194.9 million (€193.0), representing 2.9% organic growth. This was supported by a turnaround in our European segment, which returned to growth in the quarter. Our English-speaking segment continued its exceptional performance, serving as the primary engine for expansion as our momentum continues to build on the US market. Revenue in our English-speaking segment was driven by high demand in the Philippines, India, and Egypt, supported by expansions of our world-class sites. By adding substantial new capacity in these high-margin regions during 2025, with more to come in 2026, we are ensuring we have the talent and capacity to continue to deliver against the growing demand.

The most significant highlight of the quarter was our margin expansion. EBITDA, excluding non-recurring items, increased to €35.1 million (€29.2), with an EBITDA margin of 18.0%, up from 15.1% in the same period last year. This exceptional improvement is a direct result of our great new client wins, our continuing growth offshore, continued automation, AI usage and efficiency gains coupled with our cost-optimization programs that delivered the targeted results. The English segment achieved an EBITDA margin of 26.0% (21.0%). Meanwhile, the European segment showed continued growth and an improved EBITDA margin of 14.5% (12.6%). Additionally, our operating cash flow more than doubled to €18.1 million (€8.9), further strengthening our financial position.

Transcom's commitment to AI-driven and digitally enabled solutions remains central to our competitive advantage. We continue to strengthen our integration of advanced AI and digital technologies as pivotal enablers of our success both in our client solutions and internal ways of working. AI is amplifying the outcomes we produce, allowing us to further improve customer and client satisfaction while simultaneously reducing our operating costs. We are seeing excellent traction in AI solutions with clear use cases, most notably in the areas of language and translation as well analytics and insights that have allowed us to deliver tangible value for our clients. We remain the trusted partner of choice for small and mid-sized enterprises, delivering AI-enabled, future-proof customer experience outsourcing solutions.

During 2025, Transcom focused on a strategic transition that traded marginal revenue declines for significantly enhanced profitability and a stronger cash position. Total revenue for the full year 2025 was €742.7 million compared to €744.6 million in 2024. Comparable organic growth was 1.2% when excluding the revenue in 2024 relating to the two unprofitable Transcom German entities we exited during the year. eCommerce & Tech sector remains our largest sector, accounting for 46% of total revenue over the last twelve months. It should be noted that the Healthcare vertical within our Services sector continues to grow rapidly in line with our vertical expansion strategy.

Our profitability saw substantial improvement in 2025, as expected. EBITDA excluding non-recurring items rose to €99.9 million for 2025 from €91.8 million in 2024. This resulted in an EBITDA margin improvement, and we reached 13.5% for the full year. This was driven by great new client wins, continued automation and AI usage, our mix-shift toward offshore delivery, efficiency gains with an optimized overhead and site capacity.

The company's financial health was further strengthened by a robust operating cash flow, which reached €71.9 million in 2025 compared to €55.6 million the previous year. This 29% increase in cash generation supported a major improvement in the company's leverage profile. By the end of 2025, the Net debt/EBITDA ratio dropped to 3.3, down from 4.1 in 2024. This deleveraging was also aided by a successful bond exchange in December 2025, which was a significant milestone for Transcom. The Senior Secured Floating Rate Credit Facility (SSFRCF) of €380 million with a final maturity in December 2026 was exchanged and a new bond issuance due in 2030 extended the company's maturity profile. This transaction also included a €50 million shareholder contribution. With over 90% participation, we issued €322.3 million in New Notes due 2030. Our Revolving Credit Facility was also extended from June 2026 to July 2029. This transaction significantly alters our debt profile and provides the long-term stability needed to continue our growth trajectory.

I would like to extend my deepest appreciation to our global team for their unwavering dedication and hard work throughout this transformational year. Their efforts have been instrumental in delivering these results. I also thank our clients for their continued trust in Transcom as their partner of choice in an ever-evolving CX landscape.

We enter 2026 with a strong sales momentum, a more optimized operational footprint and operating model, and a secure financial foundation. We remain confident in our strategy and ability to continue delivering superior value to our stakeholders. With an expanded sales force and a pipeline significantly larger than last year, we are well-positioned to maintain our trajectory of profitable growth.

