Q2 2025

INTERIM REPORT, JANUARY – JUNE 2025

Continued profitable growth

April – June 2025

- Net sales amounted to SEK 6,616m (7,041). Organic growth was 2 percent, while currency effects had a negative impact of 8 percent on net sales.
- Gross profit amounted to SEK 2,322m (2,386). Gross profit increased 6 percent organically with contributions from all regions and product categories. Currency effects had a negative impact of 9 percent.
- EBITDA amounted to SEK 760m (792). EBITDA increased 4 percent organically, while currency effects impacted EBITDA negatively with 8 percent.
- Adjusted EBITDA was essentially unchanged at SEK 869m (867) and increased organically by 8 percent, while currency effects had a negative impact of 8 percent.
- Profit after tax was SEK 25m (95).
- Basic earnings per share were SEK 0.03 (0.11) and diluted earnings per share were SEK 0.03 (0.11).
- Free cash flow was SEK 523m (903).
- Free cash flow per share R12M amounted to SEK 1.70 (3.05). Cash conversion R12M was 39 percent.
- Net debt in relation to Adjusted EBITDA R12M was 1.3 (1.7).

January – June 2025

- Net sales amounted to SEK 13,665m (13,833). Organic growth was 3 percent, while currency effects had a negative impact of 4 percent.
- Gross profit amounted to SEK 4,730m (4,698). Gross profit increased organically 4 percent with contributions from all regions and product categories. Currency effects had a negative impact of 3 percent.
- EBITDA amounted to SEK 1,500m (1,560). EBITDA decreased organically by 1 percent, while currency effects had a negative impact of 2 percent.
- Adjusted EBITDA amounted to SEK 1,758m (1,661), and increased organically 8 percent, while currency effects had a negative impact of 2 percent.
- The loss after tax was SEK -23m (5).
- Basic earnings per share were SEK -0.03 (0.01) and diluted earnings per share were SEK -0.03 (0.01).
- Free cash flow was reduced by a temporary increase in working capital and amounted to SEK 419m (1,327).

Significant events during the quarter

- Jonas Dahlberg joined as CFO on April 1.
- Sinch and Authvia announced a partnership in payment-enabled messaging.
- ROCCO recognized Sinch as a leader in RCS.
- Sinch launched Mailgun Inspect.
- Sinch published a market study, *The State of Customer Communications*.

Significant events earlier this year

- IDC recognized Sinch as a leader in CPaaS.
- Sinch cofounder Robert Gerstmann was appointed interim CPO.

Significant events after the end of the quarter

- The Board of Directors of Sinch has decided to initiate share buybacks.
- Sinch announced that the company is supporting AI-based communications through implementing Model Context Protocol (MCP).
- Shareholders in Sinch were called to an extraordinary general meeting.

	Q2		Jan-Jun			
Sinch Group, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Net sales	6,616	7,041	13,665	13,833	28,544	28,712
Gross profit	2,322	2,386	4,730	4,698	9,717	9,685
Gross margin	35%	34%	35%	34%	34%	34%
EBITDA	760	792	1,500	1,560	2,605	2,665
EBITDA margin	11%	11%	11%	11%	9%	9%
Adjusted EBITDA	869	867	1,758	1,661	3,683	3,586
Adjusted EBITDA margin	13%	12%	13%	12%	13%	12%
Basic earnings per share	0.03	0.11	-0.03	0.01	-7.63	-7.60
Diluted earnings per share	0.03	0.11	-0.03	0.01	-7.63	-7.60
Free cash flow	523	903	419	1,327	1,447	2,355
Free cash flow/share R12M, SEK	1.70	3.05	1.70	3.05	1.70	2.77
Net debt/Adjusted EBITDA R12M, multiple	1.3	1.7	1.3	1.7	1.3	1.5

COMMENTS FROM THE CEO

Continued profitable growth

In the second quarter of 2025, we once again achieved year-on-year (YoY) organic gross profit growth across all regions and product categories, reinforcing that we are on a steady march toward our mid-term financial targets. This also marks the fourth consecutive quarter of organic net sales growth.

Significant foreign exchange effects negatively impacted reported growth rates in both net sales and gross profit during the quarter. However, after adjusting for these effects—as we always do—organic gross profit grew by a solid 6 percent, which is encouraging. That said, I am less satisfied with the more modest 2 percent organic net sales growth. While it is positive that our gross margin has improved, sustainable revenue growth remains the key driver for long-term profit growth.

Adjusted EBITDA was solid, with a 13 percent margin and 8 percent organic YoY growth, reflecting higher organic gross profit and disciplined cost management. Free cash flow was healthy at SEK 523 million, and financial leverage improved to 1.3, down from 1.7 a year ago—comfortably below the threshold set by our financial policy.

As for our operating segments, **Americas** delivered 6 percent organic gross profit growth, driven by gross margin improvements and increased growth in both Applications and Network Connectivity. The region remains active in developing new and existing partnerships, many of which are highlighted in this report. **EMEA** saw 7 percent organic gross profit growth, with Email products continuing to be a key growth driver. Marketing efforts in the region remained focused on RCS and strategic partnerships. **APAC** reported 3 percent organic gross profit growth, with continued strong performance in the API business in Asia.

Our activities to accelerate growth continue at a brisk pace across **four strategic lever**s. Around 500 **large enterprise customers** contribute more than 60 percent of our gross profit, offering high lifetime value and significant opportunities for upselling and cross-selling. The number of customers in this segment has grown 5 percent year-to-date but has been stable since last quarter. As new customer wins onboard, we expect this cohort to continue to grow.

In contrast to our enterprise segment, we also serve tens of thousands of **self-serve** customers, who sign up online. These customers contribute over 15 percent of our gross profit. It is a global, scalable, high margin business that delivers double-digit growth.

The third growth lever relates to two products: **RCS for Business and Email**. RCS is the evolution of SMS that brings conversations to the messaging inbox we all use every day, and RCS is gaining traction. Sinch sent close to 800 million RCS business messages in the quarter, a 27 percent increase versus Q1. We also received recognition from independent research firm ROCCO for our leadership in this space. While we are excited about its potential, it will take time before RCS significantly impacts our financials. In comparison, we send more than 250 billion SMS messages annually. Meanwhile, our email products continue to post double-digit organic growth. With the new functionality launched this quarter, Email remains a strategic investment focus supporting both direct sales and partner channels.

Partnerships and ecosystems constitute the fourth growth lever and this quarter we enhanced our integrations with Salesforce, Adobe, HubSpot, and Microsoft Dynamics and other ecosystems our customers use daily.

In addition to activities around the growth levers, we recently shared our strategic view on **AI**, which is a structural catalyst for growth in our sector. Sinch has long incorporated AI, but we are now advancing a holistic AI strategy across our platform. This includes the Model Context Protocol (MCP), which enables AI agents to autonomously operate across messaging, email, voice, and verification services, leveraging over 900 billion interactions annually. We are currently live with Claude and are expanding to other AI frameworks. We are also advancing in-product AI innovation, AI ecosystem expansion, and market validation, including findings from our own research showing that 97 percent of businesses are adopting AI in customer communications.

In essence, we are not just adding AI features, we are building an intelligent, AI-driven communications platform aligned with our long-term value creation strategy.

I am encouraged to see clear progress in integration and innovation across our product portfolio this quarter—critical for driving sustainable growth longer term. With strong organic gross profit growth, stable EBITDA margins, and healthy cash flow, we have also taken another confident step toward our financial targets. That said, we recognize the uncertain macro-economic environment. We therefore remain cautious about short-term expectations and will continue to manage costs with vigilance as we move forward. Finally, I am pleased to note that our strong financial position has allowed the Board of Directors to initiate the repurchasing of own shares..

