

## Transcom to propose a re-domiciliation to Sweden, a share class merger and a reversed split

---

Press release

2014-06-27  
For immediate release

---

**Luxembourg, 27 June 2014** – In November 2011, Transcom disclosed that the company's Board of Directors was investigating a move of the legal domicile of the publicly listed parent of the Group from Luxembourg to Sweden. This project was later put on hold, as Transcom prioritized the execution of the operational and financial turnaround of the company, but has now been reopened.

Since the end of 2011, the company has successfully addressed a number of pressing issues that had weighed on its results, created uncertainty and consumed significant management attention. A settlement agreement was signed in 2013 concerning Transcom's former French subsidiary, stopping the considerable losses generated there over the past several years. Also, a satisfactory agreement with Italian tax authorities was reached, resolving a tax dispute in that country. As a result of the strategic decision to focus on Transcom's core customer care business, a number of Credit Management Services (CMS) units have been divested. The strategic review of the Credit Management Services (CMS) business unit is now nearing completion.

In parallel, Transcom's management and Board of Directors have focused on improving performance across a number of key operational dimensions: increased seat capacity utilization, a higher proportion of revenue generated in offshore delivery centers, and the broadening of the client base. The positive results achieved in terms of these measures are central to Transcom's performance turnaround, improving the company's operational and financial stability and creating a solid foundation for future profitable growth.

The Board of Directors is convinced that the timing is now right for carrying out a re-domiciliation of the parent company of the Transcom Group to Sweden, given the benefits of such a move for the Group and its shareholders. A change of domicile to Sweden will align Transcom's legal domicile with the domicile of its owners, as the majority of Transcom's shareholders are Swedish. Following a re-domiciliation to Sweden, general meetings of the shareholders will be held in Sweden rather than in Luxembourg, thus facilitating shareholder participation at general meetings.

Furthermore, following a change of domicile, Transcom will no longer be bound by dual legal systems – Swedish and Luxemburgish. This will lower costs and simplify the execution of corporate actions. A change of domicile will also simplify Transcom's listing set-up, abandoning the SDR system and establishing one class of shares.

- The re-domiciliation will, subject to inter alia final approval by the Board of Directors and shareholder approval, be executed through a statutory cross border merger between Transcom WorldWide S.A. and a Swedish subsidiary which will become the new publicly listed parent of the Transcom Group.
- The new Swedish parent company of the Transcom Group will be a public limited liability company with one class of shares only. In addition, the intention is to execute a 1:50 reversed split following the re-domiciliation.

- Through the statutory merger, the current parent company, Transcom Worldwide S.A., will be absorbed by the Swedish subsidiary. All assets and liabilities of Transcom WorldWide S.A. will pass to the Swedish subsidiary, the shares of which will be listed on NASDAQ OMX Stockholm.
- Provided that the conditions for the cross border merger are met so that the merger is executed, Transcom shareholders, whether or not shares are held through SDRs, will receive one (1) new Share for each Class A Ordinary Share held, and one point zero nine (1.09) new Shares for each Class B Preference Share held.
- When resolving on the merger consideration, as per the foregoing, the Board of Directors has taken a number of factors into consideration, including the market prices at which the Class A Ordinary Shares and the Class B Preference Shares have been traded on NASDAQ OMX Stockholm, and the rights vested in the Class A Ordinary Share and the Class B Preference Share. The Board of Directors considers that the merger consideration has been determined in a diligent and correct manner, observing applicable rules on equal treatment and that the merger is beneficial to the Transcom Group and the shareholder collective.
- In addition, the Board of Directors has relied upon a fairness opinion issued by SEB when determining the merger consideration.

Costs related to this project are estimated at €1.1 million, and will be recorded in the second quarter of 2014. The expected write-down of tax assets as a result of a re-domiciliation, as communicated in November 2011, is no longer applicable. From a shareholder tax perspective, no immediate direct tax costs would be expected for the shareholders in Sweden.

Transcom expects to release further details during the third quarter 2014, and plans to present the merger plan shortly after the Q2 2014 interim report, which will be published on July 17, 2014. The statutory merger and the re-domiciliation are expected to be concluded during the fourth quarter of 2014, subject to inter alia final approval by the Board of Directors and shareholder approval.

Transcom WorldWide S.A. has been listed on NASDAQ OMX Stockholm since September 6, 2001. A large majority of the Company's shareholders are based in Sweden and the share of the Company's capital that is held by shareholders in Sweden amounts to approximately 80 percent.

For further information, please contact:

Johan Eriksson, President and CEO  
Telephone +46 70 776 80 22

Pär Christiansen, CFO  
Telephone +46 70 776 80 16

Stefan Pettersson, Head of Group Communications  
Telephone +46 70 776 80 88

#### **About Transcom**

*Transcom is a global customer experience specialist, providing customer care, sales, technical support and credit management services through our extensive network of contact centers and work-at-home agents. We are 29,000 customer experience specialists at 57 contact centers across 24 countries, delivering services in 33 languages to over 400 international brands in various industry verticals. Transcom WorldWide S.A. Class A and Class B shares are listed on the NASDAQ OMX Stockholm Exchange under the symbols TWW SDB A and TWW SDB B.*