SEK 19.4bn net sales in the past 12 months

SEK 38bn Market Cap

SEK 1.8bn Adj. EBITDA in the past 12 months

4,294 people

64 countries with local presence

a global leader in cloud communications and mobile customer engagement

Over 150,000 customers

Listed on NASDAQ in Stockholm, Sweden

Scalable cloud communications platform for messaging, email, voice and video

More than 600 billion engagements per year

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

Profitable since our foundation in 2008

100% Consumer penetration

Growing, global, multi-billion USD market

* Consolidated figures as of Q1 2022. Inteliquent, MessageMedia, Pathwire, Wavy and MessengerPeople consolidated less than 12 months.
Adjusted EBITDA per share

- Financial target to grow Adjusted EBITDA per share > 20% per year, measured on R12M basis
- Strategy to combine organic and acquired growth
- Metric is affected by timing of share issues and consolidation of acquired Adjusted EBITDA
- 36% growth in Q1 follows closing of major transactions in late 2021
First quarter highlights

01  Significantly increased scope and scale

- Net sales growing 96%, Gross profit 156% and Adj EBITDA 183%
- Diversified earnings base with Adjusted EBITDA of SEK 760m
- Best-of-breed products for mobile messaging, voice calling and email
- Serving both enterprise customers, developers and SMBs
- L12M proforma Net sales at SEK 24.5bn with GP at SEK 8.0bn

02  Higher margins following acquisitions

- Gross margin at 32% in Q1 22 vs 26% in Q4 21
- Adjusted EBITDA margin at 12% in Q1 22 vs 9% in Q4 21
- Organic revenue growth of 22% (17% proforma organic)
- Organic gross profit growth of 2% (5% proforma organic)

03  Focus areas for 2022

- Increased organic gross profit growth
- Ensure costs grow in line with gross profit in Messaging and group functions over time
- New operating model with full P&L responsibility for Business Unit Presidents
- Cross sales of messaging, voice and email products
Gross profit evolution

• Minimum commitment to a multinational global mobile operator signed mid-2021 causing a 2% negative impact on GP in Q1 2022
• Unable to immediately pass on full carrier price increases in Brazil and India
• Price adjustments causing new sales to contribute lower margins than existing business
• Trading environment similar to Q4 2021
Opex development

- Slower opex growth in 2020 due to Covid-19 outbreak
- Increased opex base during 2021
  - Sales & product initiatives
  - Preparations for upcoming, large acquisitions
  - Businesses acquired during 2022 adding further Opex
- 7% opex growth in Sinch+Wavy from Q4 21 to Q1 22, mostly due to currency movements
• 25% transaction growth, 23% organic net sales growth, -1% organic gross profit growth

• COGS increases, price adjustments towards large customers and volume commitments affect gross margin

• MessageMedia contribution offsets organic gross margin decline

• 8,600 new MessageMedia customers in Q1

• 29% revenue growth in local currencies and 24% GP growth in MessageMedia compared to Q1 21
• Inteliquent contributes most of the business in Voice & Video
• 1% revenue growth in local currencies and -1% GP growth in Inteliquent compared to Q1 21
• 9% impact on gross profit growth from price regulation of US toll free calling (8YY reform)
• Sites deployed in Europe with 3 new customers in Q1
• High profitability with Adjusted EBITDA at 24% of revenues
• Organic GP growth of 84% with return to positive EBITDA
Email segment created upon closing of Pathwire acquisition

- 27% revenue growth in local currencies and 18% GP growth in Pathwire compared to Q1 21

- Gross margin affected by investment in scalability (hiring & cloud hosting vendor migration)

- High profitability with an Adjusted EBITDA margin at 37%

- Two cross sales contracts signed in Q1 where enterprise customers in Messaging now use Sinch Email

- Continued cross sales in Q2 including a top-10 global technology company
Operators

• 17% organic revenue growth in local currencies and 12% organic GP growth compared to Q1 21
• Strong performance in Messaging Interconnect services to mobile operators
• Adjusted EBITDA margin stable at 9% (8%) despite -7 MSEK impact from volume commitments
• Operator business will be included in Messaging segment after upcoming Sinch reorganization into Business Unit structure
New operating model

