Docusign Envelope ID: F611FE0D-6197-4515-9AC1-17E54FD326D1

Company Registration No. 07085757 (England and Wales)

INFOBIP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

INFOBIP LIMITED

COMPANY INFORMATION

Directors	I Jelenic R Kutic S Kutic A Kusurin I Ostojic M Ancic Y Dafna
Company number	07085757
Registered office	5th Floor 35-38 New Bridge Street London EC4V 6BW United Kingdom
Auditor	BDO LLP 55 Baker Street London W1U 7EU United Kingdom

INFOBIP LIMITED

CONTENTS

	Page
Strategic report	1 - 12
Directors' report	13 - 14
Directors' responsibilities statement	15
Independent auditor's report	16 - 19
Group profit and loss account	20
Group statement of comprehensive income	21
Group balance sheet	22
Company balance sheet	23
Group statement of changes in equity	24
Company statement of changes in equity	25
Group statement of cash flows	26
Notes to the financial statements	27 - 61
Addendum: Unaudited pro-forma balance sheet	62

Chief Executive Officer's Strategic Report

Overview

In 2024, Infobip made significant progress, marked by strong growth and strategic advancements in the CPaaS (Communications Platform as a Service) market. Despite a challenging environment for the industry, our revenue continued to grow, up 7%, highlighting our increasing market presence and expansion. Additionally, the gross margin has improved, resulting in gross profit growing faster than revenue.

Infobip implemented a full cross-functional organization in 2023 and 2024 which resulted in considerable improvements in the Group's operational capabilities and overall better alignment and agility across our teams. It also enables us to respond more quickly to market demands.

The combination of the strong growth in key markets and our operational efficiencies led to a substantial increase in EBITDA and operational cash flow. Our ongoing focus on enhancing profitability has been a key focus across the Group.

Another major milestone of the business was surpassing 1,000 partners. This highlights the role of partners in our go-to-market approach, helping us scale more quickly and efficiently.

Additionally, with Apple's adoption of RCS (Rich Communication Service) on iOS, there has been a renewed surge of interest in this technology. As an established leading player in key RCS markets, we are committed to strengthening our position at the forefront of the emerging RCS ecosystem.

Strategy

As a global leader in the CPaaS space, Infobip is strategically positioned to benefit from the transformative shift towards a conversational future. We are committed to leading this evolution by leveraging advancements in conversational technologies and generative AI, thereby strengthening our position in the rapidly growing CPaaS market.

Our strategy is to build on our leadership in traditional communication channels by accelerating growth in rich messaging and conversational AI, providing end-to-end hyper-personalized experiences to enhance how businesses engage with their customers around the world.

Market drivers and opportunities

The world is increasingly moving towards conversational interactions, driven by a demographic shift to messaging and the rise of rich messaging channels, which are evolving into super apps. This trend is further accelerated by advancements in conversational technologies and generative AI.

The main drivers of the market include the widespread adoption of AI and automation, the growth of RCS, and the integration of CPaaS into contact centers. Additionally, advancements in API technologies, such as enhanced security, identity management, voice capabilities, and network collaboration are significantly influencing market trends and adoption in contact centers.

The CPaaS market is undergoing a significant evolution, transitioning from what we defined as CPaaS 1.0, which encompasses traditional communication channels like SMS and Voice, to CPaaS 2.0, characterized by Email and Rich Messaging Channels such as ChatApps and RCS. The future, which we defined as CPaaS 3.0, will be dominated by conversational AI and fully verticalized solutions.

Infobip is committed to maintaining our strong position in CPaaS 1.0 while accelerating growth in the rapidly expanding CPaaS 2.0 and 3.0 segments, which offer much higher growth rates. By doing so, we aim to increase our profitability and strengthen our leadership in this rapidly evolving global market.

Chief Executive Officer's Strategic Report (continued)

Market Drivers and Opportunities (continued)

This shift towards conversational interactions is set to evolve how businesses operate, particularly in marketing, sales and support. We are transitioning from one-way static content to two-way automated dynamic conversations, powered by AI.

This transformation and the drivers highlighted above are expected to result in continued rising international demand for our products. Our customers are predicted to see a fourfold increase in their conversion rates and reductions in their support costs.

As companies move towards buying platform ecosystems and Conversational Experiences as a Service (CXaaS), Infobip is uniquely positioned to deliver solutions for full end-to-end hyper-personalized conversational experiences.

We envision our platform as the central hub in the global communication ecosystem powered by artificial intelligence.

Operational review

Markets & Geographical reach

With over 800 direct Mobile Network Operator (MNO) connections and 40+ data centers around the world, Infobip demonstrates a strong global presence. We offer services in over 190 countries worldwide, with more than 60 offices located across all major regions.

We are focused on strengthening our collaboration with our existing customer base. While our customers are currently concentrated locally, utilizing synergies with acquired companies, we are extending our reach globally. This strategic expansion is enhancing our service offerings and better meets the needs of our customers worldwide.

Americas
The Americas, which experienced sustained 5% growth, remain key markets with strong potential for further business expansion. Most of our global customers are based in the United States. Americas revenue growth came from new customer acquisitions and was also positively affected by higher political traffic driven by US presidential elections. From the product perspective, growth was driven by SMS, MMS and WhatsApp channels.

Our growth strategy includes further increasing our brand awareness and targeting new customer segments, such as B2B2C, by introducing innovative products like conversational experiences and rich communication channels.

Additionally, the traction gained by RCS in 2024 is expected to further accelerate growth, particularly in key markets like the United States and Brazil. At the same time, we will continue to leverage the success of our core offerings to drive expansion.

EMEA
EMEA growth was driven by SMS and WhatsApp in Europe and Middle East, where we have achieved big expansion through opening new and expanding business in existing markets. Growth in Africa was negatively impacted by adverse FX movements.

In Europe, we are focusing on deeper market penetration, particularly within enterprise segments and untapped areas.

Asia
Asia Pacific and India region growth was accelerated by big customer acquisitions and expansion of the WhatsApp channel. We continued to see solid growth in SMS sold to existing and new customers in the emerging markets of Asia Pacific, supported by our partnerships with big regional MNOs.

Chief Executive Officer's Strategic Report (continued)

Operational review (continued)

Asia (continued)
We foresee further development in Asia, building on our established presence in our focus countries. Additionally, we are revisiting our value proposition in India and have a number of plans to expand further in this dynamic and growing market.

Technology - R&D, AI and Product Development

Infobip began as an SMS API platform and has evolved into the largest global CPaaS network, directly connected to numerous MNOs. Our focus on telco-grade infrastructure has enabled us to deliver exceptional customer experiences. We offer a programmable omnichannel layer, encapsulated in our recently launched service CPaaS X. It is a set of APIs designed to make Infobip's platform more scalable and modular, allowing advanced global platforms to integrate our functionalities seamlessly.

Network APIs
Infobip is enhancing its infrastructure capabilities by integrating Network APIs, developed under CAMARA open-source project, which help MNOs monetize 5G assets. This expansion broadens our offerings and continues to strengthen our MNOs' relationship, while advancing our CPaaS ecosystem capabilities. For customers, it simplifies consumption of services through simple API interfaces and services that are available across the globe, rather than being geography and MNO specific.

Rich Channels
In messaging, significant growth is anticipated with rich channels. These channels are expected to transform messaging from one-way to conversational in 2025 and beyond, driven by their increasing global penetration.

With Apple's adoption of RCS on iOS, there is a renewed surge in interest from mobile operators and enterprises looking to enhance their messaging capabilities. We believe that RCS will gain tremendous momentum in 2025, providing richer messaging experiences with enhanced features and security. This shift will make RCS a more viable and widely adopted business messaging solution.

We are positioning ourselves at the forefront of the emerging RCS ecosystem, empowering operators with advanced technology and go to market strategies.

Our aim is to establish RCS as a leading channel in our portfolio and to be recognized as the premier provider of RCS Business Messaging products to telcos, enterprises and platform partners worldwide. As a recognized partner and Messaging as a Platform (MaaP) provider, we are committed to accelerating RCS adoption by building a robust global infrastructure.

MaaP will play a crucial role, offering carriers faster adoption and comprehensive management of RCS traffic. In the long term, we envision MaaP as an integral part of an omnichannel firewall, enabling carriers to effectively monetize RCS.

Voice
Infobip's Voice capabilities have grown steadily in the last years, especially following the acquisition of Peerless Network, a leading provider of Voice and data communication services, specializing in cloud-based solutions, VoIP and traditional PSTN connectivity, that provided us with Peerless' robust network and access to a strong portfolio of customers, including all major platforms.

With the combination of Peerless' extensive United States coverage, local number capabilities, and a strong customer base, alongside Infobip's global reach, we are better positioned to offer reliable, high-quality Voice services, unlocking new opportunities for expansion.

Chief Executive Officer's Strategic Report (continued)

Operational review (continued)

Technology - R&D, AI and Product Development (continued)

Voice (continued)
Our goal is to become the leading Tier 1 programmable Voice provider. With quicker adoption of new technologies and automation of AI in Voice services, we will be enabled to differentiate our offerings and stay ahead of competitors in a rapidly evolving market.

Email
Infobip is committed to establishing itself as a global leader in the Email marketing sector by delivering the highest possible quality to all our clients. Our goal is to create a leading Email ecosystem that positions Infobip as a world-class Email Service Provider (ESP).

This will be achieved through our robust global infrastructure and superior performance, which are designed to help our customers enhance their outcomes. By focusing on these core strengths, Infobip aims to set new standards in Email industry excellence and drive significant improvements in our clients' Email performance.

New Revenue Streams
In order to further expand our customers base, we aim to validate product-market fit and implement new CPaaS revenue streams. Our goal is to be more value driven for customers, i.e. 10-digit long code (10DLC) with quick launch, which will lead to more revenue streams and improve our competitive position.

Conversational Transformation powered by AI
Our software layer is fully programmable and embeddable, transitioning into a CX (customer experience) platform with AI-enabled conversational CDP (Customer Data Platform) and agentic experiences. We also open our platform for partners and producers, leveraging our unmatched competitive advantage in CPaaS infrastructure and channels.

The rise of generative AI presents transformative opportunities for us. Evolving into agentic future and CXaaS (Customer Experience as a Service) we are positioned well to deliver an end-to-end customer experience.

Our full-stack approach also positions us as the most advanced CPaaS globally, evolving rapidly with AI and agentic capabilities. Additionally, CPaaS infrastructure remains critical both for our agentic layer and opens new opportunities around AI being formed.

Throughout all these developments, security remains integral, and we are enhancing our offerings by consolidating network APIs with Signals, Infobip's product for detecting fraudulent SMS traffic.

Partners & Channels

As part of our commercial strategy, Infobip leverages diverse sales channels to reach a broader customer base as well as scale quickly and efficiently.

Direct sales
Infobip direct sales force works with the largest brands and companies. Operating in specialized cross-functional teams, known as Squads, we focus on B2C engagements with enterprises and digital natives across all key industries. This allows us to build strong relationships with Tier 1 and strategic accounts, ensuring personalized service and value delivery globally.

Chief Executive Officer's Strategic Report (continued)

Operational review (continued)

Partners & Channels (continued)

Partnerships and Self-service

Additionally, we are actively productizing industry solutions and refining our sales strategies across various verticals.

Infobip partners with companies worldwide to integrate our solutions into their products, creating innovative conversational experiences by combining their strengths with our technology. Our Partnership strategy is focused on accelerating growth and enhancing efficiency by embedding ourselves into major tech ecosystems working with numerous organizations, thereby broadening our reach and influence.

We are committed to developing technology ecosystems in collaboration with Systems Integrators (SIs), Value-Added Resellers (VARs), Digital Marketing Agencies (DMAs) and Independent Software Vendors (ISVs), enabling us to deliver tailored, industry-specific tech solutions.

In addition to technology partners, we are increasingly working with telecommunications companies and implementation partners to provide solutions to larger clients.

Additionally, we are establishing dedicated Infobip practices with major Consulting and Services (C&S) partners to ensure expert delivery and consistent quality.

This comprehensive approach allows Infobip to scale effectively, leveraging our Partners' strengths for mutual success and enhanced customer value.

Infobip's Self-service team delivers value and support to a wide range of SMB customers. Similar to our partnership strategy, this approach enables us to reach a larger customer base and scale effectively.

By enhancing our self-service capabilities, and implementing localized strategies, we empower customers to independently access and utilize our solutions through our portal.

We are expanding these capabilities across key customer segments, including platform customers who integrate our communication tools into their software solutions, Hyperscalers which offer large-scale cloud services, and other digital companies, are all seeking agile and scalable communication solutions, to drive growth.

Marketing
Marketing is a vital component integrated across all our sales channels, playing a crucial role in driving growth and new customer acquisitions. It is a key component to expanding our customer base and enhancing our market presence.

Our marketing initiatives are focused on increasing brand awareness and positioning Infobip as a leader in the industry. We continuously invest in innovative marketing strategies to ensure our brand resonates with key audiences and supports our overarching business objectives.

We emphasize cross-selling to strengthen customer relationships across HQ and regional teams. While outbound efforts remain primary for customer acquisition, we aim to accelerate new customer acquisitions through different marketing channels, partnerships and self-service initiatives.

People

Infobip employs more than 3,500 people in more than 60 countries. The senior management team recognize that our employees are fundamental and core to the growth of the business and delivery.

Our People strategy is designed to cultivate a dynamic and future-ready organization by focusing on the qualities that drive success. We emphasize the importance of hiring individuals who are adaptable and eager to grow, as we believe that the right mindset is essential for long-term success.

In terms of corporate culture, we foster an environment where engineers, co-creators and disruptors thrive and transform ideas into groundbreaking solutions; we believe in the principle and spirit of collaboration across the business. We are co-creators, who see the potential in the collective and teamwork, and are disruptors by nature that challenges the status quo and redefines industry standards.

