



# Q1 Trading Update 2024

CM.com reports record EBITDA in Q1 2024,  
expects further improvement EBITDA

## **CM.com reports record EBITDA in Q1 2024, expects further improvement EBITDA**

In Q1 2024, CM.com kept a tight grip on costs, while growing gross profit. The product mix remained skewed towards higher margins business, resulting in higher gross profit. OPEX came in lower compared to Q1 2023. As a result, normalized EBITDA reached a record level in Q1 2024. CM.com expects year-over-year revenue development to improve as of Q2 2024. Normalized OPEX is expected to decrease approximately 15% in full year 2024 versus 2023. CM.com reiterates to become free cash flow positive by H2 2024 as EBITDA growth is expected to continue.

Breda, 17 April 2024

## Q1 2024 Financial Highlights

- Normalized EBITDA grew to a record level of €3.3 million (€-2.4 million in Q1 2023).
- Gross Profit reached €19.5 million, +3% YoY.
- Gross margin was strong at 30.8% (26.5% in Q1 2023).
- Normalized OPEX came in at €16.3 million, -23% YoY.
- Revenue reached €63.5 million, -11% YoY following the shift to value over revenue. Annual Recurring Revenue grew 6% YoY to €32.0 million.

## Q1 2024 Business Highlights

- Juniper Research recognized CM.com as 'Established leader' in CPaaS vendor space.
- In the business unit Connect (former CPaaS), focus remained on improving margins. Total number of messaging grew 18% YoY and WhatsApp grew to 30% of total messaging volume.
- In the business unit Engage (former SaaS), new order intake developed well. One of the largest soft drink companies in the world signed up for CM.com's Marketing Cloud product for its global direct marketing communication. GenAI is now an integrated part of the offering as over 50% of all new contracts signed include GenAI.
- In the business unit Pay (former Payments), migration onto the new processing platform is in final stages of completion. POS sales has good traction. Total volume of payments processed grew 31% YoY.
- In the business unit Live (former Ticketing), growth momentum remained good. Number of tickets sold grew 10% YoY and the app development service expanded its services to more international.

## Outlook

- CM.com expects normalized EBITDA to grow further in 2024.
- Normalized OPEX is expected to decrease approximately 15% in 2024 versus 2023.
- CM.com expects year-over-year revenue development to improve as of Q2 2024.
- CM.com reiterates its target to be free cash flow positive by H2 2024.

## Q1 2024 Key financial figures

x € million	Q1 2024	Q1 2023	Δ Y –Y
Revenue	63.5	71.4	(11%)
Gross Profit	19.5	18.9	3%
Gross Margin (%)	30.8%	26.5%	
Normalized OPEX	(16.3)	(21.2)	(23%)
Normalized EBITDA	3.3	(2.4)	
One Offs	(0.9)	(0.1)	
EBITDA	2.4	(2.5)	

## Q1 2024 KPIs (Key Performance Indicators)

	Q1 2024	Q1 2023	Δ Y –Y
Number of messages (billion)	2.0	1.7	18%
Number of voice minutes (million)	69	79	(13%)
Annual Recurring Revenue (€ million)	32.0	30.3	6%
Total payments processed (€ million)	690	526	31%
Number of tickets (million)	4.4	4.0	10%

## Message from the CEO

Today CM.com releases its Q1 2024 trading update. In Q1 2024, we are reporting a record EBITDA, as the value over revenue strategy continued to support overall performance, while costs remained under control.

