

YEAR-END REPORT, JANUARY–DECEMBER 2024

Focused on the path ahead

October – December 2024

- Net sales increased by 3 percent to SEK 7,729m (7,532).
- Gross profit increased by 2 percent to SEK 2,582m (2,526).
- EBITDA declined by 63 percent to SEK 307m (818) and was negatively affected by a one-time charge for historical tax exposure of SEK 700m.
- Adjusted EBITDA increased by 1 percent to SEK 1,003m (996).
- Loss after tax for the quarter amounted to SEK -324m (145) and was negatively affected by a one-time charge for historical tax exposure of SEK 700m.
- Basic earnings per share were SEK -0.38 (0.17) and diluted earnings per share were SEK -0.38 (0.17).
- Cash flow from operating activities amounted to SEK 905m (727).

Significant events during the quarter

- Sinch announced new financial and sustainability targets. See page 7.
- Sinch held its first Capital Markets Day on 20 November. Materials from the day are available on [Sinch's IR website](#).
- Juniper Research named Sinch an RCS Business Messaging Leader and Sinch reached 1bn sent RCS messages in 2024.
- Sinch completed the early redemption of the outstanding 2019/2024 bond of SEK 673m.
- Sinch announced that CFO Roshan Saldanha will be leaving Sinch in March 2025 for a similar position in another industry.

Significant events earlier this year

- Sinch's new operating model and organization became operational on 1 January 2024.
- Sinch was recognized as a 2024 Gartner Magic Quadrant Leader for CPaaS.

January – December 2024

- Net sales decreased marginally to SEK 28,712m (28,745).
- Gross profit increased by 2 percent to SEK 9,685m (9,542).
- EBITDA declined by 13 percent to SEK 2,665m (3,074) and was negatively affected by a one-time charge for historical tax exposure of SEK 700m in Q4.
- Adjusted EBITDA decreased by 1 percent to SEK 3,586m (3,637).
- Sinch reported a loss after tax of SEK -6,413m (42), an outcome that was negatively affected by an impairment of goodwill of SEK 6,000m in Q3 and a one-time charge for historical tax exposure of SEK 700m in Q4.
- Basic earnings per share were SEK -7.60 (0.05) and diluted earnings per share were SEK -7.60 (0.05).
- Cash flow from operating activities amounted to SEK 2,944m (1,788).

Significant events after the end of the quarter

- Sinch has appointed Jonas Dahlberg as new Chief Financial Officer. Jonas Dahlberg has a background from Transcom, Sweco and McKinsey and will start no later than 1 April 2025.
- Additionally, Thomas Heath, Sinch's Chief Strategy Officer, has decided to step down from his position from 1 April 2025.
- Sinch announced a partnership around network APIs with Aduna, a JV between Ericsson and leading telecom operators.
- Sinch has secured a new 2-year USD 100m loan from Danske Bank, with proceeds used to refinance existing loans.
- Sinch announced that the company has reassessed its position for historical non-income based taxes. Consequently, the company has recorded a one-time provision of SEK 700m during the fourth quarter since it is considered probable that a liability existed as per 31 December, 2024.

Sinch Group, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Net sales	7,729	7,532	28,712	28,745
Gross profit	2,582	2,526	9,685	9,542
Gross margin	33%	34%	34%	33%
EBITDA	307	818	2,665	3,074
EBITDA margin	4%	11%	9%	11%
Adjusted EBITDA	1,003	996	3,586	3,637
Adjusted EBITDA margin	13%	13%	12%	13%
Cash flow from operating activities after investments	734	574	2,355	1,159
Net debt/Adjusted EBITDA R12M, multiple	1.5	2.0	1.5	2.0
Adjusted EBITDA/share, SEK	1.18	1.18	4.22	4.30

COMMENTS FROM THE CEO

Focused on the path ahead

This November we presented our strategy to reaccelerate growth at our inaugural Capital Markets Day. We described how we address a global, USD 85 billion market for Digital Customer Communications, and we detailed four specific growth levers that will help drive increased growth in years ahead.

We also announced new financial targets that map to this ambition. By the end of 2027, our target is to reach year-on-year organic growth in Net sales and Gross profit of 7–9 percent, and an adjusted EBITDA margin of 12–14 percent.

Much of 2024 has been about preparing our business for this inflection point and enabling the organization to deliver towards a higher ambition. 1 January 2024 marked the start of a new beginning as we transitioned from product-specific business units to a new organization where regional go-to-market teams are backed by a global technology organization and can offer our customers the full breadth of our capabilities.

As we noted when presenting earnings for the third quarter, we anticipated continued near-term headwinds with flat or slightly negative gross profit growth on a year-on-year basis. As we close the year, I'm pleased to say we hit the upper end of that range in Q4 with organic year-on-year revenue growth of 3 percent and organic gross profit growth of 1 percent. We have improved performance in EMEA and have made significant progress with our Network Connectivity products in North America where gross profit growth was negative in the earlier parts of the year. Successful supplier negotiations and the passing on of remaining price increases have been instrumental to this achievement.

Performance in API Platform remains impacted by negative development in SMS, but we are optimistic that initiatives now underway will improve performance and that the gradual uptake of RCS messaging presents a very tangible growth vector for our overall messaging business.

Looking at 2024 in its entirety, we delivered unchanged organic revenues, 2 percent growth in gross profit and a 12 percent adjusted EBITDA margin. Profitability was aided by efficiency measures that yielded gross annual run-rate savings of SEK 352 million, on time and above the targeted SEK 300 million ambition.

We also delivered strong cash flow. Full-year Cash flow from operating activities totalled SEK 2.9 billion, and the corresponding figure after investments was SEK 2.4 billion. Strong cash generation contributed to continued deleveraging, with year-end Net debt/Adjusted EBITDA declining from 2.0x in 2023 to 1.5x when we closed 2024.

Maintaining control of cost and cash flow allows us to maintain healthy profitability while directing more resources to growth initiatives.



Looking ahead into 2025, our focus is now on delivering towards our mid-term financial targets. It is important to note that our reassessed position around historical non-income based taxes will not impact our ability to meet these targets.

As we highlighted at our CMD, we have kicked off initiatives around our four key growth levers, which are Enterprise expansion, Self-serve capabilities, RCS and email, and Partners and ecosystems.

I'm pleased to report that we have already made progress in several of these areas. RCS messaging is gaining momentum and we signed multiple agreements in the fourth quarter with mobile operators in Europe and North America that extend our reach and enable businesses to leverage the technology when communicating with their customers. We continue to unify our products with expanded self-service capabilities, we see healthy growth in our Email products, and we have increased our focus on strategic partners and third-party ecosystems.

Although much work remains to be done, I'm encouraged by the traction I see across these initiatives. Focusing on execution will deliver results.

Stockholm, 13 February 2025

Laurinda Pang
CEO

Sinch overview

Sinch Group, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Net sales	7,729	7,532	28,712	28,745
Gross profit	2,582	2,526	9,685	9,542
Gross margin	33%	34%	34%	33%
EBITDA	307	818	2,665	3,074
EBITDA margin	4%	11%	9%	11%
Adjusted EBITDA ¹	1,003	996	3,586	3,637
Adjusted EBITDA margin	13%	13%	12%	13%
Adjusted EBITDA/gross profit	39%	39%	37%	38%
EBIT	-304	131	-5,807	494
EBIT margin	-4%	2%	-20%	2%
Adjusted EBIT ¹	875	844	3,066	3,122
Adjusted EBIT margin	11%	11%	11%	11%
Profit or loss for the period	-324	145	-6,413	42
Cash flow from operating activities	905	727	2,944	1,788
Cash flow from operating activities after investments	734	574	2,355	1,159
Net debt (+) / Net cash (-)	6,012	7,987	6,012	7,987
Net debt/Adjusted EBITDA R12M, multiple ²	1.5	2.0	1.5	2.0
Equity ratio	60%	63%	60%	63%
Adjusted EBITDA/share, SEK	1.18	1.18	4.22	4.30
Diluted earnings per share for the period ³ , SEK	-0.38	0.17	-7.60	0.05
Average number of employees ⁴	3,512	3,707	3,491	3,643
Average number of employees including consultants	4,064	4,247	4,096	4,241

For a list and definitions of financial and operational measurements, please refer to page 31.

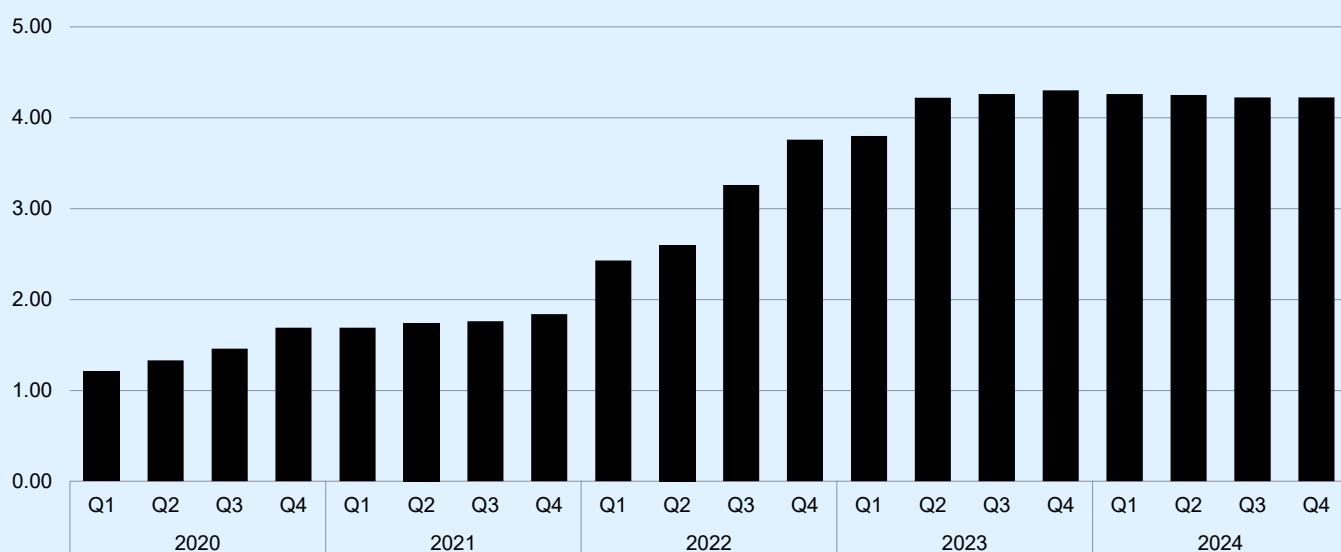
1) Adjusted EBITDA and Adjusted EBIT are reported to clarify performance in underlying operations. See Note 2.