A sense of urgency is prominent in order to harness and engage with all our stakeholders.

By nurturing talent from within, we provide our employees with opportunities to develop their careers, fostering a culture of innovation and continuity. We also recognize the value of maintaining strong connections with both our teams and customers, as collaboration and proximity are crucial for effective communication and decision-making.

We also foster stronger connections between regions and our headquarters, enhancing collaboration and productivity.

We collectively support our efforts to attract, develop and retain the right talent, ensuring that Infobip continues to thrive and grow alongside our people.

2025 Focus

To execute in 2025, we focus on four strategic pillars:

1. Customer & Channels: Our go-to-market strategy focuses on fast scaling through self-service and partnerships. We aim to secure larger deals through verticalized solutions and value-based selling. Our approach spans multiple verticals utilizing direct sales, self-service, partners, and ISVs. While North America is a strategic priority, we remain committed to all regions.
2. Products & Innovation: We are dedicated to developing best-in-class, global and scalable full-stack CPaaS and SaaS offerings, enhanced with AI functionalities. From infrastructure to API channels, composable and embeddable SaaS, we are building verticalized and AI solutions to meet diverse customer needs.
3. Organization & Digitalization: Infobip is transforming into a fully digitalized company, with all operational processes enhanced by AI. We are revolutionizing sales processes, personalizing marketing and implementing AI-powered customer support to increase efficiency. We have an agile organizational structure with accountable and empowered leaders, implementing cross-functional teams on almost all levels.
4. People & Culture: We are deeply committed to investing in our people and talent development, focusing on helping our employees succeed. By nurturing our talent, we ensure that our workforce is equipped to drive innovation and deliver exceptional value to our customers.

The recent geo-political uncertainty has introduced a certain degree of caution into the Board's outlook but overall it remains confident that the Group's trading in 2025 will continue to be strong, following the trend from H2 2024 with increasing revenue and expanding profit margin.

Chief Financial Officer's report

Highlights:

	2024 € million	2023 € million	Variance %
Turnover	1,851.9	1,735.0	*6.7%*
Gross profit	440.8	401.8	*9.7%*
Adjusted EBITDA	130.2	84.7	*53.7%*
Operational cash flow	77.8	23.3	233.9%

The Group's financial performance indicates a significant improvement in all key indicators. Turnover increased by 6.7% to €1.9 billion driven by strong growth in all our regions. The gross profit increased by 9.7% and adjusted EBITDA was sharply up 53.7% with operational cash flow up by 233.9%.

Alternative Performance Measures ("APMs") used in this document do not have standardized meanings and therefore may not be comparable to similar measures presented by other companies.

Turnover:

	2024 € million	2023 € million	Variance %
Americas	1,051.0	999.5	*5.2%*
Europe, Middle East, Africa	465.0	411.5	*13.0%*
Asia Pacific and India	335.9	324.0	*3.6%*
Total	**1,851.9**	**1,735.0**	***6.7%***

Americas revenue growth derived from new customer acquisitions across the region and higher political traffic driven by US presidential elections. From the product perspective, growth was driven by SMS, MMS and WhatsApp channels.

EMEA notable growth was driven by SMS and WhatsApp, from acquiring new customers and growing in existing markets.

Asia Pacific and India region growth was accelerated by big customer acquisitions and expansion of the WhatsApp channel. We continued to see solid growth of SMS sold to existing and new customers in the emerging markets of Asia Pacific, supported by our partnerships with big regional MNOs.

The geographical overview is based on customer headquarter country, grouped into three regions. It focuses on customers and their respective operating locations which relate our customer facing organization.

Gross profit and margin
The gross profit has shown notable progress. Gross margin rose by 0.6pp due to better product mix, geographical mix, customer management and supply optimization. The better product mix reflects the increase in proportion in total revenue of higher-margin products such as MMS, WhatsApp, SaaS, and Self Services. North America and Asia-Pacific regions contributed positively to the geographical mix. We also better managed lower-margin customers and optimizing the supply chain.

Adjusted EBITDA
Adjusted EBITDA grew by €45.5 million or 53.7% as result of gross profit growth, operational gearing and a €10.8 million year on year reduction of the cost base.

Operating expenses were reduced to €315.3 million (2024: €326.1 million). This was a key priority in 2024 to ensure long-term financial stability and profitable growth after a period of rapid staff cost growth. Measures implemented in 2023 came into full effect in 2024, including staff reductions, reallocation of costs between geographies, organizational optimization due to process transformations or digitalization, further acceleration of post-acquisition integration as well as rationalizing cloud usage.

Chief Financial Officer's report (continued)

The reconciliation to operating loss is below.

	2024 € million	2023 € million	Variance %
Operating loss	**(33.6)**	**(146.2)**	*(77.0%)*
Exceptional items	37.3	24.5	*52.2%*
Separately reported items	20.9	19.9	*5.0%*
Intangible acquired amortization and impairment	77.0	167.1	*(53.9%)*
Adjusted EBIT	**101.6**	**65.3**	***55.4%***
Depreciation	14.0	12.1	*15.7%*
Other amortization	14.6	7.3	*100.0%*
Adjusted EBITDA	**130.2**	**84.7**	***53.7%***

Exceptional charges of €37.3 million (2023: €24.5 million), mostly non-cash, are principally some historical one off bad debts and transformation charges. Separately reported items relate to balance sheet FX losses – see note 4.

The reconciliation of operating results to Adjusted EBIT and Adjusted EBITDA further demonstrates the substantial improvements in Group performance. Adjusted EBIT increased by €36.2 million (55.4%) in line with the gross profit growth including some Opex saving and offset by higher amortisation of capitalised development cost (started in 2023). Improvements in Adjusted EBIT and EBITDA underscores the Group's successful initiatives to optimize operational performance and drive profitability.

The Group's pretax loss more than halved to €106.1 million (2023: loss €226.0 million).

The Group's net tax expense was €28.1 million, (2023: €1.2 million) reflecting improved profitability of the business in most of its jurisdictions and derecognition of deferred tax asset in the US.

Operational cash flow:

	2024 € million	2023 € million	Variance %
Adjusted EBITDA	130.2	84.7	*53.7%*
CAPEX (tangible and intangible)	(11.2)	(7.4)	*51.40%*
Capitalized R&D	(28.3)	(29.5)	*(4.1%)*
Exceptional items cash outflow	(12.9)	(24.5)	*(47.3%)*
Operating cash flow	**77.8**	**23.3**	***233.9%***

CAPEX increased, as planned, due to regular investment cycle which maintains and improves the service level with a particular focus on data centres.

Net debt position:

	2024 € million	2023 € million	Variance %
Cash	116.8	78.9	*48.0%*
Long term debt	(486.3)	(432.0)	*12.6%*
Net debt (*)	**(369.5)**	**(353.1)**	***4.6%***

(*) excluding convertible preference share in the amount of €489.0 million (2023: €479.2 million)

Chief Financial Officer's report (continued)

Net debt excluding convertible preference shares increased by €16.4 million, despite the positive operating cash flow (€77.8 million), mainly due to net increase of long term debt (€54.3 million) as result of additional drawdown of $30.0 million (€27.4 million) from existing lenders to strengthen the liquidity position, better manage working capital fluctuations and support major new business opportunities and unrealized currency loss of €28.3 million from translation of USD denominated loan to Euro at balance sheet date. Our FX exposure is mitigated by our cost base around the world and the billings of customers being mostly managed in local currencies.

On 7 May 2025, new Articles of association of the Company were adopted by which, among other matters, all rights of all share classes including preference convertible shares (C class shares) were equalized with ordinary (A class shares). As a result, in the 2025 financial year, the Company will reclassify amount of €489.0 million (note 20), which includes amount paid in and rolled up interest, from liabilities to equity. Unaudited proforma balance sheet reflecting such reclassification as if this change occurred on 31 December 2024 is presented in Addendum on page 62.

Operating cash flow increased by €54.5 million (or 233.9%), driven by growth in Adjusted EBITDA. The Group continues to focus on Days Sales Outstanding (DSO) and prepayment optimization initiatives and overall improvement of the working capital items.

Promoting the success of the company

This statement aligns to Section 172 of the Companies Act 2006 (the Act). The statement focuses on how the Directors have had regard during the year to the matters set out in section 172(1) (a) to (f) of the Act when performing their duties.

Each of the Directors acted in the way they considered, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. The Directors have had regard, amongst other matters, to the:

- likely consequences of any decisions in the long-term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- desirability of the company maintaining a reputation for high standards of business conduct; and
- need to act fairly between members of the company.

While performing their duties, the Directors have had regard to a number of matters obtained through, inter alia, listening to the company's key stakeholders (employees, clients, suppliers etc.) in order to ensure they fully understand the potential impacts of every decision.

Further detail of the considerations applied by the Directors in respect of these key events and decisions and their broader approach ensuring the interests of the business stakeholders are adequately considered in Technology, Partners & Channels and People sections of Strategic report.

Principal risks and uncertainties

Risk management is a crucial part of an effective management practice. Due to our growth and continuous changes in our business environment, Infobip has adopted the Enterprise Risk Management (ERM) process to identify and control risks, and to ensure that required controls and procedures are established to safeguard the assets and interest of Infobip.

The ERM Framework is based on ISO31000 standard and includes the processes of establishing context, risk identification, analysis, assessment, evaluation and treatment, as well as monitoring and reporting. The framework establishes a comprehensive methodology, governance structure, and reporting mechanisms to effectively address three main types of risks: strategic, financial, and operational, where risks are operationally managed by responsible risk owners.

Principal risks and uncertainties (continued)

Strategic risks primarily arise out of 3 main risk categories: (i) integration risks that could potentially impact the value of acquired companies through, for example, insufficient integration of systems, personnel, business culture and ethics, and data transfer; (ii) risks related to product strategy in terms of failing to meet customer needs and respond to changes that could affect the organization's products' value and relevance and ability to maintain competitive edge in the market; (iii) technology risks primarily associated with loss of opportunities due to the rapid speed of technology changes (e.g., artificial intelligence, automation, hyper-scalable platforms, blockchain, digital currencies and competing technologies) and the ability to manage these changes proactively.

Operational risks impact the effectiveness and efficiency of the organization's operations, and encompass inadequate internal business processes and procedures, as well as issues related to products, people, and systems. For our industry the most important categories of operational risks are identified as: enterprise security and resilience, fraud/scams, supplier price increases, human capital and talent retention and legal and regulatory compliance.

The primary financial risks to which the Group is exposed are credit risk and market risks which include currency risk, interest rate risk and liquidity risk.

Credit risk:

The Group's credit risk is primarily attributable to its principal assets, being cash balances, trade and other receivables, and advance payments towards suppliers. The Group is continuously improving policies and processes to properly mitigate the risk of client default and non-payment, together with regular monitoring and reporting on aged trade receivables. Risk mitigation activities include the implementation of credit limits on the existing portfolio as well as consistent implementation of credit limits on new customers. The credit risk team also performs credit worthiness monitoring and checks on the supplier side when advance payments are applied and when requested by other internal stakeholders. The Group has a concentration of credit risk among certain large customers and its ten largest customers account for more than 30 percent of total revenues. However, the customer portfolio is spread over a large variety of customer categories in numerous geographical markets and industries, the majority of which are highly reputable and have high credit worthiness.

Where trade receivables are considered uncollectable, that amount of receivables is written off to the profit and loss account as a loss of the current period. Except for settlements reached with a few large customers in voice business, level of write-offs recorded during 2024 remained on materially insignificant level, and in part relates to the release of historic provisions. During the year and up until authorization of financial statements, the Group reached settlement with two major customers in respect of historical disputes over certain charges. As a result, bad debt provisions and write-offs have increased compared to previous years which is the result of this one-off event.

During 2024, Infobip continued with the enforcement of existing credit risk policies and procedures in all related companies and continued with implementation of the same credit risk policies in Peerless Network in order to have unified credit risk management approach across the Group.

Despite challenging political and macroeconomic circumstances, credit risk of Infobip's customer portfolio remained very stable during 2024, with robust credit risk management procedures in place, especially in terms of risk assessment, monitoring and collection activities.

Market Risk (currency risk, interest rate risk and liquidity risk):

Global economic and political conditions, including macroeconomic uncertainties, may adversely impact our business, results of operations and financial condition. Therefore, during its regular course of operations the Group's Treasury is actively monitoring sovereign and counterparty risk on its respective operational markets and is adressing the following market risks:

Currency risk:

The Group operates in various international markets with exposure to more than 50 different currencies. The Group's reporting currency is Euro. This global presence comes with a significant currency risk both on the side of inflows and outflows. Fluctuation in value between the Euro and foreign currencies affects revenues, costs, and operating losses.

Principal risks and uncertainties (continued)

Currency risk (continued):

The Group uses three different mechanisms of protection from currency risk:
1. Natural hedging – currency adjustment of inflows and outflows.
2. Contractual hedging – implementing protective clauses into customers and suppliers' agreements.
3. Market hedging – protecting our net exposures again FX risks are being evaluated regularly, and the Group has a possibility to use derivative instruments such as FX forwards and FX swaps through existing trading limits.

Sufficient trading limits are made available by our trading partners, which allows the Group to, when considered appropriate, start actively hedging foreign exchange exposure using derivative instruments. The Group does not engage in speculative trading in financial instruments.

Interest Rate Risk:

The Group interest rate risk arises from existing debt financing arrangements. The Term loan credit facility has a floating interest rate tied to a 3-month term secured overnight financing rate (SOFR). The upward movement in reference rate was ultimately reversed in Q4 2024 as Federal Reserve Board (FED) executed 100 bps rate cuts in a period from September to December 2024 resulting in a slight lowering of interest cost for the Group. The lowering of interest costs is expected to continue during 2025 with FED easing still expected (although at a slower pace than initially expected) and through the effects of credit margin reduction because of the repricing / refinancing efforts which are currently ongoing with existing Lenders.