Brian Johnson President & CEO

Group financial overview

(€m)	2025 Q4	2024 Q4	Change Y-o-Y	2025 Jan-Dec	2024 Jan-Dec	Change Y-o-Y
Revenue	194.9	193.0	1.0%	742.7	744.6	-0.2%
EBITDA excl. non-recurring items	35.1	29.2	5.8	99.9	91.8	8.1
EBITDA margin excl. non-recurring items	18.0%	15.1%	2.9 pp	13.5%	12.3%	1.2 pp
EBITA excl. non-recurring items	**26.5**	**20.8**	**5.5**	**65.9**	**58.3**	**7.6**
EBITA margin excl. non-recurring items	13.6%	10.8%	2.7 pp	8.9%	7.8%	1.1 pp
EBIT	21.7	11.1	94.6%	37.8	28.6	32.1%
Operating cash flow	**18.1**	**8.9**	**9.2**	**71.9**	**55.6**	**16.3**
Net debt	**333.0**	**378.3**	**-45.3**	**333.0**	**378.3**	**-45.3**
Net debt/EBITDA excl. non-recurring items	**3.3**	**4.1**	**-0.8**	**3.3**	**4.1**	**-0.8**

October - December 2025

INCOME AND PROFIT

Revenue amounted to €194.9 million (€193.0) with a growth of 1.0%. Organic growth was 2.9% along with a negative impact from currency of -1.9%. The revenue development was positively impacted by continued strong demand in the English-speaking segment, while the European segment stabilized.

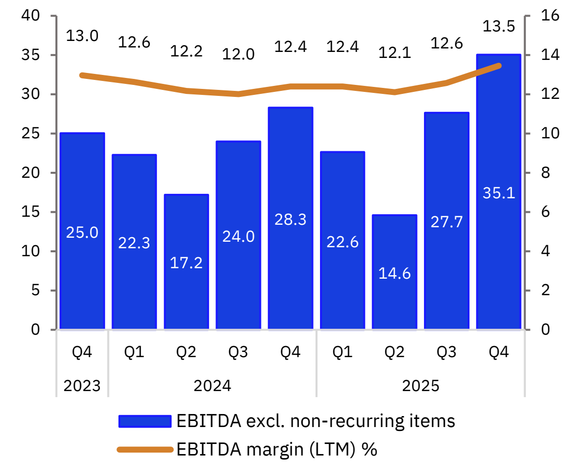
EBITDA excluding non-recurring items increased significantly to €35.1 million (€29.2) corresponding to a margin of 18.0% (15.1%). The margin expansion of 2.9 percentage points compared to the same period last year is mainly attributable to a continued mix-shift towards higher-margin offshore delivery and efficiency gains.

Non-recurring items totaled -€1.3 (-€5.0), majority of which were transaction related.

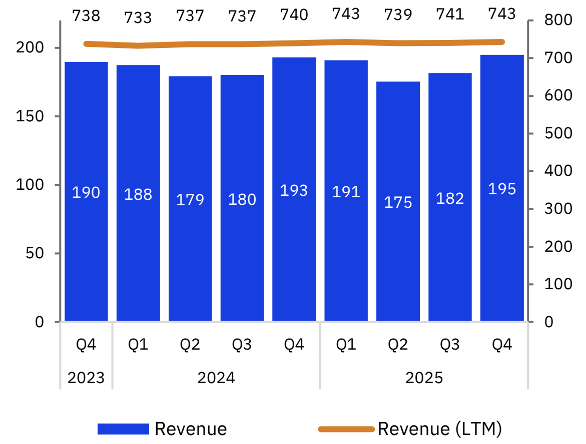
Net financial items amounted to -€11.6 million compared to -€9.9 million last year. The increase relates to the acceleration of unamortized capitalized transaction costs relating to the exchanged Senior Secured Floating Rate Notes (“Existing Notes”).

The total reported tax cost was €7.1 million (€6.0). This increase is primarily driven by higher profit before tax (PBT), particularly in Germany. Additionally, a portion of the deferred tax asset (DTA) for tax losses carried forward was utilized in Canada during Q4 2025.