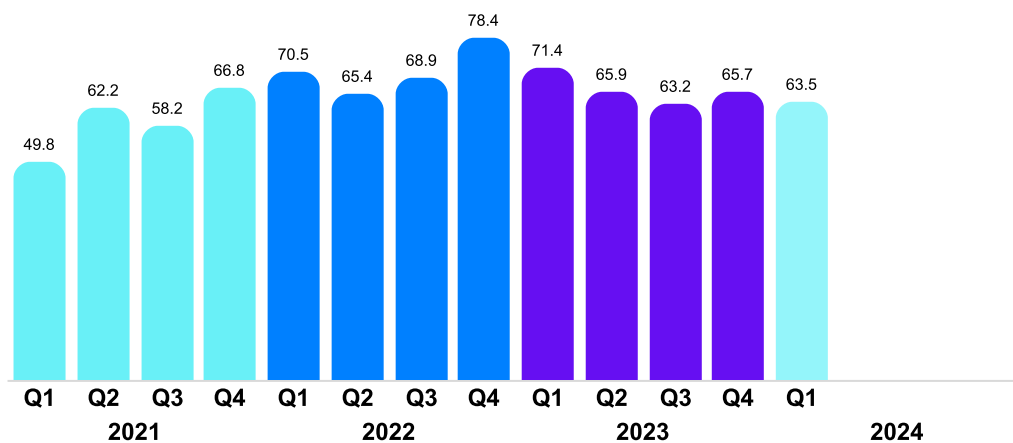
Operational excellence continued. With the launch of Business Units in Q1 2024, the interaction between different disciplines intensified, which has already resulted in improved offerings to clients. Clients express the wish to connect to one place that offers multiple services seamlessly. That lies at the core of the CM.com proposition. As an example, GenAI has, within six months, become a standard feature in the software proposition of Engage and a good driver for growth already. The Pay proposition is now an integrated part of the product offering, especially within Live. Clients that purchase CM.com's software solutions also seek ways to improve their communication with their end users. CM.com's messaging offering via Connect is then a compelling addition, enabling the combination of multiple services into one place. This is increasingly the case with WhatsApp. In Q1 2024, 30% of the total messaging volume was generated through CM.com's WhatsApp offering. What is interesting to note here is that clients see the WhatsApp product now increasingly as a viable alternative to SMS, given the possibilities it offers, but also given the rising rates for SMS in certain regions. CM.com is proud to be recognized again as "Established Leader" in CPaaS by Juniper Research.

As efficiency continues to improve and new orders are being won, CM.com has full confidence that it will be able to meet its financial milestones in 2024 and beyond. That is why CM.com expects normalized EBITDA to grow further throughout 2024, and reiterates its guidance to be free cash flow positive by H2 2024.