The factoring facility has its base rates linked to GBP, EUR and USD reference rates, depending on the portfolio sold. Aside from FED mentioned above, The European Central Bank (ECB) executed four rate cuts during 2024, Bank of England (BOE) executed two rate cuts, all of which influenced on decrease of interest costs. In addition to this, the facility utilization was slightly lowered owing to stronger intra-group liquidity being available. This approach will be maintained, while further rate cuts of previously mentioned central banks are also likely to proceed in 2025.

Liquidity and cash flow risk:

During 2024 EBITDA growth contributed to the achievement of positive operating cash flows which had a positive impact on the liquidity and cash flow risk. The Group monitors its liquidity risk related to the potential shortage of funds by collecting data from all related companies on a daily basis. Weekly cash flow forecasts are approved and monitored regularly at the Group level and Thirteen Weeks Cash Flow model TWCF model) is also prepared to render a forward-looking quarterly view on anticipated liquidity development. Liquidity in the Group is centralized through intragroup transactions, thus minimizing external borrowing requirements, and liquidity surpluses are being invested into short term financial instruments with appropriate risk / return.

During Q4 2024, the Group's cash flow forecasting process was incorporated into the Treasury Management System, allowing the Group to improve overview of the Group's planned and available liquidity for each company, currency, region and business segment, which enables the move towards more accurate cash flow planning, better liquidity management and swifter fund allocation.

Funding flexibility is achieved through the $530.0 million term loan facility, leases and also through intra-group lending. Moreover, the Group also has a €75.0 million Master Factoring Agreement with Raiffeisen Bank International, whereby they are executing purchase of selected receivables on a non-recourse basis thus providing the Group with support to increase working capital requirements parallel to the Group's increase in revenues.

Additionally, documentary business limits are available which provide the Group with improved flexibility and cash savings, due to cash deposits no longer needed for guarantees. No other debt requirements exist at present as the Group's current performance and existing working capital are sufficient to support its current liquidity requirements.

Non financial and sustainability Information statement

Led by our new Sustainability Strategy, we are aligning to global best practice in carbon management and reporting. We have committed to setting a science-based carbon reduction target in through the Science Based Targets initiative (SBTi). In line with our ambition to enhance climate-related risk management and disclosure, we are working towards implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Our next critical step is to conduct a comprehensive analysis of our climate-related risks and opportunities, which will help us better understand and address the potential implications of climate change on our business.

Governance

The ultimate responsibility lies with our Vice President of Business Integrity, who reports to the board and delegates day-to-day responsibility to the Environmental, Social and Governance (ESG) team.

Strategy

Our new Sustainability Strategy is helping us to build climate change considerations into our approach. This includes developing a climate transition plan to halve emissions before 2030 and achieve net-zero before 2050.

Risk

We are undergoing a process to identify material climate-related risks and opportunities. This is being led by the ESG team with support from our ERM team within the enterprise risk management process.

Metrics and targets

We calculate our Scope 1, 2 and 3 emissions annually. We are developing science-based targets as part of our Sustainability Strategy. In November 2023 we signed the SBTi commitment letter where we committed to set long term science-based targets to reach net-zero GHG emissions by no later than 2050 in line with the SBTi Net-Zero Standard and submit it for SBTi validation within a maximum of 24 months.

The Group is currently in the process of assessing GHG emissions for 2024. Our last calculations for 2023 were done based on the Greenhouse Gas Protocol and for Infobip Group (Infobip Holdings Limited and all its subsidiaries) they amount to:

Scope	Emissions Location-Based (tCo2e)	Emissions Market-Based (tCO2e)
Scope 1	967	967
Scope 2	703	1,403
Scope 3	104,371	103,728
	106,041	**106,098**

The report was approved by the board of Directors and signed on behalf of the board by:

DocuSigned by:

Silvio Kutic

D41A86505D5F454...

S Kutic

Director

16 May 2025

Date: ....

The Strategic Report on pages 1 to 12 form part of this Directors' Report.

Going concern and basis of preparation of financial statements

The Directors have assessed the ability of the Group to continue to operate as a going concern. To support this assessment forecasts covering the period to the end of December 2026 have been prepared. These forecasts represent management's best estimate of future trading performance based on expectations and commitments made at the time of signing the financial statements. The Directors are satisfied it is appropriate to adopt the going concern basis of accounting in the preparation of the financial statements.

Results and dividends

The results for the year are set out on page 20. No dividends were paid during 2024, nor are the Directors recommending any payment of dividend for the financial year to 31 December 2024.

Directors

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

I Jelenic	
R Kutic	
S Kutic	
A Kusurin	
P C Schorr IV	Resigned on 25 April 2024
I Ostojic	Appointed on 25 April 2024
M Ancic	Appointed on 25 April 2024
Y Dafna	Appointed on 30 September 2024

Group energy and carbon report

The Group recognizes the importance of meeting globally recognized responsibility standards and aims to minimize its carbon footprint.

In November 2023 we committed to the SBTi, a program that helps businesses to reduce their climate impact by working with them to cut emissions at the necessary rate. We will set long-term targets to reach net-zero emissions across our value chain by 2050 and will submit our plan to SBTi by the end of 2025.

For the year ended 31 December 2024, the quantity of total emission by the Group entities in the UK was approximately 4.94 tons of carbon dioxide equivalent (tCO_2e) (2023: 7.99 tons). The calculation was in line with Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. The intensity ratio calculated as consumption of carbon dioxide equivalent per employee is 14.40 $kgCO_2e$ (in 2023: 112.47 $kgCO_2e$). Total energy consumption in 2024 was 4.94 MWh (in 2023: 17 MWh).

Russian Ukraine conflict

In 2024 Infobip Group continued its very minimal operations related to the Russian Federation, limited to activities necessary for the safety of our employees in Russia, preserving jobs and ensuring stability of Group operations. Our Russian customer base comes predominantly from the digital communication sector and Infobip supports them in securing free and uninterrupted communication for their end users, as supported by western regulators. In all its activities Infobip stays committed to all applicable standards of ethical and responsible business conduct, including, but not limited to, all applicable economic and financial sanctions and trade embargoes.

INFOBIP LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Engagement with suppliers, customers and others

The Group's engagement with suppliers, customers and others is explained in the Strategic report.

Research and development

The Group's development work is undertaken across a number of Group companies. From the start, the Group has relied on internal development of its products and services rather than buying ready-made solutions. The Group's R&D activities relate to the development of communication platform through various products (including SMS, Conversations, Answers, Moments, Email, Voice and Numbers). The Group's software is internally developed to meet its own needs, which is primarily to provide its services to customers.

During 2024 the Group's R&D efforts were connected to already existing products, however new features and updates were developed on regular basis. With this the Group is able to ensure existence of a market for the output or in case of internal tools that internal users will benefit from them.

Starting from 2023, the Group changed accounting policy and started to capitalize costs of internally developed software. Research expenditure is written off against profits in the year in which it is incurred.

Events after the balance sheet date

On 7 May 2025 new Articles of association of the Company were adopted by which, among other matters, all rights of all share classes including preference convertible shares (C class shares) were equalized with ordinary (A class shares). As a result, in 2025, the Company will reclassify amount of €489.0 million (note 20), which includes amount paid in and rolled up interest, from liabilities to equity. Unaudited proforma balance sheet reflecting such reclassification if this change occurred in 2024 is presented in Addendum on page 62.

Auditor

In accordance with the company's articles, a resolution proposing that BDO LLP be reappointed as auditor of the Group will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the Directors individually have taken all the necessary steps that they ought to have taken as Directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

The report was approved by the board of Directors and signed on behalf of the board by:

DocuSigned by:
Silvio Kutic
D41A86505D9F454...

S Kutic
Director

16 May 2025
Date: ....

INFOBIP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The financial reporting standard applicable in the UK and Republic of Ireland', and applicable law).

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- State whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- Make judgements and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INFOBIP LIMITED

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's loss for the year then ended;

- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Infobip Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 December 2024 which comprise Group profit and loss account, Group statement of comprehensive income, Group balance sheet, Company balance sheet, Group statement of changes in equity, Company statement of changes in equity, Group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report, other than the annual report and financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Director's resposibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations
Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management, those charged with governance and its internal legal counsel; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations.

we considered the significant laws and regulations to be the applicable accounting framework, Companies Act 2006 and relevant employment and tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation and trading regulations.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit;
- Review of legal expenditure accounts to understand the nature of expenditure incurred; and
- Discussions and confirmations with selected external legal counsel.

Fraud
We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria and by agreeing journals to supporting documentation;
- Assessing significant estimates made by management for bias, particularly in relation to impairment assessment models and
- Testing a sample of revenue throughout the year by agreeing to supporting documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all considered to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Gavin Crawford
0BD8F31DCC5C4CC...

Gavin Crawford (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
Date: 16 May 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

INFOBIP LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 € million	2023 € million
Turnover	3	**1,851.9**	**1,735.0**
Cost of sales		(1,411.1)	(1,333.2)
Gross profit		**440.8**	**401.8**
Administrative expenses		(315.3)	(326.1)
Other operating income		4.7	9.0
Adjusted EBITDA*		**130.2**	**84.7**
Depreciation	11	(14.0)	(12.1)
Amortization and impairment	10	(91.6)	(174.4)
Exceptional items	4	(37.3)	(24.5)
Separately reported items	4	(20.9)	(19.9)
Operating loss	5	**(33.6)**	**(146.2)**
Net interest payable and similar expenses	8	(72.5)	(79.8)
Loss before taxation		**(106.1)**	**(226.0)**
Tax on loss	9	(28.1)	(1.2)
Loss for the financial year		**(134.2)**	**(227.2)**

Loss for the financial year is all attributable to the owners of the parent company.

*Adjusted EBITDA is a non-GAAP measure, being it is not a measure recognized or defined under UK GAAP. The Directors consider that this measure may be helpful to users of the financial statements. Adjusted EBITDA is earnings before interest, tax, depreciation, impairment, amortization, foreign exchange gains and losses, exceptional and separately reported items.

The notes on pages 27 to 61 form part of these financial statements.

INFOBIP LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 € million	2023 € million
Loss for the year	**(134.2)**	**(227.2)**
Other comprehensive (loss)/income		
Currency translation differences	2.2	(4.4)
Taken to hedge reserve	-	(38.7)
Deferred tax effect of hedge	-	10.0
Total comprehensive loss for the year	**(132.0)**	**(260.3)**

Total comprehensive loss for the year is all attributable to the owners of the parent company.

The notes on pages 27 to 61 form part of these financial statements.

INFOBIP LIMITED

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	€ million	2024 € million	€ million	2023 € million
Fixed assets					
Goodwill	10		89.0		161.3
Other intangible assets	10		58.6		46.2
Total intangible assets			**147.6**		**207.5**
Tangible assets	11		61.0		63.8
Investments	12		0.4		0.4
Long-term debtors			0.7		0.7
Total fixed assets			**209.7**		**272.4**
Current assets					
Debtors	15	386.5		410.1	
Cash at bank and in hand		116.8		78.9	
Total current assets		**503.3**		**489.0**	
Creditors: amounts falling due within one year	16	(446.3)		(432.1)	
Net current assets			**57.0**		**56.9**
Total assets less current liabilities			**266.7**		**329.3**
Preference shares treated as liabilities	20		(489.0)		(479.2)
Long term creditors	17		(490.7)		(431.1)
Creditors: amounts falling due after more than one year			**(979.7)**		**(910.3)**
Net liabilities			**(713.0)**		**(581.0)**
Capital and reserves					
Called up share capital	20		84.6		84.6
Share premium account	20		3.6		3.6
Foreign exchange reserve			(5.5)		(7.7)
Share repurchase reserve	20		(9.5)		(9.5)
Merger reserve			(1.5)		(1.5)
Other reserves	20		1.0		1.0
Profit and loss reserves			(785.7)		(651.5)
Total equity			**(713.0)**		**(581.0)**

The financial statements were approved by the board of Directors and authorized for issue on 16 May 2025 and are signed on its behalf by:

DocuSigned by:
Silvio Kutic
D41A86505D5F454...

S Kutic
Director

The notes on pages 27 to 61 form part of these financial statements.

INFOBIP LIMITED

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	€ million	2024 € million	€ million	2023 € million
Fixed assets					
Goodwill	10		20.9		26.1
Other intangible assets	10		40.0		25.0
Total intangible assets			**60.9**		**51.1**
Tangible assets	11		4.4		4.2
Investments	12		294.1		316.9
Total fixed assets			**359.4**		**372.2**
Current assets					
Debtors	15	432.8		340.1	
Cash at bank and in hand		24.6		31.7	
Total current assets		**457.4**		**371.8**	
Creditors: amounts falling due within one year	16	(709.8)		(594.3)	
Net current liabilities			**(252.4)**		**(222.5)**
Total assets less current liabilities			**107.0**		**149.7**
Preference shares treated as liabilities	20		(489.0)		(479.2)
Creditors: amounts falling due after more than one year			**(489.0)**		**(479.2)**
Net liabilities			**(382.0)**		**(329.5)**
Capital and reserves					
Called up share capital	20		84.6		84.6
Share premium account	20		3.6		3.6
Share repurchase reserve	20		(9.5)		(9.5)
Profit and loss reserves			(460.7)		(408.2)
Total equity			**(382.0)**		**(329.5)**

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's loss for the year was €52.5 million (2023: €86.7 million loss).

The financial statements were approved by the board of Directors and authorized for issue on 16 May 2025 and are signed on its behalf by:

DocuSigned by:
Silvio Kutic
D41A86505D5F454...

S Kutic
Director

Company Registration No. 07085757

The notes on pages 27 to 61 form part of these financial statements.

