



Acquisition of myElefant

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Oscar Werner
CEO

Roshan Saldanha
CFO

Thomas Heath
Chief Strategy Officer & Head of Investor Relations



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SEK 4.4bn

revenue in the
past 12 months

SEK 431m

Adj. EBITDA in the
past 12 months

SEK 7.6bn

Market Cap

540+

employees

30+

offices in 30+ countries

Customer engagement through mobile technology

30 billion

engagements per year

Publicly listed on

NASDAQ

in Stockholm



Scalable cloud communications
platform for messaging, voice and video



Serving 8 of the 10 largest
U.S. tech companies

100%

Consumer penetration



Growing, global, multi billion-dollar
CPaaS market



Profitable since our
foundation in 2008



>400% gross profit growth
since IPO in 2015

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Technology evolution in messaging



Next-generation messaging offers a step-change in customer experience

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CPaaS relevance throughout the customer journey

STAGE	Revenue generation	Service enablement	Customer care
OBJECTIVE	Add revenues Reduce churn	Use CPaaS functionality in own apps and products Improve efficiency Reduce cost	Handle customer support Improve customer experience Reduce contact center cost
EXAMPLE PRODUCTS	Rich SMS with dynamic mobile landing page Personalized video to prevent bill shock	One Time Passwords (OTP) Verification Number masking Mobile boarding pass	WhatsApp instead of phone Bots and AI to automate conversations

Playbook for profitable growth

Software-as-a-Service

- Empower businesses to leverage rich and conversational messaging
- Increase our software value-add (CPaaS) in addition to our connectivity offering
- Increase stickiness with maintained scalability

Connectivity

- Ensure leading direct global connectivity without middlemen
- Differentiate through superior quality, scale and reach
- Benefit from market growth and continue to win market share

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Leveraging M&A to meet strategic objectives

Technology & Go To market

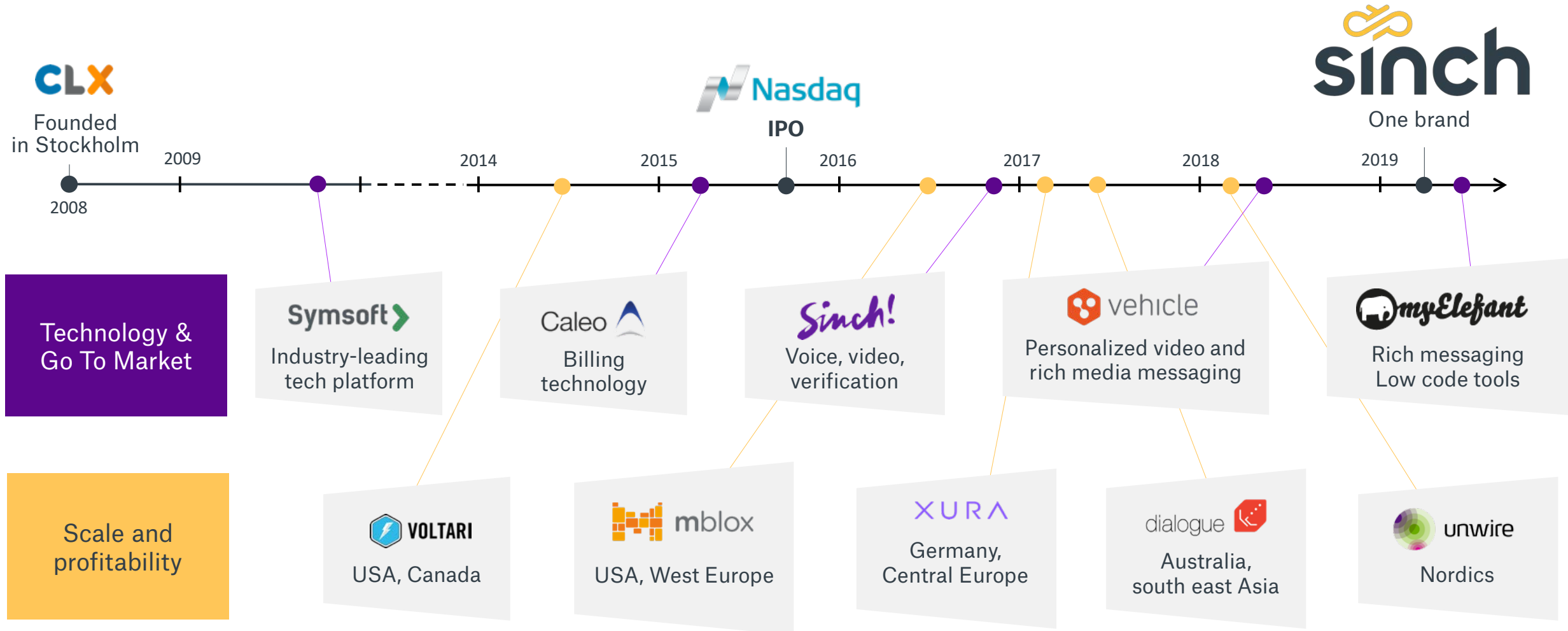
- Complementary technology that fits our strategic product roadmap
- Go To Market-ability in relevant products and geographies
- Increased software value-add with higher gross margin
- Future growth drivers