Stockholm, July 22, 2025

Laurinda Pang

CEO

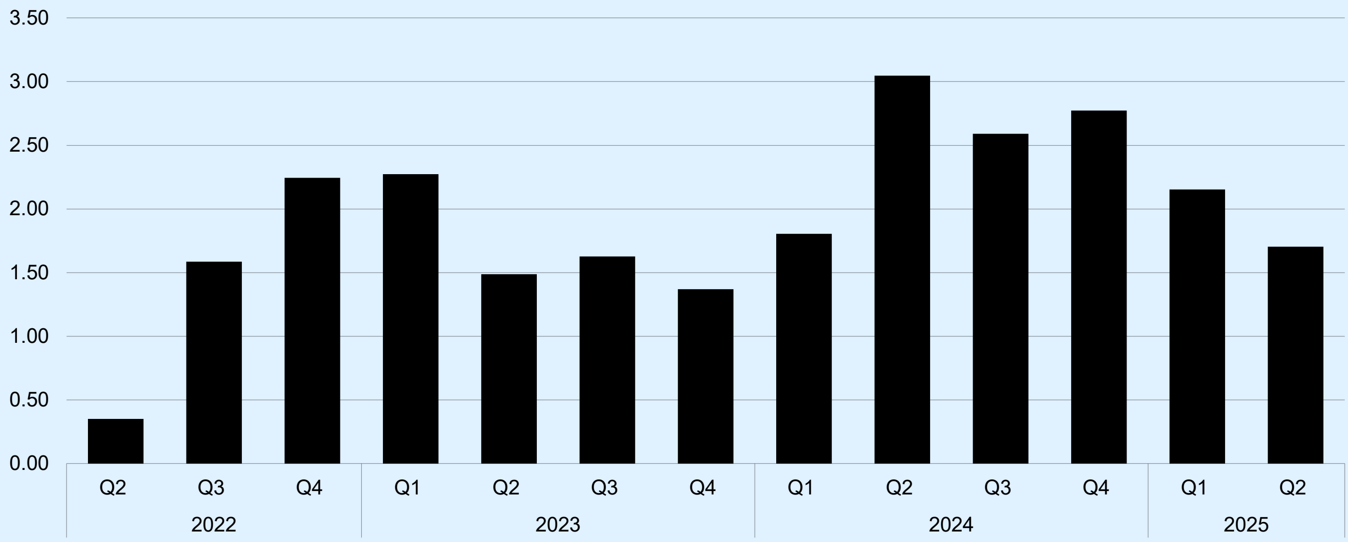
Sinch overview

	Q2		Jan-Jun			
Sinch Group, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Net sales	6,616	7,041	13,665	13,833	28,544	28,712
Gross profit	2,322	2,386	4,730	4,698	9,717	9,685
Gross margin	35%	34%	35%	34%	34%	34%
EBITDA	760	792	1,500	1,560	2,605	2,665
EBITDA margin	11%	11%	11%	11%	9%	9%
Adjusted EBITDA[1]	869	867	1,758	1,661	3,683	3,586
Adjusted EBITDA margin	13%	12%	13%	12%	13%	12%
Adjusted EBITDA/gross profit	37%	36%	37%	35%	38%	37%
EBIT	208	170	332	321	-5,796	-5,807
EBIT margin	3%	2%	2%	2%	-20%	-20%
Adjusted EBIT[1]	746	738	1,495	1,395	3,166	3,066
Adjusted EBIT margin	11%	10%	11%	10%	11%	11%
Profit or loss for the period	25	95	-23	5	-6,441	-6,413
Basic earnings per share, SEK	0.03	0.11	-0.03	0.01	-7.63	-7.60
Diluted earnings per share[3], SEK	0.03	0.11	-0.03	0.01	-7.63	-7.60
Cash flow from operating activities	695	1,049	755	1,602	2,097	2,944
Free cash flow	523	903	419	1,327	1,447	2,355
Free cash flow/share R12M, SEK	1.70	3.05	1.70	3.05	1.70	2.77
Net debt (+) / Net cash (-)	5,238	6,976	5,238	6,976	5,238	6,012
Net debt/Adjusted EBITDA R12M, multiple[2]	1.3	1.7	1.3	1.7	1.3	1.5
Equity ratio	61%	66%	61%	66%	61%	60%
Average number of employees	3,622	3,443	3,589	3,482	3,544	3,491
Average number of employees including consultants	4,134	4,086	4,116	4,142	4,083	4,096

For a list and definitions of financial and operational measurements, please refer to page 30.

1) Adjusted EBITDA and Adjusted EBIT are alternative performance measures that are not defined under IFRS. See Note 2 for reconciliation and page 30 for definitions.
2) In the calculation of this APM, net debt and Adjusted EBITDA are both measured excluding IFRS 16-related lease liabilities. See page 9 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.

Free cash flow per share[4], R12M (SEK)



4) The Sinch Board of Directors measures long-term value creation through assessment of free cash flow/share. Free cash flow/share is an Alternative Performance Measure (APM) that is intended to measure the free cash flow generated by the business. The chart above shows the development of this APM over time.

Quarterly summary

Adjusted EBITDA and Adjusted EBIT are reported below to clarify performance in underlying operations. See Note 2 for more information.

Net sales, SEKm	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Americas	4,389	4,523	4,651	4,247	4,460	4,554	4,849	4,431	4,155
EMEA	1,726	1,751	1,786	1,551	1,610	1,641	1,838	1,668	1,572
APAC	906	991	1,095	995	971	955	1,043	949	888
Total	**7,021**	**7,265**	**7,532**	**6,792**	**7,041**	**7,150**	**7,729**	**7,049**	**6,616**

Gross profit, SEKm	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Americas	1,469	1,514	1,633	1,443	1,490	1,482	1,583	1,509	1,443
EMEA	522	564	504	504	505	536	574	518	516
APAC	331	355	390	364	391	388	425	380	363
Total	**2,322**	**2,433**	**2,526**	**2,312**	**2,386**	**2,406**	**2,582**	**2,408**	**2,322**

Gross margin	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Americas	33%	33%	35%	34%	33%	33%	33%	34%	35%
EMEA	30%	32%	28%	33%	31%	33%	31%	31%	33%
APAC	37%	36%	36%	37%	40%	41%	41%	40%	41%
Total	**33%**	**33%**	**34%**	**34%**	**34%**	**34%**	**33%**	**34%**	**35%**

EBITDA, SEKm	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
EBITDA, total	715	848	818	768	792	799	307	740	760
EBITDA margin	10%	12%	11%	11%	11%	11%	4%	11%	11%
Adjusted EBITDA, total	865	943	996	794	867	923	1,003	889	869
Adjusted EBITDA margin	12%	13%	13%	12%	12%	13%	13%	13%	13%
Adjusted EBITDA/gross profit	37%	39%	39%	34%	36%	38%	39%	37%	37%

EBITDA adjustments, SEKm (Note 2)	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Acquisition costs	-2	-2	-2	-2	-1	-2	-3	-2	-1
Restructuring costs	-28	-14	0	-18	-55	-11	-9	-3	-1
Integration costs	-47	-31	-23	-49	-39	-50	-71	-65	-51
Costs of share-based incentive programs	-33	-29	-52	0	-14	-27	4	-9	-17
Operational foreign exchange gains/losses	-41	-12	-63	43	34	-33	93	-67	-35
Other adjustments	1	-9	-37	-1	0	-1	-711	-3	-4
Total EBITDA adjustments	**-149**	**-95**	**-178**	**-26**	**-75**	**-124**	**-696**	**-149**	**-109**
Amortization of acquisition-related assets	-506	-526	-535	-481	-492	-496	-483	-476	-429
Impairment of goodwill	-	-	-	-	-	-6,000	-	-	-
Total EBIT adjustments	**-655**	**-621**	**-713**	**-507**	**-568**	**-6,620**	**-1,179**	**-625**	**-538**

April – June 2025

Organic growth is defined as growth in local currency and excluding acquisitions. No material acquisitions or disposals have been executed in the past 12 months. Accordingly, the differences between reported and organic growth for the second quarter are explained solely by exchange rate changes.

Net sales

Net sales amounted to SEK 6,616m (7,041) and increased organically by 2 percent YoY. Net sales increased organically in all operating segments. Net sales increased organically in the Applications and Network Connectivity product categories and was unchanged in API Platform. See Note 10.

The currency headwind on net sales was 8 percent, corresponding to SEK -598m.

Gross profit

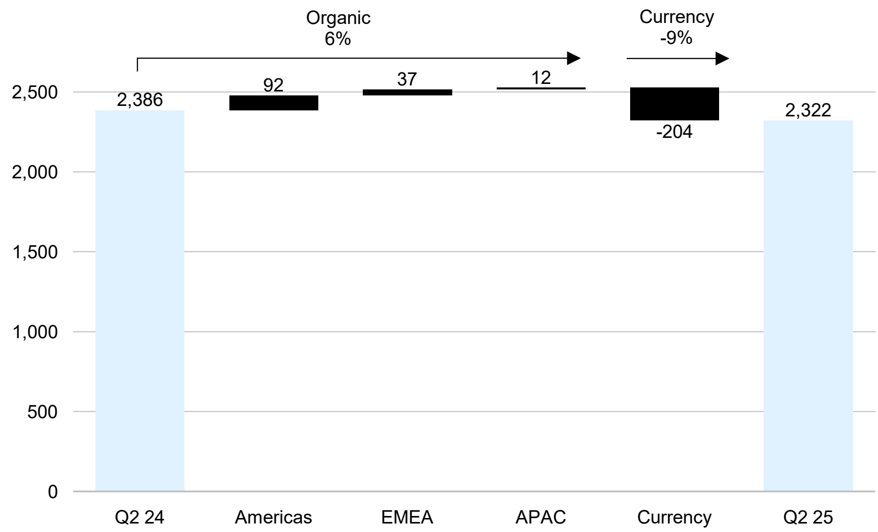
Gross profit amounted to SEK 2,322m (2,386) and increased organically by 6 percent YoY, with positive organic growth in all operating segments: Americas, EMEA, and APAC. Gross profit also increased organically in all product categories: Applications, API Platform, and Network Connectivity.

Higher net sales, a favorable product and market mix, and improved earnings are contributing to organic growth.