INFOBIP LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital € million	Share premium account € million	Share repurchase reserve € million	Foreign exchange reserve € million	Hedging reserve € million	Deferred tax effect of hedge € million	Merger reserve € million	Other reserves € million	Profit and loss reserves € million	Total € million
Balance at 1 January 2023	**84.6**	**3.6**	**(9.5)**	**(3.3)**	**38.7**	**(10.0)**	**(1.5)**	**1.0**	**(424.3)**	**(320.7)**
Year ended 31 December 2023:										
Loss for the year	-	-	-	-	-	-	-	-	(227.2)	**(227.2)**
Other comprehensive (loss)/income:										
Currency translation differences	-	-	-	(4.4)	-	-	-	-	-	**(4.4)**
Taken to hedge reserve	-	-	-	-	(38.7)		-	-	-	**(38.7)**
Deferred tax effect of hedge	-	-	-	-	-	10.0	-	-	-	**10.0**
Total comprehensive loss for the year	-	-	-	(4.4)	(38.7)	10.0	-	-	(227.2)	**(260.3)**
Balance at 31 December 2023	**84.6**	**3.6**	**(9.5)**	**(7.7)**	**-**	**-**	**(1.5)**	**1.0**	**(651.5)**	**(581.0)**
Year ended 31 December 2024:										
Loss for the year	-	-	-	-	-	-	-	-	(134.2)	**(134.2)**
Other comprehensive (loss)/income:										
Currency translation differences	-	-	-	2.2	-	-	-	-	-	**2.2**
Total comprehensive loss for the year	-	-	-	2.2	-	-	-	-	(134.2)	**(132.0)**
Balance at 31 December 2024	**84.6**	**3.6**	**(9.5)**	**(5.5)**	**-**	**-**	**(1.5)**	**1.0**	**(785.7)**	**(713.0)**

The notes on pages 27 to 61 from part of these financial statements.

INFOBIP LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital € million	Share premium account € million	Share repurchase reserve € million	Profit and loss reserves € million	Total € million
Balance at 1 January 2023	**84.6**	**3.6**	**(9.5)**	**(321.5)**	**(242.8)**
Year ended 31 December 2023:					
Total comprehensive loss for the year	-	-	-	(86.7)	**(86.7)**
Balance at 31 December 2023	**84.6**	**3.6**	**(9.5)**	**(408.2)**	**(329.5)**
Year ended 31 December 2024:					
Total comprehensive income for the year	-	-	-	(52.5)	**(52.5)**
Balance at 31 December 2024	**84.6**	**3.6**	**(9.5)**	**(460.7)**	**(382.0)**

The notes on pages 27 to 61 form part of these financial statements.

INFOBIP LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

		2024		2023
	€ million	€ million	€ million	€ million
Loss for the year after tax		**(134.2)**		**(227.2)**
Adjustments for:				
Taxation (credited)/charged		28.1		1.2
Finance costs		75.2		115.7
Investment income		(2.7)		(35.9)
Amortization and impairment of intangible assets		91.6		174.4
Depreciation of tangible fixed assets		14.0		12.1
Provisions		4.8		-
Write off and provisions for bad debts		28.8		5.0
Foreign exchange losses/(gains)		21.2		(1.0)
Movement in working capital:				
Increase in debtors		(17.4)		(14.9)
Increase in creditors		8.7		48.3
Cash generated from operations		**118.1**		**77.7**
Interest paid		(61.4)		(48.5)
Other investment income received		1.0		0.6
Income taxes paid		(3.1)		(1.4)
Net cash generated from operating activities		**54.6**		**28.4**
Investing activities				
Purchase of intangible assets	(28.6)		(29.8)	
Purchase of tangible fixed assets	(11.0)		(7.1)	
Proceeds on disposal of tangible and intangible fixed asset	0.5		0.4	
Interest received	1.7		0.5	
Net cash (used in) investing activities		**(37.4)**		**(36.0)**
Financing activities				
Repayment in long term borrowings		(4.9)		(4.6)
Increase in long term borrowings		26.9		-
Net proceeds from hedge termination		-		34.8
Net cash generated from financing activities		**22.0**		**30.2**
Net increase in cash and cash equivalents		**39.2**		**22.6**
Cash and cash equivalents at beginning of year		78.9		62.3
Effect of foreign exchange rates		(1.3)		(6.0)
Cash and cash equivalents at end of year		**116.8**		**78.9**

The notes on pages 27 to 61 form part of these financial statements.

1 Accounting policies

Company information
Infobip Limited ("the company") is a private limited company limited by shares, domiciled and incorporated in England and Wales. The registered office is 5th Floor, 35-38 New Bridge Street, London, United Kingdom EC4V 6BW.

The Group consists of Infobip Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in Euros ("€"), which is the functional currency of the company. Monetary amounts in these financial statements are presented in million €, rounded up to the first decimal. Level of rounding has levelled up since the prior year, no material information was lost during this process.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Parent company disclosure exemptions
In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the Group and Parent company would be identical;
- no income statement nor statement of comprehensive income has been prepared for the Parent company;
- no cash flow statement has been prepared for the Parent company;
- disclosures in respect of the Parent company's financial instruments and share-based payment arrangements have not been presented as equivalent disclosures have been provided in respect of the Group as a whole; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the Parent company as their remuneration is included in the totals for the Group as a whole.

1.2 Basis of consolidation

The consolidated financial statements incorporate those of Infobip Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

In the Group and Parent company financial statements, where acquisitions accounting is adopted, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognized as goodwill. Provisional fair values recognized for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

Deferred tax is recognized on differences between the value of assets (other than goodwill) and liabilities recognized in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled.

1 Accounting policies (continued)

1.2 Basis of consolidation (continued)

All financial statements are made up to 31 December 2024. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

All intra-group transactions, balances and unrealized gains on transactions between Group companies are eliminated on consolidation. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Merger accounting

A number of subsidiaries acquired during 2019 are consolidated using the merger accounting method. Their results have been incorporated as if they were always in the Group.

1.4 Going concern

The Directors have assessed the ability of the Group and Company to continue to operate as a going concern. To support this assessment forecasts covering the period to the end of December 2026 have been prepared. These forecasts represent management's best estimate of future trading performance based on expectations and commitments made at the time of signing the financial statements.

In 2021, the Group borrowed USD 500.0 million from its lenders. In March 2024 the Group borrowed additional funds $30.0 million from its lenders. The loan has the same terms as the existing loan. The financial statements show bank loan of €493.7 million. The loan is repayable in September 2026, out of which €4.9 million falling due for repayment within one year of the reporting date. The loan accrues interest at a variable rate equivalent to 3 month USD SOFR plus 6.51%. Issue costs of €18.7 million were incurred, which have been deducted from the initial carrying value and will be charged to profit or loss as part of the interest charge calculated using the effective interest rate method. The cash for this loan was received net of the issue costs. In 2024 €4.1 million (2023: €3.9 million) (Note 8 and Note 17) of loan issue costs was amortized in the year and at year end loan issue costs have been amortized in full. In 2025, the Company initiated negotiations with existing and potential new lenders of refinancing of long term loan (note 17) that is due for repayment in September 2026. The Company expects to complete the refinancing in upcoming months.

The Directors have sensitized the forecasts and considered the extent to which predicted revenues would need to fall to prevent the business from meeting the loan covenant requirements. Forecasts made reflect the market conditions that the management is observing currently. The business has continued to grow in the first three months of this calendar year in line with forecast and with the expected wider market trends. In the opinion of the Directors the downside sensitivity required to breach the loan covenant requirements is not reasonably expected to occur. For that reason, the Directors are satisfied it is appropriate to adopt the going concern basis of accounting in the preparation of the financial statements.

1 Accounting policies (continued)

1.5 Turnover

Turnover is recognized at the fair value of the consideration received or receivable for goods and services provided in the normal course of business and is shown net of VAT and other sales related taxes.

Turnover consists of charges collected for processing SMS messages sent by Infobip clients on the Infobip cloud communications platform, as well as sale of network call services. "Processing" includes receiving, routing and submitting SMS messages for delivery to a mobile operator, who delivers the SMS message to a mobile phone of an individual user (mobile subscriber), who has opted into receiving SMS messages from the Infobip client. "Network call services" include network traffic consisting of local, long distance, and other voice traffic, call initiation and termination services, data transmissions and SMS messaging. An Infobip client can be a bank, online enterprise, social media company, or any other corporate entity that runs communication and engagement programs over mobile phones or performs mobile phone-based authentication and security procedures on a globally distributed user base.

Revenue is recognized in the accounting period in which SMS messages have been delivered or submitted, based on contracted terms, to a mobile phone of an individual user.

Revenue from Software as a Service (SaaS) is recognized as subscription revenue on a straight-line basis over the specific period for which service is agreed, while deferring the remaining revenue, usually on a monthly basis.

Network call services are generally derived from usage which is earned from customers accessing the Company's network. Usage revenue includes voice communication primarily driven by inbound minutes, outbound minutes and toll-free minutes or number of connections to originate or terminate a call. Access to the Company's network is considered a series of distinct services, with continuous transfer of control to the customer, comprising one performance obligation and usage-based fees are recognized in revenue in the period the traffic traverses the Company's network. The Company has elected the accounting policy to recognize revenue at the amount to which it has a right to invoice, which corresponds directly to the value to the customer of the Company's performance completed to date for single performance obligations.

1.6 Research and development expenditure

Starting from 2023, the Group changed its accounting policy and started to capitalize costs of internally developed software. Research expenditure is written off against profits in the year in which it is incurred (see 1.8. Internally generated intangible assets).

1.7 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognized as an asset at cost and is subsequently measured at cost less accumulated amortization and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortized on a systematic basis over its expected life, which is 6 years.

For Peerless goodwill, the Group recognized an impairment in 2023. In 2024 the Group reconsidered its remaining useful life, and as result at the end of 2024 Peerless goodwill was amortized in full. Please see Note 10.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1 Accounting policies (continued)

1.8 Internally generated intangible assets

To assess whether an internally generated intangible asset meets the criteria for recognition, the Group classifies the generation of the asset into:
(a) research phase; and
(b) development phase.

Research phase
No intangible asset arising from research (or from the research phase of an internal project) is recognized. Expenditure on research (or on the research phase of an internal project) is recognized as an expense when it is incurred.

Development phase
The Group recognizes an intangible asset arising from development (or from the development phase of an internal project) if, and only if, an entity can demonstrate all of the following:
(a) Technical feasibility of completing the intangible asset so that it will be available for use or sale;
(b) Its intention to complete the intangible asset and use or sell it;
(c) Its ability to use or sell the intangible asset;
(d) How the intangible asset will generate probable future economic benefits. Among other things, the Group can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
(e) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
(f) Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

If the Group cannot distinguish the research phase from the development phase of an internal project to create an intangible asset, the Group treats the expenditure on that project as if it were incurred in the research phase only.

Measurement
The Group is measuring an intangible asset initially at cost.

Other than direct employee costs, the cost of an internally generated intangible asset comprises also all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management.

All internally generated intangible assets are amortized straight line over a 3 year period.

1.9 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognized at cost and are subsequently measured at cost less accumulated amortization and accumulated impairment losses.

Intangible assets acquired on business combinations are recognized separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortization is recognized so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Licenses, domains and computer programs	Straight line over 3 years
Brand	Straight line over 6 years
Technology	Straight line over 6 years
Trade names	Straight line over 10 years
Internally generated intangible asset	Straight line over 3 years

1 Accounting policies (continued

1.10 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognized so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	Straight line over 3 years
Furniture and fittings	Straight line over 5 years
Office and other equipment	Straight line over 5 years
Servers	Straight line over 4 years
Property and equipment	Straight line over 50 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognized in the profit and loss account.

1.11 Fixed asset investments

Fixed asset investments in the Group are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

In the Parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.12 Impairment of fixed assets

At each reporting period end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognized impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

---

1 Accounting policies (continued

1.13 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.14 Financial instruments

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognized in the Group's balance sheet when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortized cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortized.

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognized in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognized, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognized. The impairment reversal is recognized in profit or loss.

Derecognition of financial assets
Financial assets are derecognized only when the contractual rights to the cash flows from the asset expire or are settled, or when the Group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Factoring
In 2020, the Group has entered into a Master Factoring Agreement with Raiffeisen Bank International, whereby they are executing purchase of selected receivables on a non-recourse basis. The Group accounts for the sale of these receivables as derecognition of financial asset and at the same time establishing provision for fair value of guarantee to Raiffeisen Bank International in the amount of agreed default and dilution reserves.

1 Accounting policies (continued)

1.14 Financial instruments (continued)

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Basic financial liabilities
Basic financial liabilities, including creditors, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognized at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortized.

Debt instruments are subsequently carried at amortized cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognized initially at transaction price and subsequently measured at amortized cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognized when the Group's contractual obligations expire or are discharged or cancelled.

1.15 Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognized as liabilities once they are no longer at the discretion of the Group.

The Group shall recognize the issue of shares or other equity instruments as equity when it issues those instruments and another party is obliged to provide cash or other resources to the entity in exchange for the instruments.

A preference share that provides for mandatory redemption by the Group for a fixed or determinable amount at a fixed or determinable future date or gives the holder the right to require the Group as issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability.

1.16 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies (continued

1.16 Taxation (continued)

Deferred tax

Deferred tax liabilities are generally recognized for all timing differences and deferred tax assets are recognized to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognized if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax balances are not recognized in respect of permanent differences except in respect of business combinations, when deferred tax is recognized on 1) the difference between the fair values of assets acquired and the future tax deductions available for them, and 2) the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.17 Employee benefits

The costs of short-term employee benefits are recognized as a liability and an expense, unless those costs are required to be recognized as part of the cost of stock, fixed assets or internal capitalized development costs.

The cost of any unused holiday entitlement is recognized in the period in which the employee's services are received.

Termination benefits are recognized immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.18 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.19 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme).

1 Accounting policies (continued)

1.19 Share-based payments (continued)

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

1.20 Leased assets

At inception of the arrangement, the Group assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Finance leased assets
Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalized at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Where the implicit rate cannot be determined, the Group's incremental borrowing rate is used.

