

CLIQ
DIGITAL

Annual General Meeting

Düsseldorf, April 6th 2023





Opening & Welcome by the Chairman



1.

Presentation of the approved annual financial statements of Cliq Digital AG and of the approved consolidated for the year ending on 31 December 2022, of the group management reports, and of the report of the supervisory board

Nathalie Nijhuis-Lam

CLIQ's engine and growth path is fueled by our marketing spend: In 2023, the company expects to spend at least €120 million on marketing. Having a profound and outstanding marketing expert in our Supervisory Board creates substantial value to our Board and to the company as a whole. She is not only a true expert in her field and a highly experienced leader, but she also contributes many new ideas and perspectives, which support her election meaningfully and make her a very welcome addition.

Nathalie Nijhuis-Lam



- 2 Kids
- Studied in Leiden, Netherlands & Montreal , Canada



Universiteit
Leiden

- Worked for multiple A-Brand companies and advertising agencies



Experience

1. Board member experience
2. Customer-centric thinking
3. Collaborate with international markets
4. Change management expertise
5. Launch of new marketing propositions

Accomplishments in the Industry

1. **Red Bull Stratos campaign - collaboration with broadcasters**
Free content during the National News high rate of international eyeballs
2. **Most established advertising award**
2 Lion awards for advertising campaigns
3. **Board of Advertisers (BVA)**
Lead a change management task force in collab with other A-Brand companies to actively act on legal marketing legislation, which impacts the marketing industry and can support our business



How I Add Value

1. Use my 360 commercial marketing expertise
2. Leverage my global market leadership experience
3. Continuous strategic analyses of the running activities of CLIQ





1.

Presentation of the approved annual financial statements of Cliq Digital AG and of the approved consolidated for the year ending on 31 December 2022, of the group management reports, and of the report of the supervisory board



Annual Report 2022

VISION

At CLIQ Digital, we believe streaming content should be accessible to everyone.



MISSION

We bring simplicity to the streaming market by creating all-in-one streaming services that go beyond one content category.

Our Approach

At CLIQ

We sell subscription-based streaming services that bundle movies & series, music, audiobooks, sports, and games to consumers globally.

CLIQ
DIGITAL

LICENSING

We license streaming content from partners across multiple categories, ranging from movies & series, music, audiobooks to sports and games.

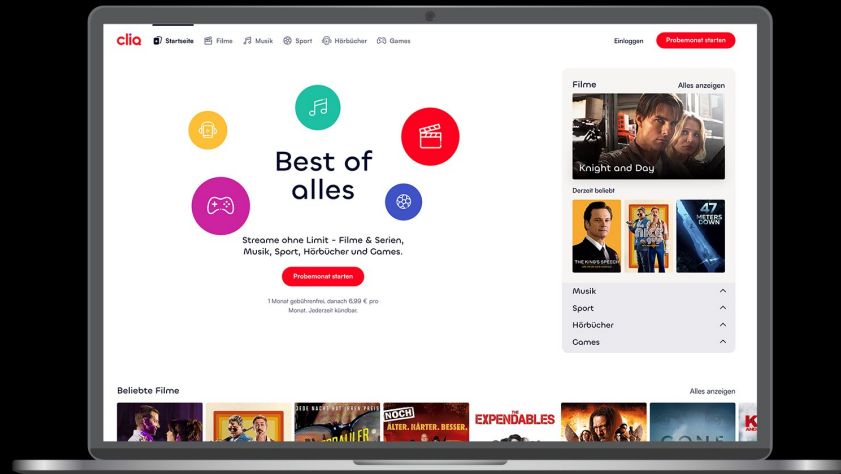
BUNDLING

We store, bundle and curate digital content. Within our CLIQ Tech Hub, we combine our data-driven marketing and business intelligence with our digital content warehouse.

SELLING

We are experts in online advertising of our own streaming services. We spark the interest of the online consumer in our streaming service via a well-designed banner, followed by a membership offer which includes a free trial period.

