



Press Release

Stockholm September 26, 2019

Sinch strengthens SaaS offering with myElefant acquisition

Stockholm, Sweden – Sinch AB (publ) – XSTO: SINCH

Sinch AB (publ), a global leader in cloud communications for mobile customer engagement, has entered into a definitive agreement to acquire myElefant SAS for an upfront cash consideration of EUR 18.5 million with an additional cash earnout of up to EUR 3 million within two years if certain gross profit targets are met.

Founded in Paris in 2010, myElefant has built a cloud-based software platform for mobile engagement using rich, interactive messaging. Its low-code design tools let businesses create immersive media experiences with minimal coding or development resources. The company has pioneered the use of mobile landing pages and is an early adopter of conversational messaging technologies like RCS, Facebook Messenger, and WhatsApp.

“Through advanced yet easy-to-use software, myElefant has successfully shown how next-generation messaging can drive tangible and measurable business outcomes. With myElefant as a part of Sinch, we can offer our global customer base and established ecosystem partners a sophisticated software platform, with powerful real-time analytics, that offers a step-change in customer experience”, comments Oscar Werner, CEO of Sinch.

The myElefant SaaS (Software-as-a-Service) platform is currently used by more than 160 enterprise customers. Advanced mobile landing pages, that are unique to each recipient, let businesses combine the unrivalled, 100 percent reach of SMS with the rich media capabilities, interactivity, and analytics that a web page can offer. Customers include leading brands such as Orange, Nespresso and Nissan. In 2018, myElefant generated revenues of EUR 10.5 million, Gross Profit of EUR 3.1 million, and EBITDA of EUR 0.8 million. Year-on-year revenue growth was 25 percent. The myElefant team consists of 41 persons in Paris and Bordeaux.

“We see rising demand from businesses who want to use messaging to transform their customer journey. Together with Sinch, we gain the scale and reach to compete on a truly global basis. We’re excited to join forces and together pursue the market opportunities that we now see emerging”, comments myElefant President and co-founder, Cyril Puget.

The transaction is expected to close in early October 2019 and will be financed using Sinch’s available credit facilities. Handelsbanken Capital Markets is serving as a financial advisor to Sinch for the acquisition.

Sinch has a financial target to maintain net debt/adjusted EBITDA below 2.5x over time. As of Q2 2019, net debt/adjusted EBITDA was 1.0x when measured on a rolling, twelve-month basis. The acquisition of myElefant increases Sinch net debt/adjusted EBITDA by around 0.4x, which implies that Sinch pro forma net debt/adjusted EBITDA rises to around 1.4x following the acquisition.

Conference call and webcast

A conference call for analysts and investors will take place today, September 26, at 09.00 CET. Please dial in a few minutes before the call to ensure that you are connected.

Access code: 7779788

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The live webcast will be available at investors.sinch.com/webcast.

Presentation materials will be available at investors.sinch.com.

**For further information, please contact**

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About Sinch

Sinch brings businesses and people closer with tools enabling personal engagement. Its leading cloud communications platform lets businesses reach every mobile phone on the planet, in seconds or less, through mobile messaging, voice and video. Sinch is a trusted software provider to mobile operators, and its platform powers business-critical communications for many of the world's largest companies. Sinch has been profitable and fast-growing since its foundation in 2008. It is headquartered in Stockholm, Sweden, and has local presence in more than 30 countries. Shares are traded at NASDAQ Stockholm: XSTO:SINCH. Visit us at sinch.com.

About myElefant

Founded in Paris in 2010, by Jean Philippe Gallet and Cyril Puget, the French startup myElefant publishes a mobile messaging SaaS platform that allows brands to improve their customers' engagement across all mobile messaging channels. The company, pioneering the use of Rich SMS, is one of the first to adopt conversational messaging technologies such as RCS, Facebook Messenger and WhatsApp. Find out more at myelefant.com.

Important information

This communication may contain certain forward-looking statements. Such statements are all statements that do not relate to historical facts and include expressions such as "believe", "estimate", "anticipate", "expect", "assume", "predict", "intend", "may", "presuppose", "should" or similar. The forward-looking statements in this release are based on various estimates and assumptions that in several cases are based on additional assumptions. Although Sinch believes these assumptions were reasonable when made, such forward-looking statements are subject to known and unknown risks, uncertainties and other important factors that are difficult or impossible to predict and that are beyond Sinch's control. Such risks, uncertainties and important factors could cause the actual results to differ materially from the results expressly or implicitly indicated in this communication through the forward-looking statements. The information, perceptions and the forward-looking statements in this release apply only as of the date of this release and may change without notice.

This information is information that Sinch AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the contact person set out above, at 07:30 CET on September 26, 2019.