Operating leased assets
Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

The Group classifies all leases as operating leases.

1.21 Foreign exchange

(a) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'Euros', which is the company's functional and the Group's presentation currency.

On consolidation, the results of overseas operations are translated into Euros at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date, including any goodwill in relation to that entity. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognized in other comprehensive income.

(b) Transactions and balances
Foreign currency transactions are translated into the Group entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

All foreign exchange gains and losses are presented in profit or loss within 'Operating loss' as Separately reported items.

1 Accounting policies (continued)

1.22 Exceptional and separately reported items

Items that are considered material in size and are of a non-operating or a non-recurring nature or are incurred solely as a result of the Group's ownership structure are presented as exceptional items in the Consolidated Statement of Comprehensive Income.

Also, as the Group operates in various international markets with exposure to more than 50 different currencies, with significant effect of foreign currency gains and losses on the Group's financial statements, all foreign exchange gains and losses are presented as separately reported items in the Consolidated Statement of Comprehensive Income.

The Directors are of the opinion that the separate reporting of these items provides a better understanding of the underlying performance of the Group. Events which may give rise to classification of items as exceptional include equity raising, acquisitions, finance transformation and sales of financial assets expenses.

1.23 Provisions

Provisions are recognized when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations might be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as a finance cost.

The provision is recognized as a liability in the balance sheet and as an expense in profit and loss account.

2 Judgements and key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them.

Fair value of share options granted are estimated to be €2.85 to €7.41 per option based on average contractual life of different exit scenarios (IPO short term, IPO long term, sale) using Black Scholes model and volatility based on historical volatilities of selected guideline public companies and expected term of options between 2.4 to 5.7 years. Due to current market conditions, timing of potential vesting event is uncertain and not expected within 12 months from the balance sheet date.

2 Judgements and key sources of estimation uncertainty (continued)

Impairment of investment in subsidiaries of Company

The Company applies Section 27 Impairment of Assets for recognizing impairment of assets, including investment in subsidiaries. The Company performs assessment at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If there is no indication of impairment, it is not necessary to estimate the recoverable amount.

As an indicator of potential impairment, a comparison of NBV of investment and Net asset of the subsidiary is performed and where impairment is identified, based on insufficient future profits, provision is recorded. Future forecasts are uncertain and represent a key source of estimation uncertainty.

Impairment of non-financial assets

Identification of cash generating units involves significant judgement. During this process, management considered various factors, including how they monitor the entity's operations and how they make decisions about continuing or disposing the entity's assets and operations. It was concluded that there are two cash generating units. First is formed by Peerless Network and the other corresponds to the rest of Infobip Group. Differences in facts and circumstances could result in different conclusions being reached. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill, technology and brand recognized by the Group.

Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments, where active market quotes are not available. This involves developing estimates and assumptions consistent with how market participants would price the instrument or asset. Management bases its assumptions on observable data as far as possible, but this is not always available. In that case, management uses the best information available and a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. Estimated fair values may vary from the actual prices.

Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has total amount of tax losses that arose in various tax jurisdiction of €173.6 million that are available for offsetting against future taxable profits of the companies in which the losses arose.

The Group recognized deferred tax asset on tax losses in the amount of €8.8 million incurred by Infobip Nigeria and Infobip APAC (Malaysia) based on an assessment that company will be utilizing tax losses in the future tax returns.

On the remaining amount of tax losses of €164.8 million, no deferred tax asset has been recognized.

Deferred tax assets have not been recognized in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group. The subsidiaries incurring those losses have been loss-making for some time without any positive outlook for future taxable profits, and there are no other tax planning opportunities or other evidence of recoverability in the near future.

If the Group recognized deferred tax assets on all tax losses, loss would decrease and equity would increase by €41.2 million.

3 Turnover and other revenue

The management is focused on revenue per geographical regions, based on revenue generated from customers, categorizing according to their respective locations:

	2024 € million	2023 € million
Turnover analyzed by geographical regions		
Americas	1,051.0	999.5
Europe, Middle East and Africa	465.0	411.5
Asia Pacific and India	335.9	324.0
Total	**1,851.9**	**1,735.0**

An analysis of the geographical area of the Group's turnover based on the location of Infobip's operations is set out as below:

	2024 € million	2023 € million
Turnover analysed by geographical market		
United Kingdom	820.7	773.5
Rest of Europe	55.1	48.2
Rest of World	976.1	913.3
Total	**1,851.9**	**1,735.0**

4 Exceptional and separately reported items

	2024 € million	2023 € million
Exceptional items		
Transformation expenses	9.1	14.3
One-off staff costs	2.8	9.6
Costs of raising finance	0.2	0.2
Integration expenses	1.7	0.3
Equity raising expenses	-	0.1
Provisions	4.8	-
One off bad debt	18.7	-
	37.3	**24.5**
Separately reported items		
Foreign exchange losses	20.9	19.9
	20.9	**19.9**
Exceptional and separately reported items	**58.2**	**44.4**

Transformation expenses mainly relate to costs of one-off projects related to optimizing the go-to-market model, optimizing the geographical footprint and increasing internal efficiency, as well as about €2.0 million (2023: €4.0 million) of office sites closure costs for the vacated offices.

4 Exceptional and separately reported items (continued)

One-off staff costs relate to one-off severance payments in both 2024 and 2023.

Infobip had incurred some one-off costs related to integration of previously acquired companies, and also some one-off costs related to raising new finance in the upcoming period.

Equity raising expenses in 2023 relate to non-recurring legal services related to future equity raising.

One-off bad debt expenses in 2024 relate to exceptional writing off receivables in the voice business from prior periods that, due to outcome of regulatory changes and settlements reached with several big customers, the Group does not now expect to be collected.

Provisions in 2024 relate to one-off claw back provisions arising on the expected settlement with two major customers in respect of historical disputes over certain charges.

5 Operating loss

	2024 € million	2023 € million
Operating loss for the year is stated after charging:		
Exceptional and separately reported items	58.2	44.4
Depreciation of owned tangible fixed assets	14.0	12.1
Amortization of intangible assets	91.6	81.1
Impairment of intangible assets	-	93.3
Research costs	27.8	29.2
Defined contribution pension expense (see note 7)	2.8	16.4
Operating lease charges	8.3	12.0

6 Auditor's remuneration

Fees payable to the company's auditor and associates:

	2024 € million	2023 € million
For audit services		
Audit of the financial statements of the Group and company	1.7	2.3
Audit of the financial statements of the company's subsidiaries	0.3	0.3
Total	**2.0**	**2.6**

7 Employees

The average monthly number of people (including Directors) employed by the Group and Company during the year was:

	Group 2024 Number	2023 Number	Company 2024 Number	2023 Number
Sales	987	1,144	27	39
Support	1,442	1,389	18	19
Development	916	929	7	13
Total	**3,345**	**3,462**	**52**	**71**

Their aggregate remuneration comprised:

	Group 2024 € million	2023 € million	Company 2024 € million	2023 € million
Wages and salaries	167.1	160.2	7.3	5.5
Social security costs	23.6	37.0	1.3	3.8
Pension costs	2.8	16.4	-	0.6
Total	**193.5**	**213.6**	**8.6**	**9.9**
Amounts capitalized	(27.8)	(28.1)	(0.7)	(1.1)
Staff costs charged to profit and loss	**165.7**	**185.5**	**7.9**	**8.8**

Group staff costs of €27.8 million were capitalized in development costs within intangible assets (Note 10) in the year. On the Company level €0.7 million of staff costs were capitalized to intangible assets.

In 2024, the Group reclassified employee contributions for some subsidiaries from Social security costs and Pension costs to Wages and salaries so to unify presentation in the whole group. If same presentation was made in 2023, Group's wages and salaries for 2023 would increase by €20.8 million, while pension costs would decrease by at least €11.9 million, and social security costs would decrease by at least €9.0 million.

Directors' remuneration has been disclosed in Note 22.

8 Net interests payable and similar expenses

	2024 € million	2023 € million
Accrued interests on preference shares	(6.7)	(61.9)
Amortization of capitalized expenses on preference shares	(3.1)	(1.3)
Interest on long term loan	(56.5)	(52.8)
Amortization of capitalized debt raising costs	(4.1)	(3.9)
Net swap interest	-	7.7
Hedge termination	-	34.8
Other financial expenses	(2.1)	(2.4)
Total	**(72.5)**	**(79.8)**

For details on these costs please see Note 17 and Note 20.

9 Taxation

	2024 € million	2023 € million
Current tax		
Tax on losses for the current period	7.8	7.2
(Overdraft) / under draft of current tax of previous period	(1.4)	-
Total current tax charge for the year	**6.4**	**7.2**
Deferred tax		
Origination and reversal of timing differences	(14.7)	(6.0)
Adjustments to deferred tax balances relating to previous periods	1.7	-
Recognition of DTA on tax losses and tax credits carried forward	(2.6)	-
Derecognition of DTA in the US	37.3	-
Total deferred tax charge for the year	21.7	(6.0)
Total tax charge/(credit) for the year	**28.1**	**1.2**

The actual charge/(credit) for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2024 € million	2023 € million
(Loss)/profit before taxation	**(106.1)**	**(226.0)**
Expected tax credit charge based on the standard rate of corporation tax in the UK of 25% (2023: 23.5%)	(26.5)	(53.1)
Tax effect of non deductible expense and non taxable revenue	12.1	21.7
Tax effects of impairment loss	-	21.9
Tax effect of unrecognized deferred tax balances	14.9	11.0
Utilization of tax losses and tax credits on which DTA was not recognized	(7.2)	-
Higher taxes on overseas earnings	(0.2)	0.5
(Overdraft) / under draft of current tax of previous period	(1.4)	(0.8)
Adjustments to deferred tax balances relating to previous periods	1.7	-
Recognition of DTA on tax losses and tax credits carried forward	(2.6)	-
Derecognition of DTA in the US	37.3	-
Tax charge/(credit) for the year	**28.1**	**1.2**

Tax rate changes

The Finance Act 2021 was substantially enacted in May 2021 and has increased the corporation tax rate from 19% to 25% with effect from 1 April 2023. For the financial year ended 31 December 2023, the current weighted averaged tax rate was 23.5%. For the financial year ended 31 December 2024, the 25% rate is used.

UK tax rate change does not have any impact on the deferred tax balances as they are not recognized using the UK tax rate but mostly US tax rate.

Tax effect of expenses that are not deductible in determining taxable profits mainly relates to goodwill amortization and interest on preference shares. Tax effect of unrecognized deferred tax balances mainly relates to non-deductible interest in the UK and USA based on local interest limitation tax rules.

9 Taxation (continued)

The Group has total amount of tax losses that arose in various tax jurisdiction of €173.6 million that are available for offsetting against future taxable profits of the companies in which the losses arose.

The Group recognized deferred tax asset on tax losses in the amount of €8.8 million incurred by Infobip Nigeria and Infobip APAC (Malaysia) based on an assessment that company will be utilizing tax losses in the future tax returns.

On the remaining amount of tax losses of €164.8 million, no deferred tax asset has been recognized.

Deferred tax assets have not been recognized in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group. The subsidiaries incurring those losses have been loss-making for some time without any positive outlook for future taxable profits, and there are no other tax planning opportunities or other evidence of recoverability in the near future.

If the Group recognized deferred tax assets on all tax losses, loss would decrease and equity would increase by €41.2 million.

During the period the Group has derecognized part of deferred tax asset recognized by Infobip INC on goodwill and deferred tax asset on tax losses carried forward by Peerless. This decision was based on the reassessment of the recoverability of these assets. The recoverability assessment involved a detailed analysis of the Group's taxable temporary differences. The assessment concluded that conditions for recognition are no longer met.

The Group is in scope of the OECD Pillar Two model rules. Pillar Two legislation has been enacted in a number of jurisdictions where the Group operates, including United Kingdom, and is effective in 2024.

The Group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to FRS 102 section 29 issued in July 2023.

The Group assessed the potential exposure to Pillar Two income taxes in 2024. Current assessment showed that the Group qualifies for the Transitional CbCR Safe harbor in most of the jurisdictions where it operates. However, there is a small number of jurisdictions that do not meet conditions for application of Transitional CbCR Safe Harbor. The Group performed calculations based on Pillar Two rules and assessed immaterial exposure in the total amount of €50.0 thousand. This amount has been recorded as a current tax expense of Infobip UK.

10 Intangible fixed assets

Group	Goodwill	Licenses, domains and computer programs	Brand and Trade name	Technology	Total
	€ million	€ million	€ million	€ million	€ million
Cost					
At 1 January 2024	446.9	47.5	42.0	44.3	**580.7**
Additions	-	0.2	-	-	**0.2**
Additions - Internally generated	-	28.3	-	-	**28.3**
Disposals	-	(0.1)	-	-	**(0.1)**
Transfer from/to tangible assets	-	1.0	-	-	**1.0**
Exchange adjustments	9.9	0.7	0.5	1.0	**12.1**
At 31 December 2024	**456.8**	**77.6**	**42.5**	**45.3**	**622.2**
Amortization and impairment					
At 1 January 2024	285.6	20.7	35.1	31.8	**373.2**
Amortization charged for the year	73.3	14.6	0.9	2.8	**91.6**
Disposals	-	-	-	-	**-**
Exchange adjustments	8.9	0.5	0.1	0.3	**9.8**
At 31 December 2024	**367.8**	**35.8**	**36.1**	**34.9**	**474.6**
Carrying amount					
At 31 December 2024	**89.0**	**41.8**	**6.4**	**10.4**	**147.6**
At 31 December 2023	**161.3**	**26.8**	**6.9**	**12.5**	**207.5**

Company	Goodwill	Licenses, domains and computer programs	Brand	Technology	Total
	€ million	€ million	€ million	€ million	€ million
Cost					
At 1 January 2024	58.6	40.4	2.8	28.0	**129.8**
Additions	-	0.1	-	-	**0.1**
Additions - Internally generated	-	28.1	-	-	**28.1**
Disposals	-	(0.1)	-	-	**(0.1)**
At 31 December 2024	**58.6**	**68.5**	**2.8**	**28.0**	**157.9**
Amortization and impairment					
At 1 January 2024	32.5	15.4	2.8	28.0	**78.7**
Amortization charged for the year	5.2	13.1	-	-	**18.3**
At 31 December 2024	**37.7**	**28.5**	**2.8**	**28.0**	**97.0**
Carrying amount					
At 31 December 2024	**20.9**	**40.0**	**-**	**-**	**60.9**
At 31 December 2023	**26.1**	**25.0**	**-**	**-**	**51.1**

10 Intangible fixed assets (continued)

On the Group level additions to internally generated intangible assets comprise €27.8 million (2023: €28.1 million) of capitalized internal costs (staff costs) and €0.5 million (2023: €1.4 million) of other external directly attributable costs necessary to create, produce and prepare the assets to be capable of operating in the manner intended by management. On the Company level €0.7 million (2023: €1.1 million) of staff costs and €27.4 million (2023: €28.0 million) of other external costs were capitalized to intangible assets.

