

# Q3 2022 Trading update.

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double digit growth  
in Q3





PRESS RELEASE

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BREDA, 18 OCTOBER 2022

## Q3 2022 Highlights

- Revenue growth picking up (from 5% in Q2) to 18% in Q3 at € 68.9 million, organic revenue growth up to 16%
- Gross profit up 17% at € 19.3 million with gross margin at 28%
- Globally ranked as Market Leader in Contact Center-as-a-Service (CCaaS) by Juniper Research
- Recognized as Established Leader globally amongst Customer Data Platform (CDP) Vendors by Juniper Research
- Issued revenue guidance of € 300 – € 315 million is expected to materialize at the lower end of the bandwidth with a downside risk of approximately € 10 million due to uncertain market conditions

## Q3 2022 KPIs <sup>1</sup>

(x € million)	Q3 2022	Q3 2021	Δ Q3-Q3
Revenue	68.9	58.2	+18 %
Gross Profit	19.3	16.5	+17 %
Gross Margin (%)	28.0	28.4	-0.4
Number of messages (billions)	1.8	1.5	+20 %
Number of voice minutes (millions)	96	157	-39 %
Annual Recurring Revenue (ARR) <sup>2</sup> (€ millions)	29.1	20.4	+43 %
Total online payments processed <sup>3</sup> (€ millions)	526	270	+95 %
Number of tickets (millions)	4.2	4.4	-5 %

<sup>1</sup> As of 2022, CM.com will report only on total revenue and gross profit without a distinction in core revenue and core gross profit

<sup>2</sup> ARR represents the annual recurring revenue streams at the end of the period

<sup>3</sup> As a result of our growing and changing payments business, CM.com included direct settled payments transactions in the total payments processed. This will give a better understanding of the payment volumes that go through the CM.com platform. CM.com has amended the payments volumes retrospectively.



## Message from the CEO

We at CM.com are pleased to report continued revenue and gross profit growth in Q3 2022. In this quarter, CM.com was able to demonstrate our fully integrated business capabilities and solutions as a partner and technological backbone of the sold-out Dutch Grand Prix where our suite of products and services were displayed on an international stage. We continue to iterate, improve, and scale the fundamentals of our larger organization, and carry on with our strong growth in KPIs such as messaging, payments, and annual recurring revenue – all of which drive our continued revenue and gross profit growth.

We have built a solid organization that is able to shoulder more business quickly and efficiently regarding number of customers, revenue, and gross profit. We have the right teams, tools, processes and systems in place to further drive growth organically as seen through our diverse client base. We see ourselves entering a new phase as we evolve into a larger organization.

Despite CM.com's strong market position, we see changed market circumstances and we must be cognizant of these conditions which all businesses currently face considering inflation, rising interest rates and energy prices. As a result, we expect our issued guidance of € 300 - € 315 million to materialize at the lower end of the bandwidth with a downside risk of approximately € 10 million due to the macroeconomic uncertainties.

We are on pace to shifting our focus towards capitalizing upon our existing workforce and optimizing our operational expenditures. In that way we can be more resilient not only to market conditions but also for our customers in times of hardship and challenging market conditions. These factors will also continue to drive our path to profitability and to a structurally positive EBITDA by end of 2023.