The currency headwind on gross profit was 9 percent, corresponding to SEK -204m.

The gross margin was 35 percent (34) for the quarter, with an equal contribution from a positive mix shift and increased profitability on product level. The gross margin was stable in the Applications product category, increased in API Platform, and decreased in Network Connectivity. All regions delivered gross margin growth.

Change in consolidated gross profit, Q2 2024 – Q2 2025



Net sales for the quarter, SEKm

6,616

Gross margin

35%

Organic gross profit growth

6%

Operating expenses (Opex)

Opex amounted to SEK 1,562m (1,594). Opex increased organically by 7 percent YoY and was primarily impacted by increased personnel cost, FX losses primarily on working capital and increased integration costs. The increases were partially offset by reduced restructuring costs and other savings resulting from synergies within the Group. The currency tailwind was 9 percent, corresponding to SEK 138m.

Adjusted Opex, defined as the difference between gross profit and Adjusted EBITDA amounted to SEK 1,453m (1,519). Adjusted Opex increased organically by 5 percent. The currency tailwind was 9 percent, corresponding to SEK 138m.

EBITDA

Adjusted EBITDA amounted to SEK 869m (867). Adjusted EBITDA increased organically by 8 percent YoY. The currency headwind was 8 percent, corresponding to SEK -66m.

The Adjusted EBITDA margin was 13 percent (12).

Adjusted EBITDA was SEK 109m (75) higher than EBITDA for the quarter. The adjustments included operational foreign exchange losses of SEK -35m (34) integration costs of SEK -51m (-39) and restructuring costs of SEK -1m (-55). See the quarterly summary and Note 2 for more information.

Adjusted EBITDA/gross profit was 37 percent (36) for the quarter.

EBITDA was SEK 760m (792). EBITDA increased organically by 4 percent. The currency headwind was 8 percent, corresponding to SEK -66m.

The consolidated EBITDA margin was 11 percent (11).

EBIT

EBIT amounted to SEK 208m (170).

Acquisition-related amortization reduced EBIT by SEK -429m (-492). 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 746m (738). See the quarterly summary and Note 2 for specifications.

Other income and expense items

Net financial expenses were SEK -128m (-148), including net interest expenses of SEK -72m (-126) and foreign exchange differences of SEK -55m (-16).

Net profit for the quarter amounted to SEK 25m (95).

Cash flow

Cash flow before the change in working capital amounted to SEK 486m (468). Cash flow was reduced by tax paid of SEK -334m (-147) and net interest paid and received of SEK -73m (-130).

Cash flow from operating activities amounted to SEK 695m (1,049) and was increased by the total change in working capital of SEK 209m (581). The cash flow in the quarter was strong but record high in the comparison quarter, which benefited from prepayments from customers.

Cash used in investing activities was SEK -173m (-149) and was affected by net investments of SEK -172m (-146), consisting primarily of capitalized development expenditure of SEK -116m (-95).

Free cash flow amounted to SEK 523m (903) and the decrease was mainly due to the change in cash flow from operating activities. Cash conversion R12M was 39 percent close to the guidance of 40-50%.

Cash used in financing activities was SEK -504m (-909) for the quarter, where the change in borrowings reduced net cash by SEK -481m (-881). Net cash flow for the quarter was SEK 18m (-9).

Adjusted EBITDA margin

13%

Adjusted EBIT, SEKm

746

Cash flow from operating activities, SEKm

695

Employees

At the end of the quarter, the Group employed 4,147 (4,065) people, including consultants. The average number of employees and consultants in Q2 was 4,134 (4,086). The average number of employees was 3,622 (3,443), of whom 34 (32) percent women.

The Sinch IT organization has been incorporated under CFO Jonas Dahlberg and Sibito Morley has consequently left the company and the Global Leadership Team.

January – June 2025

Organic growth is defined as growth in local currency and excluding acquisitions. No material acquisitions or disposals have been executed in the past 12 months. Accordingly, the differences between reported and organic growth for the full year are explained solely by exchange rate fluctuations.

Net sales

Net sales amounted to SEK 13,665m (13,833). Net sales increased organically by 3 percent YoY, with positive contribution from Americas and EMEA while organic net sales decreased in APAC. All product categories contributed to the organic growth. See Note 10.

The currency headwind on net sales was 4 percent, corresponding to SEK -569m.

Gross Profit

Gross profit amounted to SEK 4,730m (4,698). Gross profit increased organically by 4 percent YoY. Gross profit increased organically in all regions and in all product categories. Higher net sales, a favorable product and market mix, and improved margins are contributing to organic growth.

The currency headwind on gross profit was 3 percent, corresponding to SEK -159m.

The gross margin was 35 percent (34) for the period with all regions contributing to the higher margin. The gross margin was stable in the Applications product category, increased in API Platform, and decreased in Network Connectivity.

Operating expenses (Opex)

Opex amounted to 3,230m (3,138). Opex increased organically by 7 percent YoY. The currency tailwind was 4 percent, corresponding to SEK 122m.

The majority of Opex is attributable to direct and indirect employee benefits. Costs were affected by operational currency losses mainly on working capital, increased integration costs, and increased personnel costs.

Adjusted Opex, defined as the difference between gross profit and Adjusted EBITDA, amounted to SEK 2,972m (3,037). Adjusted Opex increased organically by 2 percent. The currency tailwind was 4 percent, corresponding to SEK 122m.

EBITDA

Adjusted EBITDA amounted to SEK 1,758 MSEK (1,661) and increased organically with 8 percent YoY. The currency headwind was 2 percent, corresponding to SEK -37m.

Adjusted EBITDA was SEK 258m (101) higher than EBITDA for the period. The adjustments include integration costs of SEK -116m (-88), operational foreign exchange losses of SEK -102m (77) and restructuring costs of SEK -5m (-73). See the quarterly summary and Note 2 for more information.

The Adjusted EBITDA margin was 13 percent (12).

Adjusted EBITDA/gross profit was 37 percent (35) for the period.

EBITDA amounted to SEK 1,500m (1,560). EBITDA decreased organically by 1 percent. The currency headwind was 2 percent, corresponding to SEK -37m.

The consolidated EBITDA margin was 11 percent (11).

EBIT

EBIT amounted to SEK 332m (321).

Acquisition-related amortization reduced EBIT by SEK -905m (-973). 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 1,495m (1,395). See the quarterly summary and Note 2 for specifications.

Net sales for the period, SEKm

13,665

Gross margin

35%

Other income and expense items

Net financial expenses were SEK -260m (-260), including net interest expenses of SEK -141m (-257) and foreign exchange differences of SEK -116m (9).

The Group's effective tax rate was 131 percent (91). Excluding acquisition-related amortization and impairments and associated deferred tax assets, the Group’s effective tax rate for the period was 32 percent (29). The higher tax rate is driven primarily by non-capitalized loss carryforwards.

The net loss for the period was SEK -23m (5).

Cash flow

Cash flow before the change in working capital amounted to SEK 1,105m (1,025). Cash flow was reduced by tax paid of SEK -445m (-204) and net interest paid and received of SEK -149m (-261).

Cash flow from operating activities amounted to SEK 755m (1,602). The difference is explained mainly by a change in working capital of SEK -350m during the period, while cash flow from operating activities in the comparison period was improved by a total change in working capital of SEK 577m.

Working capital at the end of the period was within normal variations but has increased since January 1 mainly due to the previously communicated temporary increase in prepaid expenses related to a cost optimization agreement with one of our largest suppliers.

Cash used in investing activities was SEK -336m (-280) and was affected by net investments of SEK -336m (-275), consisting primarily of capitalized development expenditure of SEK -222m (-194).

Free cash flow amounted to SEK 419m (1,327) and the decrease consisted mainly of change in working capital. Cash flow during the same period last year was at a very high level. Cash conversion R12M was 39 percent, which is close to Sinch’s guidance of 40-50 percent.

Cash used in financing activities was SEK -720m (-1,554) for the period, where the change in borrowings reduced net cash by SEK -664m (-1,496). Net cash flow for the period was SEK -301m (-232).

Liquidity and financial position

Consolidated cash and cash equivalents at June 30, 2025, amounted to SEK 717m (734).

Net debt amounted to SEK 5,238m (6,976) and included IFRS 16-related lease liabilities of SEK 718m (914). 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 1.3x (1.7).

As of June 30, Sinch had total available credit facilities of SEK 9,573m (11,253) of which the company had used SEK 3,406m (6,282). These consisted of:

- A used loan of USD 100m that matures in February 2027
- Credit facilities of SEK 7,546m that mature in February 2027, of which SEK 2,246m had been used as of June 30, 2025.
- Bank overdraft facilities of SEK 885m (918), of which SEK 19m (364) had been used as of June 30, 2025.

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 1,329m (125) that will mature in less than 12 months.

Financial liabilities decreased during the period by SEK -664m (-1,496). During the same period, the company’s net debt decreased by SEK -774m (-1,011).