Goodwill is tested for impairment when there are indications that an impairment loss has occurred.

The Company has determined that it operates as two cash-generating units (CGUs). One CGU involves legacy Infobip Group (IB). The other CGU is for Peerless Network (PN), telecommunication provider acquired in 2022.

The Group considered the indicators of possible impairment separately for each CGU. In respect of legacy Infobip Group, The Group concluded that no indicators of impairment exist and no impairment test is performed.

In respect of Peerless Network, in 2023 the Group concluded that there are some indicators of impairment and the impairment testing was performed as at 31 December 2023. Based on performed calculations in 2023 it has been concluded that PN goodwill is impaired and impairment charge of €93.4 million was recognized in the profit and loss account for 2023. In 2024 the Group reconsidered Peerless goodwill remaining useful life. As a result at the end of 2024 Peerless goodwill was amortized in full, resulting with €26.5 million higher amortization cost which would have been charged to income statement over remaining period of 3.5 years.

The recoverable amount for a CGU is determined based on its estimated value in use. These estimates are based on cash flow projections, which are based on financial budgets approved by the management covering a five-year period. In the assessment of future cash flows assumptions are made, primarily concerning sales growth and discount rate (WACC). WACC is based on a peer group of similar listed entities. The estimated growth rate and the forecast operating margin are based on the company's budgets and forecasts for the Group.

11 Tangible fixed assets

Group	Assets under construction	Computer equipment	Furniture and fittings	Servers	Property and equipment	Total
	€ million	€ million	€ million	€ million	€ million	€ million
Cost						
At 1 January 2024	1.9	13.0	5.3	31.6	60.0	**111.8**
Additions	11.2	0.2	-	0.3	-	**11.7**
Disposals	-	(0.8)	(0.1)	(0.2)	(0.2)	**(1.3)**
Transfer from/to intangible assets	(9.6)	1.9	0.1	4.2	2.4	**(1.0)**
Exchange adjustments	0.1	-	-	0.4	2.8	**3.3**
At 31 December 2024	**3.6**	**14.3**	**5.3**	**36.3**	**65.0**	**124.5**
Depreciation and impairment						
At 1 January 2024	-	10.7	3.8	22.3	11.2	**48.0**
Depreciation charged for the year	-	2.4	0.7	4.4	6.5	**14.0**
Disposals	-	(0.6)	(0.1)	(0.1)	(0.1)	**(0.9)**
Transfer from / to	-	(0.2)	-	0.2	-	**-**
Exchange adjustments	-	0.1	-	0.3	2.0	**2.4**
At 31 December 2024	**-**	**12.4**	**4.4**	**27.1**	**19.6**	**63.5**
Carrying amount						
At 31 December 2024	**3.6**	**1.9**	**0.9**	**9.2**	**45.4**	**61.0**
At 31 December 2023	1.9	2.3	1.5	9.3	48.8	**63.8**

Company	Assets under construction	Computer equipment	Furniture and fittings	Servers	Property and Equipment	Total
	€ million	€ million	€ million	€ million	€ million	€ million
Cost						
At 1 January 2024	0.4	0.6	0.3	15.4	0.1	**16.8**
Additions	2.7	-	-	-	-	**2.7**
Disposals	-	-	-	(0.1)	-	**(0.1)**
Transfer from / to	(2.7)	-	-	2.7	-	**-**
At 31 December 2024	**0.4**	**0.6**	**0.3**	**18.0**	**0.1**	**19.4**
Depreciation and impairment						
At 1 January 2024	-	0.5	0.3	11.8	-	**12.6**
Depreciation charged for the year	-	0.1	-	2.3	-	**2.4**
Disposals	-	-	-	-	-	**-**
At 31 December 2024	**-**	**0.6**	**0.3**	**14.1**	**-**	**15.0**
Carrying amount						
At 31 December 2024	**0.4**	**-**	**-**	**3.9**	**0.1**	**4.4**
At 31 December 2023	0.4	0.1	-	3.6	0.1	**4.2**

12 Fixed asset investments

	Group 2024 € million	2023 € million	Company 2024 € million	2023 € million
Investments in subsidiaries	-	-	293.8	316.6
Unlisted investments	0.4	0.4	0.3	0.3
Total	**0.4**	**0.4**	**294.1**	**316.9**

Movements in fixed asset investments

Group	Other investments other than loans € million	Total € million
Cost or valuation		
At 1 January 2024	0.4	**0.4**
Additions	-	-
At 31 December 2024	**0.4**	**0.4**
Carrying amount		
At 31 December 2024	**0.4**	**0.4**
At 31 December 2023	**0.4**	**0.4**

Company	Shares in group undertakings € million
Cost or valuation	
At 1 January 2024	316.6
Additions	1.7
Decrease	(0.1)
Impairment	(24.4)
At 31 December 2024	**293.8**
Carrying amount	
At 31 December 2024	**293.8**
At 31 December 2023	**316.6**

The Company has increased its investment in Infobip Nigeria Limited, Infobip Latam S.A., Infobip Tanzania Limited, Infobip Limited (Bangladesh) and Infobip LLC (Saudi Arabia). Decrease relates to dissolving of Infobip Portugal Unipessoal Lda, Netokracija d.o.o. Beograd-ZEMUN, Telefocus Informatica LTDA, Makinatech (Pty) Ltd, Infobip Rwanda Ltd and Compatel d.o.o. Beograd-Novi Beograd in 2024. Impairment relates to value adjustment of investments in Anam Technologies Limited, Infobip Latam S.A., Infobip Brasil Servicos de Valor Adicionado LTDA and Infobip Limited (Bangladesh).

13 Subsidiaries

Details of the Company's subsidiaries, all of which are wholly owned, either directly or indirectly, at 31 December 2024 are as follows:

Name of undertaking	Country of incorporation	Subsidiary address
«Инфобип Казахстан» ЖШС (eng.INFOBIP KAZAKHSTAN LLP)	Kazakhstan	Block 4B, room No. 3-4B-7 (office 703), Nurly Tau Complex, 15 Al-Farabi Avenue, Bostandyk District, 050059 Almaty city, Kazakhstan
ANAM ASIA SDN. BHD.	Malaysia	09-01, Menara K1, No.1 Lorong 3/137C, Off Jalan Kelang Lama, 58000 Kuala Lumpur, W.p. Kuala Lumpur
ANAM TECHNOLOGIES LIMITED	Ireland	Suite 3, One Earlsfort Centre, Lower Hatch Street, Dublin 2
ARD SUAS HOLDINGS LIMITED	Ireland	Suite 3, One Earlsfort Centre, Lower Hatch Street, Dublin 2
BSMART TECH PRIVATE LIMITED	India	10th floor, Wing 'E', Times Square, Marol, Andheri (East), Mumbai – 400059, Maharashtra
COMPATEL AFRICA (Pty) Ltd	South Africa	1st Floor, Building B, Bryanston Corner, 18 Ealing Crescent, Bryanston, Johannesburg, 2191, Gauteng, Republic of South Africa
COMPATEL CHILE LIMITADA	Chile	Avenida Andres Bello, 2687, piso 24, Comuna de Las Condes, Santiago, Chile
COMPATEL COLOMBIA SAS	Colombia	Cl. 93 # 16 - 46 Oficina 702, Bogotá, Colombia
COMPATEL COMMUNICATIONS RO s.r.l.	Romania	Bucharest, 5th-11th Vanatori Street, Demisol Floor, Apt. No. 2, Room no. 1, Office 4, 5th District
COMPATEL INDIA PRIVATE LIMITED	India	10th floor, Wing 'E', Times Square, Marol, Andheri (East), Mumbai – 400059, Maharashtra
COMPATEL KENYA LIMITED	Kenya	L.R. No. 140/36 Piedmont Plaza, Ngong Road, 00100 Nairobi, Kenya
COMPATEL LIMITED	United Kingdom	85 Great Portland Street First Floor London W1W7LT United Kingdom
COMPATEL LLC	United States	28 LIBERTY STREET, NEW YORK, NY, 10005
COMPATEL NIGERIA LIMITED	Nigeria	3, Olakunle Ajibade Street, Off Ogudu-Ojota Road, Ogudu, Lagos, Nigeria
COMPATEL PERU S.A.C.	Peru	Av. de la Floresta 497, Of. 203, San Borja, Lima 41, Peru

13 Subsidiaries (continued)

COMPATEL s.r.o.	Czech Republic	Na Perštýně 342/1, Staré Město, 110 00 Praha 1, Czech Republic
MX-COMPATEL SA de CV	Mexico	Av Paseo de la Reforma 180, Piso 14, Juarez, Cuauhtemoc, 06600 CDMX
COMPATEL TELEKOMÜNİKASYON HİZMETLERİ TICARET LİMİTED ŞİRKETİ	Turkey	MECİDİYEKÖY MAH. ŞEHİT AHMET SK. ADA RESIDANCE NO: 6 -10 İÇ KAPI NO: 70 ŞİŞLİ/ İSTANBUL
"COMPATEL UKRAINE" LLC	Ukraine	Office 505, Nizhnii Val str., 15, Kyiv, 04071, Ukraine
INFOBIP (GHANA) LTD	Ghana	Suite Number 501 Fifth Floor, The Pelican Building, 8th Blohum Street, Dzorwulu Accra-Ghana, GPS: GA-122-4591
INFOBIP LLC	Saudi Arabia	6897 - King Fahd Al Olaya Dist, Riyadh 12211 - 3388, Kindgdom of Saudi Arabia
INFOBIP (PRIVATE) LIMITED	Pakistan	2nd floor, No:208, ISE Towers, 55-B, Jinnah Avenue, Islamabad, Pakistan
INFOBIP (THAILAND) LIMITED	Thailand	ITF Tower, 17th Floor, 140/36 Silom Road, Kwang, Suriyawong, Khet Bangrak, Bangkok 10500, Thailand
INFOBIP (UGANDA) LIMITED	Uganda	Plot 69, Nkrumah Road, 137517 Kampala GPO, Uganda
INFOBIP AFRICA (Pty) Ltd	South Africa	1st Floor, Building B, Bryanston Corner, 18 Ealing Crescent, Bryanston, Johannesburg, 2191, Gauteng, Republic of South Africa
INFOBIP AFRICA EDUCATION TRUST	South Africa	7 Northwold Drive, Saxonwold, Johannesburg, 2196
INFOBIP ASIA PACIFIC Sdn. Bhd.	Malaysia	09-01 Menara K1, No.1, Lorong 3/137 C, Off Jalan Kelang Lama, 58000 Kuala Lumpur, Malaysia
INFOBIP ASIA PACIFIC SDN. BHD. Taiwan Branch	Taiwan	7F., No. 49, Sec. 3, Minsheng E. Rd., Zhongshan Dist., Taipei City 10478, Taiwan (R.O.C.)
INFOBIP AUSTRIA GmbH	Austria	Fleischmarkt 1, 1010 Vienna, Austria
"INFOBIP BH" d.o.o.	Bosnia and Herzegovina	Tesanjska 24 a, 71000 Sarajevo, Bosnia and Herzegovina
INFOBIP BOLIVIA LIMITADA	Bolivia	Calle Federico Zuazo 1598, Zona Central, Edificio Park Inn, Piso 11, La Paz, Bolivia
INFOBIP BRASIL SERVICOS DE VALOR ADICIONADO LTDA	Brazil	Calçada das Margaridas 163, sala 02, Barueri, São Paulo, CEP 06453-038, Brasil & Av. Cândido de Abreu, 70, 8º andar, Centro Cívico Corporate, - Centro Cívico, Curitiba, Paraná, 80530-000, Brasil