Scale and profitability

- Acquire sticky customer relationships
- Add direct operator connections in new markets
- Extract synergies by transferring traffic to Sinch's technology platform
- EV/EBITDA-accretive: acquiring profit at a valuation below our own

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Strategic acquisitions



Deal rationale

myElefant

- Founded in 2010
- Cloud-based software platform for mobile engagement using rich, interactive messaging
- Pioneer in the use of mobile landing pages with advanced, real-time analytics
- Team of 41 people in Paris and Bordeaux

Deal rationale

- “Technology and Go To Market”-type acquisition to strengthen product offering and fuel growth
- Increased SaaS value-add in addition to our global connectivity offering
- Step-change in customer experience for both businesses and their customers
- Future growth with extensive cross- and upsell opportunities

Integration

- Migration of myElefant SMS traffic to Sinch direct operator connections
- Full virtualization of runtime platforms
- Ensure technical and operational readiness to launch platform in the USA

Financials

- Sinch pays an upfront EV of EUR 18.5m with performance-based earnout up to EUR 3m in 2 years
- Transaction expected to close in early October
- myElefant recorded revenues of EUR 10.5m, gross profit of EUR 3.1m, and EBITDA of EUR 0.8m in 2018
- Revenue growth of 25 percent in 2018



Low-code mobile engagement platform with real-time analytics

CREATE

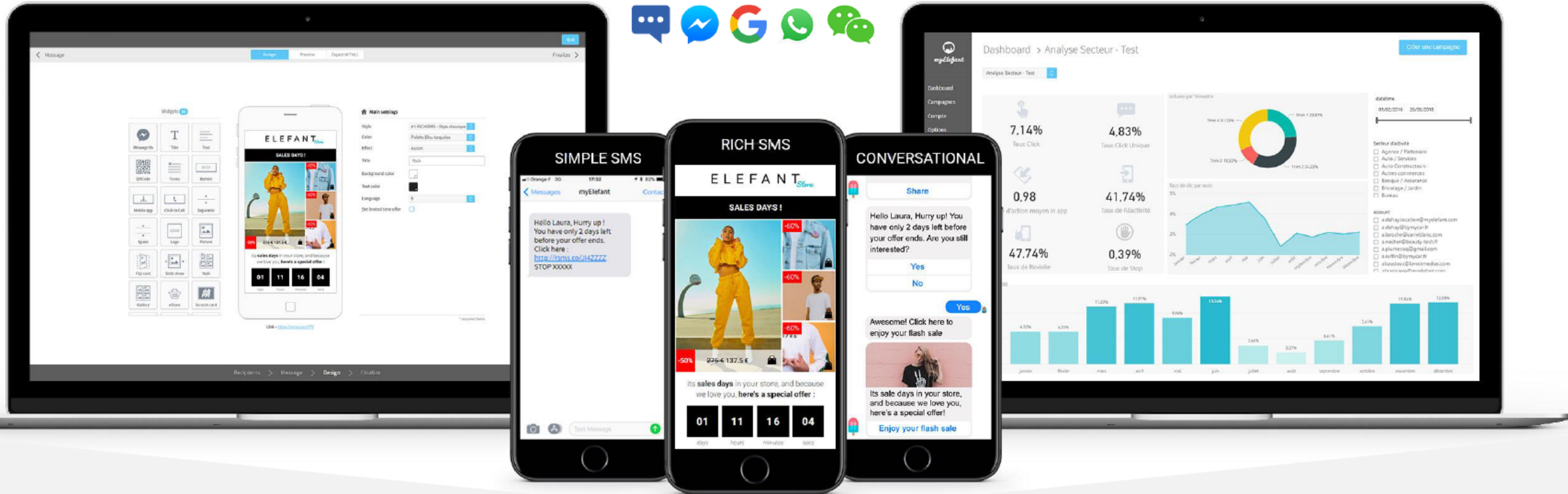
PERSONALIZED INTERACTIONS & RUN RICH AND CONVERSATIONAL CAMPAIGNS

REACH

YOUR AUDIENCE ON ALL MOBILE MESSAGING SERVICES

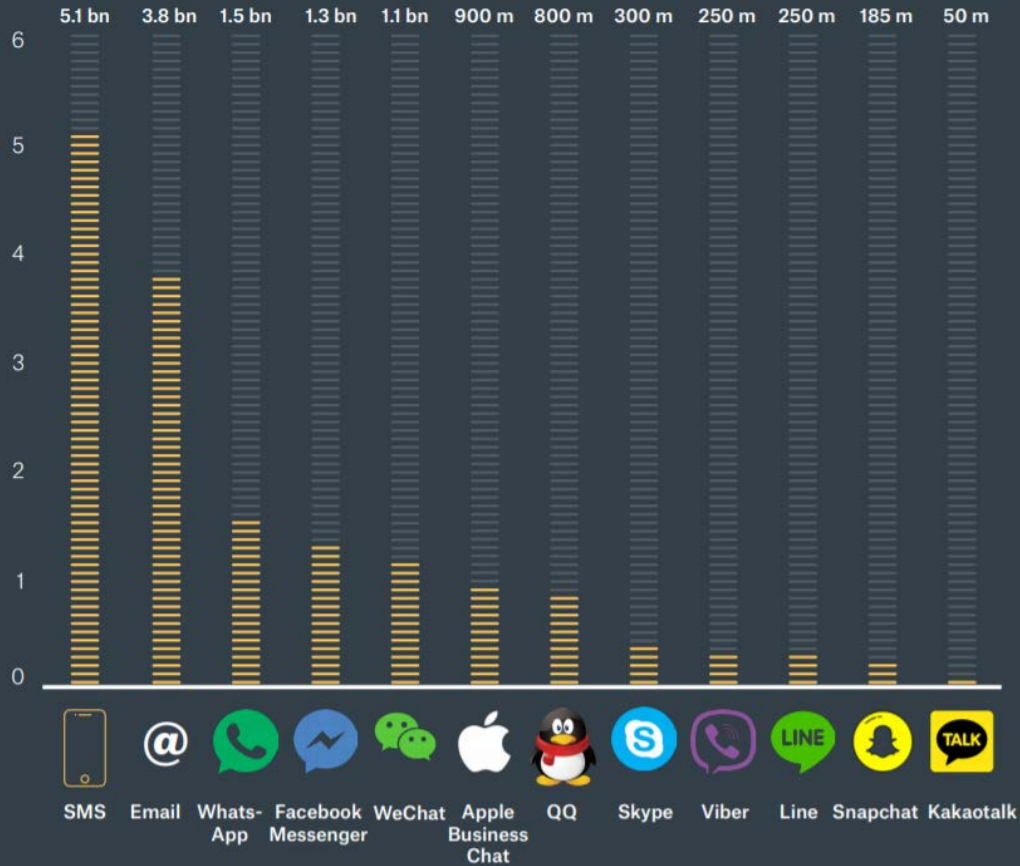
OPTIMIZE

YOUR PERFORMANCE AND INCREASE REVENUE OPPORTUNITIES



User engagement platforms

Unique active users



Rich & interactive messaging that works on all handsets

SMS
Preview to landing page

Rich Media
Image
Video

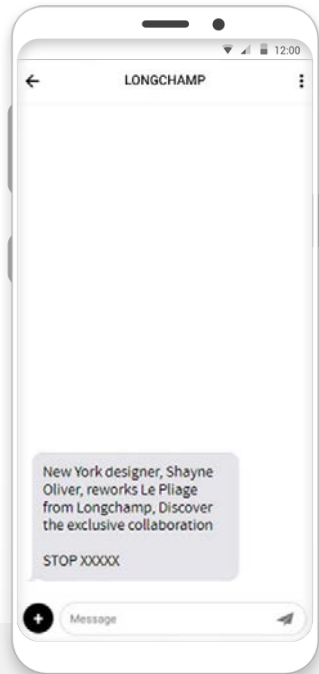
Personalization
Name
Tailored content

Call to Action
Touch interactions
Drive to store

Sinch

Adding value, increasing engagement

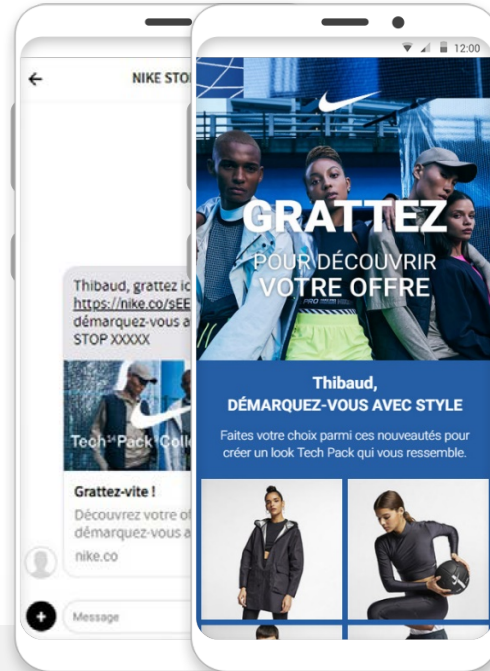
Simple Messages



Average attention span

3 sec 🕒

Rich Messages



Average attention span

45 sec 🕒

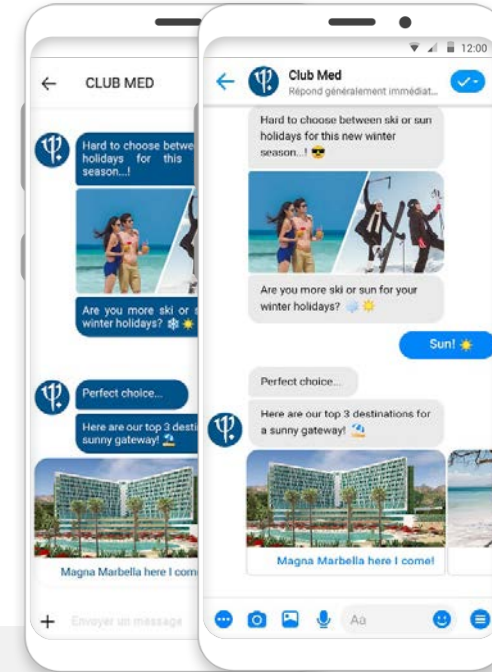
x 15

Media
Image
GIF
Video

Customization
Name
Tailored content

Call to Action
Touch interactions
Drive to store

Conversational Messaging



Secured account
Logo / Verified
Details & contacts

Call to Action
Calls
Calendar
Maps

Interaction
Real-time data

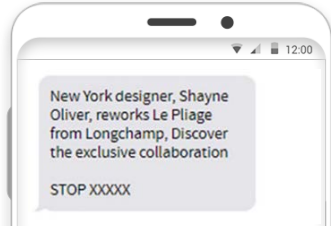
Input
Client message

Average attention span