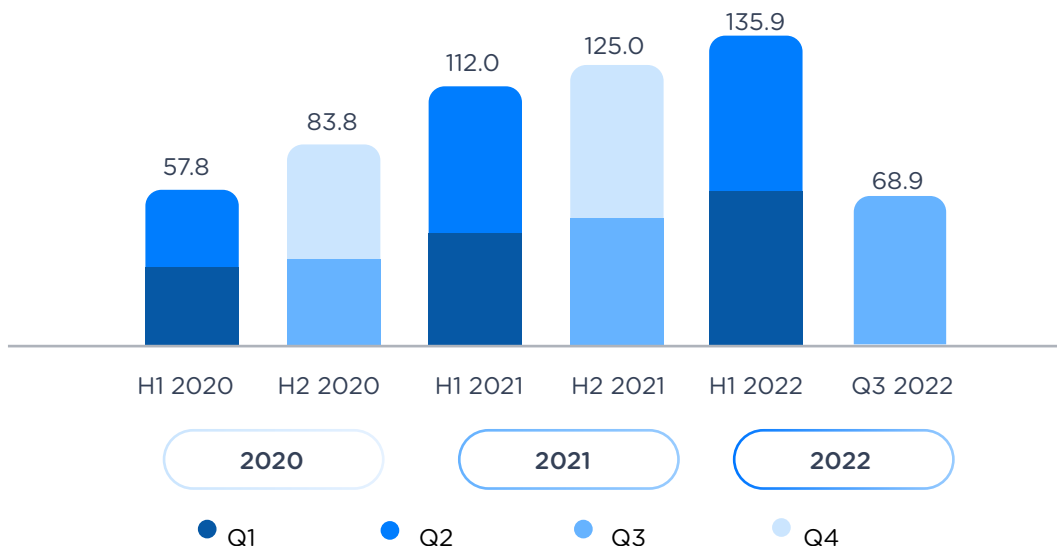
**Jeroen van Glabbeek**  
CEO CM.com

## Continuous gross profit growth key factor in strategy

Gross profit continues to grow year-over-year and is up 17% at € 19.3 million versus € 16.5 million in Q3 2021. Gross margin amounts to 28% for Q3 2022 and is a substantial gain from Q2 2022, where it was 26.6%. Revenue is driven to 18% at € 68.9 million versus € 58.2 million in Q3 2021 where revenue growth has significantly increased in Q3 after Q2. CM.com expects this trend to continue in Q4.

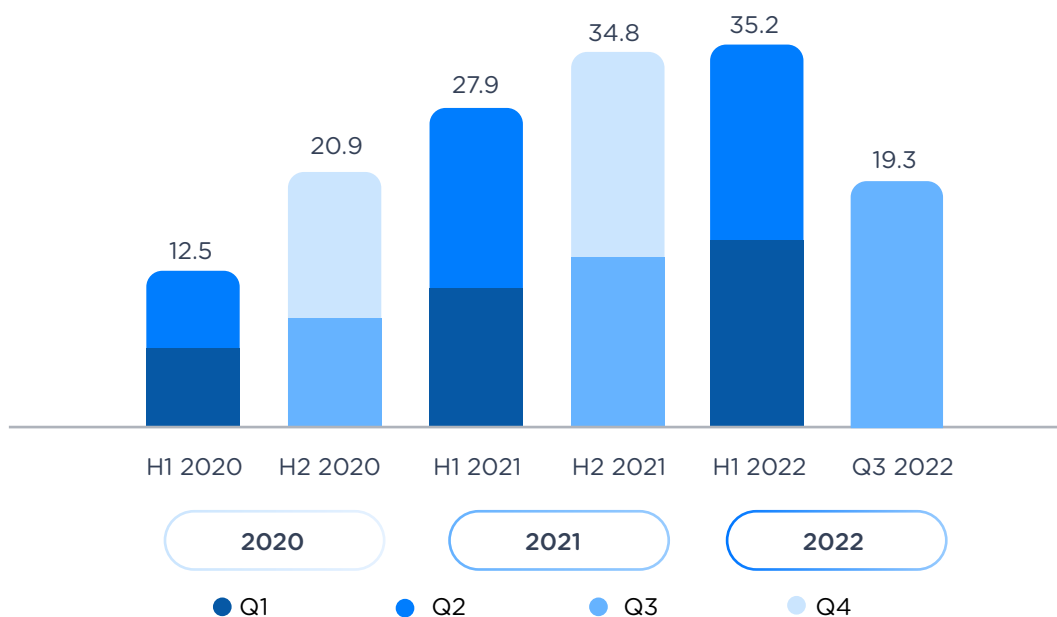
### Revenue development

(x € million)