13 Subsidiaries (continued)

INFOBIP CHILE LIMITADA	Chile	Avenida Suecia nº 0155, Oficina 1201, Comuna Providencia, Santiago, Chile
INFOBIP CIS LLC	Uzbekistan	87 Kichik Xalqa Yo'li street, Yakkasaroy district, Tashkent, 100022, the Republic of Uzbekistan
INFOBIP COLOMBIA S.A.S.	Colombia	Cr 11 B # 97-56 Oficinas 502-503, Bogotá D.C., Colombia
INFOBIP COMMUNICATIONS INC.	Canada	5410-1333 West Broadway, Vancouver BC V6H 4C1, Canada
INFOBIP COMPANY LIMITED (Vietnamese: CONG TY TNHH INFOBIP)	Vietnam	Level 9, Lim Tower 3, 29A Nguyen Dinh Chieu, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam
INFOBIP COSTA RICA SRL	Costa Rica	Pavas, Rorhmoser del Parque de la Amistad, 275 N, Numero 2486, San Jose, Costa Rica
INFOBIP COTE D'IVOIRE - SUCCURSALE SENEGAL	Senegal	Rue carnot 47-53, BP 1686, Dakar, SENEGAL
"INFOBIP COTE D'IVOIRE" SARL	Côte d'Ivoire	Cocody, 2 Plateaux Vallon, Immeuble Antilope, 1er etage, Porte 64, Cite SOGEFIHA, 01 BP 4651, Abidjan 01, Cote d'Ivoire
INFOBIP d.o.o.	Slovenia	Ameriška ulica 2, 1000 Ljubljana, Slovenia
INFOBIP d.o.o.	Croatia	Istarska 157, 52215 Vodnjan, Croatia
INFOBIP EGYPT LLC	Egypt	Cairo Festival City – New Cairo, Building P3- Second Floor, Office number 211 – Area 96
INFOBIP G.K.	Japan	Cerulean Tower 15th Floor, 26-1, Sakuragaoka-cho, Shibuya-ku, Tokyo, Japan
INFOBIP GLOBAL LIMITED	United Kingdom	85 Great Portland Street First Floor London W1W7LT United Kingdom
INFOBIP GmbH	Germany	c/o Bird & Bird LLP, Maximiliansplatz 22, 80333 Munich, Germany
INFOBIP GULF - FZ LLC	United Arab Emirates	EIB Building No.1, Office 302, Dubai Internet City, P.B 500284, Dubai, United Arab Emirates
INFOBIP INC.	United States	300 Elliott Avenue W, Suite 200, Seattle, WA 98119
INFOBIP INDIA PRIVATE LIMITED	India	10th floor, Wing 'E', Times Square, Marol, Andheri (East), Mumbai – 400059, Maharashtra
INFOBIP INFORMATION TECHNOLOGY (SHANGHAI) LIMITED COMPANY	China	E08, 28th Floor, Aurora Plaza, 99 Fucheng Road, Pudong New Area, Shanghai
Infobip Information Technology Pty Ltd	Australia	Level 8, 210 George Street, Sydney NSW 2000
INFOBIP ISRAEL LTD	Israel	12 Yad Harutzim Street, Tel Aviv 6770005
INFOBIP KENYA LIMITED	Kenya	6th Floor, Marsabit Plaza, LR No 330/676 Ngong Road, P.O. Box 21937 - 00500, Nairobi, Kenya

13 Subsidiaries (continued)

INFOBIP LAB sp. z o.o.	Poland	ul. Świdnicka 40, 2nd floor, 50-024 Wrocław, Poland
INFOBIP LATAM S.A.	Argentina	Marcelo Torcuato de Alvear 636, Piso 9º, C1058AAH Ciudad Autonoma de Buenos Aires, Argentina
INFOBIP LIMITED	Tunisia	Tunis Carthage App 14 Bloc C 2 ème Etage Ariana 2027 Tunisie
INFOBIP LIMITED	Hong Kong	18/F, On Building, 162 Queen's Road Central, Central Hong Kong
INFOBIP Limited	Bangladesh	11th Floor, Type B, 16 Navana Yusuf Infinity, Bir Uttam A K Khandoker Road, Mohakhali C/A, Dhaka 1212, Bangladesh
INFOBIP LIMITED (JORDAN)	Jordan	Unit no. 131, Building No. 194, 3rd floor, Princess Basma St. Abdoun, Amman 11183, Jordan
INFOBIP LLC	South Korea	7th Floor, 38, Seocho-daero 52-gil, Seocho-gu, Seoul, Republic of Korea
INFOBIP LLC	Qatar	Office no. 4, 4th Floor, Tower 4, The Gate, Doha - Qatar, PO Box 10805
INFOBIP MOBILE SERVICES PTE.LTD.	Singapore	171 Tras Street, #05-173A, Union Building, Singapore 079025
"INFOBIP MOBILE SERVICES, SOCIEDAD LIMITADA"	Spain	Calle Infanta Mercedes 31, 2ª planta. Codigo Postal 28020, Madrid, Spain
INFOBIP MYANMAR COMPANY LIMITED	Myanmar	NO. 3/A, BOGYOKE AUNG SAN ROAD, #14-00 JUNCTION CITY TOWER PABEDAN TOWNSHIP, YANGON REGION, MYANMAR
INFOBIP Netherlands B.V.	Netherlands	Piet Heinkade 55, 1019GM Amsterdam
INFOBIP NIGERIA LIMITED	Nigeria	2 Siji Soetan St, off Onikepo Akande St, off Admiralty Way Lekki Peninsula Phase 1, Lagos, Nigeria
INFOBIP PARAGUAY S.A.	Paraguay	Jejui 1036 casi Colon - Asuncion - Paraguay
INFOBIP PERU S.A.C.	Peru	Avenida Dionisio Derteano 184, office n 302, San Isidro, Lima, Peru
INFOBIP PHILIPPINES INC.	Philippines	Unit 1, 15th Floor, The Curve Building, 32nd Street corner 3rd Avenue, Bonifacio Global City, Taguig City 1634
INFOBIP Pty Limited	Australia	Level 8, 210 George Street, Sydney NSW 2000
INFOBIP RDC SARL	Congo	Avenue du Livre 46/B, Gombe, Kinshasa, DRC
INFOBIP S.A.R.L.	Morocco	22 Soumaya street, Shehrazade residence, 5th Floor, 20000 Palmiers-Casablanca, Morocco

INFOBIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

13 Subsidiaries (continued)

INFOBIP S.R.L. CON SOCIO UNICO	Italy	Piazza Sicilia 6, 20146 Milano, Italy
INFOBIP s.r.o.	Slovakia	Rolnicka 187, Bratislava 831 07 , Slovak Republic
INFOBIP s.r.o.	Czech Republic	Na Strzi 1702/65, CZ-14000 Prague - Nusle, Czech Republic
INFOBIP SAS	France	2 rue Pasquier 75008 Paris, France
INFOBIP SERBIA d.o.o.	Serbia	Omladinskih Brigada 90V, sprat 6, Beograd, Novi Beograd, 11073 Beograd,129, Srbija
INFOBIP sp.z o.o.	Poland	ul. Świdnicka 40, 2nd floor, 50-024 Wrocław, Poland
INFOBIP SWEDEN AB	Sweden	c/o Convendum, Biblioteksgatan 29, 114 35 Stockholm, Sweden
INFOBIP SWITZERLAND GmbH	Switzerland	c/o Haussmann Services AG, Bahnhofplatz, 6300 Zug
INFOBIP TANZANIA LIMITED	Tanzania	Sky Tower, 10th Floor-Left Wing, P.O.Box 31227, New Bagamoyo Road, Kijitonyama, Dar es Salaam, Tanzania
INFOBIP TELEKOMUNIKASYON HIZMETLERI TICARET LIMITED SIRKETI	Turkey	MECİDİYEKÖY MAH. ŞEHİT AHMET SK. ADA RESIDANCE NO: 6 -10 İÇ KAPI NO: 70 ŞİŞLİ/ İSTANBUL
INFOBIP ZAMBIA LIMITED	Zambia	Unit 5B, Aquarius House,Katima Mulilo Road, Olympia Park, Lusaka, Zambia
INFOBIPTELCOM S.A.	Ecuador	Av. Republica Oe3-30 e Ignacio de San Maria, Quito, Distrito Metropolitano, Republica de Ecuador
INTLEACHT LIMITED	Ireland	Suite 3, One Earlsfort Centre, Lower Hatch Street, Dublin 2, DUBLIN, Ireland
MOBILE SERVICES CLOUD S.A. de C.V.	Mexico	Av. Paseo de la Reforma 180, Piso 18, Oficina 1805, Col. Juárez, Alcaldia Cuauhtémoc, CP 06600, Ciudad de México, México
Netokracija d.o.o. za računalne usluge	Croatia	Hinka Würtha 4, Zagreb, Croatia
ООО "ИнфоБип СПб" (eng. INFOBIP SPB LLC)	Russian Federation	Street 2-Sovetskaya, 7, Building A, Premises/Room 14-H / 1, 191036 Saint-Petersburg, Russian Federation
OPENMARKET HOLDINGS LLC	United States	1209 Orange Street Wilmington, New Castle Delaware 19801 USA
OPENMARKET LIMITED	United Kingdom	15th Floor 389 Chiswick High Road, London, England, W4 4AJ
OPENMARKET SERVICES INDIA PRIVATE LIMITED	India	Unit No. 304, B Wing, Tower S4, Magarpatta City, Hadapsar, Pune 411013

13 Subsidiaries (continued)

PARSECO LIMITED	United Kingdom	5th Floor, 86 Jermyn Street, London SW1Y 6AW, United Kingdom
PROTEATECH HOLDINGS (Pty) Ltd	South Africa	1st Floor, Building B, Bryanston Corner, 18 Ealing Crescent, Bryanston, Johannesburg, 2191, Gauteng, Republic of South Africa
PT. INFOBIP TECHNOLOGY INDONESIA	Indonesia	Menara Prima, 23rd Floor Unit I, Jl, DR. Ide Anak Agung Gde Agung Block 6.2, Kawasan Mega Kuningan, Jakarta 12950, Indonesia
RAPIDO QUICK SMS PRIVATE LIMITED	India	10th floor, Wing 'E', Times Square, Marol, Andheri (East), Mumbai – 400059, Maharashtra
TAIWAN INFOBIP LIMITED (台灣英富必有限公司)	Taiwan	2nd Floor, No. 1, Second Floor, Section 4, Nanjing East Road, Taipei City
VEGTER SMS SOLUTIONS PRIVATE LIMITED	India	10th floor, Wing 'E', Times Square, Marol, Andheri (East), Mumbai – 400059, Maharashtra
ООО «ИнфоБип» (eng.INFOBIP Limited)	Russian Federation	109544, Russian Federation, Moscow, 2 Bulvar Entuziastov, floor 21, room 1
Peerless Network of Alabama, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Arizona, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Arkansas, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of California, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Colorado, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Connecticut, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Delaware, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of the District of Columbia, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Florida, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Georgia, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Guam, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Hawaii, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Idaho, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Illinois, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Indiana, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Iowa, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607

13 Subsidiaries (continued)

Peerless Network of Kansas, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Kentucky, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Louisiana, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Maine, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Maryland, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Massachusetts, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Michigan, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Minnesota, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Mississippi, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Missouri, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Montana, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Nebraska, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Nevada, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of New Hampshire, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of New Jersey, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of New Mexico, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of New York, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of North Carolina, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of North Dakota, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Ohio, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Oklahoma, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Oregon, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Pennsylvania, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Rhode Island, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of South Carolina, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of South Dakota, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Tennessee, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Texas, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Utah, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607

13 Subsidiaries (continued)

Peerless Network of Vermont, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Virginia, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Washington, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of West Virginia, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Wisconsin, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
Peerless Network of Wyoming, LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
PEERLESS NETWORK INC.	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
PEERLESS NETWORK HOLDINGS INC.	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
AIRUS INC.	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
AIRUS VIRGINIA INC.	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
PEERLESS NETWORK UK LIMITED	United Kingdom	5th Fl, 35-38 New Bridge Street, London EC4V 6BW, UK
WAVENATION LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
PEERLESS ENTERPRISE CLOUD SERVICES LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
PEERLESS CHICAGO DATA CENTER LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
PEERLESS ATLANTA DATA CENTER LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607
AIRUS CLOUD COMMUNICATIONS LLC	United States	433 W. Van Buren Street, Suite 410S, Chicago, IL 60607

The Group has control over the following entities through contractual arrangements: INFOBIP (THAILAND) LIMITED, Thailand (49%); INFOBIP RDC SARL, Congo (70%); INFOBIP (GHANA) LTD, Ghana (70%); VEGTER SMS SOLUTIONS PRIVATE LIMITED, India (99.99%); RAPIDO QUICK SMS PRIVATE LIMITED, India (99.99%); PT. INFOBIP TECHNOLOGY INDONESIA, Indonesia (48,8%); BSMART TECH PRIVATE LIMITED, India (99,99%); INFOBIP PHILIPPINES INC., Philippines (39,2%); INFOBIP TELEKOMUNIKASYON HIZMETLERI TICARET LIMITED SIRKETI, Turkey (99.5%); INFOBIP COMPANY LIMITED (Vietnamese: CONG TY TNHH INFOBIP), Vietnam (49%); INFOBIP LATAM S.A., Argentina (90%); INFOBIP KENYA LIMITED, Kenya (70%); INFOBIP LLC, Saudi Arabia (70%); COMPATEL NIGERIA LIMITED, Nigeria (99%); COMPATEL INDIA PRIVATE LIMITED, India (99%); COMPATEL KENYA LIMITED, Kenya (70%).

14 Financial instruments

Group	2024 € million	2023 € million
Carrying amount of financial assets		
Cash in bank and in hand	116.8	78.9
Debt instruments measured at amortized cost	327.9	340.8
	444.7	419.7
Carrying amount of financial liabilities		
Financial liabilities measured at amortized cost	(1,369.9)	(1,313.5)

Financial assets measured at amortized cost comprise cash at bank and in hand, trade debtors, other debtors and accrued income.

Financial liabilities measured at amortized cost comprise trade creditors, bank loan, preference shares classified as debt, other creditors and accrued expenses.

15 Debtors

	Notes	Group 2024 € million	2023 € million	Company 2024 € million	2023 € million
Amounts falling due within one year:					
Trade debtors		242.2	220.2	85.3	70.4
Corporation tax recoverable		5.0	5.6	-	-
Amounts owed by group undertakings		-	-	290.6	207.7
Other debtors		43.4	44.9	15.8	18.2
Prepayments and accrued income		85.6	118.8	40.9	43.6
		376.2	**389.5**	**432.6**	**339.9**
Deferred tax asset	**18**	10.3	20.6	0.2	0.2
Total		**386.5**	**410.1**	**432.8**	**340.1**

Amounts owed by group undertakings are repayable within one year; however, in relation to one intercompany amount owed by a group undertaking amounting to €70.6 million (2023: €31.6 million) of the total balance of €290.6 million as at 31 December 2024 (2023: €207.7 million), we do not anticipate recalling any funds in the next 12 months.