2) In the calculation of this APM, net debt and Adjusted EBITDA are both measured excluding IFRS 16-related lease liabilities. See page 11 for comments.

3) The dilutive effect is not taken into account when financial performance is negative and outstanding warrants/stock options are not considered when the company's average share price is below the exercise price.

4) Long-term consultants previously included in the calculation of FTEs and included in the average number of employees were reclassified as of 2024. The corresponding average number of employees for the comparison periods would have been 3,550 for Q4 2023 and 3,498 for full year 2023.

Adjusted EBITDA per share⁴, R12M (SEK)



4) Sinch communicated new financial targets in Q4 related to growth and margins that replaced the target to grow Adjusted EBITDA per share by at least 20 percent per year. See page 7 for more information.

Quarterly summary

Adjusted EBITDA and Adjusted EBIT are reported below to clarify performance in underlying operations. See Note 2 for more information. From Q1 2024, the segment division reflects the new organization Sinch announced on 26 October 2023. Historical amounts according to the new segment division are presented from Q1 2023. Periods before 2023 do not report the segment division in this way, in accordance with IFRS 8 paragraph 36.

	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Net sales, SEKm									
Americas	-	4,337	4,389	4,523	4,651	4,247	4,460	4,554	4,849
EMEA	-	1,691	1,726	1,751	1,786	1,551	1,610	1,641	1,838
APAC	-	900	906	991	1,095	995	971	955	1,043
Total	7,361	6,927	7,021	7,265	7,532	6,792	7,041	7,150	7,729
	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Gross profit, SEKm									
Americas	-	1,392	1,469	1,514	1,633	1,443	1,490	1,482	1,583
EMEA	-	526	522	564	504	504	505	536	574
APAC	-	342	331	355	390	364	391	388	425
Total	2,416	2,260	2,322	2,433	2,526	2,312	2,386	2,406	2,582
	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Gross margin									
Americas	-	32%	33%	33%	35%	34%	33%	33%	33%
EMEA	-	31%	30%	32%	28%	33%	31%	33%	31%
APAC	-	38%	37%	36%	36%	37%	40%	41%	41%
Total	33%	33%	33%	33%	34%	34%	34%	34%	33%
	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
EBITDA, SEKm									
EBITDA, total	791	692	715	848	818	768	792	799	307
EBITDA margin	11%	10%	10%	12%	11%	11%	11%	11%	4%
Adjusted EBITDA, total	960	834	865	943	996	794	867	923	1,003
Adjusted EBITDA margin	13%	12%	12%	13%	13%	12%	12%	13%	13%
Adjusted EBITDA/gross profit	40%	37%	37%	39%	39%	34%	36%	38%	39%
Adjusted EBITDA/share, SEK	1.13	0.98	1.03	1.12	1.18	0.94	1.02	1.09	1.18
	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
EBITDA adjustments, SEKm (Note 2)									
Acquisition costs	1	-3	-2	-2	-2	-2	-1	-2	-3
Restructuring costs	-44	-6	-28	-14	0	-18	-55	-11	-9
Earnouts	-	-18	-	-	-	-	-	-	-
Integration costs	-67	-47	-47	-31	-23	-49	-39	-50	-71
Costs of share-based incentive programs	-38	-23	-33	-29	-52	0	-14	-27	4
Operational foreign exchange gains/losses	-25	-45	-41	-12	-63	43	34	-33	93
Other adjustments ¹	2	0	1	-9	-37	-1	0	-1	-711
Total EBITDA adjustments	-169	-141	-149	-95	-178	-26	-75	-124	-696
Amortization of acquisition-related assets	-587	-496	-506	-526	-535	-481	-492	-496	-483
Impairment of goodwill	-97	-	-	-	-	-	-	-6,000	-
Total EBIT adjustments	-853	-638	-655	-621	-713	-507	-568	-6,620	-1,179

1) Other adjustments in Q4 2024 includes a one-time charge for historical tax exposures of SEK -700m.

October–December 2024

Sinch implemented a new operating model and organization effective 1 January 2024. The financial statements reflect this change with the three regions of Americas, EMEA and APAC as the new operating segments. A complementary view covering the three product categories, Applications, API Platform and Network Connectivity, is also presented.

Net sales

Consolidated net sales in Q4 increased by 3 percent to SEK 7,729m (7,532) compared to Q4 2023.

Organic growth is defined as growth in local currency and excluding acquisitions. No material acquisitions or divestitures have been completed in the last 12 months. In the quarter, the differences between reported and organic growth therefore refer entirely to exchange rate changes.

Organic net sales increased by 3 percent compared to Q4 2023. Foreign exchange movements reduced net sales by SEK -3m.

Organic net sales increased in Americas and EMEA and decreased in APAC.

Net sales increased in all product categories, Applications, API Platform and Network Connectivity, compared to the same quarter last year. See Note 10.

Gross profit

The gross margin was 33 percent (34) for the quarter.

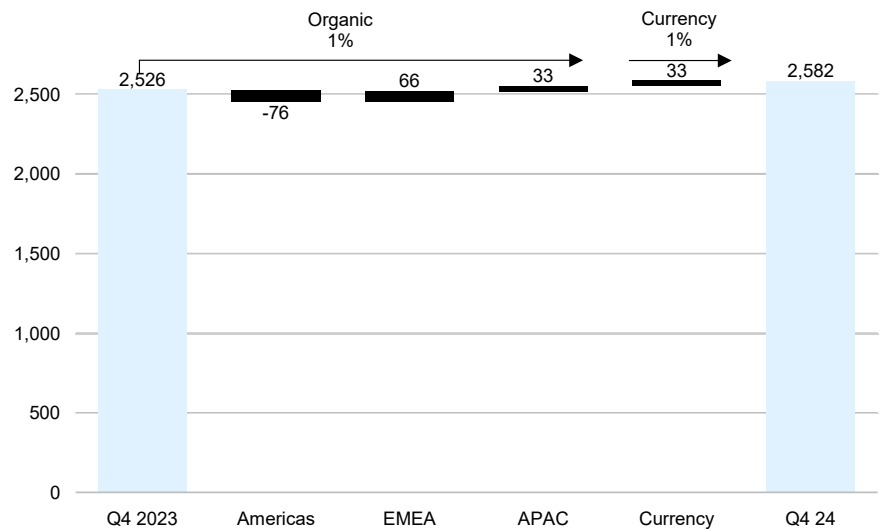
Consolidated gross profit increased in Q4 by 2 percent compared to Q4 2023 and amounted to SEK 2,582m (2,526)

The currency tailwind was 1 percent for the quarter, corresponding to SEK 33m. The organic gross profit increase was 1 percent compared to the same quarter last year.

The gross margin increased in EMEA and APAC and decreased in Americas. Organic gross profit increased in EMEA and APAC and decreased in Americas.

The gross margin was stable in the Applications and API Platform product categories and decreased in Network Connectivity. Organic gross profit increased in Applications and was stable in API Platform and Network Connectivity.

Change in consolidated gross profit, Q4 2023 – Q4 2024



Net sales for the quarter, SEKm

7,729

Gross margin

33%

Organic gross profit growth

1%

Operating expenses (Opex)

Operating expenses (Opex), defined as the difference between gross profit and EBITDA, increased by 33 percent to SEK 2,275m (1,708) compared to the same period in 2023. The majority of the cost base is attributable to direct and indirect employee benefits expenses and was during the quarter impacted by a one-time charge for historical tax exposure of SEK 700m. Opex in Q4 increased compared to the same period last year despite workforce reductions, operational foreign exchange gains and decreased costs of share-based incentive programs, as these decreases were counteracted by the one-time charge, inflation, salary revisions and higher integration and restructuring costs.

Adjusted Opex, defined as the difference between gross profit and Adjusted EBITDA, increased by 3 percent to SEK 1,579m (1,531) compared to the same period in 2023. Foreign exchange movements had minimal effect compared to the same period last year. Compared to the third quarter 2024, adjusted Opex rose by 6 percent, of which 2 percent was attributable to exchange rate changes. The increase is partly due to the planned growth initiatives described earlier this year and in connection with the Sinch Capital Markets Day in November.

The integration process evolved in 2024 from the platform integrations of previous years to the creation of a common IT infrastructure that makes it possible to execute the Growth Acceleration Plan. Consequent upon that change, internal work previously classified as integration is no longer reported as integration because these resources are no longer considered devoted to performing temporary initiatives. This means that reported integration costs now consist primarily of the costs of external resources. See Note 2 for more information.

See Note 12 and the definitions on page 31 for more information about Opex distributed by function.

EBITDA

EBITDA decreased by 63 percent to SEK 307m (818). Foreign exchange movements increased EBITDA by 5 percent or SEK 41m.

The consolidated EBITDA margin was 4 percent (11).

In total, Adjusted EBITDA was SEK 696m (-178) higher than EBITDA for the quarter. The adjustments include a one-time charge for historical tax exposures of SEK -700m (0), restructuring costs of SEK -9m (0), integration costs of SEK -71m (-23) and operational foreign exchange gains/losses of SEK 93m (-63). See the quarterly summary and Note 2 for more information.

Consequently, Adjusted EBITDA was SEK 1,003m (996). Foreign exchange movements contributed 3 percent or SEK 32m.

The Adjusted EBITDA margin was 13 percent (13).

Adjusted EBITDA per share was SEK 1.18 (1.18) for the quarter and SEK 4.22 (4.30) for the rolling twelve months, corresponding to a decrease of 1 percent R12M.

Adjusted EBITDA/gross profit was 39 percent (39) in Q4.

EBIT

EBIT amounted to SEK -304m (131).

Acquisition-related amortization, which does not affect cash flow, reduced EBIT by SEK -483m (-535). The amortization refers mainly to straight-line amortization of acquired customer relationships and acquired software (See Note 5).

Adjusted EBIT (EBIT excluding EBITDA adjustments and amortization of acquisition-related assets) amounted to SEK 875m (844). See the quarterly summary on page 4 and Note 2 for specifications.