Revenue*



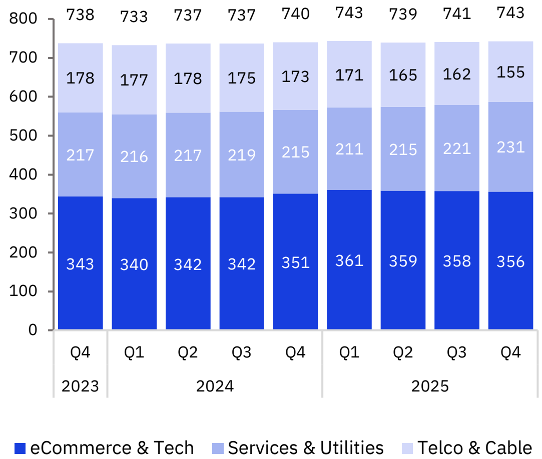
EBITDA excl non-recurring items*



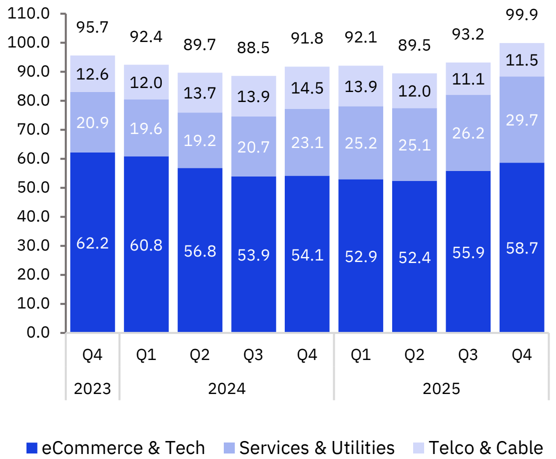
Sector development

The eCommerce & Tech sector remains the largest contributor, accounting for 50% of total revenue in the quarter. The Service & Utilities sector demonstrated the highest growth rate year-over-year.

Revenue by sector (LTM)*



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



* Adjusted Income statement figures that exclude the impact from the Transcom German entities that filed for insolvency in the end of Q3 2024. The impact quarter by quarter is published at the end of the report in Note 12.

Development by geographical segment

European segment

The European segment continued to show growth in the fourth quarter, showing resilience despite the challenging macroeconomic backdrop in the region.

Revenue amounted to €135.8 million (€135.5) with a growth of 0.2%. This turnaround from the lower revenue in previous quarters in the year was primarily driven by the Service & Utilities sector.

EBITDA excl. non-recurring items amounted to €19.7million (€17.1), corresponding to a margin of 14.5% (12.6%). The substantial margin expansion of 1.9 percentage points is a direct result of the offshoring strategy, a continued improvement from low margin contracts and efficiency gains from cost optimization programs in 2025.

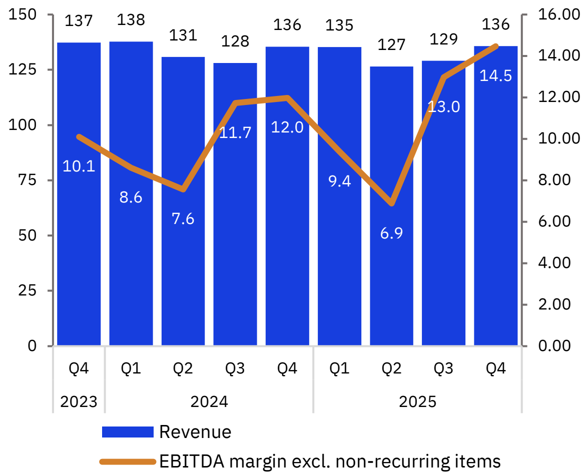
English-speaking segment

The English-speaking segment (North America & Asia Pacific) delivered exceptional performance, acting as the primary engine for margin expansion in the group.

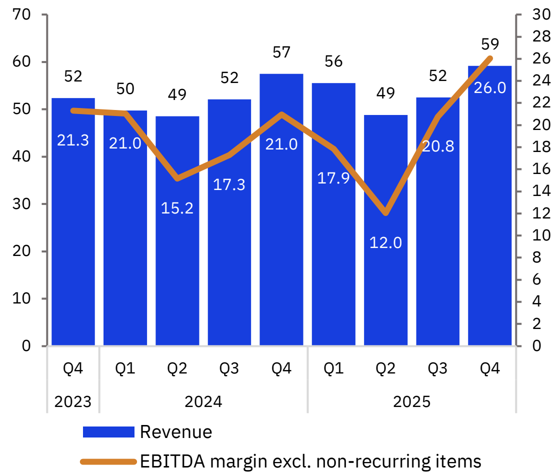
Revenue amounted to €59.2 million (€57.5), a strong growth of 3.0%. This growth was fueled by high demand for offshore delivery in the Philippines and India, particularly from eCommerce & Tech clients.

EBITDA excl. non-recurring items amounted to €15.4 million (€12.1) with a margin of 26.0% (21.0%). The improved margin of +5.0 percentage points highlights the successful shift toward higher-margin offshore delivery models and ramp-up of new contracts within the eCommerce & Tech sector.

