



PRESS RELEASE

# CM.com Commences Trading on Euronext Amsterdam

BREDA, 21 FEBRUARY 2020

- Trading in CM.com shares to commence under the symbol "CMCOM"
- Transaction includes a total capital inflow of € 80 million<sup>1</sup> consisting of € 55 million by Dutch Star Companies ONE shareholders plus additionally committed capital of € 10 million and € 15 million from large DSCO shareholders and Teslin, respectively
- Capital proceeds and stock exchange listing to accelerate CM.com's growth strategy and global rollout of Conversational Commerce proposition

**CM.com N.V. (together with its subsidiaries, "CM.com" or the "Company"), a global Conversational Commerce platform, announces trading in its shares on Euronext Amsterdam to commence today, 21 February 2020.**

Over the past 20 years, CM.com has accumulated know-how and developed a proprietary technology platform for enterprises to help them support consumers at all mobile touchpoints of their customer journey. The Company believes it is now ideally positioned to benefit from the increasing global demand for Conversational Commerce. The transaction and stock exchange listing are seen by management and shareholders to be the best opportunity for the current stage of development and to support CM.com in scaling up its business and accelerating its growth strategy.

On 9 January 2020, CM.com and Dutch Star Companies ONE N.V. ("DSCO") a special purpose acquisition company listed on Euronext Amsterdam, reached agreement on a business combination. Following DSCO shareholders' approval of the legal merger at the Extraordinary General Meeting of shareholders held on 20 February 2020, and the Declaration of No Objection ("DNO") received earlier from the Dutch Central Bank, all conditions for the completion of the business combination have been met.

Following the conclusion of the legal merger between both entities, DSCO's current listing on Euronext Amsterdam will be maintained, and as a result of the merger, listed shares in the merged company have been allotted to the existing shareholders of DSCO and additional investors of CM.com. The Company will trade under the symbol "CMCOM" with international securities identification number NL0013746431.

**Jeroen van Glabbeek, CEO and co-founder of CM.com:** *"Today marks the start of a new era. The transaction with DSCO not only provides us with a listing and access to the capital market, but also with substantial new growth capital for our strategy acceleration and business expansion. We are proud of the strong interest in CM.com from virtually all DSCO's current shareholders and from Teslin, who we welcome on board as our new cornerstone investor. We have ambitious plans as we enter our next stage of development and we look forward to the opportunities and benefits of being a listed company. We want to thank DSCO and our new shareholders for their belief in our Company and strategy."*

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<sup>1</sup> Includes an up to € 7 million purchase of shares from CM.com's founders.

## Rationale and Use of Proceeds

The transaction offers CM.com immediate additional funds to capture current growth opportunities and can fuel the strategy in the long-run, especially for investments in geographical sales and marketing expansion, but also to strengthen research and development and possible selective accretive acquisitions to ensure CM.com stays ahead of the fast-growing demand for Conversational Commerce. The Company intends to use the capital proceeds available to scale up its business through global expansion, opening additional regional hubs, enriching its Conversational Commerce proposition and bolster its organisation. The transaction will also substantially strengthen CM.com's financial position, providing a healthy cash position and will make the Company virtually debt-free.

Furthermore, a public listing will enhance the international profile of the CM.com, offer the opportunity for other supporters of the Company's market leadership the potential to participate in its journey, and provides the means to further incentivize employees and attract new talent.

## Transaction Details

Following the completion of the transaction CM.com will receive over € 73 million in new capital. This inflow results after a total inflow of € 80 million (approximately € 55 million of current DSCO shareholders; € 10 million of additional investments by large DSCO shareholders; € 15 million of Teslin; and € 159.000 from the warrant conversion) and an outflow of € 7 million related to the buyout from founders and costs of the warrant conversion.

Following completion of the transaction, and the conversion of all warrants and the special shares, as well as the additional investments, and the issue of part of the ordinary shares available under the Employee Share Option Plan the total number of issued CM.com ordinary shares will be 26,259,924<sup>2</sup>.

Post listing and post warrant conversion, the co-founders of CM.com will each hold approximately 29% of CM.com ordinary shares outstanding.

The 16.6 million shares held by the founders of CM.com and the promoters of DSCO are subject to a 365-day lock-up starting at the completion of the transaction (i.e. expiring on 19 February 2021). The lock-ups are subject to certain customary carve-outs.