Growth Acceleration Plan

In conjunction with the new operating model introduced by Sinch in late 2023, the company launched a three-part Growth Acceleration Plan. Initiatives in the areas of go-to-market transformation, product integration and operational excellence extend over multiple years and are aimed at achieving persistent growth in sales and gross profit.

Adjusted EBITDA margin

13%

Adjusted EBIT, SEKm

875

Cost-saving measures were implemented at the same time, for which the target was to achieve gross savings of about SEK 300m on a run-rate basis by year-end 2024. The measures were aimed at counteracting cost increases due to inflation and salary revisions and to maintain stable margin performance while allocating more resources to growth initiatives.

The cost-saving measures have been implemented ahead of plan and have delivered greater savings than planned. The plan, which has now been concluded, has delivered gross savings equal to SEK 352m on a run-rate basis. At the end of the third quarter, the corresponding amount was SEK 335m.

Sinch estimated at the time that the company's total integration and restructuring costs would amount to approximately SEK 300m in 2024. Total costs incurred during the year were SEK 301m. During the fourth quarter, integration costs totaled SEK 71m and restructuring costs SEK 9m, which together amounts to SEK 80m.

Financial and sustainability targets

In connection with its Capital Markets Day, Sinch communicated new financial and sustainability targets as formulated below:

Long-term value creation

The Sinch Board of Directors measures long-term value creation through assessment of free cash flow¹ per share.

Sinch is targeting Net Zero emissions by 2025, in line with the Science Based Targets initiative (SBTi). As another target, Sinch intends to achieve short-term and long-term emissions reductions in line with the goal of a maximum temperature increase of 1.5°C in accordance with the Paris Agreement. Sinch's target with regard to equal opportunity and inclusion is to increase the share of women managers to 32 percent by 2027.

Mid-term financial targets

By the end of 2027, Sinch targets to reach:

- Organic growth in net sales and gross profit of 7–9 percent year-on-year.
- Adjusted EBITDA margin of 12–14 percent.

The organic growth rate reflects an ambition to grow faster than market in each product category.

These goals replace the previous financial target of "Annual growth in adjusted EBITDA per share."

Capital allocation

Sinch is a profitable and cash flow-generating business. Surplus cash generated from the business will be used to reduce debt, finance future acquisitions and return cash to shareholders in Sinch.

Financial leverage policy

- Net debt over time shall be below 2.5 times Adjusted EBITDA (measured in a rolling twelve-month basis).

"Over time" means that the company's debt is permitted to temporarily exceed 2.5 times Adjusted EBITDA during a period immediately after a business combination.

The financial leverage policy underscores Sinch's commitment to maintaining a strong financial position and supports the company's long-term financing strategy.

Other income and expense items

Net financial expenses were SEK -29m (-157), including net interest expense of SEK -93m (-144) and foreign exchange differences of SEK 65m (-10).

Net profit for the period amounted to SEK -324m (145).

¹ Free cash flow is defined as cash flow from operating activities after investments.

Cash flow

Cash flow before the change in working capital amounted to SEK 613m (828). Cash flow was reduced by tax paid of SEK -45m (-48) and net interest paid and received of SEK -103m (-156).

Cash flow from operating activities amounted to SEK 905m (727) and was improved by the change in working capital of SEK 292m (-101) resulting from strong payment inflows from customers.

Cash used in investing activities was SEK -183m (-147) and was affected by net investments of SEK -171m (-153), primarily capitalized development expenditure of SEK -100m (-96).

Cash used in financing activities was SEK -767m (-1,135) for the period, where the change in borrowings reduced net cash by SEK -745m (-1,106). Net cash flow for the period was SEK -46m (-555).

Employees

At the end of the quarter, the Group employed 4,077 (4,231) people, including consultants. The average number of employees and consultants in Q4 was 4,064 (4,247).

The average number of employees² was 3,512 (3,707), of whom 33 (32) percent were women.

Cash flow from operating activities,
SEKm

905

² Long-term consultants previously included in the calculation of FTEs and included in the average number of employees were reclassified as of 2024. If the same classification had been applied in Q4 2023, the average number of employees would have been 3,550.

January–December 2024

Net sales

Consolidated net sales full year declined marginally to SEK 28,712 m (28,745) compared to 2023.

Organic growth is defined as growth in local currency and excluding acquisitions. No material acquisitions or divestitures have been finalized during the past 12 months. For the full year, the differences between reported and organic growth therefore refer entirely to exchange rate changes.

The currency effect was -1 percent, corresponding to SEK -214m. Organic net sales grew by 1 percent compared to 2023.

Organic net sales for the full year increased in the Americas and APAC operating segments but decreased in EMEA.

Organic net sales increased in the Applications and Network Connectivity product categories but decreased in API Platform. See Note 10.

Gross profit

The gross margin was 34 percent (33) for the period.

Consolidated gross profit full year increased by 2 percent to SEK 9,685m (9,542) compared to the preceding year. The increase is due primarily to the higher gross margin resulting from a changed product and customer mix.

The currency headwind was 0 percent for the period, corresponding to SEK -17m. Organic gross profit grew by 2 percent compared to the same period last year.

Gross margins increased in EMEA and APAC but decreased in Americas. Organic gross profit increased in APAC and was unchanged in Americas and EMEA.

The gross margin was stable in the Applications product category, and increased in API Platform but decreased in Network Connectivity. Organic gross profit increased in Applications and API Platform but decreased in Network Connectivity.

Operating expenses (Opex)

Opex, defined as the difference between gross profit and EBITDA, increased by 9 percent to SEK 7,020m (6,468) compared to the same period in 2023. The majority of the cost base is attributable to direct and indirect employee benefits expenses and was impacted by a one-time charge for historical tax exposure of SEK 700m recorded in Q4 2024. The cost base increased compared to the same period last year driven by the one-time charge, underlying inflation-related cost increases, increased employee benefits expenses related to salary revisions and variable pay, and increased restructuring and integration costs, which were partly offset by workforce reductions, operational foreign exchange gains, lower costs for share-based incentive programs and other savings.

Adjusted Opex, defined as the difference between gross profit and Adjusted EBITDA, grew by 3 percent to SEK 6,099m (5,905) compared to the same period in 2023. Foreign exchange movements reduced growth by -1 percent for the period.

The integration process evolved in 2024 from the platform integrations of previous years to the creation of a common IT infrastructure that makes it possible to execute the Growth Acceleration Plan. Consequent upon that change, internal work previously classified as integration is no longer reported as integration because these resources are no longer considered devoted to performing temporary initiatives. This means that reported integration costs now consist primarily of the costs of external consultants. See Note 2 for more information. See Note 2 for more information.

EBITDA

EBITDA decreased by 13 percent to SEK 2,665m (3,074). Foreign exchange movements reduced EBITDA by 1 percent or SEK 35m.

The consolidated EBITDA margin was 9 percent (11).

Net sales for the period, SEKm

28,712

Gross margin

34%

Total Adjusted EBITDA was SEK 921m (563) higher than EBITDA for the period. The adjustments include a one-time charge for historical tax exposures of SEK -700m (0) recorded during Q4 2024, integration costs of SEK -209m (-148), operational foreign exchange gains/losses of SEK 137m (-161) and restructuring costs of SEK -93m (-47). See the quarterly summary and Note 2 for more information.

Consequently, Adjusted EBITDA amounted to SEK 3,586 MSEK (3,637), corresponding to a decrease of 1 percent compared to the same period in 2023. Foreign exchange movements increased EBITDA by 1 percent or SEK 23m.

The Adjusted EBITDA margin was 12 percent (13).

Adjusted EBITDA per share amounted to SEK 4.22 (4.30) for the period.

Adjusted EBITDA/gross profit was 37 percent (38) for the period.

EBIT

EBIT amounted to SEK -5,807m (494).

EBIT was reduced by acquisition-related amortization and non-cash goodwill impairment charges of SEK -7,952m (-2,063), of which the impairments amounted to SEK -6,000m (0). The amortization refers mainly to straight-line amortization of acquired customer relationships and acquired software.

Adjusted EBIT (EBIT excluding EBITDA adjustments and amortization and impairments of acquisition-related assets) amounted to SEK 3,066m (3,122). See the quarterly summary and Note 2 for specifications.

Growth Acceleration Plan

In conjunction with the new operating model introduced by Sinch in late 2023, the company launched a three-part Growth Acceleration Plan. Initiatives in the areas of go-to-market transformation, product integration and operational excellence run over multiple years and are aimed at achieving persistent growth in sales and gross profit.

Cost-saving measures were implemented at the same time, for which the target was to achieve gross savings of about SEK 300m on a run-rate basis by year-end 2024. The measures were aimed at counteracting cost increases due to inflation and salary revisions and to maintain stable margin performance while allocating more resources to growth initiatives.

The cost-saving measures have been implemented ahead of plan and have delivered greater savings than planned. The plan, which has now been concluded, has delivered gross savings equal to SEK 352m on a run-rate basis.

Sinch estimated at the time that the company's total integration and restructuring costs would amount to approximately SEK 300m in 2024. Total costs incurred were SEK 301m.

Other income and expense items

Net financial expenses were SEK -428m (-646), including net interest expenses of SEK -464m (-592) and foreign exchange differences of SEK 57m (-37). The Group's effective tax rate was -3 percent (128). Excluding acquisition-related amortization and impairments and associated deferred tax assets, the Group's effective tax rate for the period was 35 percent (17). The higher tax rate is driven by current and deferred tax in previous years and non-capitalized loss carryforwards.

The loss for the period amounted to SEK -6,413m (42).

Cash flow

Cash flow before the change in working capital amounted to SEK 2,330m (2,107). Cash flow was reduced by tax paid of SEK -348m (-600) and net interest paid and received of SEK -480m (-587).

Cash flow from operating activities amounted to SEK 2,944m (1,788) and was increased by the total change in working capital of SEK 614m (-319). Sinch previously announced the decision to cancel certain fixed price contracts with telecom operators, which had a positive impact on working capital during the period.

Cash used in investing activities was SEK -604m (-649) and was affected by net investments of SEK -589m (-629), primarily capitalized development expenditure of SEK -381m (-383).

Cash used in financing activities was SEK -2,234m (-2,342) for the period, where the change in borrowings reduced net cash by SEK -2,133m (-2,254). Net cash flow for the period was SEK 105m (-1,203).