In total, Sinch had cash and cash equivalents of SEK 717m and unused loans, credit facilities, and overdraft facilities of SEK 6,167m as of June 30, 2025.

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

Equity as of June 30, 2025, amounted to SEK 25,584m (35,145), corresponding to an equity ratio of 61 percent (66).

Employees

The average number of employees and consultants during the period was 4,116 (4,142). The average number of employees was 3,589 (3,482), of whom 34 (32) percent women.

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.

	Q2		Jan-Jun			
Americas, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Net sales	4,155	4,460	8,586	8,707	17,989	18,109
Gross profit	1,443	1,490	2,953	2,933	6,017	5,998
Gross margin	35%	33%	34%	34%	33%	33%

	Q2		Jan-Jun			
Net sales by product category, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Applications	287	276	579	543	1,236	1,201
API Platform	2,661	2,985	5,507	5,805	11,740	12,038
Network Connectivity	1,208	1,199	2,501	2,359	5,012	4,870
Total	**4,155**	**4,460**	**8,586**	**8,707**	**17,989**	**18,109**

	Q2		Jan-Jun			
Gross profit by product category, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Applications	211	202	417	394	863	840
API Platform	805	848	1,679	1,703	3,434	3,459
Network Connectivity	427	441	857	837	1,720	1,699
Total	**1,443**	**1,490**	**2,953**	**2,933**	**6,017**	**5,998**

Events

- Sinch was named an Essential App by HubSpot, thus strengthening the strategic partnership.
- Sinch partnered with Authvia to enable secure mobile payments directly in messaging channels including SMS, RCS and WhatsApp.
- Sinch launched Mailgun Inspect, an API-based solution for email testing and accessibility checks customized for the Martech and Enterprise platforms.
- Sinch was recognized as a leading RCS vendor in the ROCCO 2024 Market Impact Report.
- New customer cases in Q2 include CageCube.

Net sales

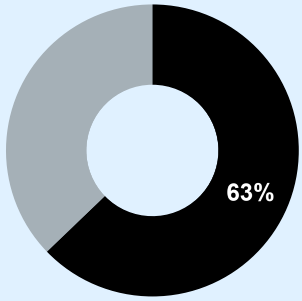
Net sales amounted to SEK 4,155m (4,460) and grew organically by 2 percent YoY. The currency headwind was 9 percent, corresponding to SEK -412m.

Gross Profit

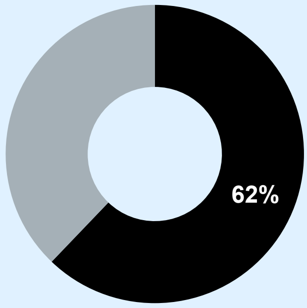
Gross amounted to SEK 1,443m (1,490). Gross profit increased organically by 6 percent. The positive organic growth in gross profit is driven by all product categories. The currency headwind was 9 percent, corresponding to SEK -138m.

The gross margin increased to 35 percent (33) driven by increased product profitability primarily in API Platform.

Share of net sales



Share of gross profit



Read more about new Mailgun features:

→ Sinch Unveils Mailgun Inspect

Customer case:

CAGE CUBE TECHNOLOGIES

→ How Cage Cube grew revenue by 20% with Elastic SIP Trunking

EMEA

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

	Q2		Jan-Jun			
EMEA, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Net sales	1,572	1,610	3,241	3,161	6,720	6,640
Gross profit	516	505	1,034	1,010	2,144	2,119
Gross margin	33%	31%	32%	32%	32%	32%

	Q2		Jan-Jun			
Net sales by product category, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Applications	232	228	466	448	948	930
API Platform	1,203	1,228	2,506	2,407	5,185	5,086
Network Connectivity	138	154	269	306	587	624
Total	**1,572**	**1,610**	**3,241**	**3,161**	**6,720**	**6,640**

	Q2		Jan-Jun			
Gross profit by product category, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Applications	162	156	320	307	651	638
API Platform	288	287	596	575	1,231	1,210
Network Connectivity	67	62	118	127	262	271
Total	**516**	**505**	**1,034**	**1,010**	**2,144**	**2,119**

Events

- Sinch participated in 13 partner-related events, including with SAP, Emarsys and Insider.
- Sinch arranged Tech Talks with focus on RCS in partnership with Google in several major European cities.
- New customer cases in Q2 include Clarins and BUT.

Net sales

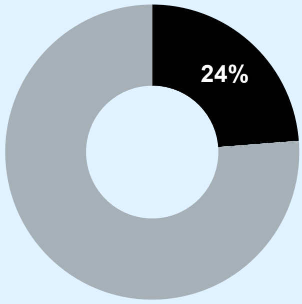
Net sales amounted to SEK 1,572m (1,610) and grew organically by 3 percent YoY. The currency headwind was 5 percent, corresponding to SEK -83m.

Gross Profit

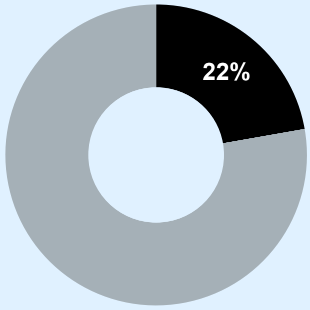
Gross profit was SEK 516m (505). Gross profit increased organically by 7 percent YoY. The positive organic growth in gross profit is driven by all product categories and primarily by gross margin improvement. The currency headwind was 5 percent, corresponding to SEK -26m.

The gross margin was 33 percent (31) for the quarter. The changed product and customer mix in Q2 had the most significant effect on the gross margin.

Share of net sales



Share of gross profit



Customer case:

BUT

→ Why BUT sends millions of RCS messages with Sinch

APAC

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

	Q2		Jan-Jun			
APAC, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Net sales	888	971	1,838	1,966	3,835	3,963
Gross profit	363	391	743	755	1,556	1,568
Gross margin	41%	40%	40%	38%	41%	40%

	Q2		Jan-Jun			
Net sales by product category, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Applications	280	305	572	596	1,199	1,223
API Platform	586	640	1,217	1,320	2,530	2,633
Network Connectivity	23	26	49	50	106	106
Total	**888**	**971**	**1,838**	**1,966**	**3,835**	**3,963**

	Q2		Jan-Jun			
Gross profit by product category, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Applications	167	190	348	368	742	762
API Platform	192	190	385	367	793	775
Network Connectivity	4	10	10	19	21	30
Total	**363**	**391**	**743**	**755**	**1,556**	**1,568**

Events

- Market activities in Q2 included partner events with HubSpot and Adobe Summit, roundtable discussions for managers, and user conferences.
- New customer cases in Q2 include Impact Data.

Net sales

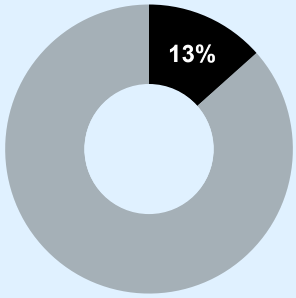
Net sales amounted to SEK 888m (971) and grew 2 percent organically YoY. The currency headwind was 11 percent, corresponding to SEK -103m.

Gross Profit

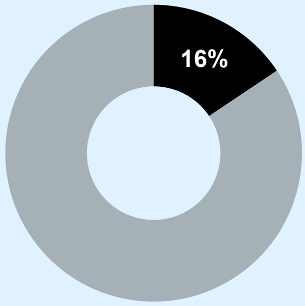
Gross profit amounted to SEK 363m (391) and increased organically by 3 percent mainly driven by product category API Platform. The currency headwind was 10 percent, corresponding to SEK -40m.

The gross margin was 41 percent (40) for the quarter. The improved gross margin is mainly attributable to a changed product and customer mix.

Share of net sales



Share of gross profit



Customer case:

IMPACT DATA

→ How Impact Data unlocked a new level of efficacy with integrated messaging

Consolidated income statement

SEKm	Note	Q2 2025	Q2 2024	Jan-Jun 2025	Jan-Jun 2024	R12M	2024
Net sales	9	6,616	7,041	13,665	13,833	28,544	28,712
Other operating income		88	90	190	212	470	492
Work performed by the entity and capitalized		116	95	222	194	409	381
Cost of services sold		-4,294	-4,655	-8,935	-9,135	-18,827	-19,026
Other external expenses		-581	-577	-1,180	-1,143	-3,189	-3,152
Employee benefits expenses		-1,065	-1,148	-2,173	-2,268	-4,288	-4,383
Other operating expenses		-122	-54	-289	-133	-514	-358
EBITDA		**760**	**792**	**1,500**	**1,560**	**2,605**	**2,665**
Depreciation / amortization and impairment	5	-552	-622	-1,168	-1,239	-8,401	-8,473
EBIT		**208**	**170**	**332**	**321**	**-5,796**	**-5,807**
Financial income		924	732	1,374	1,085	2,576	2,288
Financial expenses		-1,053	-881	-1,634	-1,345	-3,004	-2,715
Profit or loss before tax		**80**	**21**	**72**	**61**	**-6,224**	**-6,235**
Current tax		-249	-28	-422	-165	-754	-497
Deferred tax		194	102	327	109	537	319
Profit or loss for the period		**25**	**95**	**-23**	**5**	**-6,441**	**-6,413**
Attributable to:							
Owners of the parent		25	95	-22	6	-6,441	-6,413
Non-controlling interests		0	0	0	0	0	0

Earnings per share, SEK	Q2 2025	Q2 2024	Jan-Jun 2025	Jan-Jun 2024	R12M	2024
Basic	0.03	0.11	-0.03	0.01	-7.63	-7.60
Diluted[1]	0.03	0.11	-0.03	0.01	-7.63	-7.60

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.

