



QUARTERLY TRADING UPDATE

76% Core Revenue Growth For CM.com In Q3 2020

BREDA, 15 OCTOBER 2020

Q3 2020 Highlights

- Core revenue increased by 76% to € 36.7 million, organic core revenue growth was 64%
- Core gross profit increased by 84% to € 9.1 million, organic core gross profit growth was 40%
- 93 new FTE added: 49 FTE through the acquisition of CX Company and 44 FTE new hires predominantly in Sales & Marketing
- Opening of new offices in India and Turkey
- Global launch of CM.com's new SaaS proposition Mobile Marketing Cloud
- Successful capital raise of € 31.8 million primarily to accelerate growth through acquisitions

	Q3 2020 ¹	Q3 2019	Q3 - Q3 Δ
Total revenue (in € millions)	38.5	23.0	+67%
Core revenue (in € millions)	36.7	20.9	+76%
Core gross profit (in € millions)	9.1	5.0	+84%
Core gross margin	25%	24%	

KPI's	Q3 2020	Q3 2019	Q3 - Q3 Δ
Number of messages (millions)	898	638	+41%
Number of voice minutes (millions)	97	34	+183%
Total payments processed (€ millions)	164	169	-3%
Number of tickets (in millions)	2.8	0.8	+262%

Jeroen van Glabbeek, CEO CM.com: "In Q3, our steep growth continued as more businesses are discovering new digital ways to communicate and engage with their customers. We are particularly proud that we, together with our partners, have been able to assist the Dutch government by providing the voice solution for Corona test appointments."

¹ Results include recently acquired Global Tickets and CX Company, contributing € 2.5 million revenue and €2.2 million gross profit

Continued volume and revenue growth

In Q3 2020, total revenue grew by 67% year-on-year to € 38.5 million. Core revenue comprising of the segments CPaaS, Payments, and Platform, grew by 76% to € 36.7 million, implying a 53% YTD (9-months) growth of core revenue to € 91.2 million (YTD 2019: € 59.6 million).

All three core segments contributed to revenue growth with CPaaS and Platform as the main revenue drivers. Core gross margin (including acquisitions) improved to 25% from 24% in Q3 2019, resulting in a core gross profit of € 9.1 million, up 84% year-on-year.

Within CPaaS the number of messages sent continued to increase (41%), while voice minutes growth accelerated (183%) mainly driven by new customers amongst others the Corona test line.

In Q3 2020, we processed € 164 million in Payments, down 3% year-on-year. In Q3 2019 the Dutch Grand Prix boosted our Payments volume, however as this year's event was moved to 2021 no new tickets have been sold for next year. In the third quarter of this year, we saw good overall underlying growth in Payments with our e-commerce customers benefiting from the accelerated shift to online sales due to Covid-19.

In Q3 2020, online venue ticket sales were at a structural higher level due to the shift to pre-booked online ticket sales with timeslot selection for amongst others museums, galleries and amusement parks. In total we sold 2.8 million tickets in Q3 2020 (Q3 2019: 0.8 million).

The acquisitions of Global Ticket (consolidated as of March 2020) and CX Company (consolidated as of July 2020) contributed € 2.5 million to revenue growth and € 2.2 million to gross profit growth in Q3 2020. This high margin recurring revenue is recognized under Platform. Organically, core revenue grew by 64% to € 34.2 million.

Strategy roll out and global expansion

We continued to make good progress with the opening of new hubs across the globe. In August we opened our office in Turkey and at the beginning of September we opened our new Indian hub. In Turkey, our new Eurasia hub, the focus will be on our Mobile Service Cloud with a WhatsApp and Chatbot combination. In India, we will be focusing on both the Mobile Marketing Cloud and Mobile Service Cloud solutions including WhatsApp Business Chat. Indian enterprises increasingly recognize how critical mobile communication tools are in order to connect with customers. In India over 400 million people are using WhatsApp on a daily basis, a number that is rapidly growing².

In addition, we built out our team and expanded our sales force to support the global roll out of our Conversational Commerce platform. The total number of FTE increased to 430 FTE as at 30 September 2020, including the new colleagues of CX Company (49 FTE).