Liquidity and financial position

Consolidated cash and cash equivalents at 31 December 2024 amounted to SEK 1,083m (1,012).

Net debt amounted to SEK 6,012 MSEK (7,987) and includes IFRS 16-related lease liabilities of SEK 832m (898). One of Sinch's financial targets is that net debt over time shall be below 2.5 times Adjusted EBITDA (measured on a rolling twelve month basis). Excluding IFRS 16-related lease liabilities, net debt in relation to Adjusted EBITDA R12M was 1.5x.

As of 31 December, Sinch had total available credit facilities of SEK 11,357m (12,610), of which the company had used SEK 4,971m (7,363). These consisted of:

- A used loan of SEK 1,500m that matures in February 2025.
- A used loan of USD 110m that matures in February 2025.
- Credit facilities of SEK 7,713m that mature in February 2027, of which SEK 2,213m had been used as of 31 December 2024.
- Bank overdraft facilities of SEK 931m (901), of which SEK 45m (0) had been used as of 31 December 2024.

In addition, senior unsecured bonds have been issued in the amount of SEK 500m (750) that will mature in September 2027, as well as issued commercial paper of SEK 775m (0) that will mature in less than 12 months.

Financial liabilities decreased by SEK -2 133m in 2024. During the same period, the company's net debt decreased by SEK -1 975m.

In total, Sinch had cash and cash equivalents of SEK 1,083m and unused loans, credit facilities and overdraft facilities of SEK 6,386m as of 31 December 2024.

Shares were issued in relation to employee stock options/warrants under the Group's incentive programs. See Note 4.

Equity at 31 December 2024 amounted to SEK 29,025m (33,663), corresponding to an equity ratio of 60 percent (63).

Employees

The average number of employees and consultants during the period was 4,096 (4,241).

The average number of employees³ was 3,491 (3,643), of whom 33 (31) percent were women.

³ Long-term consultants previously included in the calculation of FTEs and included in the average number of employees were reclassified as of 2024. If the same classification had been applied in Q4 2023, the average number of employees would have been 3,498.

Americas

Americas is Sinch’s largest operating segment and contributes more than 60 percent of consolidated net sales and gross profit. The region includes both North and Latin America with the US and Brazil being the largest contributing countries.

Americas, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Net sales	4,849	4,651	18,109	17,900
Gross profit	1,583	1,633	5,998	6,008
Gross margin	33%	35%	33%	34%

Net sales by product category, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Applications	353	325	1,201	1,078
API Platform	3,212	3,155	12,038	12,067
Network Connectivity	1,284	1,172	4,870	4,755
Total	4,849	4,651	18,109	17,900

Gross profit by product category, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Applications	241	229	840	796
API Platform	892	955	3,459	3,337
Network Connectivity	450	450	1,699	1,875
Total	1,583	1,633	5,998	6,008

Significant events

- Sinch launched Elastic SIP Trunking, a product offering that makes it simple and flexible for business customers to use Sinch’s voice services.
- New integrations with Okta and Auth0 simplify the use of Sinch’s number verification products together with broader digital identity solutions.
- Sinch secured an important RCS-agreement with a leading North American telecom operator and can now deliver RCS Business Messages to mobile subscribers on two out of three leading U.S. mobile networks.
- New customer cases in the quarter include Shift Group Recruiting, Sweti and Telarus.

Net sales

Net sales amounted to SEK 4,849m (4,651), corresponding to growth of 4 percent compared to Q4 2023. The corresponding organic growth was 5 percent.

Gross profit

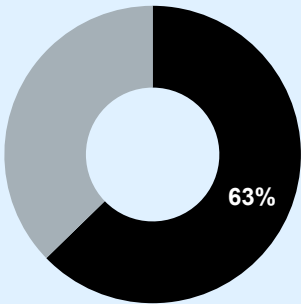
The gross margin was 33 percent (35). Several factors had positive effect on the gross margin in the comparison period, including a different traffic mix within API Platform and higher historical profitability in Network Connectivity. The gross margin was relatively stable in 2024.

Gross profit in Q4 amounted to SEK 1,583m (1,633), corresponding to a decrease of 3 percent compared to Q4 2023. The organic decrease, in local currencies, was 5 percent. The negative gross profit trend is due to weaker performance in API Platform, specifically SMS, and is exacerbated by a relatively high gross margin in the comparison period.

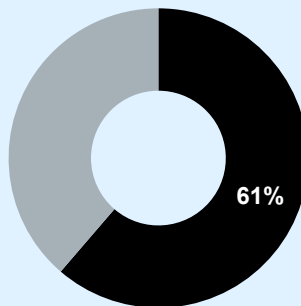
Gross profit in Applications increased compared to Q4 2023 but decreased in API Platform. Gross profit in Network Connectivity was unchanged. This is a clear improvement compared to the preceding quarter, and it was achieved through successful negotiations with customers and suppliers which also reduces the risk of future cost increases.

Gross profit for the Americas region increased by 7 percent compared to Q3 2024, in the reporting currency.

Share of net sales



Share of gross profit



Learn more about Elastic SIP Trunking:
→ [Sinch Launches Elastic SIP Trunking for Scalable, Reliable, and Cost-Efficient Communication](#)

Customer story:



→ [How SWETI Marketing delivers personalized messaging for its clients with Sinch](#)

EMEA

The EMEA operating segment serves Sinch customers across Europe, the Middle East and Africa with the largest contributing countries being the UK and France.

EMEA, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Net sales	1,838	1,786	6,640	6,953
Gross profit	574	504	2,119	2,116
Gross margin	31%	28%	32%	30%

Net sales by product category, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Applications	253	246	930	884
API Platform	1,419	1,351	5,086	5,435
Network Connectivity	165	189	624	635
Total	1,838	1,786	6,640	6,953

Gross profit by product category, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Applications	171	165	638	605
API Platform	325	268	1,210	1,267
Network Connectivity	77	70	271	244
Total	574	504	2,119	2,116

Significant events

- Sinch launched a new multi-channel marketing platform in France, Germany and Spain with support for SMS, RCS and WhatsApp. The platform primarily targets small and medium sized businesses and was previously available in Australia, North America and the UK.
- The volume of delivered RCS messages increased by 60 percent compared to the third quarter 2024.
- New customer cases in the quarter include Clarins, Courir and Cr dit Mutuel Ark a.

Net sales

Net sales in Q4 increased by 3 percent compared to the corresponding quarter in 2023 and amounted to SEK 1,838m (1,786). The corresponding organic growth in local currency was 2 percent.

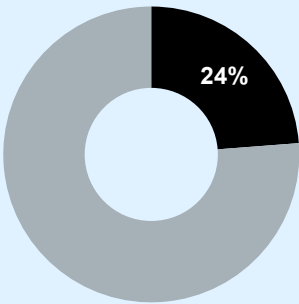
Gross profit

The gross margin was 31 percent (28) for the quarter. Gross margin in the comparison period was negatively impacted by the business mix within API Platform and a less favorable product mix.

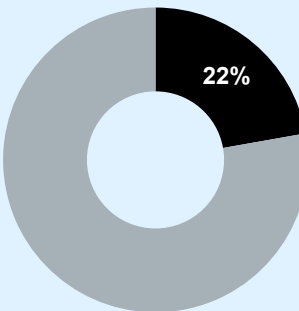
In total, gross profit increased in Q4 by 14 percent to SEK 574m (504) compared to Q4 2023. Organic gross profit grew by 13 percent.

Gross profit improved in all three product categories compared to the same quarter last year. The growth was highest in API Platform and Network Connectivity and slightly lower in Applications. As the increase in gross profit is largely driven by the unusually low gross margin in the comparison period, we have concluded that organic growth in net sales better represents underlying performance in the region during this quarter.

Share of net sales



Share of gross profit



Customer story:

CLARINS

→ How skincare brand Clarins increased engagement rates by 2.5x with RCS

APAC

The APAC operating segment serves Sinch customers throughout the Asia-Pacific region, with India and Australia as the largest contributing countries.

APAC, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Net sales	1,043	1,095	3,963	3,892
Gross profit	425	390	1,568	1,418
Gross margin	41%	36%	40%	36%

Net sales by product category, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Applications	328	323	1,223	1,188
API Platform	685	745	2,633	2,589
Network Connectivity	29	27	106	114
Total	1,043	1,095	3,963	3,892

Gross profit by product category, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Applications	204	199	762	723
API Platform	213	178	775	650
Network Connectivity	8	13	30	44
Total	425	390	1,568	1,418

Significant events

- Sinch launched messaging services together with Open Government Products in Singapore, the agency responsible for government communications with citizens.
- Sinch renewed its partnership, for 2 years, with a leading Australian pay TV company that uses Sinch's Adobe integration.
- Sinch partnered with MoEngage to enhance customer experience using Sinch India's portfolio of powerful communication APIs, low-code offering and SaaS solutions.

Net sales

Net sales decreased by 5 percent compared to Q4 2023 and amounted to SEK 1,043m (1,095). All business during the quarter is classified as organic. Organic net sales, in local currencies, decreased by 5 percent.

The decline in net sales is due to reduced sales in API Platform where a reduction of SMS sales in India is only partly offset by increased sales in other parts of Asia. Future growth in India is expected to be driven mainly by RCS, email and advanced enterprise solutions.

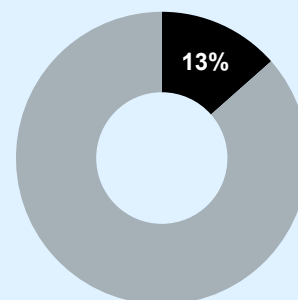
Gross profit

The gross margin was 41 percent (36) for the quarter. The improved gross margin is mainly attributable to a changed product and customer mix.

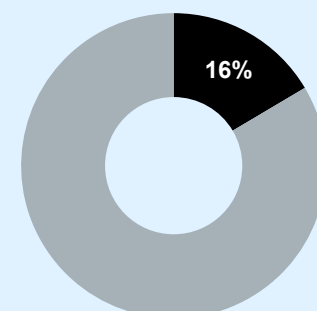
Gross profit in Q4 amounted to SEK 425m (390).

Gross profit grew by 9 percent compared to the same quarter last year, driven primarily from the growth in Asia. Organic gross profit grew by 8 percent. The gross profit growth is attributable primarily to an improved gross margin.