**Business Unit**

- **Enterprise & Messaging**
  - President: Anders Olin
  - Financials:
    - 46% of proforma GP*
    - 23% gross margin*
    - 17% GP growth in 2021**
  - Focus 2022:
    - Gross profit growth recovery & attention to gross margins
    - Ensuring opex grows in line with gross profit
    - Cross sales of other products to large enterprise customers
  - Voice:
    - President: Ed O’Hara
    - Financials:
      - 32% of proforma GP
      - 46% gross margin*
      - 7% GP growth in 2021
    - Focus 2022:
      - Sales efforts & product development to accelerate voice sales to enterprise customers
      - Cross sales of voice and messaging
      - International expansion
      - 8YY reform

- **Developer & Email**
  - President: Will Conway
  - Financials:
    - 11% of proforma GP
    - 77% gross margin*
    - 30% GP growth in 2021
  - Focus 2022:
    - Continued focus on profitable growth
    - Cross sales of Email to Sinch enterprise customers
    - Cross sales of SMS to Pathwire developer community
    - SMB:
      - President: Eduardo Henrique
      - Financials:
        - 11% of proforma GP
        - 62% gross margin*
        - 28% GP growth in 2021
      - Focus 2022:
        - Continued growth in the United States through new customer acquisition
        - Integration of SMS backend to Sinch global platform
        - Extension of omnichannel capabilities leveraging Sinch Conversation API
  - Applications:
    - President: Eduardo Henrique
    - Financials:
      - Currently included in Messaging
  - SMB:
    - President: Paul Perrett
    - Financials:
      - 11% of proforma GP
      - 62% gross margin*
      - 28% GP growth in 2021

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* Applications is currently included in Enterprise & Messaging  ** Including Applications. Excluding ACL (India) and Wavy (Brazil)

SMB = Small and Medium-sized Businesses
Financials
Income statement

<table>
<thead>
<tr>
<th>SEKm</th>
<th>Q1 2022</th>
<th>Q1 2021</th>
<th>2021 R12M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>6,550</td>
<td>3,350</td>
<td>16,177</td>
</tr>
<tr>
<td>Cost of goods sold and services</td>
<td>-4,454</td>
<td>-2,530</td>
<td>-12,244</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>2,096</td>
<td>820</td>
<td>3,933</td>
</tr>
<tr>
<td>Other operating income</td>
<td>135</td>
<td>33</td>
<td>192</td>
</tr>
<tr>
<td>Work performed by the entity and capitalized</td>
<td>84</td>
<td>19</td>
<td>98</td>
</tr>
<tr>
<td>Other external costs</td>
<td>-590</td>
<td>-238</td>
<td>-1,306</td>
</tr>
<tr>
<td>Employee benefits expenses</td>
<td>-940</td>
<td>-400</td>
<td>-1,837</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>-137</td>
<td>-41</td>
<td>-249</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>648</td>
<td>192</td>
<td>831</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>-554</td>
<td>-95</td>
<td>-673</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>95</td>
<td>97</td>
<td>158</td>
</tr>
<tr>
<td>Net finance income/expenses</td>
<td>16</td>
<td>89</td>
<td>1,039</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>111</td>
<td>186</td>
<td>1,197</td>
</tr>
<tr>
<td>Income tax</td>
<td>-23</td>
<td>-45</td>
<td>-289</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td>88</td>
<td>141</td>
<td>908</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>760</td>
<td>269</td>
<td>1,322</td>
</tr>
<tr>
<td>Adjusted EBIT</td>
<td>647</td>
<td>243</td>
<td>1,161</td>
</tr>
</tbody>
</table>

- Adjusted EBITDA is different from EBITDA primarily due to acquisition costs, integration costs, and share-based incentive plans.
- Depreciation & amortization includes non-cash amortization related to acquired entities.
- Increased non-cash amortization in Q1 22 after acquisitions in Q4 21.
# Reconciling Cash flow with Adjusted EBITDA

<table>
<thead>
<tr>
<th></th>
<th>Q1 2022</th>
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<th>2021</th>
<th>R12M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EBITDA</td>
<td>760</td>
<td>269</td>
<td>1,322</td>
<td>1,814</td>
</tr>
<tr>
<td>Paid interest</td>
<td>-49</td>
<td>-11</td>
<td>-34</td>
<td>-63</td>
</tr>
<tr>
<td>Paid taxes</td>
<td>-99</td>
<td>-57</td>
<td>-253</td>
<td>-295</td>
</tr>
<tr>
<td>Other items</td>
<td>-46</td>
<td>25</td>
<td>153</td>
<td>73</td>
</tr>
</tbody>
</table>