For more details on the structure of the transaction and the conversion of warrants and special shares, as held by the descending DSCO shareholders, reference is made to the DSCO shareholders' circular dated 9 January 2020 and the DSCO press releases dated 18 February and 20 February 2020, respectively which can also be found on <https://www.cm.com/investor-relations/>.

## Investment Highlights

CM.com is a global mobile services provider that offers its customers a cloud-based communication and payment platform complemented by a portfolio of supplementary platform features into a full Conversational Commerce proposition. The platform offers CM.com customers the ability to optimize mobile communications with consumers at all mobile touch points of their customer journey.

CM.com distinguishes between three main areas in which it operates within the conversational commerce market:

- CPaaS (Omni-channel communication): which consists of messaging and voice services (e.g., RCS, SMS, WhatsApp Business, Apple Business Chat, Viber, Telegram, Facebook Messenger and voice solutions);
- Payments: the processing and acquiring of consumer payments for merchants; and
- Platform: which includes Ticketing, eSignature, Customer Contact, identity services and a Customer Data Platform.

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<sup>2</sup> The DSCO press release dated 18 February 2020 assumes that all 122,898 shares under the Employee Share Option Plan will be issued at completion of the transaction. However, only 36,836 shares will be immediately issued at completion of the transaction. The remaining shares available under the Employee Share Option Plan are expected to be issued at a later stage when certain conditions are met. This implies that the total number of CM.com ordinary shares outstanding is expected to be 26,259,924 instead of the previously communicated 26,345,986. The final number depends on the exact number of warrants converted into ordinary shares which will be communicated to the market on 26 February 2020.

In the year ended 31 December 2019, CM.com processed nearly 2.5 billion messages, over 140 million minutes of voice calls, and approximately € 625 million in transactions. CM.com believes that the general shift from traditional communications and payments services to an integrated, software and data-driven, conversational commerce platform for mobile interaction with consumers has only just begun. CM.com believes it is well-positioned to capitalize on this trend.

**CM.com's investment story can be summarized by the following investment highlights:**

- Operating in a rapidly emerging global conversational commerce market: with the convergence of messaging and payments creating structural growth opportunities
- CM.com has all the capabilities to deliver conversational commerce and potential to capture a substantial share of the market
- It has a secure and compliant data platform, underpinning its attractive performance and conversion
- It has direct connections to a global top tier enterprise customer base with a strong track record of retention and growing economics
- It has a founder-led entrepreneurial culture committed to achieving CM.com's full potential
- CM.com has a strong financial profile combining long term growth and margin potential, with proven profitability

**CM.com has the following financial objectives:**

1. Revenue growth is expected to significantly step-up from 2020, after which CM.com is targeting an annual growth rate of over 30% over the medium term, as CM.com increases its sales, marketing and technology efforts with new and existing customers globally with the capital raised in the transaction
2. In the near term, CM.com expects capital expenditure to be in-line with historic levels. In the long term, CM.com aims to maintain a sustainable capital expenditure level of up to 5% of revenue
3. CM.com is seeking to increase gross margin in the near term as the revenue mix shifts to higher value-add services
4. CM.com aims to improve EBITDA margin to levels above 20% in the long term as CM.com expects to benefit from a change in business mix and operational leverage. In the near term, CM.com expects EBITDA margin to remain relatively stable as it continues to invest in growth

CM.com published its 2019 annual results on 17 February 2020 which can be found at [www.cm.com](http://www.cm.com).

## Financial Calendar 2020

21 February	Listing on Euronext Amsterdam
30 April	Annual General Meeting of shareholders
26 August	2020 Semi-annual results

## Press and Investor Information

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**Advisors to CM.com**

In connection with the transactions ABN Amro and Jefferies International Limited are acting as financial advisors to CM.com and De Brauw Blackstone Westbroek is acting as legal advisor.

## About CM.com

CM.com is a Conversational Commerce platform that connects enterprises and brands to the mobile phones of billions of consumers globally. The Company provides messaging channels, such as RCS, SMS, WhatsApp and Apple Business Chat combined with a Customer Data Platform and other platform features. CM.com is a leading global CPaaS platform with integrated Payments functionality. Almost ten thousand customers use CM.com's products with a view to deliver better marketing, better sales and better service to their consumers.

More information about CM.com can be found on the website at [www.cm.com](http://www.cm.com).

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