Share of net sales



Share of gross profit



Customer story:



→ [How Open Government Products build trust through secure messaging at scale](#)

Income statement

Sinch Group, SEKm	Note	Q4		Jan-Dec	
		2024	2023	2024	2023
Net sales		7,729	7,532	28,712	28,745
Other operating income		205	142	492	479
Work performed by the entity and capitalized		100	96	381	383
Cost of services sold		-5,147	-5,006	-19,026	-19,204
Other external expenses ^{1 2}		-1,435	-639	-3,152	-2,336
Employee benefits expenses ²		-1,028	-1,101	-4,383	-4,371
Other operating expenses ¹		-117	-206	-358	-623
EBITDA		307	818	2,665	3,074
Depreciation/amortization and impairment	5	-611	-687	-8,473	-2,580
EBIT		-304	131	-5,807	494
Financial income		266	1,214	2,288	3,280
Financial expenses		-295	-1,371	-2,715	-3,926
Profit or loss before tax		-333	-26	-6,235	-152
Current tax		-139	141	-497	-319
Deferred tax		148	30	319	513
Profit or loss for the period		-324	145	-6,413	42
Attributable to:					
Owners of the parent		-324	144	-6,413	42
Non-controlling interests		1	0	0	0

1) Costs for expected credit losses and actual credit losses have been reclassified from Other operating expenses to Other external expenses in all periods.

2) Consultancy costs for long-term consultants previously included in the calculation of FTEs have been reclassified from Employee benefits expenses to Other external expenses as of 2024. The corresponding figure for the comparison periods would have been SEK -655m in Other external expenses and SEK -1,085m in Employee benefits expenses for Q4 and SEK -2,391m and SEK -4,316m full year. Other external expenses also include a one-time charge for historical tax exposures of SEK -700m (0).

Earnings per share

Sinch Group, SEK	Q4		Jan-Dec	
	2024	2023	2024	2023
Basic	-0.38	0.17	-7.60	0.05
- Diluted ³	-0.38	0.17	-7.60	0.05

3) The dilutive effect is not taken into account when financial performance is negative and outstanding warrants/stock options are not considered when the company's average share price is below the exercise price.

Statement of comprehensive income

Sinch Group, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Profit or loss for the period	-324	145	-6,413	42
Other comprehensive income				
Items that may subsequently be reclassified to profit or loss for the period				
Translation differences	1,314	-2,013	1,476	-863
FX changes on increased net investments	336	-359	303	-138
Tax effect items in other comprehensive income	-68	46	-61	28
Other comprehensive income or loss for the period	1,582	-2,326	1,718	-973
Comprehensive income or loss for the period	1,258	-2,181	-4,695	-931
Attributable to:				
Owners of the parent	1,258	-2,181	-4,695	-931
Non-controlling interests	1	0	0	0

Balance sheet

Sinch Group, SEKm	Note	31 Dec	
		2024	2023
ASSETS			
Non-current assets			
Goodwill	5	20,343	25,160
Customer relationships		12,736	13,058
Operator relationships		147	177
Proprietary software		4,631	4,706
Other intangible assets		336	394
Property, plant and equipment		1,041	928
Right-of-use-asset		715	818
Financial assets		35	37
Other non-current receivables		53	35
Deferred tax assets		1,273	957
Total non-current assets		41,311	46,269
Current assets			
Accounts receivable	7	4,503	4,669
Tax assets		214	238
Other current receivables		262	265
Prepaid expenses and accrued income	8	630	681
Cash and cash equivalents		1,083	1,012
Total current assets		6,692	6,866
TOTAL ASSETS		48,004	53,134
EQUITY AND LIABILITIES			
Equity			
Share capital		8	8
Other capital contributions		32,439	32,382
Reserves		6,012	4,294
Retained earnings including profit for the year		-9,435	-3,022
Equity attributable to owners of the parent	4	29,025	33,663
Non-controlling interests		1	1
Total equity		29,025	33,663
Non-current liabilities			
Deferred tax liability		5,075	4,750
Provisions	9	348	55
Non-current liabilities, interest-bearing		3,459	6,637
Non-current liabilities, non-interest-bearing		22	25
Total non-current liabilities		8,904	11,467
Current liabilities			
Provisions	9	390	-
Contract liabilities/Advance payments from customers		340	262
Accounts payable		1,821	1,849
Tax liability		241	64
Other current liabilities, interest-bearing		3,636	2,362
Other non interest bearing current liabilities		293	231
Accrued expenses and prepaid income		3,353	3,235
Total current liabilities		10,075	8,004
TOTAL EQUITY AND LIABILITIES		48,004	53,134
Financial instruments measured at fair value			
Derivative instruments with positive value		-	13
Derivative instruments with negative value		17	-

Condensed statement of changes in equity

Sinch Group, SEKm	Attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Other capital contributions	Reserves	Retained earnings	Total			
Opening balance 1 Jan 2023	8	32 219	5 268	-3 064	34 431		1	34 432
Profit or loss for the period				42	42		0	42
Other comprehensive income			-973		-973		0	-973
Issued warrants		4			4			4
Share-based payments, net of tax		115			115			115
Shares issued for warrants	0	46			46			46
Issue expenses, net of tax		-2			-2			-2
Closing balance 31 Dec 2023	8	32 382	4 294	-3 022	33 663		1	33 663
Opening balance 1 Jan 2024	8	32 382	4 294	-3 022	33 663		1	33 663
Profit or loss for the period				-6 413	-6 413		0	-6 413
Other comprehensive income			1 718		1 718		0	1 718
Issued warrants		3			3			3
Share-based payments, net of tax		32			32			32
Shares issued for warrants	0	23			23			23
Issue expenses, net of tax		-1			-1			-1
Closing balance 31 Dec 2024	8	32 439	6 012	-9 435	29 025		1	29 025

Condensed statement of cash flows

Sinch Group, SEKm	Note	Q4		Jan-Dec	
		2024	2023	2024	2023
Profit or loss before tax		-333	-26	-6,235	-152
Adjustment for non-cash items ¹		991	903	8,914	2,859
Income tax paid		-45	-48	-348	-600
Cash flow before changes in working capital		613	828	2,330	2,107
Change in working capital		292	-101	614	-319
Cash flow from operating activities		905	727	2,944	1,788
Net investments in property, plant and equipment and intangible assets		-171	-153	-589	-629
Change in financial receivables		-12	6	-16	4
Acquisition of Group companies	6	0	0	0	-24
Cash flow from (-used in) investing activities		-183	-147	-604	-649
Change in borrowings		-745	-1,106	-2,133	-2,254
Amortization lease liability		-28	-32	-126	-136
New issue/warrants	4	5	3	25	48
Cash flow from (-used in) financing activities		-767	-1,135	-2,234	-2,342
Cash flow for the period		-46	-555	105	-1,203
Opening balance cash and cash equivalents for the period		1,108	1,620	1,012	2,173
Exchange rate differences in cash and cash equivalents		21	-53	-34	42
Closing balance cash and cash equivalents for the period		1,083	1,012	1,083	1,012
Additional cash flow disclosures					
Net interest paid ²		-103	-156	-480	-587
Cash flow from operating activities after investments		734	574	2,355	1,159

1) Comprised mainly of depreciation, amortization and impairments, changes in provisions and unrealized foreign exchange gains and losses.

2) Interest paid and received is included in cash flow from operating activities.

Other disclosures

Sinch Group, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Share information				
Basic earnings per share, SEK	-0.38	0.17	-7.60	0.05
Diluted earnings per share, SEK ¹	-0.38	0.17	-7.60	0.05
Basic weighted average number of shares	844,421,875	843,040,393	843,897,644	841,130,408
Diluted weighted average number of shares ²	844,421,875	846,384,859	843,897,644	845,416,837
Total number of shares at the end of the period	844,506,034	843,069,811	844,506,034	843,069,811
Financial position				
Equity attributable to owners of the parent	29,025	33,663	29,025	33,663
Equity ratio	60%	63%	60%	63%
Net investments in property, plant and equipment and intangible assets	-171	-153	-589	-629
Cash and cash equivalents	1,083	1,012	1,083	1,012
Net debt (+) / Net cash (-)	6,012	7,987	6,012	7,987
Net debt/Adjusted EBITDA R12M, multiple	1.5	2.0	1.5	2.0
EBIT margin	-4%	2%	-20%	2%
EBITDA margin	4%	11%	4%	11%
Employee information				
Average number of employees ³	3,512	3,707	3,491	3,643
Average number of employees, women ³	1,172	1,176	1,141	1,146
Percentage female	33%	32%	33%	31%

1) The dilutive effect is not taken into account when financial performance is negative and outstanding warrants/stock options are not considered when the company's average share price is below the exercise price.

2) If results had been positive, the weighted number of dilutive warrants would have been 5,384,961 for full year 2024.

3) Long-term consultants previously included in the calculation of FTEs and included in the average number of employees were reclassified as of 2024. The corresponding average number of employees for the comparison periods would have been 3,550 for Q4 2023 and 3,498 for full year 2023. The figures for the average number of women employees would have been 1,142 and 1,115, respectively.

Segment reporting

An operating segment is defined as a business activity that is able to generate revenues and incur costs, whose operating results are regularly reviewed by the entity's chief executive officer, and for which separate financial information is available. The Group's operating segments are Americas, EMEA and APAC. These three regions represent the domiciles of our customers. See also Definitions. Note that items below Gross profit are not allocated to the segments. See Note 2 for more information.