Consolidated statement of comprehensive income

SEKm	Note	Q2 2025	Q2 2024	Jan-Jun 2025	Jan-Jun 2024	R12M	2024
Profit or loss for the period		**25**	**95**	**-23**	**5**	**-6,441**	**-6,413**
Other comprehensive income							
Items that may subsequently be reclassified to profit or loss for the period							
Translation differences		-694	-275	-2,958	1,297	-2,779	1,476
FX changes on increased net investments		-206	-105	-606	186	-489	303
Hedge accounting net investment	12	-9	-	-9	-	-9	-
Tax effect on items in other comprehensive income		44	25	127	-38	104	-61
Other comprehensive income or loss for the period		**-864**	**-354**	**-3,447**	**1,445**	**-3,174**	**1,718**
Comprehensive income or loss for the period		**-839**	**-259**	**-3,469**	**1,450**	**-9,615**	**-4,695**
Attributable to:							
Owners of the parent		-839	-259	-3,469	1,450	-9,614	-4,695
Non-controlling interests		0	0	0	0	0	0

Consolidated statement of financial position

SEKm	Note	Jun 30 2025	Jun 30 2024	Dec 31 2024
ASSETS				
Non-current assets				
Goodwill		18,155	26,139	20,343
Customer relationships		10,630	13,069	12,736
Operator relationships		118	163	147
Proprietary software		3,962	4,736	4,631
Other intangible assets		270	372	336
Property, plant and equipment		925	956	1,041
Right-of-use-asset		615	821	715
Financial assets		34	35	35
Other non-current receivables		44	45	53
Deferred tax assets		1,303	1,176	1,273
Total non-current assets		**36,056**	**47,511**	**41,311**
Current assets				
Accounts receivable	6	3,962	4,242	4,503
Tax assets		289	240	214
Other current receivables		253	316	262
Prepaid expenses and accrued income	7	829	400	630
Cash and cash equivalents		717	734	1,083
Total current assets		**6,050**	**5,933**	**6,692**
TOTAL ASSETS		**42,106**	**53,443**	**48,004**
EQUITY AND LIABILITIES				
Equity				
Share capital		8	8	8
Other capital contributions		32,466	32,414	32,439
Reserves		2,566	5,739	6,012
Retained earnings including profit for the year		-9,457	-3,016	-9,435
Equity attributable to owners of the parent	4	**25,583**	**35,145**	**29,025**
Non-controlling interests		0	1	1
Total equity		**25,584**	**35,145**	**29,025**
Non-current liabilities				
Deferred tax liability		4,306	5,065	5,075
Provisions	8	339	56	348
Non-current liabilities, interest-bearing		4,134	2,980	3,459
Non-current liabilities, non-interest-bearing		17	18	22
Total non-current liabilities		**8,796**	**8,120**	**8,904**
Current liabilities				
Provisions	8	398	-	390
Contract liabilities/Advance payments from customers		306	313	340
Accounts payable		1,586	1,730	1,821
Tax liability		164	43	241
Other current liabilities, interest-bearing		1,822	4,730	3,636
Other non interest bearing current liabilities		253	251	293
Accrued expenses and prepaid income		3,197	3,111	3,353
Total current liabilities		**7,726**	**10,178**	**10,075**
TOTAL EQUITY AND LIABILITIES		**42,106**	**53,443**	**48,004**
Financial instruments measured at fair value				
Derivative instruments with positive value		7	0	-
Derivative instruments with negative value		3	-	17

Consolidated statement of changes in equity

	Attributable to owners of the parent						
SEKm	**Share capital**	**Other capital contributions**	**Reserves**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Opening balance Jan 1, 2024	**8**	**32,382**	**4,294**	**-3,022**	**33,663**	**1**	**33,663**
Profit or loss for the period				6	**6**	0	**5**
Other comprehensive income			1,445		**1,445**	0	**1,445**
Share-based payments, net of tax		23			**23**		**23**
Shares issued for warrants	0	10			**10**		**10**
Issue expenses, net of tax		-1			**-1**		**-1**
Closing balance June 30, 2024	**8**	**32,414**	**5,739**	**-3,016**	**35,145**	**1**	**35,145**
Opening balance Jan 1, 2025	**8**	**32,439**	**6,012**	**-9,435**	**29,025**	**1**	**29,025**
Profit or loss for the period				-22	**-22**	0	**-23**
Other comprehensive income			-3,446		**-3,446**	0	**-3,447**
Issued warrants		3			**3**		**3**
Share-based payments, net of tax		24			**24**		**24**
Shares issued for warrants	0	2			**2**		**2**
Issue expenses, net of tax		-1			**-1**		**-1**
Closing balance June 30, 2025	**8**	**32,466**	**2,566**	**-9,457**	**25,583**	**0**	**25,584**

Consolidated statement of cash flow

		Q2		Jan-Jun			
SEKm	**Note**	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Profit or loss before tax		80	21	72	61	-6,224	-6,235
Adjustment for non-cash items[1]		740	594	1,478	1,168	9,223	8,914
Income tax paid		-334	-147	-445	-204	-589	-348
Cash flow before changes in working capital		**486**	**468**	**1,105**	**1,025**	**2,410**	**2,330**
Change in working capital		209	581	-350	577	-314	614
Cash flow from operating activities		**695**	**1,049**	**755**	**1,602**	**2,097**	**2,944**
Net investments in property, plant and equipment and intangible assets		-172	-146	-336	-275	-650	-589
Change in financial receivables		-1	-3	0	-5	-10	-16
Acquisition of Group companies		-	-	-	-	0	0
Cash flow from (-used in) investing activities		**-173**	**-149**	**-336**	**-280**	**-660**	**-604**
Change in borrowings		-481	-881	-664	-1,496	-1,301	-2,133
Amortization lease liability		-25	-33	-57	-67	-116	-126
Warrants/Employee Stock Options	4	1	4	0	9	16	25
Cash flow from (-used in) financing activities		**-504**	**-909**	**-720**	**-1,554**	**-1,401**	**-2,234**
Cash flow for the period		**18**	**-9**	**-301**	**-232**	**35**	**105**
Opening balance cash and cash equivalents for the period		719	756	1,083	1,012	734	1,012
Exchange rate differences in cash and cash equivalents		-20	-13	-64	-46	-52	-34
Closing balance cash and cash equivalents for the period		**717**	**734**	**717**	**734**	**717**	**1,083**
Additional cash flow disclosures							
Interest paid[2]		-92	-144	-189	-290	-444	-545
Interest received[2]		19	14	40	29	76	64
Free cash flow		523	903	419	1,327	1,447	2,355

1) Comprised mainly of depreciation, amortization, and impairments and unrealized foreign exchange gains and losses.
2) Interest paid and received is included in cash flow from operating activities.

Other disclosures

	Q2		Jan-Jun			
Sinch Group, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Share information						
Basic earnings per share, SEK	0.03	0.11	-0.03	0.01	-7.63	-7.60
Diluted earnings per share, SEK[1]	0.03	0.11	-0.03	0.01	-7.63	-7.60
Basic weighted average number of shares	844,596,385	843,676,521	844,574,196	843,516,465	844,423,207	843,897,644
Diluted weighted average number of shares[2]	847,944,766	846,583,256	844,574,196	847,215,189	844,423,207	843,897,644
Total number of shares at the end of the period	844,624,086	843,745,576	844,624,086	843,745,576	844,624,086	844,506,034
Financial position						
Equity attributable to owners of the parent	25,583	35,145	25,583	35,145	25,583	29,025
Equity ratio	61%	66%	61%	66%	61%	60%
Net investments in property, plant and equipment and intangible assets	-172	-146	-336	-275	-650	-589
Cash and cash equivalents	717	734	717	734	717	1,083
Net debt (+) / Net cash (-)	5,238	6,976	5,238	6,976	5,238	6,012
Net debt/Adjusted EBITDA R12M, multiple	1.3	1.7	1.3	1.7	1.3	1.5
EBIT margin	3%	2%	2%	2%	-20%	-20%
EBITDA margin	11%	11%	11%	11%	9%	9%
Employee information						
Average number of employees	3,622	3,443	3,589	3,482	3,544	3,491
Average number of employees, women	1,216	1,113	1,206	1,121	1,184	1,141
Percentage female	34%	32%	34%	32%	33%	33%

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 3,142,887 for the interim reporting period.

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.