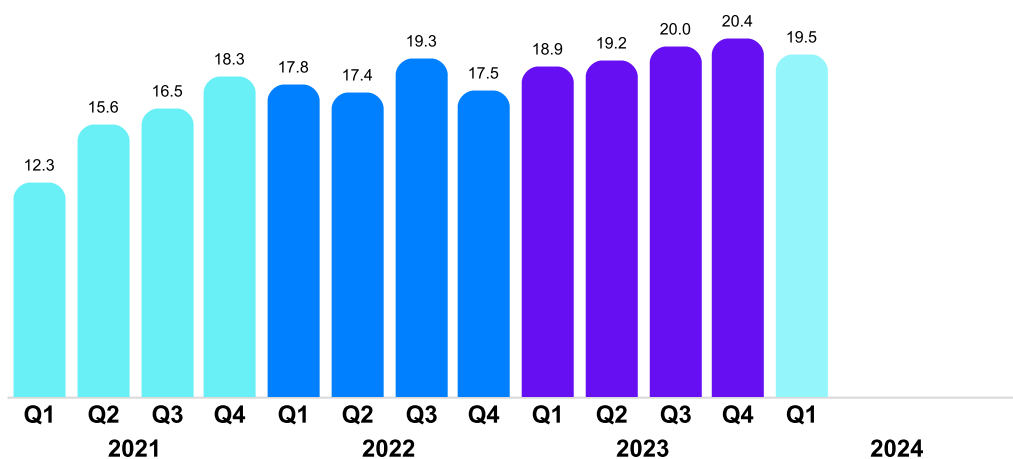


# Historic Financial Performance Development

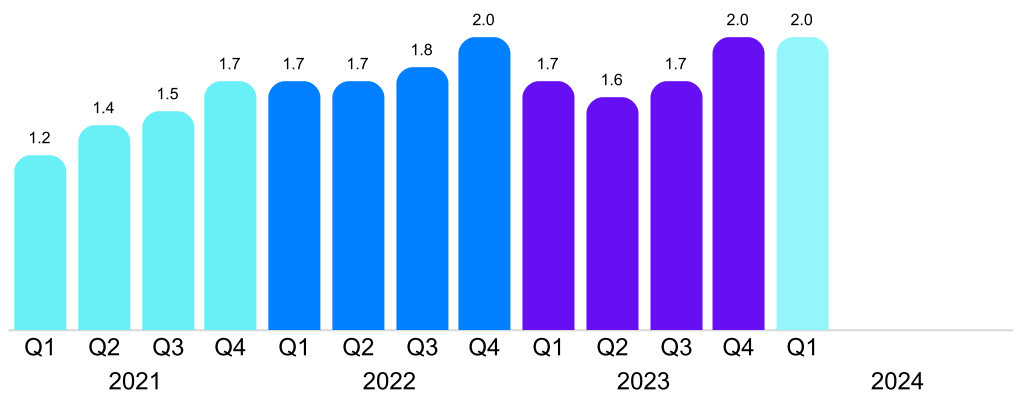
## Revenue Development (€ million)



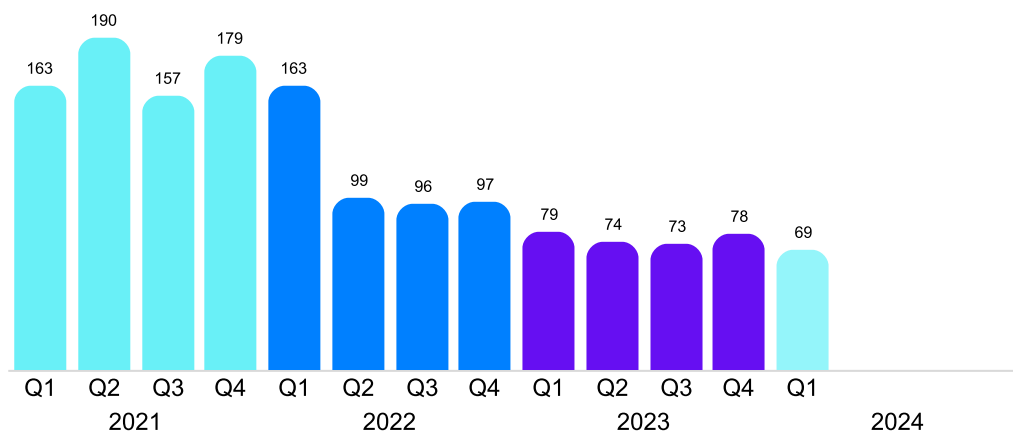
## Gross Profit Development (€ million)



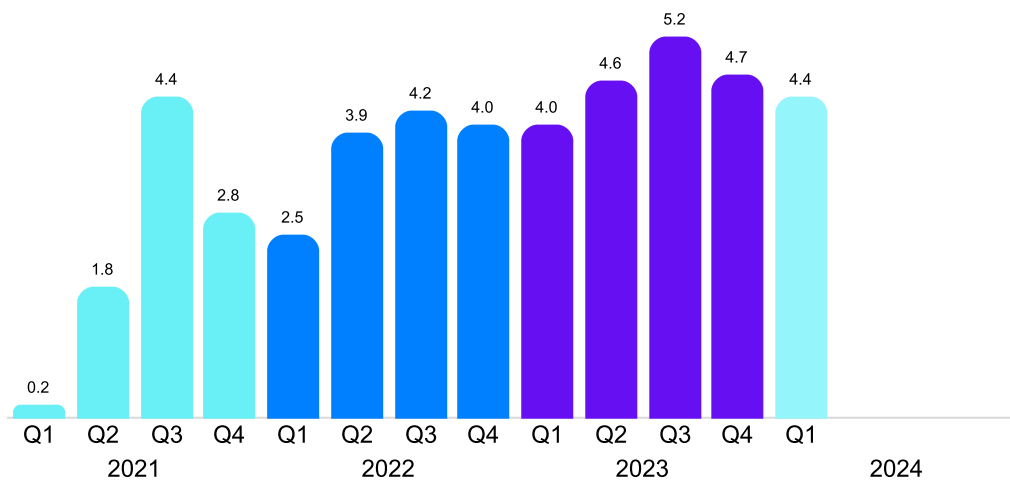
## Messages (billion)