Q4 2024, SEKm	Americas	EMEA	APAC	Other	Group
Net sales	4,849	1,838	1,043	-	7,729
Gross profit	1,583	574	425	-	2,582
Opex	-	-	-	-2,275	-2,275
EBITDA	-	-	-	307	307
EBITDA adjustments	-	-	-	-696	-696
Adjusted EBITDA	-	-	-	1,003	1,003
Depreciation/amortization and impairment	-	-	-	-	-611
EBIT	-	-	-	-	-304
Net finance income or expense	-	-	-	-	-29
Profit or loss before tax	-	-	-	-	-333

Q4 2023, SEKm	Americas	EMEA	APAC	Other	Group
Net sales	4,651	1,786	1,095	-	7,532
Gross profit	1,633	504	390	-	2,526
Opex	-	-	-	-1,708	-1,708
EBITDA	-	-	-	818	818
EBITDA adjustments	-	-	-	-178	-178
Adjusted EBITDA	-	-	-	996	996
Depreciation/amortization and impairment	-	-	-	-	-687
EBIT	-	-	-	-	131
Net finance income or expense	-	-	-	-	-157
Profit or loss before tax	-	-	-	-	-26

Jan-Dec 2024, SEKm	Americas	EMEA	APAC	Other	Group
Net sales	18,109	6,640	3,963	-	28,712
Gross profit	5,998	2,119	1,568	-	9,685
Opex	-	-	-	-7,020	-7,020
EBITDA	-	-	-	2,665	2,665
EBITDA adjustments	-	-	-	-921	-921
Adjusted EBITDA	-	-	-	3,586	3,586
Depreciation/amortization and impairment	-	-	-	-	-8,473
EBIT	-	-	-	-	-5,807
Net finance income or expense	-	-	-	-	-428
Profit or loss before tax	-	-	-	-	-6,235

Jan-Dec 2023, SEKm	Americas	EMEA	APAC	Other	Group
Net sales	17,900	6,953	3,892	-	28,745
Gross profit	6,008	2,116	1,418	-	9,542
Opex	-	-	-	-6,468	-6,468
EBITDA	-	-	-	3,074	3,074
EBITDA adjustments	-	-	-	-563	-563
Adjusted EBITDA	-	-	-	3,637	3,637
Depreciation/amortization and impairment	-	-	-	-	-2,580
EBIT	-	-	-	-	494
Net finance income or expense	-	-	-	-	-646
Profit or loss before tax	-	-	-	-	-152

Distribution of net sales

Q4 2024, SEKm

Net sales by product category	Americas	EMEA	APAC	Group
Applications	353	253	328	934
API Platform	3,212	1,419	685	5,317
Network Connectivity	1,284	165	29	1,478
Total	4,849	1,838	1,043	7,729

Net sales allocation per point in time

Over time	2,293	265	81	2,639
At one point in time	2,555	1,573	961	5,090
Total	4,849	1,838	1,043	7,729

Q4 2023, SEKm

Net sales by product category	Americas	EMEA	APAC	Group
Applications	325	246	323	894
API Platform	3,155	1,351	745	5,250
Network Connectivity	1,172	189	27	1,388
Total	4,651	1,786	1,095	7,532

Net sales allocation per point in time

Over time	2,233	318	80	2,631
At one point in time	2,417	1,467	1,015	4,901
Total	4,651	1,786	1,095	7,532

Jan-Dec 2024, SEKm

Net sales by product category	Americas	EMEA	APAC	Group
Applications	1,201	930	1,223	3,354
API Platform	12,038	5,086	2,633	19,758
Network Connectivity	4,870	624	106	5,601
Total	18,109	6,640	3,963	28,712

Net sales allocation per point in time

Over time	8,891	972	271	10,134
At one point in time	9,218	5,668	3,692	18,578
Total	18,109	6,640	3,963	28,712

Jan-Dec 2023, SEKm

Net sales by product category	Americas	EMEA	APAC	Group
Applications	1,078	884	1,188	3,151
API Platform	12,067	5,435	2,589	20,091
Network Connectivity	4,755	635	114	5,504
Total	17,900	6,953	3,892	28,745

Net sales allocation per point in time

Over time	8,598	1,441	326	10,365
At one point in time	9,302	5,512	3,565	18,380
Total	17,900	6,953	3,892	28,745

Parent company

Sinch AB (publ) owns and manages the shares attributable to the Sinch Group. The group's operational and strategic management functions have been centralized to the parent company. At the end of the period, the parent company had 4 (5) employees. The parent company has no external business activities, and the risks are mainly related to the operations of the subsidiaries.

Parent company income statement

SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Net sales	141	154	595	588
Other operating income	7	1	19	7
Operating expenses				
Other external expenses	-351	-39	-752	-336
Employee benefits expenses	-2	-8	-32	-22
EBIT before other operating expenses, depreciation/amortization and impairment losses	-205	108	-171	237
Other operating expenses	-1	-1	-12	-14
Depreciation/amortization and impairment	-1	-1	-3	-3
EBITDA	-207	107	-186	221
Interest income and similar profit items	604	1,111	2,998	3,445
Interest expenses and similar loss items	-481	-1,252	-2,926	-3,477
Profit after financial items	-85	-34	-114	189
Appropriations	184	-120	184	-120
Profit or loss before tax	99	-154	70	69
Tax on profit for the period	-46	26	-40	-15
Profit or loss for the period	54	-128	30	54

Parent company balance sheet

SEKm	31 Dec	
	2024	2023
ASSETS		
Non-current assets		
Intangible assets	2	3
Property, plant and equipment	0	1
Investments in group companies	16,173	16,173
Non-current receivables, Group companies	5,749	5,348
Other long-term receivables	1	-
Total financial assets	21,923	21,521
Deferred tax assets	3	-
Total non-current assets	21,928	21,525
Current assets		
Receivables from Group companies	20,872	21,767
Tax assets	51	31
Other current receivables	61	13
Prepaid expenses and accrued income	21	86
Cash and cash equivalents	28	20
Total current assets	21,034	21,917
TOTAL ASSETS	42,962	43,442
EQUITY AND LIABILITIES		
Share capital	8	8
Total restricted equity	8	8
Share premium reserve	34,210	34,176
Retained earnings	-3,965	-4,018
Profit or loss for the year	30	54
Total non-restricted equity	30,275	30,213
Total equity	30,283	30,221
Untaxed reserves	85	94
Deferred tax liability	-	3
Total untaxed reserves and provisions	85	97
Non-current liabilities		
Liabilities to credit institutions	2,703	5,841
Total non-current liabilities	2,703	5,841
Current liabilities		
Accounts payable	15	9
Tax liability	11	-
Liabilities to Group companies	6,278	4,973
Liabilities to credit institutions	3,532	2,248
Other current liabilities	19	2
Accrued expenses and prepaid income	35	51
Total current liabilities	9,890	7,283
TOTAL EQUITY AND LIABILITIES	42,962	43,442

Note 1. Accounting Policies

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable provisions of the Annual Accounts Act. Disclosures in accordance with IAS 34 Interim Financial Reporting are provided in notes and elsewhere in the interim report. The interim report for the parent company has been prepared in accordance with the Annual Accounts Act, which is in accordance with RFR 2 Accounting of Legal Entities. The accounting policies and estimation methods are unchanged from those applied in the 2023 Annual Report. The financial statements are presented in SEKm unless otherwise specified. Amounts and calculations presented in the tables are rounded off and may not precisely match the figures presented in the financial statements and notes.

The new or amended IFRS standards applicable in 2024 and later have had no material impact on Sinch's financial statements. Risks and uncertainties relevant to Sinch are described in the 2023 Annual Report.

Pillar 2 legislation on top-up taxes on large multinational groups is effective from 1 January 2024. Sinch does not believe that there will be any material impact on the results of the Group's operations for the annual reporting period ending 31 December 2024 in any of the jurisdictions in which Sinch currently operates.

Change of cash-generating units

Effective 1 January 2024, financial reporting has been changed to reflect the new operating model, organization and management team. The new operating segments consist of the three regions, Americas, EMEA and APAC, and have replaced the previous operating segments of Messaging, Voice, Email and SMB. The previous operating segments also constituted Sinch's cash-generating units. From an organizational management perspective, the CEO monitors and reviews Sinch's financial performance based on three regions, which constitute our operating segments.

A complementary view comprising the three product categories, Applications, API Platform and Network Connectivity, is presented in addition to Sinch's new operating segments. These three product categories are assessed as being related in terms of sales channels and platforms, similar technology and a common organizational structure that is highly independent of cash flows from other assets and groups of assets. The product categories are the level at which goodwill is monitored internally and constitute Sinch's cash generating units as of 1 January 2024.

Receivables and accrued revenues

Accounts receivable (both billed and unbilled) have an unconditional right to payment. Revenues based on an unconditional right to payment must be reported as unbilled receivables if the amounts have not been billed as of the reporting date, while revenues that have been billed are shown as billed receivables on the balance sheet. Most customers are billed monthly in arrears (after services are rendered) and the unbilled receivables are converted to billed receivables a few days after the close of books.

Contract assets referring to accrued revenue have a conditional right to payment, which means for example that Sinch must first satisfy a final contractual obligation before an unconditional right to payment is established.

Financial assets and liabilities

Financial assets and liabilities are recognized at amortized cost, which is deemed to constitute their fair value because a majority of loan financing is carried at a three-month rate.

Related-party transactions

There have been no significant changes in the relationships and transactions with related parties compared to that disclosed in the 2023 Annual Report.

Note 2. Operating profit

EBITDA and EBIT adjustments are intended to clarify performance in underlying operations. The adjustments include acquisition costs, integration costs, operational foreign exchange gains/losses, restructuring costs, costs of share-based incentive programs and non-recurring adjustments.

The costs of incentive programs are clarified and divided into payroll costs and social insurance costs, where payroll costs are, in accordance with IFRS 2, an estimated cost that does not affect cash flow and social insurance costs fluctuate with Sinch's price per share. Excluding these costs from Adjusted EBITDA ensures that short-term changes in the share price do not impede analysis

of the underlying business and makes it easier to relate Adjusted EBITDA to Sinch's cash flow.

Sinch previously had a financial target defined as growth in Adjusted EBITDA per share. The future cost of Sinch's incentive programs to existing shareholders is reflected there as dilution, through an increased number of shares. By applying the new definition of Adjusted EBITDA, we ensure that the cost to shareholders in Sinch is not counted twice. Sinch's definition of Adjusted EBITDA also becomes more directly comparable with other listed competitors.

Reconciliation items related to operating profit

EBITDA adjustments, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Acquisition costs	-3	-2	-7	-8
Restructuring costs	-9	0	-93	-47
Earnouts	-	-	-	-18
Integration costs	-71	-23	-209	-148
Costs of share-based incentive programs	4	-52	-37	-136
Operational foreign exchange gains/losses	93	-63	137	-161
Other adjustments ¹	-711	-37	-713	-45
Total EBITDA adjustments	-696	-178	-921	-563
Amortization of acquisition-related assets	-483	-535	-1,952	-2,063
Impairment of goodwill	-	-	-6,000	-
Total EBIT adjustments	-1,179	-713	-8,873	-2,627

1) Other adjustments includes a one-time charge for historical tax exposures of SEK -700m.