Q2 2025, SEKm	Americas	EMEA	APAC	Other	Group
Net sales	**4,155**	**1,572**	**888**	**-**	**6,616**
Cost of services sold	-2,712	-1,056	-526	-	-4,294
Gross profit	**1,443**	**516**	**363**	**-**	**2,322**
Opex	-	-	-	-1,562	-1,562
EBITDA	-	-	-	**760**	**760**
EBITDA adjustments	-	-	-	*109*	*109*
Adjusted EBITDA	-	-	-	***869***	***869***
Depreciation / amortization and impairment	-	-	-	-	-552
EBIT	-	-	-	-	**208**
Net finance income or expense	-	-	-	-	-128
Profit or loss before tax	-	-	-	-	**80**

Q2 2024, SEKm	Americas	EMEA	APAC	Other	Group
Net sales	**4,460**	**1,610**	**971**	**-**	**7,041**
Cost of services sold	-2,970	-1,105	-580	-	-4,655
Gross profit	**1,490**	**505**	**391**	**-**	**2,386**
Opex	-	-	-	-1,594	-1,594
EBITDA	-	-	-	**792**	**792**
EBITDA adjustments	-	-	-	*75*	*75*
Adjusted EBITDA	-	-	-	***867***	***867***
Depreciation / amortization and impairment	-	-	-	-	-622
EBIT	-	-	-	-	**170**
Net finance income or expense	-	-	-	-	-148
Profit or loss before tax	-	-	-	-	**21**

Jan-Jun 2025, SEKm	Americas	EMEA	APAC	Other	Group
Net sales	**8,586**	**3,241**	**1,838**	**-**	**13,665**
Cost of services sold	-5,634	-2,206	-1,095	-	-8,935
Gross profit	**2,953**	**1,034**	**743**	**-**	**4,730**
Opex	-	-	-	-3,230	-3,230
EBITDA	-	-	-	**1,500**	**1,500**
EBITDA adjustments	-	-	-	*258*	*258*
Adjusted EBITDA	-	-	-	***1,758***	***1,758***
Depreciation / amortization and impairment	-	-	-	-	-1,168
EBIT	-	-	-	-	**332**
Net finance income or expense	-	-	-	-	-260
Profit or loss before tax	-	-	-	-	**72**

Jan-Jun 2024, SEKm	Americas	EMEA	APAC	Other	Group
Net sales	**8,707**	**3,161**	**1,966**	**-**	**13,833**
Cost of services sold	-5,773	-2,151	-1,211	-	-9,135
Gross profit	**2,933**	**1,010**	**755**	**-**	**4,698**
Opex	-	-	-	-3,138	-3,138
EBITDA	-	-	-	**1,560**	**1,560**
EBITDA adjustments	-	-	-	*101*	*101*
Adjusted EBITDA	-	-	-	***1,661***	***1,661***
Depreciation / amortization and impairment	-	-	-	-	-1,239
EBIT	-	-	-	-	**321**
Net finance income or expense	-	-	-	-	-260
Profit or loss before tax	-	-	-	-	**61**

R12M, MSEK	Americas	EMEA	APAC	Other	Group
Net sales	**17,989**	**6,720**	**3,835**	**-**	**28,544**
Cost of services sold	-11,971	-4,576	-2,279	-	-18,827
Gross profit	**6,017**	**2,144**	**1,556**	**-**	**9,717**
Opex	-	-	-	-7,112	-7,112
EBITDA	-	-	-	**2,605**	**2,605**
EBITDA adjustments	-	-	-	*1,078*	*1,078*
Adjusted EBITDA	-	-	-	***3,683***	***3,683***
Depreciation / amortization and impairment	-	-	-	-	-8,401
EBIT	-	-	-	-	**-5,796**
Net finance income or expense	-	-	-	-	-428
Profit or loss before tax	-	-	-	-	**-6,224**

2024, SEKm	Americas	EMEA	APAC	Other	Group
Net sales	**18,109**	**6,640**	**3,963**	**-**	**28,712**
Cost of services sold	-12,111	-4,521	-2,395	-	-19,026
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**

Distribution of net sales

Q2 2025, SEKm

Net sales by product category	Americas	EMEA	APAC	Group
Applications	287	232	280	799
API Platform	2,661	1,203	586	4,449
Network Connectivity	1,208	138	23	1,368
Total	**4,155**	**1,572**	**888**	**6,616**

Net sales allocation per point in time				
Over time	2,089	239	65	2,392
At one point in time	2,066	1,334	824	4,224
Total	**4,155**	**1,572**	**888**	**6,616**

Q2 2024, SEKm

Net sales by product category	Americas	EMEA	APAC	Group
Applications	276	228	305	809
API Platform	2,985	1,228	640	4,854
Network Connectivity	1,199	154	26	1,378
Total	**4,460**	**1,610**	**971**	**7,041**

Net sales allocation per point in time				
Over time	2,228	234	71	2,533
At one point in time	2,231	1,376	900	4,508
Total	**4,460**	**1,610**	**971**	**7,041**

Jan-Jun 2025, SEKm

Net sales by product category	Americas	EMEA	APAC	Group
Applications	579	466	572	1,617
API Platform	5,507	2,506	1,217	9,229
Network Connectivity	2,501	269	49	2,819
Total	**8,586**	**3,241**	**1,838**	**13,665**

Net sales allocation per point in time				
Over time	4,354	488	132	4,973
At one point in time	4,232	2,753	1,706	8,691
Total	**8,586**	**3,241**	**1,838**	**13,665**

Jan-Jun 2024, SEKm

Net sales by product category	Americas	EMEA	APAC	Group
Applications	543	448	596	1,587
API Platform	5,805	2,407	1,320	9,531
Network Connectivity	2,359	306	50	2,714
Total	**8,707**	**3,161**	**1,966**	**13,833**

Net sales allocation per point in time				
Over time	4,378	468	140	4,987
At one point in time	4,328	2,693	1,825	8,846
Total	**8,707**	**3,161**	**1,966**	**13,833**

R12M, MSEK

Net sales by product category	**Americas**	**EMEA**	**APAC**	**Group**
Applications	1,236	948	1,199	3,383
API Platform	11,740	5,185	2,530	19,456
Network Connectivity	5,012	587	106	5,705
Total	**17,989**	**6,720**	**3,835**	**28,544**

Net sales allocation per point in time				
Over time	8,866	992	263	10,121
At one point in time	9,123	5,728	3,573	18,423
Total	**17,989**	**6,720**	**3,835**	**28,544**

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**

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. The parent company had 2 (5) employees at the end of the period. The parent company has no external business activities, and the risks are mainly related to the operations of the subsidiaries.

Parent company income statement

	Q2		Jan-Jun			
SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Net sales	149	149	298	299	594	595
Other operating income	3	5	6	8	16	19
Operating expenses						
Other external expenses	-182	-207	-339	-267	-825	-752
Employee benefits expenses	-7	-8	-24	-18	-38	-32
Depreciation / amortization and impairment	-1	-1	-1	-1	-2	-3
Other operating expenses	-9	-7	-14	-6	-20	-12
EBITDA	**-46**	**-69**	**-74**	**15**	**-275**	**-186**
Interest income and similar profit items	1,010	803	1,551	1,511	3,037	2,998
Interest expenses and similar loss items	-1,089	-851	-1,764	-1,462	-3,228	-2,926
Profit after financial items	**-126**	**-117**	**-287**	**64**	**-465**	**-114**
Appropriations	-	-	-	-	184	184
Profit or loss before tax	**-126**	**-117**	**-287**	**64**	**-281**	**70**
Tax on profit for the period	24	24	58	-13	32	-40
Profit or loss for the period	**-102**	**-93**	**-229**	**50**	**-249**	**30**

Parent company balance sheet

	Jun 30		Dec 31
SEKm	**2025**	**2024**	**2024**
ASSETS			
Non-current assets			
Intangible assets	1	2	2
Property, plant and equipment	0	1	0
Investments in group companies	16,173	16,173	16,173
Non-current receivables, Group companies	1,236	5,585	5,749
Other long-term receivables	0	-	1
Total financial assets	**17,409**	**21,758**	**21,923**
Deferred tax assets	65	-	3
Total non-current assets	**17,476**	**21,761**	**21,928**
Current assets			
Receivables from Group companies	23,911	20,864	20,872
Tax assets	68	33	51
Other current receivables	26	58	61
Prepaid expenses and accrued income	15	78	21
Cash and bank balances	110	-	28
Total current assets	**24,129**	**21,032**	**21,034**
TOTAL ASSETS	**41,605**	**42,793**	**42,962**
EQUITY AND LIABILITIES			
Share capital	8	8	8
Total restricted equity	**8**	**8**	**8**
Share premium reserve	34,220	34,186	34,210
Retained earnings	-3,936	-3,965	-3,965
Profit or loss for the period	-229	50	30
Total non-restricted equity	**30,056**	**30,272**	**30,275**
Total equity	**30,064**	**30,281**	**30,283**
Untaxed reserves	85	94	85
Deferred tax liability	1	0	-
Total untaxed reserves and provisions	**86**	**94**	**85**
Non-current liabilities			
Liabilities to credit institutions	3,489	2,148	2,703
Total non-current liabilities	**3,489**	**2,148**	**2,703**
Current liabilities			
Accounts payable	5	13	15
Tax liability	8	-	11
Liabilities to Group companies	6,203	5,228	6,278
Liabilities to credit institutions	1,725	4,969	3,532
Other current liabilities	1	9	19
Accrued expenses and prepaid income	23	52	35
Total current liabilities	**7,966**	**10,270**	**9,890**
TOTAL EQUITY AND LIABILITIES	**41,605**	**42,793**	**42,962**

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 2024 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.