Strategic Focus



Flagship service Clq (cliq.de)



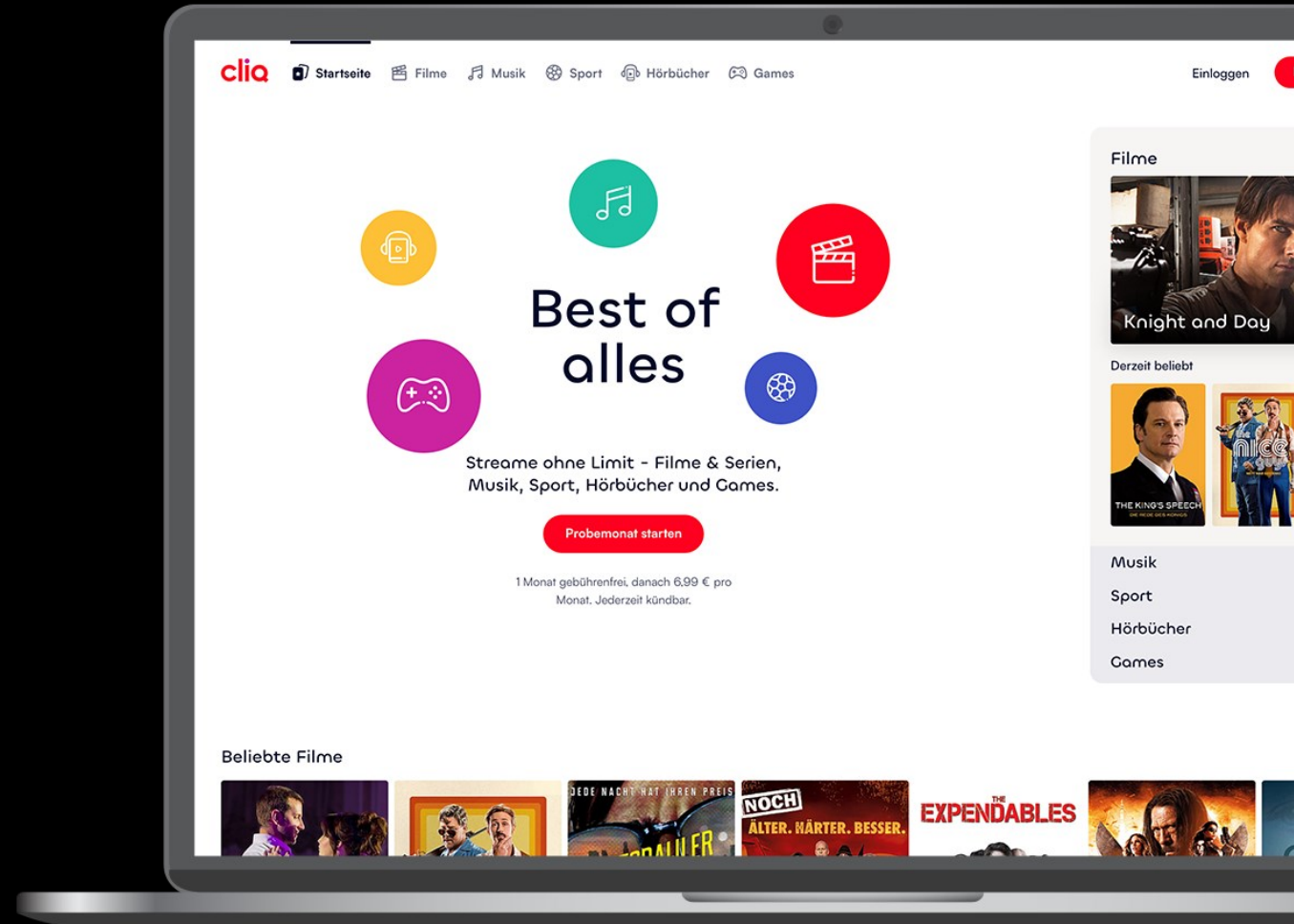
Numerous streaming services

The New Kid on the Block: cliq.de

Cliq is our flagship streaming service.

Our aim:

- To become the best value-for-money proposition in the streaming industry in Germany
- The internal target is to break even on gross margin in 12 to 18 months



Our Numerous Streaming Services

Core of our unique business model and distinguishing feature from competitors (streaming providers & online advertisers)

In a nutshell:

- Unique bundled streaming service proposition
- Use of multiple categorised marketing URLs for online advertising
- Profitable gross margin in first six months
- Aim for further growth and global rollout of our numerous bundled streaming services



What makes CLIQ as a Company Different?