European segment*



English-speaking segment



[*] Adjusted Income statement figures that exclude the impact from the Transcom German entities that filed for insolvency in the end of Q3 2024. The impact quarter by quarter is published at the end of the report in Note 12.

Cash flow and financial position

Higher revenue and earnings drove a strong operating cash flow of €18.1 million in Q4, compared to €8.9 million in previous year.

Cash flow from investing activities amounted to -€3.4 million (-€1.1) following the expansion in offshore locations. Cash flow from financing activities amounted to -€21.4 million (-€12.2), which included the repayment of borrowings of €57.3 million and a received shareholder contribution of €50.0 million. Total cash flow for the quarter was -€6.8 million (-€4.5).

Net debt amounted to €333.0 million (378.3) including IFRS16 liabilities.

Net debt/EBITDA ratio amounted to 3.3 (4.1) and the improvement was supported by the improved cash flows and bond exchange. Financing in the Group includes €322.3 million Senior Secured Floating Rate Notes (New Notes) due in January 2030, €1.1 million Senior Secured Floating Rate Notes (Existing Notes) due in January 2031 and a Super Senior Revolving Credit Facility Agreement (SSRCF) of €75 million with termination date in July 2029. As per December 31, 2025, the SSRCF was unutilized in loans, excluding guarantees and overdraft facility usage. Unused credit facilities totalled €61.0 million.

January - December 2025

Income and profit

Revenue amounted to €742.7 million (€744.6), with an organic growth of 0.6% along with negative impact from currency fluctuations -0.8%. Comparable organic growth was 1.2% excluding the revenue in 2024 referring to the two unprofitable Transcom Germany entities.

EBITDA excluding non-recurring items amounted to €99.9 million (€91.8) with a margin of 13.5% (12.3%). Non-recurring items including depreciations and amortizations of -€13.8 million (-€14.7).

Net financial items amounted to -€41.9 million compared to -€43.8 million last year. The lower Euribor rates in Q4 2025 YTD compared to Q4 2024 YTD reduced the interest expense from the €380.0 million Existing Notes and partly mitigated the accelerated expense of unamortized capitalized transaction costs related the Existing Notes.

Cash flow

Operating cash flow was improved to €71.9million (€55.6). Cash flow from investing activities amounted to -€12.5 million (-€19.1).

Cash flow from financing activities amounted to -€60.0 million (-€35.3). Total cash flow for 2025 was -€0.6 million (€1.2).

Significant events during and after the reporting period

On December 19, 2025, Transcom Holding AB (publ) successfully settled its exchange offer and consent solicitation regarding its €380.0 million Senior Secured Floating Rate Notes due 2026 (the Existing Notes). This transaction significantly alters the company's debt profile and maturity schedule. The exchange offer resulted in the issuance of new Senior Secured Floating Rate Notes due 2030 (the "New Notes").

Following settlement, the aggregate principal amount of New Notes outstanding is €322,320,000, while €1,100,000 remains in Existing Notes. The offer achieved over 90% participation from eligible holders. The settlement triggered supplemental indentures that implemented significant amendments to the terms of the Existing Notes. The maturity of the New Notes is January 31, 2030. The remaining Existing Notes saw their maturity extended to January 31, 2031. All liens on collateral and all guarantees for the Existing Notes were released. Substantially all restrictive covenants under the Existing Indenture were also removed.

The New Notes carry a variable coupon of three-month EURIBOR plus a margin that steps up over time, with a Payment-in-Kind (PIK) option. Year 1: 7.75% margin (up to 1.75% can be PIK), year 2: 9.25% margin (up to 3.25% can be PIK) and year 3 onwards: 11.00% margin (up to 5.00% can be PIK). Concurrent with the issuance of new Senior Secured Floating Rate Notes, the termination date of the €75 million Super Senior Revolving Credit Facility (SSRCF) was extended from June 2026 to July 2029.