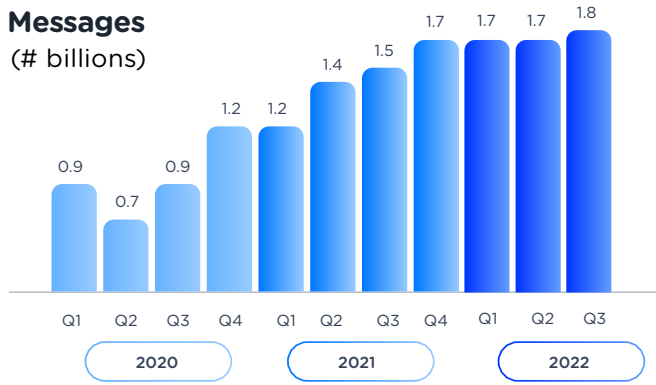


### Gross profit development

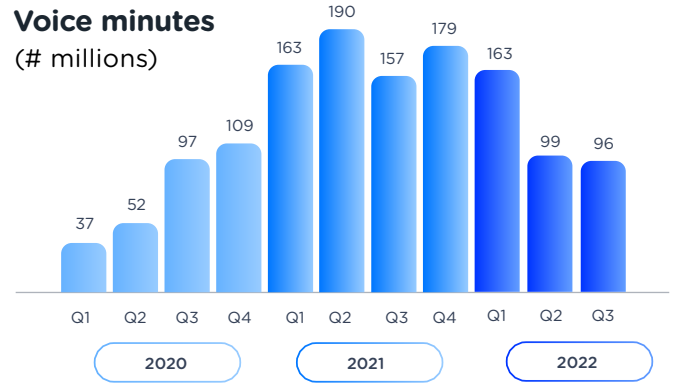
(x € million)



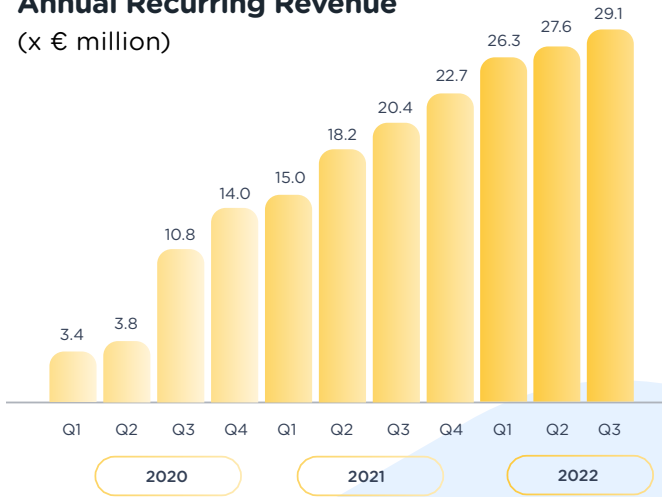
**Messages**  
(# billions)



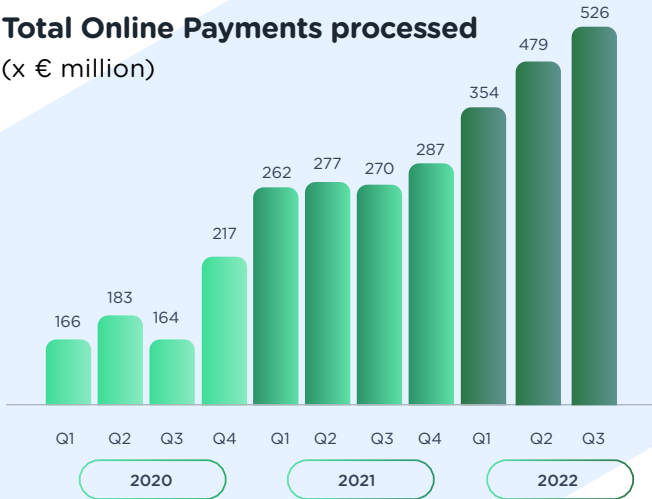
**Voice minutes**  
(# millions)



**Annual Recurring Revenue**  
(x € million)



**Total Online Payments processed**  
(x € million)



**Tickets**  
(# millions)





Within CPaaS, the number of messages continued to increase by 20% to 1.8 billion in Q3 2022. Q4 is traditionally the best quarter. However the market conditions are uncertain, CM.com expects this trend to continue in last period of the year. The number of voice minutes tempered due to the loss of Covid-19 related revenue and a high Q3 2021 comparison base where Covid-19 effects were present.

By the end of Q3 the ARR grew to an ARR of 29.1 million - a growth rate of 43% year-over-year. Juniper's research shows messaging channels, such as Instagram and Facebook, are becoming increasingly important for enterprises to communicate with their customers anytime, anywhere. This is one of CM.com's areas of expertise. The Mobile Service Cloud is CM.com's CCaaS solution, which enables companies to interact with customers via any channel: from messaging channels to telephony. This is an example of demand for CM.com's SaaS Solutions.