Service offering

- 1) Bundled streaming service proposition vs. single-content category
- 2) In-house online advertising experts vs. outsourced
- 3) Only licensed content vs. own production of content
- 4) Numerous streaming services vs. one streaming service

KPI to manage our business

- 5) We focus on profitable sales growth vs. just sales growth



People are often asking us

What do you sell?



Let's dive into
our operations!



Numerous Streaming Services



Single Content Services



Bundled Content Services

Single Content Services



Single Content Services

(c.10% of FY 2022 revenues)

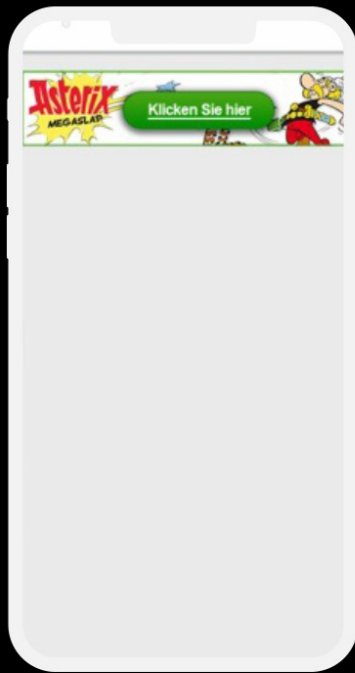
➔ 300+ content portals

- For example, **WizzGames** offers our customers a unique entertainment experience by offering the best in Games for mobile phones per mobile carrier.
- Given our history since 2003 and origins in the mobile industry, we have promoted thousands of service URLs since we started and still thrive on existing users via more than 10 different entities in more than 30 countries.

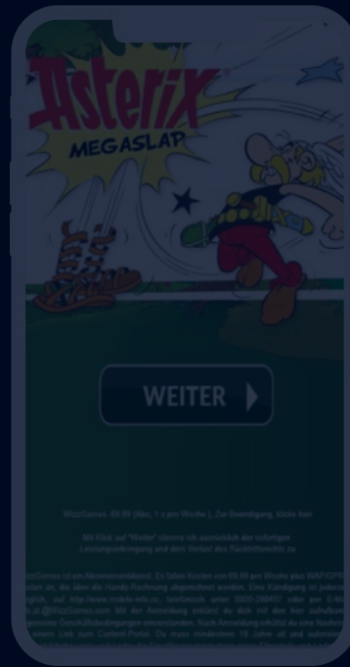


Single Content Services: Sign-up Flow

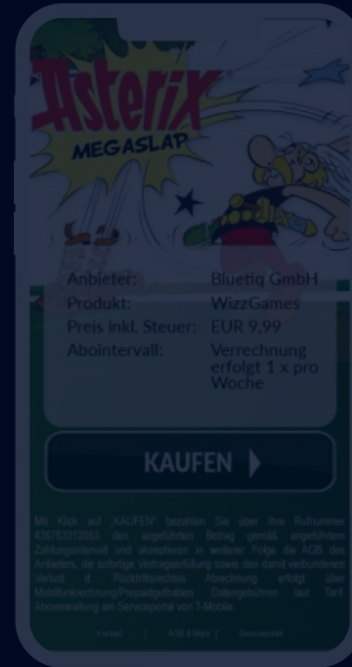
(c.10% of FY 2022 revenues)