	As at 30 September 2020	As at 30 June 2020
Sales and Marketing	226	171
Research and Development	140	115
General and Administration	64	51
Total	430	337

² www.techcrunch.com/2019/07/26/whatsapp-india-users-400-million

Equity capital raise

On 15 September 2020, CM.com successfully raised an additional € 31.8 million through an accelerated bookbuild offering of new shares. The equity offering comprised of 2,120,000 new ordinary shares.

The proceeds will be used to fuel our growth strategy, primarily for new acquisitions and for general corporate purposes.

Acquisition of RobinHQ.com

On 12 October 2020 we announced the acquisition of RobinHQ.com, an e-commerce customer service platform provider. The customer contact software of RobinHQ.com will be added to our suite of mobile first conversation commerce solutions, including various advanced AI chatbot functionalities. The transaction was closed on 14 October 2020.

Outlook

We will continue our global expansion strategy through the opening of new hubs and recruit additional personnel, in particular in the field of Sales & Marketing. Also we will continue to explore potential M&A opportunities.

We expect our revenue mix to further shift towards more high value-added products. And whilst the future impact of Covid-19 on businesses and the economy remains uncertain, we are well-positioned to benefit from the further digitization of our customers.

For more information, please contact Investor Relations:

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2021 Financial Calendar

- 9 March: 2020 Annual results (unaudited)
- 19 March: 2020 Annual report and AGM agenda
- 20 April: Q1 2021 Trading update
- 30 April: Annual General Meeting

About CM.com

CM.com is a listed company (Euronext Amsterdam: CMCOM) and provides Conversational Commerce services from its cloud platform that connects enterprises and brands to the mobile phones of billions of consumers worldwide. Conversational Commerce is the convergence of messaging and payments.

CM.com provides messaging and voice channels, such as SMS, Over The Top (OTT) (e.g. WhatsApp Business, Apple Business Chat, Google RCS, Facebook Messenger, and Viber), Voice API and SIP. These messaging channels can be combined with cloud platform features, like Ticketing, eSignature, Customer Contact, identity services and a Customer Data Platform.

CM.com is a licensed Payment Service Provider (PSP) offering card payments, domestic payment methods and integrated payment methods like WeChat Pay. CM.com has over 400 employees and 20 offices globally.

The platform of CM.com delivers fully integrated solutions, based on a privately owned cloud and 100% in-house developed software. By doing so, CM.com can guarantee scalability, time-to market and, global redundancy and delivery.

Appendix

	2020				2019			
	9 months	Q3	Q2	Q1	9 months	Q3	Q2	Q1
Total revenue (€ million)	96.3	38.5	28.5	29.3	67.3	23.0	23.3	21.0
Core revenue (€ million)	91.2	36.7	26.9	27.6	59.6	20.9	20.6	18.1
Core gross profit (€ million)	21.0	9.1	5.8	6.1	16.1	5.0	5.7	5.4
Core gross margin (%)	23	25	22	22	27	24	26	32
Number of messages (billion)	2.5	0.9	0.7	0.9	1.7	0.6	0.6	0.5
Number of voice minutes (million)	187	97	52	37	104	34	34	35
Total payments processed (€ million)	512	164	183	166	463	169	146	148
Total tickets (million)	3.9	2.8	0.6	0.5	1.6	0.8	0.5	0.3

Forward Looking Statements

Statements included in this press release that are not historical facts (including any statements concerning investment objectives, other plans and objectives of management for future operations or economic performance, or assumptions or forecasts related thereto) are forward-looking statements. These statements are only predictions and are not guarantees. Actual events or the results of our operations could differ materially from those expressed or implied in the forward-looking statements. Forward-looking statements are typically identified by the use of terms such as “may,” “will,” “should,” “expect,” “could,” “intend,” “plan,” “anticipate,” “estimate,” “believe,” “continue,” “predict,” “potential” or the negative of such terms and other comparable terminology. The forward-looking statements are based upon our current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward-looking statements.