Global-e to Acquire SMB Cross-Border E-Commerce Provider Flow Commerce

November 24, 2021

The acquisition is expected to strengthen Global-e's platform offering for emerging brands and is intended to further expand its capabilities and customer base in the segment

PETAH-TIKVA, Israel, Nov. 24, 2021 (GLOBE NEWSWIRE) -- Global-e (NASDAQ: GLBE) ("Global-e" or the "Company"), the world's leading cross-border end-to-end platform for brands and retailers, today announced that it has entered into a definitive agreement (the "Agreement") to acquire Flow Commerce Inc. ("Flow"), a technology based cross-border e-commerce software solution for emerging brands.

The acquisition is expected to strengthen Global-e's offering and capabilities, allowing Global-e access to additional addressable market of small merchants not currently eligible to use Global-e's services.

Leveraging Flow's robust API-based technology, Global-e will be well-positioned to provide small merchants with a best-in-class solution, tailored for the needs of emerging brands, with a lightweight integration effort and advanced self-service capabilities, in combination with Global-e's unique data models and AI-algorithms for conversion optimization.

The acquisition is expected to allow Global-e to expand the scope of its exclusive relationship with Shopify to offer certain cross-border services to a broader set of merchants on the platform in addition to its current end-to-end 3rd-party solution catering to established brands. Concurrent with this expanded relationship, Global-e agreed to issue to Shopify a warrant for approximately $70 million in Global-e shares.

"Our platform supports cross-border trade in a smart, simple and localized manner," said Nir Debbi, President and co-founder of Global-e. "This acquisition follows our strategy, ultimately allowing us to serve small and emerging brands in the most sophisticated and light-weight way possible, by utilizing Flow's cutting edge technology coupled with Global-e's best-in-class expertise and unique data models. The combination of Flow's small merchant solution and our existing market-leading solution for large enterprise merchants, is expected to allow us to position our platform as a leading cross-border solution for any size of merchant, from self-served lightweight solutions for small and emerging brands, all the way to complex tailor-made enterprise solutions for the world's largest brands."

"We are delighted to be joining Global-e, the leading cross-border e-commerce platform for medium and large brands," said Rob Keve, co-founder and CEO of Flow. "Flow's technology powers dozens of emerging brands with a fast-to-deploy and easy-to-manage cross-border solution. As the cross-border e-commerce market continues to grow, we believe that Global-e is the ideal partner for us. We believe that joining forces with Global-e will enable us to further expand our platform and solution capabilities for our existing merchant partners, accelerate our reach into new brands worldwide, and help fuel our continued growth."

"In Rob, Mike and the entire Flow team, we found a group of highly skilled professionals, who are as passionate as we are about cross-border e-commerce. We look forward to welcoming them into the Global-e family," said Amir Schlachet, Co-Founder and CEO of Global-e.

Global-e agreed to acquire Flow for an aggregate purchase price of up to approximately $500 million (in equal portions of cash and Global-e shares), comprised of a base consideration of approximately $425 million and up to approximately $75 million in potential additional consideration based on certain financial results in 2021, plus approximately $45 million in Global-e shares for certain assumed, performance-based vesting warrants for Flow shares. Flow is expected to generate approximately $20 million in net revenues in calendar year 2021. The transaction is expected to close during Q1 2022, subject to customary conditions, including regulatory approvals.

About Global-e

Global-e's mission is to make global e-commerce "border-agnostic." Global-e is the world's leading platform to enable and accelerate global, direct-to-consumer cross-border e-commerce. The chosen partner of more than 500 global brands and retailers across the United States, Europe and Asia, Global-e makes selling internationally as simple as selling domestically. Founded in 2013 by Amir Schlachet, Shahar Tamari and Nir Debbi, the company enables e-commerce retailers to increase the conversion of international traffic into sales by offering online shoppers in over 200 destinations worldwide a seamless, localized shopping experience. Global-e's end-to-end e-commerce solutions combine best-in-class localization capabilities, big-data best-practice business intelligence models, streamlined international logistics and vast cross-border experience, enabling international shoppers to buy seamlessly online and retailers to sell from, and to, anywhere in the world.

About FLOW

Flow's technology is the powerful solution preferred by emerging brands to accelerate and optimize their global expansion and drive cross-border sales in over 200 countries worldwide. With an easy-to-use interface and flexible technology, the solution uniquely allows merchants to use only the tools and services they need — whether it is localization, experience optimization, currency exchange, and payments, or Flow's global infrastructure for shipping and tax and duty compliance. Founded in 2015 by Rob Keve and Mike Bryzek, Flow is based in Hoboken, NJ with a globally distributed workforce.

sCautionary Statement Regarding Forward-Looking Statement

Certain statements in this press release may constitute "forward-looking" statements and information, within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements regarding the terms and expected closing date for the Flow

acquisition, the benefits of the potential Flow acquisition, Global-e's business strategy and competitive position following the acquisition, future results of operations, plans, objectives, and future business. These forward-looking statements, which involve known and unknown risks, uncertainties, and other factors that may cause actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. These factors include, but are not limited to: risks that the Flow business will not be in integrated successfully; failure to realize the synergies or benefits of the Flow acquisition; failure to retain our existing merchants, or the gross merchandise value (GMV) generated by such merchants; failure to attract new merchants, or the merchants we do attract fail to generate GMV or revenue comparable to our current merchants; failure to develop or acquire new functionality or enhance our existing platform; failure to successfully compete against current and future competition; failure to integrate our platform with e-commerce platforms; failure to maintain the functionality of our platform; failure to manage our growth effectively; risks associated with cross-border sales and operations; risks associated with governmental export controls; the compromise of personal information of our merchants and shoppers we store; failure to enhance our reputation and awareness of our platform; diminished demand for our platform and services as a result of changes in laws and regulations; actual or perceived failure to comply with stringent and changing laws, regulations, standards and contractual obligations related to privacy, data protection and data security; failure to adequately maintain, protect or enforce our intellectual property rights; the COVID-19 pandemic could materially adversely affect our operations; and other factors discussed under the heading "Risk Factors" in our prospectus filed with the Securities and Exchange Commission ("SEC") on September 13, 2021 and other documents filed with or furnished to the SEC. You should carefully consider the foregoing factors. When used in this press release, such statements include such words as "may," "will," "expect," "believe," "plan," and other similar terminology. These statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this document. Other than as required by law, there should not be an expectation that such information will in all circumstances be updated, supplemented, or revised whether as a result of new information, changing circumstances, future events, or otherwise.

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