Integration costs, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Employee benefits expenses, own employees	-	-15	-	-108
Employee benefits expenses, external resources	-15	-7	-37	-32
External consultants	-45	-1	-157	-6
Other	-11	0	-14	-2
Total integration costs per category²	-71	-23	-209	-148

2) Reported as other external expenses and employee benefits expenses.

Costs of share-based incentive programs, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Cost of vested employee stock option	-11	-27	-53	-115
Social insurance costs	15	-25	16	-21
Total costs for share-based incentive programs per category³	4	-52	-37	-136

3) Reported as employee benefits expenses.

Operational foreign exchange gains/losses, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Realized foreign exchange gains/losses	44	-37	48	-70
Unrealized foreign exchange gains/losses	49	-27	89	-91
Total operational foreign exchange gains/losses per category⁴	93	-63	137	-161

4) Reported as other operating income or other operating expenses.

Note 3. Pledged assets and contingent liabilities

Pledged assets and contingent liabilities amounted to SEK 126m (109) and SEK 132m (112) respectively.

Note 4. Incentive programs

Within the framework of the LTI 2024 incentive program adopted by the AGM on 16 May 2024, 532,451 warrants and 14,818,776 employee stock options have been granted to senior executives and other key employees of Sinch. The warrants were granted at market value, corresponding to subscription prices of SEK 5.22, SEK 5.25 and SEK 5.79 for the respective series. Sinch has raised SEK 3m through subscribed warrants. Employee stock options are granted against no monetary consideration. The maximum number of instruments in LTI 2024 is 17,100,000.

Within the framework of the LTI 2023 incentive program adopted by the AGM on 17 May 2023, 355,000 employee stock options have been granted to senior executives and key employees within Sinch. Employee stock options are granted against no monetary consideration. The maximum number of instruments in LTI 2023 is 8,385,000.

In the fourth quarter, 318,698 options from LTI 2022 at the exercise price of SEK 14,654 and SEK 25.33 per share and 54,100 options from LTI 2023 at the exercise price of SEK 27.13 per share were exercised, for which each option carried one share. In relation to this, 322,610 shares were registered with Bolagsverket (the Swedish Companies Registration Office) in Q4, and the remaining 50,188 shares were registered in January 2025.

Through the exercise of options, Sinch thus raised SEK 6m in equity in Q4 and SEK 1m in equity in 2025.

Total costs for the incentive programs recognized on the income statement amount to SEK -37m (-136) for the period of January to December. Payroll costs for vested employee stock options are included in profit or loss in the amount of SEK -53m (-115) with a corresponding increase in equity and social insurance costs. Based on the share price, this improves profit by SEK 16m (-21), with a corresponding reduction of provisions in the balance sheet. Payroll costs reduced profit in Q4 by SEK 11m (27) and social insurance costs improved profit by SEK 15m (-25).

The potential dilutive effect, calculated based on the exercise price of the options in relation to the average share price during the period, is 0.6 percent (0.5) upon exercise of all warrants and employee stock options in all programs. See Note 9 of the 2023 Annual Report for further disclosures regarding the Group's incentive programs LTI 2019, LTI 2020, LTI II 2020, LTI 2021, LTI II 2021, LTI 2022 and LTI 2023.

Note 5. Depreciation, amortization and impairments

Goodwill is tested for impairment annually in connection with updated business plans. Goodwill is also tested when there is indication that the asset has decreased in value. The changes related to Sinch's cash-generating units (CGU) compared to earlier periods are explained in Note 1 of this interim report. The recoverable amount for a CGU is determined based on 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, gross profit or loss and the operating margin based on the current year and discount rate (WACC).

The estimated growth rate and the forecast operating margin are based on the Group's budgets and forecasts for each CGU. The growth rate after the forecast period coincides with the Group's long-term assumptions about inflation and long-term market growth. The discount rate reflects the risk-free rate in the functional currencies of the CGUs, the country-specific market risk premiums, the business risk represented by an estimated beta, and the cost of borrowing. The company has

determined that all CGUs can mainly be categorized as companies in a growth phase with strong and stable cash flows based on existing business relationships. All CGUs are characterized by their continuous development of new services that complement the current business.

Sinch's CGUs consist of the three product categories, Applications, API Platform and Network Connectivity. The third quarter includes a goodwill impairment of SEK 6,000m. The impairment is attributable to the Applications product category and mainly to MessageMedia, which was acquired in 2021. In Sinch's operating segments, which are comprised of the three regions, Americas, EMEA and APAC, the majority of the impairment is allocated to APAC, with a minor portion allocated to the Americas segment. The impairment of the Applications CGU is consequent upon a poorer outlook for gross profit growth.

During Q4 2024, no indications of impairment of goodwill exist for any CGU.

Sensitivity analysis

As of 31 December 2024, the Application CGU continues to be sensitive to changes in all key assumptions, including the discount rate and assumptions in the long-term business plan. The discount rate for the Applications CGU is largely affected by changes in the risk-free rate, but also by other factors such as country-specific market risk premiums, business risk and the borrowing cost. Sinch is continuously following the development on the market and changes in other key assumptions over time.

An impairment would not be required for Network Connectivity in the event of a reasonably possible increase of 1 percentage point in the WACC, or upon changes to other key assumptions. It would, however, significantly reduce the margin. No need for impairment has been identified for API platform in the event that reasonably possible changes in key assumptions occur.

	Q4		Jan-Dec	
	2024	2023	2024	2023
Depreciation, amortization and impairment, SEKm				
Amortization acquired customer relationships	-310	-317	-1,249	-1,254
Amortization acquired operator relationships	-6	-14	-32	-70
Amortization acquired trademarks	-21	0	-90	-68
Amortization acquired software	-146	-204	-581	-671
Impairment of goodwill	-	-	-6,000	-
Total acquisition related amortization and write-downs	-483	-535	-7,952	-2,063
Amortization proprietary software	-52	-65	-200	-167
Amortization licenses	6	-2	1	-12
Amortization other intangible assets	0	-1	0	-1
Total amortization intangible assets	-530	-604	-8,151	-2,244
Depreciation property, plant and equipment	-44	-43	-171	-174
Depreciation right-of-use assets	-34	-37	-138	-149
Impairments	-3	-3	-13	-13
Total amortization/depreciation and impairment of intangible assets and property, plant and equipment	-611	-687	-8,473	-2,580

Note 6. Acquisition of Group companies

There were no acquisitions in 2023 or 2024, but a contingent earnout of SEK 24m was paid in Q1 2023 in relation to the acquisition of TWW.

Note 7. Accounts receivable

Accounts receivable, SEKm	31 Dec	
	2024	2023
Unbilled receivables	2,023	1,921
Receivables, billed	2,607	2,897
Expected credit loss allowance	-128	-149
Total accounts receivable	4,503	4,669

Note 8. Prepaid expenses and accrued income

Prepaid expenses and accrued income, SEKm	31 Dec	
	2024	2023
Accrued revenue from contracts with customers	52	36
Other accrued income and prepaid expenses	578	645
Total accrued income and prepaid expenses	630	681

Note 9. Provisions

Provisions, SEKm	31 Dec	
	2024	2023
Provision for social security expenses, ESOP	17	37
Provision for restructuring costs	3	3
Provision for other taxes	310	-
Other provisions	18	16
Total non-current provision	348	55
Provision for other taxes	390	-
Total current provision	390	-
Total provisions	738	-

Sinch has during the fourth quarter 2024 recorded a SEK 700m one-time provision which in the table above is disclosed as current and non-current provision for other taxes.

Sinch is not currently subject to tax assessment or audit in any of the jurisdictions relating to this provision.

Sinch operates in many tax jurisdictions globally, where each tax jurisdiction independently assesses how non-income based taxes should be levied upon Sinch's business. Jurisdictions are continually clarifying their tax legislation relating to how certain taxes apply to services like the ones Sinch sells.

As a result of several acquisitions, Sinch operates multiple legal entities that offer similar or related services to customers within the same jurisdiction. To determine Sinch's tax position within each jurisdiction, the company has initiated a review of the current position and previous practice in multiple previous years. As a consequence of this review, it is considered probable

that a liability has been incurred, and the amount of exposure can be reasonably estimated, which means Sinch has assessed the need to make a provision for our historical tax exposure.

Sinch has recorded a one-time charge of SEK 700m for historical non-income based taxes on the December 31, 2024 balance sheet as a provision for other taxes. The provision is based on several key assumptions, included but not limited to the tax treatment of Sinch's services, the jurisdictions in which the company believes it may be assessed to incur historical taxes, and the attribution of revenues to those jurisdictions.

If relevant jurisdictions interpret these assumptions differently, there may be a different outcome..

Sinch does not expect that its reassessed position will affect the company's competitiveness or ability to meet its financial targets.

Note 10. Net sales by product category

Net sales by product category, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Applications	934	894	3,354	3,151
API Platform	5,317	5,250	19,758	20,091
Network Connectivity	1,478	1,388	5,601	5,504
Total net sales	7,729	7,532	28,712	28,745

Note 11. Gross profit by product category

Gross profit by product category, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Applications	617	593	2,240	2,125
API Platform	1,430	1,401	5,445	5,254
Network Connectivity	535	532	2,000	2,163
Total gross profit	2,582	2,526	9,685	9,542

Note 12. Adjusted OPEX by function

Sinch reports Group costs by nature; see the Income Statement on page 15. Further information is provided in Note 12, in which operating expenses are distributed by function. The R&D expenses described below include the costs of technical operations. See page 31 for further details about the function definitions applied by Sinch.

Adjusted Opex by function, SEKm	Q4		Jan-Dec	
	2024	2023	2024	2023
Sales & marketing expenses	-416	-434	-1,747	-1,699
Research & development expenses	-771	-741	-2,960	-2,896
General & administrative expenses	-392	-357	-1,392	-1,310
Total adjusted Opex	-1,579	-1,531	-6,099	-5,905
EBITDA adjustments	-696	-178	-921	-563
Total Opex	-2,275	-1,708	-7,020	-6,468

Definitions

Regions

Effective 1 January 2024, the new Sinch operating model and operating segments are based on three geographical regions: Americas, EMEA and APAC. The regions represent the domiciles of our customers.

Product categories

Sinch discloses supplementary financial information across three product categories.

Applications

This product category targets business users and consists of software applications for customer engagement, supporting use cases across marketing, operations and customer care.