**Cash flow before changes in working capital**

<p>| | | | | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td></td>
<td>566</td>
<td>226</td>
<td>1,188</td>
<td>1,528</td>
</tr>
</tbody>
</table>

Cash flow before changes in working capital / Adjusted EBITDA

<p>| | | | | |</p>
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<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>74%</td>
<td>84%</td>
<td>90%</td>
<td>84%</td>
</tr>
</tbody>
</table>

- High conversion of Adjusted EBITDA to cash flow before changes in working capital
## Cash flow

<table>
<thead>
<tr>
<th>SEKm</th>
<th>Q1 2022</th>
<th>Q1 2021</th>
<th>2021</th>
<th>R12M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow before changes in working capital</td>
<td>566</td>
<td>226</td>
<td>1,188</td>
<td>1,528</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>-426</td>
<td>361</td>
<td>-859</td>
<td>-1,646</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td>140</td>
<td>587</td>
<td>329</td>
<td>-118</td>
</tr>
<tr>
<td>Net investments in property, plant and equipment and intangible assets</td>
<td>-129</td>
<td>-39</td>
<td>-178</td>
<td>-268</td>
</tr>
<tr>
<td>Change in financial receivables</td>
<td>-6</td>
<td>6</td>
<td>-4</td>
<td>-16</td>
</tr>
<tr>
<td>Acquisition of Group companies</td>
<td>-38</td>
<td>-505</td>
<td>-28,877</td>
<td>-28,409</td>
</tr>
<tr>
<td><strong>Cash flow from investing activities</strong></td>
<td>-173</td>
<td>-538</td>
<td>-29,058</td>
<td>-28,693</td>
</tr>
<tr>
<td>Borrowings, bank and bond loans</td>
<td>8,476</td>
<td>0</td>
<td>10,846</td>
<td>19,321</td>
</tr>
<tr>
<td>Amortization of bank loans</td>
<td>-8,939</td>
<td>-21</td>
<td>-313</td>
<td>-9,230</td>
</tr>
<tr>
<td>Amortization lease liability</td>
<td>-26</td>
<td>-10</td>
<td>-55</td>
<td>-70</td>
</tr>
<tr>
<td>New issue/warrants</td>
<td>29</td>
<td>37</td>
<td>15,976</td>
<td>15,967</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>-460</td>
<td>6</td>
<td>26,454</td>
<td>25,988</td>
</tr>
<tr>
<td><strong>Cash flow for the period</strong></td>
<td>-493</td>
<td>55</td>
<td>-2,276</td>
<td>-2,823</td>
</tr>
<tr>
<td>Opening cash and cash equivalents</td>
<td>1,871</td>
<td>3,213</td>
<td>3,123</td>
<td>3,200</td>
</tr>
<tr>
<td>Exchange rate differences</td>
<td>-153</td>
<td>22</td>
<td>1,024</td>
<td>849</td>
</tr>
<tr>
<td><strong>Closing cash and cash equivalents</strong></td>
<td>1,226</td>
<td>3,200</td>
<td>1,871</td>
<td>1,226</td>
</tr>
</tbody>
</table>

- Change in working capital affected by late payments from a few major customers and return to normal Accounts Payable level
- R12M change in working capital affected by ca SEK 500m addition of working capital within acquired businesses
- Strong financial profile with diversified earnings pool
Days outstanding

Days Sales Outstanding

Days Payable Outstanding

• Must relate balance sheet items to proforma L12M revenues to correctly calculate DSO and DPO

• Limited change to DSO in last year and quarter
• Decreased DPO in Q1 reflects return to normal level
Financial targets

Targets:
• Adjusted EBITDA per share to grow 20% per year
• Net debt < 3.5x adjusted EBITDA over time

Performance:
• Adjusted EBITDA per share grew 36% in Q1 22, measured on a rolling 12 month basis
• Proforma Net debt/EBITDA of 3.1x excl. IFRS 16-related leases
Thank you!

To get in touch, contact:
Ola Elmeland, Investor Relations Director
investors@sinch.com