Other information

Earnings call

Transcom will host a webcast at 10:00 am CET on February 19, 2026. 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 below at least 5-10 minutes prior to the webcast 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-q4-2025-results-presentation

Financial calendar

Transcom's Q1 2026 report will be published on May 7, 2026
Transcom's Q2 2026 report will be published on July 17, 2026
Transcom's Q3 2026 report will be published on October 21, 2026
Transcom's Q4 2027 report will be published on February 10, 2027

Other information

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

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Transcom Group - Condensed consolidated income statement

(€m)	Note	2025 Q4	2024 Q4	2025 Jan-Dec	2024 Jan-Dec
Revenue	4	194,934	192,998	742,743	744,573
Cost of sales	5	-141 420	-145,511	-558 807	-572,847
Gross profit		**53,513**	**47,487**	**183,936**	**171,727**
Sales and marketing expenses		-3,676	-4,250	-16,042	-14,380
Administrative expenses	5	-28,374	-32,704	-129,817	-129,804
Other operating income/expenses	5	200	601	-275	1,080
Operating profit/loss	4,5	**21,664**	**11,134**	**37,802**	**28,623**
Net financial items		-11,563	-9,894	-41,913	-43,764
Profit/loss before tax		**10,101**	**1,240**	**-4,111**	**-15,141**
Income tax expense/income		-7,111	-6,006	-13,662	-9,334
Profit/loss for the period		**2,990**	**-4,766**	**-17,773**	**-24,475**

Transcom Group - Condensed consolidated statement of comprehensive income

(€m)	Note	2025 Q4	2024 Q4	2025 Jan-Dec	2024 Jan-Dec
Profit/loss for the period including non-controlling interest		**2,990**	**-4,766**	**-17,773**	**-24,475**
Other comprehensive income:					
Translation differences from foreign operations		104	6,000	-10,070	4,050
Revaluation of cash flow hedges		-304	-936	-938	-648
Tax (hedge)		-56	162	108	162
Total items that subsequently may be reclassified to the income statement, net of tax		**-256**	**5,226**	**-10,900**	**3,564**
Remeasurement of employee benefit obligations		-675	-524	-675	-524
Tax (employee benefit obligations)		26	127	26	127
Total items that will not be reclassified to the income statement, net of tax		**-650**	**-397**	**-650**	**-397**
Other comprehensive income for the period, net of tax		**-906**	**4,829**	**-11,550**	**3,167**
Total comprehensive income for the period, net of tax		**2,084**	**63**	**-29,323**	**-21,308**

Transcom Group - Condensed consolidated statement of financial position

(€ '000)	2025 Dec 31	2024 Dec 31
ASSETS		
Non-current assets		
Goodwill	237,055	240,992
Other intangible assets	58,486	74,875
Tangible assets	28,216	31,416
Right of use assets	41,123	33,823
Deferred tax assets	5,908	5,134
Other financial assets	9,963	9,855
Total non-current assets	**380,751**	**396,095**
Current assets		
Trade receivables	94,967	95,968
Income tax receivables	5,499	3,631
Other receivables	26,295	27,912
Prepaid expenses and accrued income	57,265	54,771
Cash and cash equivalents	31,891	39,162
Total current assets	**215,916**	**221,444**
TOTAL ASSETS	**596,668**	**617,539**
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Parent Company	80,557	59,882
TOTAL EQUITY	**80,557**	**59,882**
Non-current liabilities		
Interest-bearing liabilities	310,668	376,681
Employee benefit obligations	879	659
Lease liabilities	27,077	21,362
Provisions	6,377	5,863
Deferred tax liabilities	6,781	10,131
Other liabilities	68	307
Total non-current liabilities	**351,850**	**415,003**
Current liabilities		
Interest-bearing liabilities	10,156	6,037
Lease liabilities	16,096	13,366
Provisions	8,184	10,217
Trade payables	17,010	16,951
Income tax payables	11,255	7,106
Other liabilities	44,955	37,893
Accrued expenses and prepaid income	56,604	51,084
Total current liabilities	**164,260**	**142,654**
Total liabilities	**516,110**	**557,657**
TOTAL EQUITY AND LIABILITIES	**596,668**	**617,539**

Transcom Group - Condensed consolidated statement of changes in equity

		Equity attributable to equity holders of the parent			
(€ '000)	**Total number of shares ('000)**	**Share capital**	**Other contributed capital**	**Other reserves and Retained earnings**	**Total Equity**
Balance, Jan 1, 2024	**11,938**	**55**	**23,501**	**57,634**	**81,190**
Profit/loss for the period		-	-	-24,475	-24,475
Other comprehensive income, net of tax		-	-	3,167	3,167
Balance, Dec 31, 2024	**11,938**	**55**	**23,501**	**36,326**	**59,882**
Profit/loss for the period		-	-	-17,773	-17,773
Other comprehensive income, net of tax		-	-	-11,550	-11,550
Shareholder Contribution		-	-	50,000	50,000
Balance, Dec 31, 2025	**11,938**	**55**	**23,501**	**57,001**	**80,557**

