



Press Release

Stockholm December 24, 2020

## Sinch receives regulatory approval for acquisition of Wavy

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

Sinch AB (publ), a global leader in cloud communications for mobile customer engagement, today announces that it has been granted regulatory approval for the acquisition of Wavy from the Superintendence-General of CADE, Conselho Administrativo de Defesa Econômica, which is the competition authority in Brazil.

Closing of the transaction can take place after a 15-day waiting period and final confirmation from CADE. Closing is hence expected to take place in early 2021.

Sinch [announced](#) the acquisition of Wavy on 26 March, 2020. The acquisition is financed through a combination of cash and debt facilities. Upon closing, Sinch pays Movile a cash consideration of BRL 355 million and 1,534,582 new Sinch shares, issued through an issue in-kind, and welcomes Brazil-based Movile as a new key shareholder. This implies that the number of shares in Sinch rises to 64,708,252, which is an increase of around 2.4 percent.

Sinch has a financial target to maintain net debt/adjusted EBITDA below 2.5x over time. In anticipation of upcoming transactions, Sinch had a net cash position in Q3 2020 with net debt/adjusted EBITDA of -1.2x. The acquisition of SAP Digital Interconnect (SDI) closed on November 1, and on 30 November, Sinch completed a directed new share issue of 3,187,736 shares. On a pro forma basis, Net debt/Adjusted EBITDA would have been -1.3x at the end of Q3 2020 if the acquisitions of SDI and Wavy and the directed new share issue had been completed already at this point. This calculation of pro forma Net debt/Adjusted EBITDA includes Adjusted EBITDA in acquired entities over the past 12 months.

### For further information, please contact

Thomas Heath  
Chief Strategy Officer and Head of Investor Relations  
Sinch AB (publ)  
Mobile: +46-722-45 50 55  
E-mail: [thomas.heath@sinch.com](mailto:thomas.heath@sinch.com)

### About Sinch

Sinch brings businesses and people closer with tools enabling personal engagement. Its leading cloud communications platform lets businesses reach every mobile phone on the planet, in seconds or less, through mobile messaging, voice and video. Sinch is a trusted software provider to mobile operators, and its platform powers business-critical communications for many of the world's largest companies. Sinch has been profitable and fast-growing since its foundation in 2008. It is headquartered in Stockholm, Sweden, and has local presence in more than 40 countries. Shares are traded at NASDAQ Stockholm: XSTO:SINCH. Visit us at [sinch.com](http://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 09:30 CET on December 24, 2020.