

CLX Communications Completes Acquisition of Mblox Inc.

Stockholm, July 12 2016 – CLX Communications AB (publ) (“CLX” or the “Company”) announced on 13 May 2016, that the Company had acquired Mblox Incorporated (“Mblox”). CLX has today gained access to 100 percent of the shares in Mblox and has, following the preliminary purchase price set-off, paid USD 117 million in cash. The acquisition strengthens CLX’s position as a leading provider of cloud-based communication services to enterprises and communication solutions to mobile operators.

The acquisition of Mblox provides CLX with a strong footprint in the US, UK and Australian markets and a large number of additional direct Tier 1 carrier connections. Combined with CLX’s existing business this creates a global portfolio of high-quality communications services for enterprises, operators and developers to communicate globally with people and things (IoT) via simple APIs, including CLX’s world leading [SMS API](#)*. CLX’s global portfolio of more than 150 direct Tier 1 operator connections provides an important competitive advantage in today’s cloud communications market.

[Mblox](#) delivered 7 billion messages in 2015, and therefore adds a vast amount of SMS traffic to the Enterprise Division of CLX Communications. Increasing message volumes will create important synergies that enable future growth for messaging, voice and IoT services. Furthermore, the merger will allow CLX to offer a new SMB (SaaS) solution to clients, a new customer segment for CLX, while offering new services in the areas of voice and IoT connectivity to existing Mblox customers.

“Acquiring Mblox represents a major step forward for CLX Communications,” says Johan Hedberg, CEO of CLX Communications. “We see strategic acquisitions within the industry as an important growth opportunity for CLX. Mblox provides valuable assets including operator relationships and highly experienced employees, as well as increased traffic volumes that will enable significant economies of scale.”

CLX and Mblox will now merge to become an integral component of the mobile messaging ecosystem servicing global enterprises, including many global internet brands and Communications Platform as a Service ‘CPaaS’ companies, also known as Cloud API providers, with Tier 1 backbone connectivity on which many of their services rely.

The combined pro forma net sales for 2015 amounted to SEK 2,119 million with a combined pro forma EBITDA of SEK 151 million. Together the two companies are present in 19 countries and across six continents globally.

As previously announced, Mblox has the calendar year as its financial year and by reason thereof an extraordinary general meeting in CLX on 13 June 2016 resolved to change the Company’s split financial year to calendar year. The change of the CLX’s financial year means that the current financial year is extended to 31 December 2016 and that the report on 23 August 2016 will change its title to interim report. The resolution to change the Company’s financial year was registered with the Swedish Companies Registration Office on 8 July 2016.

*** MNOs rate CLX as the leading A2P SMS API globally – [Roaming Consulting Company \(ROCCO\) A2P SMS Messaging Vendor Performance Report 2016](#)**

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This information is information that CLX Communications AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on 12 July 2016 at 08:00 CET.

About CLX Communications

CLX was founded in 2008 with a mission to simplify communications globally. CLX has since then developed into a leading provider of cloud-based communications services and solutions to enterprises and mobile operators, with particular strength in the enterprise messaging market. Mobile communications services from CLX make it possible for enterprises to communicate globally with people and connected devices (Internet of Things, IoT) swiftly, securely and cost-effectively. CLX's solutions enable business-critical communication worldwide via mobile messaging services, voice services and mobile data connectivity services for IoT. CLX has over 600 enterprise customers globally, including a large number of global blue-chip enterprises, and over 70 Communications Service Provider customers (of which approximately 60 are mobile operators) that have installed and use CLX's internally developed software-based communications platform in their businesses.

CLX has demonstrated strong financial performance since its inception in 2008 and has increased its revenues from SEK 416 million in the twelve months ended 30 June 2013 to SEK 844 million in the twelve months ended 30 June 2015, corresponding to a compound annual growth rate of 42 percent. For the twelve months ended 30 June 2015, CLX reported EBITDA of SEK 93 million and EBIT of SEK 89 million, corresponding to an EBIT margin of approximately 10.5 percent.

Important information

This press release contains forward-looking statements which reflect CLX's current view on future events and financial and operational development. Words such as "intend", "will", "expect", "anticipate", "may", "plan", "estimate" and other expressions than historical facts which imply indications or predictions of future development or trends, constitute forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.

The information, opinions and forward-looking statements concluded in this announcement speak only as of its date and are subject to change without notice.