Transcom Group - Condensed consolidated statement of cash flows

(€ '000)	Note	2025 Q4	2024 Q4	2025 Jan-Dec	2024 Jan-Dec
Cash flows from operating activities					
Profit/loss before tax		10,101	1,241	-4,111	-15,141
Non-cash items:					
Other non-cash adjustments		7,542	8,001	52,892	39,756
Net financial items		11,563	9,894	41,913	43,764
Income taxes paid		-3,553	-3,296	-15,161	-10,021
Cash flow from operating activities before changes in working capital		**25,653**	**15,840**	**75,534**	**58,358**
Changes in working capital		-7,565	-6,976	-3,664	-2,766
Cash flow from operating activities		**18,088**	**8,864**	**71,870**	**55,592**
Investments in tangible assets		-2,338	-690	-11,243	-11,908
Disposals of tangible assets		-1,196	637	-2	1,862
Investments in intangible assets		-68	-622	-1,545	-4,241
Disposals of intangible assets		-10	46	-34	16
Acquisition of subsidiaries, net of cash acquired	6	-	-	-	-3,099
Changes in financial assets		54	-776	-281	-2,644
Interest received		125	316	612	923
Cash flow from investing activities		**-3,432**	**-1,088**	**-12,492**	**-19,090**
Proceeds from borrowings	7	1,995	1,995	4,847	69,677
Repayment of borrowings	7	-57,337	-124	-58,435	-44,756
Payment of lease liabilities	10	-4,183	-3,814	-17,309	-14,647
Shareholder contribution		50,000	-	50,000	-
Interest paid and other borrowing related costs		-11,900	-10,282	-39,125	-45,555
Cash flow from financing activities		**-21,425**	**-12,225**	**-60,021**	**-35,281**
Cash flow for the period		**-6,769**	**-4,450**	**-643**	**1,221**
Cash and cash equivalents at beginning of the period		38,569	39,970	39,162	35,830
Cash flow for the period		-6,769	-4,450	-643	1,221
Exchange rate differences in cash and cash equivalents		91	3,641	-6,629	2,112
Cash and cash equivalents at end of the period		**31,891**	**39,162**	**31,891**	**39,162**

TRANSCOM HOLDING AB (PUBL) - CONDENSED INCOME STATEMENT

(€ '000)	2025 Q4	2024 Q4	2025 Jan-Dec	2024 Jan-Dec
Revenue	151	323	913	1,926
Gross profit	**151**	**323**	**913**	**1,926**
Administrative expenses	-186	-586	-2,042	-2,798
Other operating income/expenses	-3	19	-7	31
Operating profit/loss	**-38**	**-244**	**-1,137**	**-841**
Net financial items	-6,833	-4,266	-18,842	-17,699
Profit/loss before tax	**-6,871**	**-4,510**	**-19,979**	**-18,540**
Group contribution received	658	1,245	658	1,245
Income tax expense/income	-	-	-	-
Profit/loss for the period*	**-6,213**	**-3,266**	**-19,321**	**-17,295**

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

TRANSCOM HOLDING AB (PUBL) – CONDENSED BALANCE SHEET

(€ '000)	2025 Dec 31	2024 Dec 31
ASSETS		
Non-current assets		
Investments in Group companies	281,919	281,919
Receivables from Group companies	171,984	199,347
Total non-current assets	**453,902**	**481,266**
Current assets		
Receivables from Group companies	5,532	6,160
Other receivables	219	611
Cash and cash equivalents	4,625	182
Total current assets	**10,375**	**6,953**
TOTAL ASSETS	**464,278**	**488,219**
EQUITY AND LIABILITIES		
Equity		
Restricted equity	55	55
Total restricted equity	**55**	**55**
Unrestricted equity		
Other contributed capital	23,501	23,501
Retained earnings	138,100	105,395
Net result	-19,321	-17,295
Total unrestricted equity	**142,280**	**111,601**
TOTAL EQUITY	**142,335**	**111,656**
Non-current liabilities		
Interest-bearing liabilities	309,827	376,090
Total non-current liabilities	**309,827**	**376,090**
Current liabilities		
Interest-bearing liabilities	1,394	0
Trade payables	541	66
Other liabilities	10,147	262
Accrued expenses and prepaid income	34	146
Total current liabilities	**12,116**	**474**
Total liabilities	**321,943**	**376,564**
TOTAL EQUITY AND LIABILITIES	**464,278**	**488,219**

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 headquarters is Kistagången 10, SE-164 40 Kista. 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 of December 31, 2024.