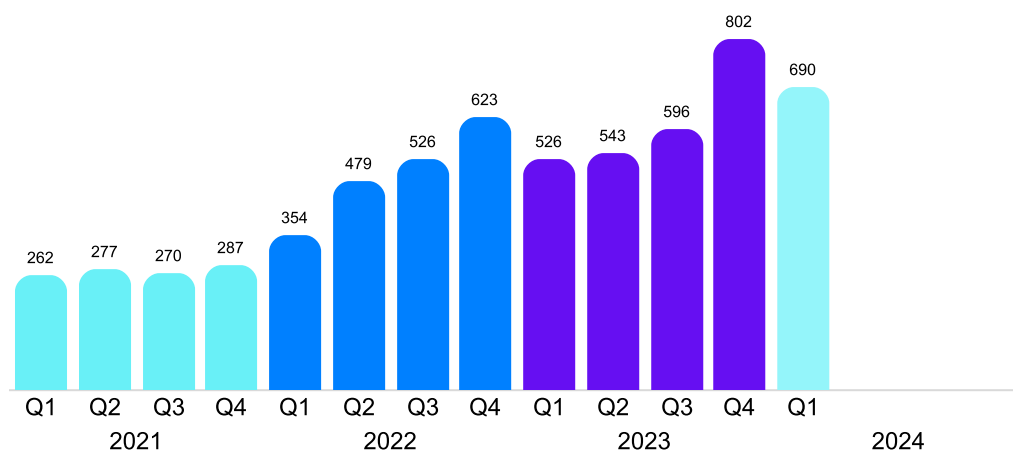
## Voice Minutes (million)



