

Sinch announces preliminary results and goodwill impairment related to the third quarter 2022

Stockholm, Sweden – October 20, 2022 – Sinch AB (publ), a global leader in cloud communications and mobile customer engagement, today announces preliminary results for the third quarter 2022 and the outcome of its goodwill impairment test. Sinch discloses this information since the company considers it to significantly deviate from current market expectations.

Results

Sinch discloses the following preliminary and non-audited results of the third quarter:

SEKm	Q3 2022	Q3 2021	Jan-sept 2022	Jan-sept 2021	2021	R12M
Net sales	7,196	3,938	20,361	10,970	16,177	25,568
Gross profit	2,361	896	6,394	2,585	3,933	7,742
Gross margin	33%	23%	31%	24%	24%	30%
EBITDA	808	157	1,984	501	831	2,314
EBITDA margin	11%	4%	10%	5%	5%	9%
Adjusted EBITDA	901	298	2,165	851	1,322	2,636
Adjusted EBITDA margin	13%	8%	11%	8%	8%	10%

Goodwill impairment

Sinch regularly assesses goodwill and has conducted an impairment test when finalizing results for the third quarter. The impairment test has resulted in a total impairment charge of SEK 5,000 million.

The charge relates to Pathwire, a company which was acquired by Sinch in 2021 and which has since been reported as a separate Email segment. This impairment charge will impact Sinch's third quarter income statement, but does not affect cash flow.

Third quarter report

Sinch is currently in the silent period preceding the third quarter report. The full report will, as previously announced, be disclosed on November 2, 07.30 CET. A webcast will take place 14.00 CET. See investors.sinch.com for more information.

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About Sinch

Sinch's leading cloud communications platform lets businesses reach everyone on the planet, in seconds or less, through mobile messaging, email, voice and video. More than 150,000 businesses, including many of the world's largest companies and mobile operators, use Sinch's advanced technology platform to engage with their customers. Sinch has been profitable and fast-growing since its foundation in 2008. It is headquartered in Stockholm, Sweden, and has local presence in more than 60 countries. Shares are traded at NASDAQ Stockholm: XSTO:SINCH. Visit us at sinch.com.

This information is information that Sinch AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the contact person set out above, at 19.30 CEST on October 20, 2022.