3. Risk management

Transcom is exposed to various risks, including financial risks, market risk (e.g. currency risk and interest rate risk), credit risk and liquidity risk. The Group's risk management and control framework is designed to identify, assess, monitor, and manage risks significant to the Group's business objectives. The quarterly reports do not include all risk management information and should be read in conjunction with the Group's Annual Financial statements. The current challenging macroeconomic and geopolitical environment also affects Transcom, primarily through inflationary pressure and a somewhat cautious customer sentiment. There have been no material changes in risks, the risk management policy and procedures during 2025 compared to what was presented in the annual financial statements as of December 31, 2024.

4. Segment information*

	2025			2024			
(€ '000) Q4	**English speaking**	**Europe**	**Group**	**English speaking**	**Europe**	**Europe***	**Group**
Revenue from external customers	59,175	135,758	194,934	57,488	135,509	135,510	192,998
EBITDA excl. non-recurring items	15,413	19,653	35,066	12,055	17,140	16,311	29,195
Depreciation and amortization			-12,178				-13,094
Non-recurring items			-1,224				-4,966
Operating profit/loss			**21,664**				**11,136**
Net financial items			-11,563				-9,894
Profit/loss before tax			**10,101**				**1,240**

	2025			2024			
(€ '000) Jan-Dec	**English speaking**	**Europe**	**Group**	**English speaking**	**Europe**	**Europe***	**Group**
Revenue from external customers	216,043	526,699	742,743	207,833	536,739	532,104	744,573
EBITDA excl. non-recurring items	42,101	57,834	99,936	38,886	52,902	52,966	91,788
Depreciation and amortization			-49,442				-48,694
Non-recurring items			-12,691				-14,471
Operating profit/loss			**37,802**				**28,623**
Net financial items			-41,913				-43,764
Profit/loss before tax			**-4,111**				**-15,141**

* Adjusted figures that exclude the impact from the Transcom German entities that filed for insolvency in the end of Q3 2024. The impact quarter by quarter is published at the end of the report in Note 12.

5. Items affecting comparability

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

(€ '000)	2025 Q4	2024 Q4	2025 Jan-Dec	2024 Jan-Dec
Operational non-recurring items	-236	-5,005	-11,549	-14,522
Transaction-related non-recurring items	-1,056	-	-2,299	-219
Total	**-1,293**	**-5,005**	**-13,848**	**-14,742**
whereof depreciation and amortization **	-69	-37	-1,157	-271
Total excl. depreciation and amortization	**-1,224**	**-4,966**	**-12,691**	**-14,471**

** Impairment of onerous contracts in EMEA.

Total non-recurring items (NRI) excluding depreciations and amortizations amounted to -€1.3 million (-€5.0) for Q4 2025 of which transactional non-recurring amounted to -€1.1 million (€0.0) for the quarter.

The transaction-related non-recurring items of €2.3 million (€0.2m), in the year-to-date period is mainly related to legal and professional fees.

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

(€ '000)	2025 Q4	2024 Q4	2025 Jan-Dec	2024 Jan-Dec
Gross profit	-1,035	-1,044	-5,057	-1,882
Administrative expenses	176	-2,391	-7,852	-5,844
Other operating income/expenses	-108	-1,569	-355	-7,015
Total	**-1,293**	**-5,005**	**-13,848**	**-14,742**

	2025			2024		
(€ '000) Q4	Reported	Non-recurring items	Excl. Non-recurring items	Reported	Non-recurring items	Excl. Non-recurring items
Operating profit/loss	21,664	-1,293	22,957	11,134	-5,005	16,139
Transaction-related amortization	-3,577	-	-3,577	-4,700	-	-4,700
EBITA	**25,241**	**-1,293**	**26,534**	**15,834**	**-5,005**	**20,839**
Operative depreciation and amortization	-8,601	-69	-8,532	-8,393	-37	-8,356
EBITDA	**33,842**	**-1,224**	**35,066**	**24,228**	**-4,966**	**29,195**

6. Acquisitions

No acquisitions during 2025.

During Q1 2024, Transcom paid out an earn out related to the acquisition of timeframe in 2023 and acquired 75.1 percent of Vcosmos, with an agreement to acquire the remaining percentages within the next couple of years. No acquisition during Q4 2024.