120 sec 🕒

x 40

Value Added

Pricing based on software value-add



SIMPLE MESSAGES

Value added



Features

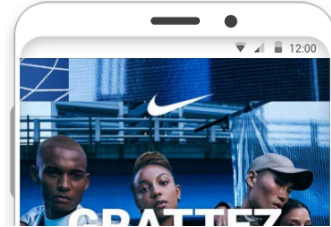
- SMS routing
- Customer journeys & campaign automation

Set-up (optional)

- Tutorials & Training
- CRM connection

Price model

Routing fee per message



RICH MESSAGES

Value added



Features

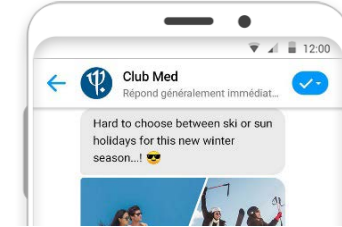
- Rich Message design and campaign site creation
- Customer journeys & campaign automation

Set-up (optional)

- Marketing strategy
- Tutorials & Training
- CRM connection
- Analytic reports customization

Price model

Routing fee + SaaS fee per message



CONVERSATIONAL MESSAGING

Value added



Features

- Conversation patterns with in-app features (agenda, maps, etc)
- Customer journeys & campaign automation

Set-up (optional)

- Marketing strategy
- Tutorials & Training
- CRM connection
- Analytic reports customization

Price model

SaaS fee per conversation

Financial targets

Adjusted EBITDA per share, rolling 12 months



Targets:

- Adjusted EBITDA per share to grow 20% per year
- Net debt < 2.5x adjusted EBITDA over time

Transaction impact:

- The acquisition of myElefant increases Net debt/Adjusted EBITDA by around 0.4x
- Pro forma Net debt/Adjusted EBITDA of around 1.4x following the acquisition



Thanks!