16 Creditors: amounts falling due within one year

	Notes	Group 2024 € million	2023 € million	Company 2024 € million	2023 € million
Amounts falling due within one year:					
Bank loans		5.1	4.5	-	-
Deferred tax liabilities	18	4.9	(1.9)	-	-
Trade creditors		208.0	228.5	106.5	102.7
Amounts owed to group undertakings		-	-	535.7	450.5
Corporation tax payable		7.0	5.0	0.4	0.1
Other taxation and social security		5.9	6.4	1.8	1.2
Deferred income		20.6	9.1	15.5	4.8
Other creditors		15.8	16.7	1.6	1.1
Accruals		179.0	163.8	48.3	33.9
Total		**446.3**	**432.1**	**709.8**	**594.3**

Amounts owed to group undertakings on Infobip Limited Company relate to intercompany loans received from Infobip Inc. amounting to €229.3 million (2023: €219.6 million) and other intercompany transactions.

17 Long term creditors

	Group 2024 € million	2023 € million	Company 2024 € million	2023 € million
Bank loans	481.2	427.5	-	-
Provisions	7.3	-	-	-
Other long term creditors	2.2	3.6	-	-
Total	**490.7**	**431.1**	**-**	**-**

The maturity of sources of debt finance are as follows:

	Group 2024 € million	2023 € million	Company 2024 € million	2023 € million
In one year or less, or on demand	5.1	4.5	-	-
In more than one year but not more than five years	488.6	437.9	-	-

In 2021 the Group borrowed funds from its lenders. In March 2024 the Group borrowed additional funds $30.0 million from its lenders. The loan has the same terms as the existing loan. The total loan (reporting date carrying amount of €493.7 million) is repayable in September 2026. The loan accrues interest at a variable rate equivalent to 3-month USD SOFR plus 6.51%. Issue costs of €18.7 million were incurred, which have been deducted from the initial carrying value and will be charged to profit or loss as part of the interest charge calculated using the effective interest rate method. The cash for this loan was received net of the issue costs. In 2024 €4.1 million (2023: €3.9 million) of loan issue costs were amortized during the period and at year end loan issue costs have been amortized in full. To secure the loan the Group has pledged its premises in Zagreb and Vodnjan.

Provisions in 2024 relate mainly to one-off claw back provisions amounting to €4.8 million arising on the expected settlement with two major customers in respect of historical disputes over certain charges, as well as provision for legal case amounting to €1.6 million which was settled in January 2025. All provisions arose in 2024.

18 Deferred taxation

Deferred tax assets and liabilities are offset where the Group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances for financial reporting purposes.

Group	Assets 2024 € million	Assets 2023 € million	Liabilities 2024 € million	Liabilities 2023 € million	Net assets 2024 € million	Net assets 2023 € million
Tax losses and tax credits	5.7	-	-	-	**5.7**	**-**
Accelerated capital allowances and other timing differences	12.0	20.6	(12.3)	1.9	**(0.3)**	**22.5**
Subtotal	**17.7**	**20.6**	**(12.3)**	**1.9**	**5.4**	**22.5**
Netting off balances related to the same jurisdiction	**(7.4)**	**-**	**7.4**	**-**	**-**	**-**
Total	**10.3**	**20.6**	**(4.9)**	**1.9**	**5.4**	**22.5**

Deferred tax assets have been recognised in respect of tax losses only by entities where utilisation of these losses is expected in foreseeable future and mostly relate to tax losses from previous periods incurred by Infobip Nigeria and tax credits of Infobip Croatia. Tax losses on which deferred tax asset is recognized do not have an expiry date.

Deferred tax net assets recorded on timing differences mainly relate to amortization of goodwill.

The amount of the net reversal of deferred tax expected to occur on group level in 2025 is €3.2 million, mainly relating to utilization of tax losses carried forward, amortization of goodwill, reversal of timing differences arising on gain on hedge termination and reversal of timing differences relating to bonus accrual.

19 Share-based payments

The Group has two share schemes in place during the year, being the Equity settled share options ("SOP") scheme (as described below) and the General Incentive Plan ("GIP") which is set out further within the share capital note (Note 20).

Equity settled share options schemes

The right to acquire shares in Infobip, will be granted to participants selected by the Committee. Once the criteria attaching to Participant's options have been satisfied, Participant may exercise option granted and acquire the shares.

The vesting conditions of the share options are as follows:

1. In the event that an IPO occurs prior to the fourth anniversary of the date of grant of the Option, the Option shall only become exercisable upon the Fourth Anniversary. In the event that an IPO occurs following the Fourth Anniversary, the Option shall become exercisable immediately following the IPO subject to any Lock in Period.
2. A sale of Infobip occurs when any person or company acquires either: (i) more than 50% of the issued voting rights of Infobip; or (ii) substantially all of the assets and/or business of Infobip.

In the event that a sale of Infobip occurs prior to the Fourth Anniversary, part of Participant's option shall automatically become exercisable immediately prior to, and conditional upon, the sale. The part of option which shall become exercisable will be calculated in accordance with the following percentages:

- if the sale occurs after the 1st anniversary of the grant date, but before the 2nd anniversary of the grant date, option shall become exercisable as to 25% of the shares in respect of which it was granted;
- if the sale occurs after the 2nd anniversary of the grant date, but before the 3rd anniversary of the grant date, option shall become exercisable as to 50% of the shares in respect of which it was granted; and
- if the sale occurs after the 3rd anniversary of the grant date, but before the 4th anniversary of the grant date, option shall become exercisable as to 75% of the shares in respect of which it was granted.

In the event that a sale of Infobip occurs on or following the Fourth Anniversary, option shall automatically become fully exercisable, immediately prior to, and conditional upon, the sale. If no IPO or sale of Infobip takes place within 8 years of the date of the grant of option or if Participant should choose not to exercise options granted during this time, then such option shall lapse.

Details of the share options outstanding during 2024 and 2023 are as follows:

Group	Number of share options		Weighted average exercise price	
	2024	2023	2024	2023
	Number	Number	€	€
Outstanding at 1 January	5,116,140	5,297,907	17.33	25.56
Granted	781,965	543,119	18.00	40.00
Forfeited	(439,624)	(724,886)	30.23	21.32
Outstanding at 31 December	**5,458,481**	**5,116,140**		

During 2024, no options were exercised (2023: nil). The options outstanding at the end of the year have average contractual life of 1.41 years (2023: 1.98).

The Group did not enter into any share-based payment transactions with parties other than employees during the current or prior periods.

No share-based payment charge has been included in the financial statements, in the current or prior period.

20 Share capital and reserves

	Group 2024 € million	2023 € million	Company 2024 € million	2023 € million
Ordinary share capital				
A class ordinary share capital Issued and fully paid				
61,215,978 of £1 each	84.5	84.5	84.5	84.5
B class ordinary share capital Issued and fully paid				
642,188 of £2.88 each	-	-	-	
Class D shares issue				
78,994 of £1 each	0.1	0.1	0.1	0.1
Share premium	3.6	3.6	3.6	3.6
Share repurchase reserve	(9.5)	(9.5)	(9.5)	(9.5)
Total share capital	**78.7**	**78.7**	**78.7**	**78.7**
Other reserves				
Contribution from the parent	1.0	1.0	-	-
Total other reserves	**1.0**	**1.0**	**-**	**-**
Shares classified as debt				
C class ordinary share capital Issued and fully paid				
11,406,703 of £1 each	293.3	293.3	293.3	293.3
Rolled up interest	195.7	185.9	195.7	185.9
Total	**489.0**	**479.2**	**489.0**	**479.2**

A class shares have full rights with regards to voting, participation, capital repayment and dividends. B class shares rank pari passu with the exception that B class shares have no rights in the company with respect to voting.

The Group and Company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Profit and loss account represent cumulative profits or losses, net of dividends paid and other adjustments.
- The foreign currency translation reserve is created when the results of subsidiaries are translated from local functional currency to the Group's presentational currency on consolidation.
- The merger reserve represents the elimination of certain subsidiary share capital and investment figures associated with the acquisition of subsidiary companies completed under merger accounting.

Preference convertible shares relate to Class C shares, issued in 2020. These comprise both nominal share capital and share premium amounting to €300.0 million, decreased by transaction costs amounting to €6.7million. Share premium is not recognized in the financial statements as the shares are classified as a liability. The shares are classified as liabilities as they attract an annual preference dividend of 15% that rolls up and is convertible, alongside the original capital, on certain future events.

At 31 December 2024 total accrued interest on the preference Class C shares reached a cap and amounted to €195.7 million.

20 Share capital and reserves (continued)

On 5 May 2021, Company has issued 78,994 class D shares. Class D shares have no rights with regards to voting and participation.

Following the Reduction of Capital in 2021, the Company carried out the Share Buyback in accordance with section 690 of Companies act which resulted in Share repurchase reserve of €9.5 million.

21 Operating lease commitments

At the reporting end date the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2024 € million	2023 € million	Company 2024 € million	2023 € million
Within one year	7.4	6.9	0.2	-
Between two and five years	10.6	11.9	0.2	-
In over five years	1.1	1.5	-	-
Total	**19.1**	**20.3**	**0.4**	**-**

The Group has capital commitments due within one year amounting to €4.000 (2023: €0.1 million).

22 Related party transactions

Remuneration of key management personnel

Remuneration for Directors and key management personnel is detailed below:

	2024 € million	2023 € million
Directors' remuneration	1.8	0.8
Total	**1.8**	**0.8**

	2024 € million	2023 € million
Directors' remuneration	1.8	0.8
Senior management remuneration	4.5	5.2
Total	**6.3**	**6.0**

All Directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Group are considered to be key management personnel.

Highest paid company Director was paid €749,000 (2023: €254,000).

Transactions with related parties

Entities over which the Group has control, joint control or significant influence comprise joint ventures. Commonly controlled entities comprise entities which are ultimately controlled by the same parties as the Group. Starting from the beginning of 2023 the Group does not have transactions with any entities that qualify as entities under common control.

23 Net debt reconciliation

	1 January 2024 € million	Cash flows € million	Other non-cash changes € million	31 December 2024 € million
Cash at bank and in hand	78.9	39.2	(1.3)	116.8
Bank and other loans	(432.0)	(22.0)	(32.3)	(486.3)
Preference shares	(479.2)	-	(9.8)	(489.0)
Net debt	**(832.3)**	**17.2**	**(43.4)**	**(858.5)**

Cash at bank and in hand includes cash on bank accounts and in hand, without any restrictions.

Other non-cash changes refer to the effect of foreign exchange rates (€1.3 million on Cash at bank and in hand; €28.2 million EUR on Bank and other loans), amortization of capitalized debt raising costs (€4.1 million), accrued interests on preference shares (€6.7 million) and amortization of capitalized expenses on preference shares (€3.1 million).Net debt consists of the loan and preference shares obligations, less cash and cash equivalents.

24 Subsidiary undertaking audit exemptions

The parent, being Infobip Limited has guaranteed the following subsidiaries' liabilities in accordance with section 479C of the Companies Act 2006 (the "Act"):

Company name	Company registration number
OpenMarket Limited	04009908
Infobip Global Limited	08483220
Parseco Limited	09358944
Compatel Limited	07456831
Peerless Network UK Limited	11224440

By guaranteeing the debts, these subsidiaries have relied on the exemption not to have their individual accounts audited for the year ended 31 December 2024, in accordance with section 479A of the Act.

25 Ultimate controlling party

The immediate controlling party of the Group and company is Infobip Holdings Limited, Cayman Islands, and ultimate controlling party of the Group and company is Silvio Kutic.

26 Subsequent events

On 7 May 2025 new Articles of association of the Company were adopted by which, among other matters, all rights of all share classes including preference convertible shares (C class shares) were equalized with ordinary (A class shares). As a result, in 2025, the Company will reclassify amount of €489.0 million (note 20), which includes amount paid in and rolled up interest, from liabilities to equity.

INFOBIP LIMITED

ADDENDUM: UNAUDITED PRO-FORMA BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2024

Unaudited Balance sheet 2024	Group		Company	
	€ million	€ million	€ million	€ million
Fixed assets				
Goodwill		89.0		20.9
Other intangible assets		58.6		40.0
Total intangible assets		**147.6**		**60.9**
Tangible assets		61.0		4.4
Investments		0.4		294.1
Long-term debtors		0.7		-
Total fixed assets		**209.7**		**359.4**
Current assets				
Debtors	386.5		432.8	
Cash at bank and in hand	116.8		24.6	
Total current assets	**503.3**		**457.4**	
Creditors: amounts falling due within one year	(446.3)		(709.8)	
Net current assets		**57.0**		**(252.4)**
Total assets less current liabilities		**266.7**		**107.0**
Long term creditors		(490.7)		-
Creditors: amounts falling due after more than one year		**(490.7)**		**-**
Net liabilities		**(224.0)**		**107.0**
Capital and reserves				
Called up share capital		93.0		93.0
Share premium account		295.2		295.2
Foreign exchange reserve		(5.5)		-
Share repurchase reserve		(9.5)		(9.5)
Merger reserve		(1.5)		-
Other reserves		190.0		189.0
Profit and loss reserves		(785.7)		(460.7)
Total equity		**(224.0)**		**107.0**

On 7 May 2025 new Articles of association of the Company were adopted by which, among other matters, all rights of all share classes including preference convertible shares (C class shares) were equalized with ordinary (A class shares). As a result, in 2025, the Company will reclassify amount of €489.0 million (note 20), which includes amount paid in and rolled up interest, from liabilities to equity. Unaudited proforma balance sheet above reflects such reclassification if this change occurred in 2024.