API Platform

Products within this category target developers and product managers. APIs allow businesses to trigger mobile messaging, voice calling, and emails from their own internal or third-party IT systems.

Network Connectivity

Network Connectivity products target telecom operators and wholesale voice buyers. The portfolio primarily includes voice and messaging interconnect services, operator software and services.

Financial measurements defined under IFRS:

Earnings per share, basic and diluted

Net profit for the period attributable to owners of the parent divided by the volume-weighted average number of shares outstanding in the period before/after dilution.

Financial measures not defined under IFRS:

The company presents certain financial measurements that are not defined under IFRS. The company believes that these measurements provide useful supplemental information to investors and the company's management for reasons including that they enable evaluation of the company's performance. Because not all companies calculate financial measurements in the same way, these are not always comparable to measurements used by other companies. These financial measurements should therefore not be considered a substitute for measurements defined under IFRS. Please refer to investors.sinch.com for a reconciliation of these financial measurements and organic growth.

Gross profit

Net sales less the cost of services sold.

A large share of Sinch's cost of services sold consists of traffic fees paid to mobile operators. Operator traffic fees differ significantly from one country to the next. Consequently, changes in traffic patterns and the volume mix can have high impact on net sales and the gross margin even though there is no effect on gross profit in absolute numbers.

Gross margin

Gross profit in relation to net sales.

The gross margin reflects the percentage of sales that comprises internal value creation and is not passed on to suppliers.

Operating expenses (Opex)

Opex is defined as the difference between gross profit and EBITDA and consists of the following items: Other operating income, Work performed by the entity and capitalized, Other external expenses, Employee benefits expenses and Other operating expenses.

EBITDA

Profit for the period before financial income, financial expenses, tax and depreciation, amortization and impairments of property, plant and equipment and intangible assets.

Enables comparisons of profitability over time, regardless of the effects of the rate of depreciation and amortization of non-current assets, financing structure and the corporation tax rate.

EBIT

Profit for the period before financial income, financial expenses and tax.

Adjusted operating expenses (Adjusted Opex)

Adjusted Opex is defined as the difference between gross profit and Adjusted EBITDA and consists of the following items: Other operating income, Work performed by the entity and capitalized, Other external expenses, Employee benefits expenses, Other operating expenses and EBITDA adjustments.

Sales & marketing expenses

Expenditures associated with promoting and selling our products, including acquiring new customers and managing existing customer relationships.

Research & development expenses

Expenditures associated with the development, improvement and technical operations of our products, net of capitalized software development.

General & administrative expenses

Expenditures for support functions such as finance, human resources, facilities, information technology and other administrative functions.

Acquisition costs

Acquisition costs are such costs incurred as a consequence of completed business combinations.

Integration costs

Integration costs arise mainly in connection with business combinations and the creation of a common IT infrastructure. The nature of the costs consists of alignment of processes, brands and technical systems. The costs are of a non-recurring nature but, unlike restructuring costs, they are connected to the entity's current and future operations. As of 2024- integration costs include only external costs and resources.

Restructuring costs

Restructuring costs comprise direct costs related to restructuring and have no connection with the company's current operations. Restructuring costs include mainly the costs of laying off employees and indirect costs related to the layoffs.

Adjusted EBITDA

EBITDA excluding acquisition costs, integration costs, restructuring costs, operational foreign exchange gains/losses, costs of share-based incentive programs and non-recurring adjustments.

Enables comparison of profitability over time in underlying operations.

Adjusted EBITDA per share

Adjusted EBITDA divided by the volume-weighted average number of shares outstanding for the period after dilution.

Measures the earnings per share generated by the business adjusted for acquisition costs, integration costs and other adjustment items.

Adjusted EBITDA/gross profit

The measure shows the company's Adjusted EBITDA as a percentage of gross profit. In addition to net sales, the cost of services sold is included in gross profit.

EBITDA margin/Adjusted EBITDA margin

EBITDA/Adjusted EBITDA in relation to net sales.

Amortization/depreciation of acquisition-related assets

Amortization of acquired intangible assets/depreciation of acquired property, plant and equipment. Depreciation of property, plant and equipment and amortization of other intangible assets are included in acquisition-related amortization/depreciation, as this is a measure of the use of resources necessary to generate profit.

Adjusted EBIT

EBIT after the same adjustments as for Adjusted EBITDA and excluding depreciation/amortization and impairments of non-cash acquisition-related property, plant and equipment and intangible assets.

Enables comparison of profitability over time, regardless of amortization/depreciation and impairment of acquisition-related property, plant and equipment and intangible assets and independently of financing structure and the corporation tax rate.

EBIT margin/Adjusted EBIT margin

EBIT/Adjusted EBIT in relation to net sales.

Interest-bearing liabilities

Bond loans, bank loans, overdraft facilities, commercial paper and lease liabilities.

Used to calculate net debt.

Net debt

Interest-bearing liabilities less cash and cash equivalents.

Used to track the debt trend and visualize the size of refinancing requirements.

Net debt/Adjusted EBITDA R12M

Net debt divided by adjusted EBITDA, past 12 months. Net debt and Adjusted EBITDA are both measured excluding IFRS 16-related lease liabilities.

Shows how many years it would take to pay off the company's debts presuming that net debt and Adjusted EBITDA are constant and with no consideration of other cash flows.

Equity ratio

Equity as a percentage of total assets.

Illustrates the company's financial position. A good equity/assets ratio equips the company to manage periods of economic downturn and the financial basis for growth.

Net investments in property, plant and equipment and intangible assets

Investments in property, plant and equipment and intangible assets during the period less divested property, plant and equipment and intangible assets.

Cash flow from operating activities after investments

Cash flow from operating activities adjusted for net investments in property, plant and equipment and intangible assets during the period.

Operational measurements**Percentage female**

Average number of women in relation to the average total number of employees during the period, recalculated as full-time equivalents.

Average number of employees and consultants

Average number of employees and consultants during the period, recalculated as full-time equivalents.

Organic growth

Growth in local currency and excluding acquisitions.

Sinch's presentation currency is SEK, while a large portion of revenues and costs are in other currencies. Growth adjusted for acquired entities and currency effects shows underlying growth. Acquisitions are considered part of organic operations after 12 months.

R12M

Sales, earnings or other results for the past 12 months.

Total shares outstanding

Total number of ordinary shares and preference shares at the end of the period.

Terms and acronyms

See the Annual Report for Sinch AB (publ) for definitions of terms and acronyms, available at investors.sinch.com.

About Sinch

Sinch is pioneering the way the world communicates. More than 175,000 businesses – including many of the world's largest tech companies – rely on Sinch's Customer Communications Cloud to improve customer experience through mobile messaging, voice and email. Sinch has been profitable and fast-growing since it was founded in 2008. It is headquartered in Stockholm, Sweden, with shares traded on NASDAQ Stockholm: XSTO:SINCH. Read more at sinch.com.

Forthcoming reporting dates

Interim report Q1, Jan–Mar 2025	8 May
Interim report Q2, Jan–Jun 2025	22 Jul
Interim report Q3, Jan–Sep 2025	5 Nov

Annual Report and Sustainability Report

Annual Report and Sustainability Report 2024 23 April

Annual General Meeting

The Annual General Meeting will be held at 10:00 CEST on 22 May 2025 at Sinch headquarters, Lindhagensgatan 112, Stockholm.

Nominating Committee

The members of the Sinch AB nominating committee are:

- Jonas Fredriksson, representing Neqst D2 AB
- Thomas Wuolikainen, representing Fjärde AP-fonden
- Patricia Hedelius, representing AMF Pension och Fonder
- Monica Åsmyr, representing Swedbank Robur Fonder
- Erik Fröberg – Board Chair, Sinch AB

Risk assessment

Sinch is, like all businesses, exposed to various types of risks in its operations. Growth in combination with rapid and continuous changes in the business environment has made it necessary to increase focus on risks and risk management. Sinch has created an 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 interests of the company. Sinch has defined five types of risks under this framework: Strategic, Operational, Legal & Compliance, Financial and External. More information about risks and risk management is provided in the 2023 Annual Report.

Outlook

As a general rule, Sinch does not publish forecasts but recognizes that the effects of geopolitical uncertainty and a volatile macroeconomic environment are expected to persist in 2025. The Group's exposure to Ukraine and Russia is limited to less than 1 percent of annualized gross profit or loss. In spite of significant macroeconomic change during the past couple of years, Sinch has remained an industry leader with good underlying profitability and robust cash flows. Aimed at reigniting growth, Sinch presented a Growth Acceleration Plan and a new operating model that were implemented as of 1 January 2024.

Forward-looking statements

This report contains statements concerning matters including Sinch's financial position and earnings, as well as statements regarding market conditions that may be forward-looking. Sinch believes that the expectations reflected in these forward-looking statements are based on reasonable assumptions. Forward-looking statements, however, include risks and uncertainties and actual outcomes or consequences may differ materially from those expressed. Other than as required by applicable law, forward-looking statements apply only on the day they are presented and Sinch does not undertake to update any of them in light of new information or future events.

Assurance

The board of directors and the CEO certify that the interim report gives a true and fair view of the company's and the Group's operations, position and results, and describes significant risks and uncertainties faced by the company and the companies included in the Group.

Headquarters

Sinch AB (publ)
Lindhagensgatan 112
112 51 Stockholm, Sweden

Corporate ID 556882-8908

sinch.com

Invitation to webcast and phone conference

Sinch will present the interim report in a webcast and phone conference on Thursday, 13 February 2025 at 14:00 CET. Watch the presentation at investors.sinch.com/webcast.

To participate via phone conference, register using the following link: <https://conference.inderes.com/teleconference/?id=5008092>. After you register, you will be given a phone number and conference ID to log into the conference.

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Stockholm, 13 February 2025

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Board Chair

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Director

Lena Almefelt
Director

Mattias Stenberg
Director

Renée Robinson Strömberg
Director

Laurinda Pang
President and CEO

Note: Sinch AB (publ) is required to publish the information in this report pursuant to the EU Market Abuse Regulation and the Swedish Market Security Act. The information was released for publication by the contact person above on 13 February 2025 at 07:30 CET.

This report is published in Swedish and English. In case of any differences between the English version and the Swedish original text, the Swedish version shall apply. The report has not been subject to review by the company's independent auditors.