New standards and interpretations in 2025

The new or amended IFRS standards applicable in 2025 and later have had no material impact on Sinch financial statements. Risks and uncertainties relevant to Sinch are described in the 2024 Annual Report.

New and amended IFRS not yet effective

IASB has published the following new or revised standards, of which IFRS 18 and IFRS 19 have not yet been adopted by the EU:

- IFRS 18 *Presentation and Disclosures in Financial Statements*
- IAS 21 *The Effects of Changes in Foreign Exchange Rates*
- IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures*

In April 2024, IASB published the new IFRS 18 standard Presentation and Disclosures in Financial Statements, which will supersede IAS 1 Presentation of Financial Statements. IFRS 18, if adopted by the EU, will become mandatorily effective January 1, 2027, and will be applied retrospectively in both annual and interim reports.

The new standard introduces three areas with new requirements aimed at increasing the comparability, transparency, and usability of financial reports. The first area sets new requirements for the structure of the consolidated statement of profit or loss (statement of comprehensive income) through the introduction of three new categories and requires entities to present two new defined subtotals, “Operating profit” and “Profit before financing and income taxes.” The second area introduces new principles and expanded guidance on presentation and disclosures in the financial statements, including guidance concerning how entities can determine whether information about an item should or should not be included in the primary financial statements. The third area that IFRS 18 introduces entails new requirements for disclosures about certain key figures that the company uses in its external financial communication, i.e., “Management-defined performance measures” or “MPMs.” Consequent upon the implementation of IFRS 18, there will be amendments to other standards, such as IAS 7 Statement of Cash Flows, IAS 34 Interim Financial Reporting, and IAS 33 Earnings per Share.

Sinch has begun a preliminary assessment of the impacts of IFRS 18 and will continue to assess the impacts in 2025. The implementation of IFRS 18 is going to require changes to the structure of the consolidated statement of comprehensive income (profit or loss) and assessments related to the presentation of items in the financial statements and disclosures in notes. The format of the statement of cash flow will also be affected by the implementation of IFRS 18. The implementation of IFRS 18 will also entail identification of MPMs that are relevant to the Group and compilation of disclosures concerning these performance measures in notes.

The other amendments have been determined as having no material impact on the consolidated or parent company financial statements in the period of initial application. None of the new or revised standards have been early applied by the Group.

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 2024 Annual Report.

Hedging of currency risk in foreign net investments

In Q2 2025, net investments in foreign subsidiaries were partially hedged by means of derivative instruments and foreign currency loans that are translated to the closing rate on the reporting date. Exchange rate differences arising from financial instruments used as hedging instruments in a hedge of net investments in foreign subsidiaries are recognized, to the extent the hedge is effective, in other comprehensive income and accumulated in the translation reserve in equity. When a subsidiary is sold, the cumulative value change related to the sold business and to the financial instruments used to currency hedge the net assets is moved from the translation reserve in equity to profit or loss for the year.

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.

Reconciliation items related to operating profit

	Q2		Jan-Jun			
EBITDA adjustments, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Acquisition costs	-1	-1	-3	-2	-7	-7
Restructuring costs	-1	-55	-5	-73	-25	-93
Integration costs	-51	-39	-116	-88	-236	-209
Costs of share-based incentive programs	-17	-14	-26	-14	-49	-37
Operational foreign exchange gains/losses	-35	34	-102	77	-41	137
Other adjustments	-4	0	-6	-1	-719	-713
Total EBITDA adjustments	**-109**	**-75**	**-258**	**-101**	**-1,078**	**-921**
Amortization of acquisition-related assets	-429	-492	-905	-973	-1,884	-1,952
Impairment of goodwill	-	-	-	-	-6,000	-6,000
Total EBIT adjustments	**-538**	**-568**	**-1,163**	**-1,074**	**-8,962**	**-8,873**

	Q2		Jan-Jun			
Integration costs, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Employee benefits expenses, external resources	-8	-10	-21	-11	-47	-37
External consultants	-37	-27	-84	-75	-166	-157
Other	-6	-2	-10	-2	-23	-14
Total integration costs per category[1]	**-51**	**-39**	**-116**	**-88**	**-236**	**-209**

1) Reported as other external expenses.

	Q2		Jan-Jun			
Costs of share-based incentive programs, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Cost of vested employee stock option	-6	-11	-18	-23	-47	-53
Social insurance costs	-11	-3	-8	9	-2	16
Total costs for share-based incentive programs per category[2]	**-17**	**-14**	**-26**	**-14**	**-49**	**-37**

2) Reported as employee benefits expenses.

	Q2		Jan-Jun			
Operational foreign exchange gains/losses, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Realized foreign exchange gains/losses	-35	3	-75	17	-44	48
Unrealized foreign exchange gains/losses	1	31	-26	60	3	89
Total operational foreign exchange gains/losses per category[3]	**-35**	**34**	**-102**	**77**	**-41**	**137**

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

	Q2		Jan-Jun			
Other adjustments, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Other historical tax related expenses	-3	-	-3	-	-703	-700
Other	0	0	-3	-1	-16	-13
Total other adjustments	**-4**	**0**	**-6**	**-1**	**-719**	**-713**

Note 3. Pledged assets and contingent liabilities

Pledged assets amounted to SEK 81m (133) and contingent liabilities amounted to SEK 33m (106). Pledged assets amounted to SEK 126m and contingent liabilities to SEK 32m on December 31, 2024.

Note 4. Incentive programs

Within the framework of the LTIP 2024 incentive program adopted by the AGM on May 16, 2024, 277,500 warrants were granted in Q1, and 250,000 employee stock options were granted in Q2 to senior executives and key employees within Sinch. The warrants were granted at market value corresponding to subscription prices of SEK 9.40, SEK 9.44 and SEK 9.87 for the respective series. The maximum number of instruments in LTIP 2024 is 17,100,000.

In Q2, 281,022 warrants from LTIP 2022 and 34.352 warrants from LTIP 2024 were exercised, where each warrant carried 1 share. The exercise prices were SEK 14.654 and SEK 21.63 per share respectively.

In relation to this, 3,493 shares were registered with Bolagsverket in Q2, and an additional 311,881 shares will be registered in Q3, and Sinch will consequently raise an additional SEK 5m in equity through the exercise.

The total costs of incentive programs recognized in profit or loss for Q2 amounted to SEK -17m (-14). Payroll costs for vested employee stock options in all programs were included in profit or loss in the amount of SEK -6m (-11) with a corresponding increase in equity. Social insurance costs, based on the share price and the vesting period, reduced profit by SEK -11m (-3) and resulted in an increased provision in the statement of financial position.

Total costs for the incentive programs amount to SEK -26m (-14) for the period of January-June. Payroll costs for vested employee stock options in all programs were included in profit or loss in the amount of SEK -18m (-23) with a corresponding increase in equity. Social insurance costs, based on the share price and the vesting period, reduced profit by SEK -8m (9) and resulted in an increased provision in the statement of financial position.

The performance criterion of Adjusted EBITDA/share amounted to SEK 1.02 (1.02) for Q2 and to SEK 2.07 (1.96) for the period of January-June.

The potential dilutive effect, calculated based on the exercise price of the options in relation to the average share price during the period, is 0.4 percent (0.4) upon exercise of all outstanding warrants and employee stock options when the exercise price is lower than the share price on the reporting date. See Note 9 of the 2024 Annual Report for further disclosures regarding the Group's incentive programs LTIP 2020, LTIP II 2020, LTIP 2021, LTIP II 2021, LTIP 2022, LTIP 2023, and LTIP 2024,

Note 5. Depreciation, amortization, and impairments

Goodwill is tested for impairment annually in the third quarter in connection with updated business plans. Impairment tests are also performed when there is an indication that the asset has decreased in value.

There were no indications of goodwill impairment in the cash generating units in Q2 2025.