## Tickets (€ million)

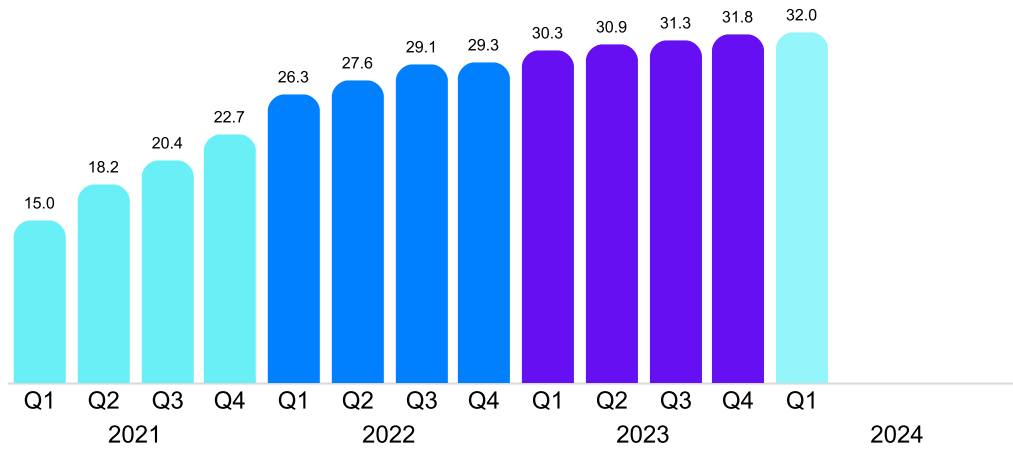


## Total Payments Processed (million)

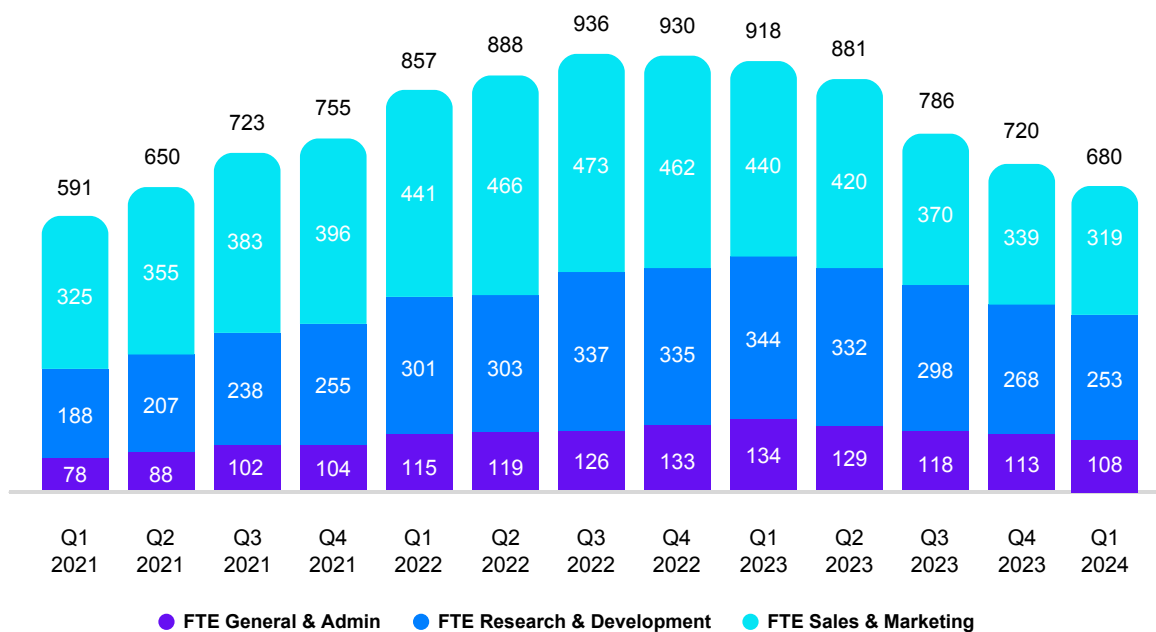




## Annual Recurring Revenue (€ million)



## FTE Development



## 2024 Financial Calendar & Events

19 April 2024	AGM CM.com
23 July 2024	Release HY 2024 results + webcast
18 October 2024	Release Q3 2024 Trading Update (no webcast)

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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 communication 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 approximately 725 employees and offices in 15 countries globally. The platform of CM.com delivers fully integrated solutions, based on a primarily 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.

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## 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 CM.com's operations could differ materially from those expressed or implied in the forward-looking statements. Forward-looking statements are typically identified using 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 the current expectations of CM.com, 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 the control of CM.com. Although CM.com believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, actual results and performance could differ materially from those set forth in the forward-looking statements.

## Alternative performance measures

Several alternative performance (non-IFRS) measures are disclosed in the press release of CM.com, in order to provide relevant information to better understand the underlying business performance of the Company. Furthermore, CM.com has provided guidance on several of these (non-IFRS) financial measures, derived from the consolidated financial statements. An overview of the alternative performance measures with their definitions is provided below:

Performance measure	Definitions
Gross profit	Revenue less cost of services.
Gross margin %	Gross profit divided by revenue.
EBITDA	Operating result less amortization, depreciation, and impairment.
Normalized EBITDA	EBITDA corrected for material one-offs.
One-offs	Non-recurring, extraordinary or non-core items, being restructuring costs in FY 2023 and FY 2024.
OPEX	Employee benefits expenses and other operating expenses.
Normalized OPEX	OPEX corrected for material one-offs.
CAPEX	Investments in intangible assets, tangible fixed assets, and right-of-use assets.
Changes in Working capital	Changes in inventories, trade and other receivables, trade and other payables, and contract liabilities, excluding receivables from and payables to merchants and financial institutions.
Free cash flow	EBITDA less investments in intangible fixed assets, less investments in tangible fixed assets, less Changes in Working capital.
Higher margin products	Higher margins products are products related to the Engage, Pay and Live offerings.
Annual Recurring (ARR)	Represents the annual recurring revenue streams from Revenue customers at the end of the period, related to subscription based product pricing.

Not all companies calculate alternative performance measures in the same manner or on a consistent basis. As a result, these measures and ratios may not be comparable to measures used by other companies under the same name or similar definitions.

For a more extensive definitions list, we would like to refer to the annual report of CM.com: [CM.com Annual Report](#)