7. Interest-bearing liabilities

Financing in the Group includes €322.3 million Senior Secured Floating Rate Notes (New Notes) due in January 2030, €1.1 million Floating Rate Notes (Existing Notes) due in January 2031 and a Super Senior Revolving Credit Facility Agreement (SSRCF) of €75 million with termination date in July 2029. The Notes are listed on The International Stock Exchange. The New Notes and the SSRCF shares security and guarantees in accordance with the provisions of an intercreditor agreement.

As per December 31, 2025, the SSRCF was unutilized in loans, excluding guarantees and overdraft facility usage. Unused credit facilities totaled €61.0 million.

There are share pledges in material group companies €219.4 million (230.1) 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 December 31, 2025.

As per December 2025, the total current and non-current provisions amounted to €15.2 million (€16.1), mainly related to restructuring activities, onerous contracts, cost to obtain contracts and other provisions.

9. Financial instruments

Classification of the Group's financial assets and liabilities:

(€ '000) Dec 31, 2025	Financial instruments at amortized cost	Financial instruments at fair value to the P&L	Derivatives for cash flow hedges	Carrying amount
Total non-current assets	9,963	-	-	9,963
Total current assets	203,210	-	-945	202,265
Total financial assets	**213,173**	**-**	**-945**	**212,228**
Total non-current liabilities	341,337	2,785	-	344,122
Total current liabilities	125,498	2,188	-	127,686
Total financial liabilities	**466,834**	**4,974**	**-**	**471,808**
(€ '000) 31 Dec, 2024				
Total non-current assets	9,855	-	-	9,855
Total current assets	208,913	-	-341	208,572
Total financial assets	**218,768**	**-**	**-341**	**218,428**
Total non-current liabilities	401,941	1,965	-	403,906
Total current liabilities	105,551	1,704	-	107,255
Total financial liabilities	**507,492**	**3,668**	**-**	**511,161**

10. Leasing

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

(€ '000)	2025 Q4	2024 Q4	2025 Jan-Dec	2024 Jan-Dec
Reversed cost (EBITDA effect)	4,886	4,595	19,806	17,192
Depreciations	-4,220	-4,005	-18,432	-15,371
Operating profit/loss	**667**	**590**	**1,374**	**1,821**
EBITDA effect	**4,886**	**4,595**	**19,806**	**17,192**
Interest expense leases	-530	-561	-2,462	-2,281
Income tax expense	37	182	155	293
Profit/loss for the period	**174**	**211**	**-933**	**-167**
Right-of-use assets	41,123	33,823	41,123	33,823
Lease liabilities, non-current	27,077	21,362	27,077	21,362
Lease liabilities, current	16,096	13,366	16,096	13,366

Right-of-use assets and lease liabilities has increased during 2025 mainly related to new contracts in Albania, Egypt, India and Philippines and as well as various extensions of existing contracts.

11. Income tax payables

As per December 31, 2025, income tax payables include uncertain tax positions in the amount of €2,776 thousand (€2,129 thousand). At this date, sixteen group entities located in the Philippines, Germany, Tunisia, Egypt, Spain, Albania and Serbia are under tax audit. Most audits started in 2025 while four continued from previous years. 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. Quarterly impact of the insolvency filed by two German entities in the end of Q3 2024

All impact pertains to the European segment and the Telco & Cable sector.

	Revenue			EBITDA excl NRI			EBITDA % excl NRI		
(€ '000)	2024	2024*	Change	2024	2024*	Change	2024	2024*	Change
Q1	189.1	187.5	-1.6	21.9	22.3	0.4	11.6%	11.9%	0.3pp
Q2	180.7	179.3	-1.4	16.8	17.2	0.4	9.3%	9.6%	0.3pp
Q3	181.7	180.2	-1.6	23.8	24.0	0.1	13.1%	13.3%	0.2pp
Q4	193.0	193.0	-	29.2	28.3	-0.9	15.1%	14.7%	-0.5pp
2024	**744.6**	**739.9**	**-4.6**	**91.8**	**91.8**	**0.0**	**12.3%**	**12.4%**	**0.1pp**

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 activities that are not part of normal business operations, such as restructuring and M&A 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.

Operating cash flow: is defined as Cash flow from operating activities

Net debt: is defined as interest-bearing 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 the revenue change in percent, excluding impact from currency changes versus the previous period and the revenue of acquired or discontinued operations in the last 12 months, as compared to the total revenue of the last period.

Other definitions

English-speaking segment: services delivered to clients with production in the America- and Asia Pacific region.
European segment: services delivered to clients with production in the EMEA region.

ABOUT TRANSCOM

Transcom provides AI and 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 80+ contact centers and work-at-home networks across 29 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.