	Q2		Jan-Jun			
Depreciation, amortization and impairment, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Amortization acquired customer relationships	-285	-314	-601	-620	-1,230	-1,249
Amortization acquired operator relationships	-8	-9	-18	-17	-33	-32
Amortization acquired trademarks	-11	-23	-22	-46	-66	-90
Amortization acquired software	-126	-146	-264	-290	-555	-581
Impairment of goodwill	-	-	-	-	-6,000	-6,000
Total acquisition-related amortization and write-downs	**-429**	**-492**	**-905**	**-973**	**-7,884**	**-7,952**
Amortization proprietary software	-57	-51	-114	-96	-217	-200
Amortization licenses	-1	-1	-8	-3	-3	1
Amortization other intangible assets	0	0	0	-1	1	0
Depreciation property, plant and equipment	-40	-43	-82	-86	-168	-171
Depreciation right-of-use assets	-27	-35	-61	-70	-129	-138
Impairments	2	0	2	-10	-1	-13
Total amortization/depreciation and impairment	**-552**	**-622**	**-1,168**	**-1,239**	**-8,401**	**-8,473**

Note 6. Accounts receivable

	Jun 30		Dec 31
Accounts receivable, SEKm	**2025**	**2024**	**2024**
Unbilled receivables	1,783	1,892	2,023
Receivables, billed	2,311	2,508	2,607
Expected credit loss allowance	-132	-158	-128
Total accounts receivable	**3,962**	**4,242**	**4,503**

Note 7. Prepaid expenses and accrued income

	Jun 30		Dec 31
Prepaid expenses and accrued income, SEKm	**2025**	**2024**	**2024**
Accrued revenue from contracts with customers	64	44	52
Other accrued income and prepaid expenses	765	357	578
Total accrued income and prepaid expenses	**829**	**400**	**630**

Note 8. Provisions

	Jun 30		Dec 31
Provisions, SEKm	**2025**	**2024**	**2024**
Provision for social security expenses, ESOP	24	24	17
Provision for restructuring costs	2	16	3
Provision for other taxes	310	-	310
Other non-current provisions	3	17	18
Total non-current provision	**339**	**56**	**348**
Provision for other taxes	393	-	390
Other current provisions	5	-	-
Total current provision	**398**	**-**	**390**
Total provisions	**737**	**56**	**738**

Sinch presented a non-recurring provision of SEK 700m in Q4 2024, reported in the table above as short- and long-term provisions for other taxes. There were no material changes in provisions in Q2 2025.

Note 9. Net sales by product category

	Q2		Jan-Jun			
Net sales by product category, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Applications	799	809	1,617	1,587	3,383	3,354
API Platform	4,449	4,854	9,229	9,531	19,456	19,758
Network Connectivity	1,368	1,378	2,819	2,714	5,705	5,601
Total net sales	**6,616**	**7,041**	**13,665**	**13,833**	**28,544**	**28,712**

Note 10. Gross profit by product category

	Q2		Jan-Jun			
Gross profit by product category, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Applications	540	548	1,085	1,069	2,256	2,240
API Platform	1,285	1,325	2,660	2,646	5,459	5,445
Network Connectivity	497	513	985	983	2,003	2,000
Total gross profit	**2,322**	**2,386**	**4,730**	**4,698**	**9,717**	**9,685**

Note 11. Adjusted OPEX by function

Sinch reports Group costs by nature; see the Consolidated Income Statement on page 14. Further information is provided in Note 11, in which operating expenses are distributed by function. The R&D expenses described below include the costs of technical operations. See page 30 for further details about the function definitions applied by Sinch.

	Q2		Jan-Jun			
Adjusted Opex by function, SEKm	**2025**	**2024**	**2025**	**2024**	**R12M**	**2024**
Sales & marketing expenses	-437	-451	-877	-910	-1,714	-1,747
Research & development expenses	-678	-746	-1,416	-1,465	-2,911	-2,960
General & administrative expenses	-338	-323	-679	-662	-1,409	-1,392
Total adjusted Opex	**-1,453**	**-1,519**	**-2,972**	**-3,037**	**-6,034**	**-6,099**
EBITDA adjustments	-109	-75	-258	-101	-1,078	-921
Total Opex	**-1,562**	**-1,594**	**-3,230**	**-3,138**	**-7,112**	**-7,020**

Note 12. Financial risk management

Currency risk arises in the translation of the net assets of foreign subsidiaries to the parent company's functional currency ("translation exposure"). Sinch began to apply hedge accounting in Q2 2025 in accordance with IFRS 9 with regard to net investments in foreign subsidiaries by means of raising currency loans and derivative instruments in the corresponding currency in order to reduce volatility in recognized profit or loss. No ineffectiveness in the hedging relationship had impact on profit or loss for the period. At the end of the period, net assets in USD had been hedged in the amount of USD 326.8m.

The translation reserve in consolidated equity includes all exchange rate differences that arise upon translation of financial statements in a currency other than SEK, which is the Group's presentation currency. As of June 30, 2025, the translation reserve on the consolidated statement of financial position includes exchange rate differences of SEK -9m that arose upon revaluation of liabilities taken up as hedging instruments for a net investment in a foreign operation.

More information about risks and risk management is provided in the 2024 Annual Report.

Definitions

Regions

Effective January 1, 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

Definition: 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.

Profit

Definition: Net sales less the cost of services sold.

Purpose: 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

Definition: Gross profit in relation to net sales.

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

Gross profit growth

Definition: Gross profit for the year divided by gross profit in the preceding year.

Operating expenses (Opex)

Definitions: 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

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

Purpose: 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

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

Adjusted operating expenses (Adjusted Opex)

Definition: 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 and marketing expenses

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

Research and development expenses

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

General and administrative expenses

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

Acquisition costs

Definition: Acquisition costs are such costs incurred as a consequence of a business combination.

Integration costs

Definition: Integration costs arise mainly in connection with business combinations and in connection with 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

Definition: 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

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

Purpose: Enables comparison of profitability over time in underlying operations.

Adjusted EBITDA/gross profit

Definition: 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

Definition: EBITDA/Adjusted EBITDA in relation to net sales.

Amortization/depreciation of acquisition-related assets

Definition: 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

Definition: 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

Definition: EBIT/Adjusted EBIT in relation to net sales.

Net margin

Definition: Net profit for the year in relation to net sales.

Purpose: The net margin is a performance indicator that indicates the size of the company's profit in relation to its turnover, which is useful to assess the efficiency of the company's operations.

Interest-bearing liabilities

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

Purpose: Used to calculate net debt.

Net debt

Definition: Interest-bearing liabilities less cash and cash equivalents.

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

Net debt/Adjusted EBITDA RTM

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

Purpose: 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

Definition: Equity as a percentage of total assets.

Purpose: 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

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

Free cash flow

Definition: Cash flow from operating activities after net investments in property, plant, and equipment and intangible assets during the period.

Free cash flow per share

Definition: Free cash flow divided by the volume-weighted average number of shares outstanding for the period after dilution.

Purpose: Measures free cash flow per share generated by the business.

Cash conversion

Definition: Free cash flow divided by adjusted EBITDA.

Purpose: Measures the free cash flow generated by the business in relation to profitability in underlying operations.

Operational measurements

Percentage female

Definition: 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

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

Organic growth

Definition: Growth in local currency and excluding acquisitions.

Purpose: 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

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

Total shares outstanding

Definition: 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's operating segments are Americas, EMEA, and APAC. Sinch's products are divided into three categories: Applications, API Platform, and Network Connectivity.

Sinch has been profitable and fast-growing since it was founded in 2008. The company is headquartered in Stockholm, Sweden, and its stock is traded on NASDAQ Stockholm: XSTO:SINCH. Read more at sinch.com.

Forthcoming reporting dates

Interim report Q3, Jan–Sep 2025	Nov 5

EGM

An extraordinary general meeting will be held at 10:00 A.M. CEST on August 14, 2025, at Sinch headquarters, Lindhagensgatan 112, Stockholm. See investors.sinch.com for more information.

Share buyback

On July 21, it was announced that the Board of Directors of Sinch AB (publ), with the support of the authorization given by the Annual General Meeting on May 22, 2025, has decided to repurchase own shares corresponding to up to 10 percent of the total number of shares in the company. The purpose of the acquisition of own shares is to adapt the company's capital and share structure to contribute to increased shareholder value. Repurchases will be carried out continuously from July 23, 2025, until the Annual General Meeting 2026.

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 ERM (Enterprise Risk Management) 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 2024 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. The new tariffs presented in early 2025 apply to goods and have not affected Sinch's services. 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.

Forward-looking statements

This report contains statements concerning, among other things, 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 Tuesday, July 22, 2025, at 2:00 P.M. CEST. Watch the presentation at investors.sinch.com/webcast.

To participate via phone conference, register using the following link: https://conference.inderes.com/teleconference/?id=5007613. After you register, you will be given a phone number and conference ID to log into the conference.

For additional information, please contact:

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Stockholm, July 22, 2025

Erik Fröberg
Board Chair

Björn Zethraeus
Director

Lena Almefelt
Director

Mattias Stenberg
Director

Renée Robinson Strömberg
Director

Kristina Willgård
Director

Laurinda Pang
President and CEO

Sinch AB (publ), is required to publish the information in this report pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was released for publication by the contact person above on Tuesday, July 22, 2025, at 7:30 A.M. CEST.

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 reviewed by the company's independent auditors.