Total online payments processed grew by 95% year-over-year to € 526 million due to increasing amount of payment volumes that run through CM.com's platform for the Dutch government and new client wins.

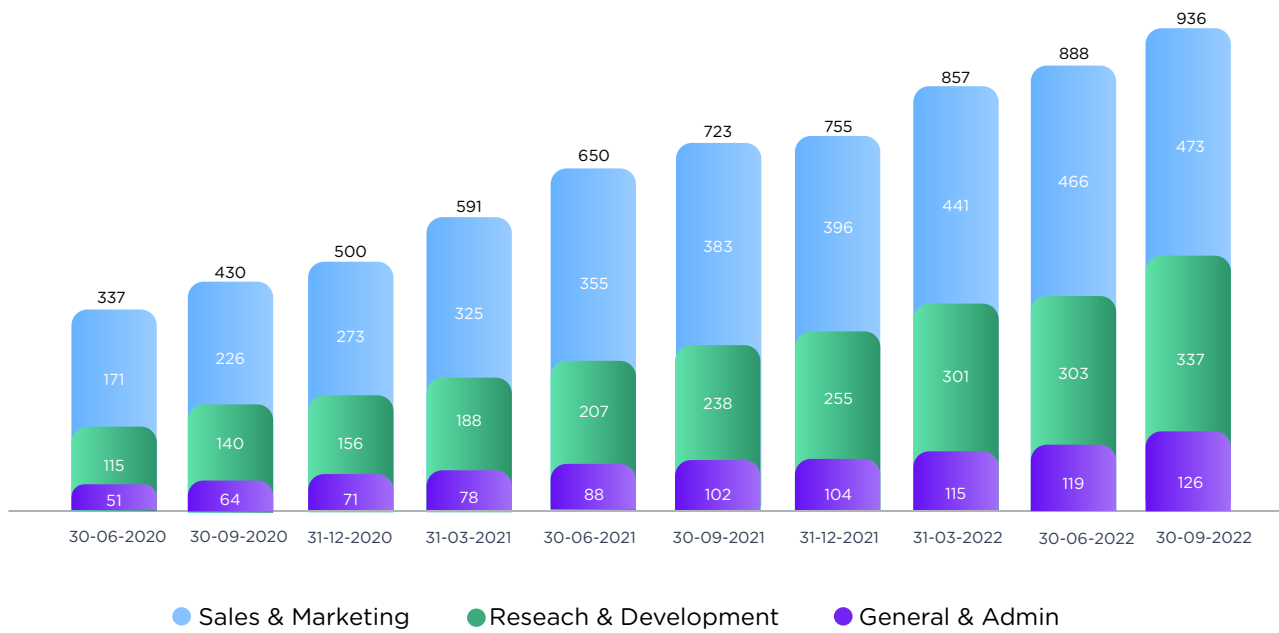
Ticketing demand is recovering from Covid-19 related disruptions. Ticket numbers have grown over the past three quarters, due to servicing new customers with 68% growth year to date. CM.com won various new international logos during this quarter.



## Organization

CM.com strengthened the organization with 48 FTEs for a total of 936 FTEs at the end of Q3 2022. This comes at a slower pace compared to growth rates from previous years, and H2 2022 was frontloaded with hiring in Q3, partly resulting from efforts to replace external contractors where needed with own staff. For Q4 2022, CM.com expects natural attrition to outweigh new hires. In addition to reducing the FTE growth and the number of external contractors, CM.com has implemented measures to reduce costs towards consultancy, travel, events, and professional services.

## Number of FTEs



## 2022 Outlook

Looking at the earlier issued revenue guidance of € 300 – € 315 million, CM.com expects revenue to materialize at the lower end of the issued bandwidth with a downside risk of approximately €10 million due to the macroeconomic uncertainties. As global markets face macroeconomic uncertainty affected by inflation, rising interest rates and energy prices, CM.com remains focused on fostering the strong gross profit growth going forward, capitalizing upon the existing workforce and optimizing operational expenditures. We believe these factors will contribute to drive CM.com's path to profitability and to a structurally positive EBITDA by end of 2023.

## 2023 Financial Calendar



## Contact Investor Relations

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## 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 1000 employees and offices in 22 countries 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.

## 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” and/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 judgements 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. 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.