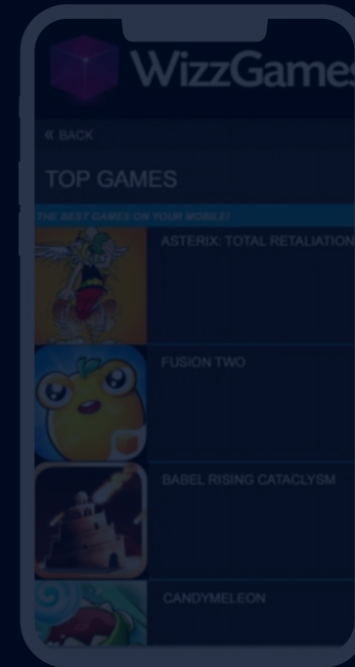
Banner



Step 01



Step 02



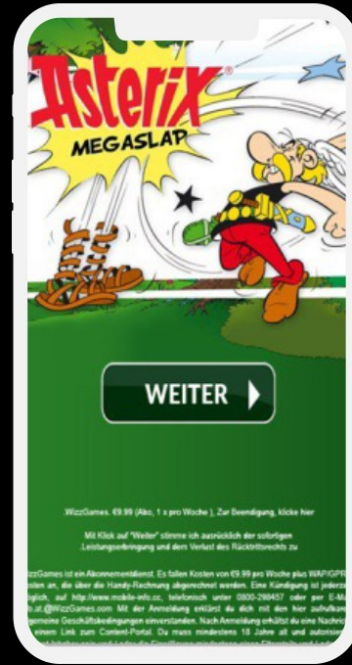
Content Portal

Single Content Services: Sign-up Flow

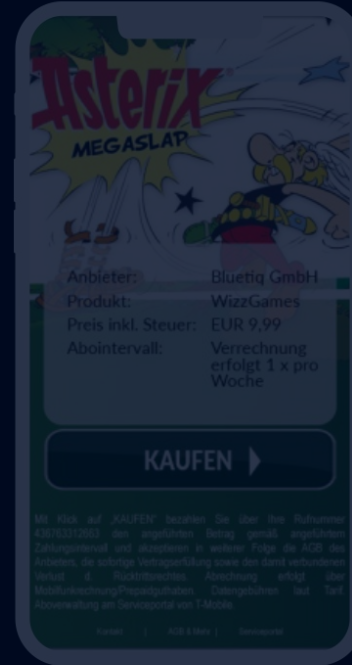
(c.10% of FY 2022 revenues)



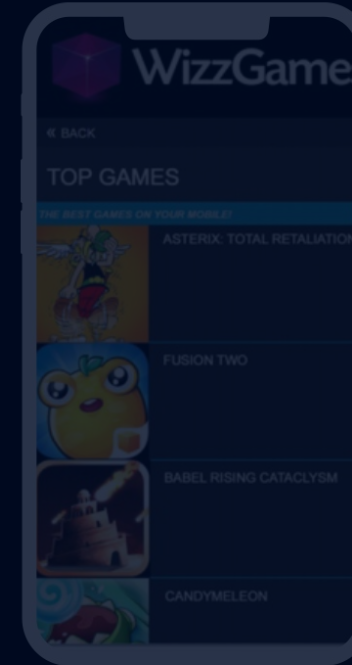
Banner



Step 01



Step 02



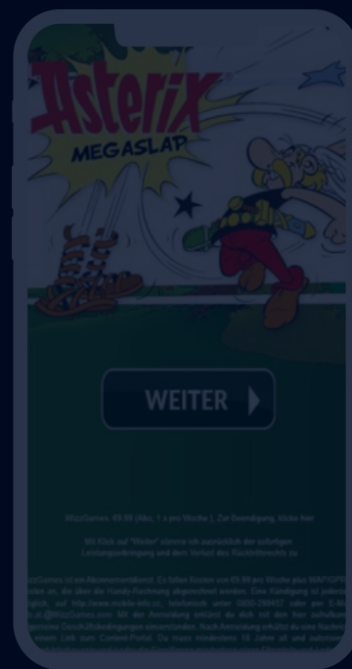
Content Portal

Single Content Services: Sign-up Flow

(c.10% of FY 2022 revenues)



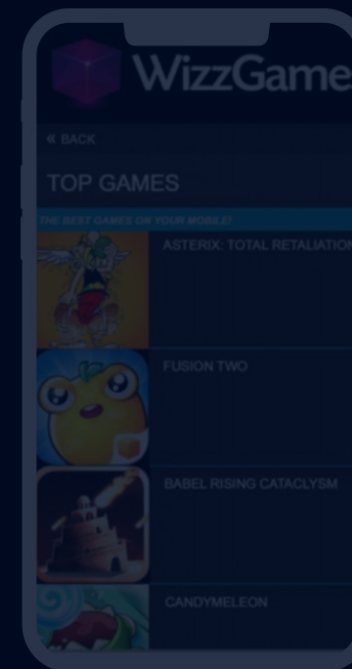
Banner



Step 01



Step 02



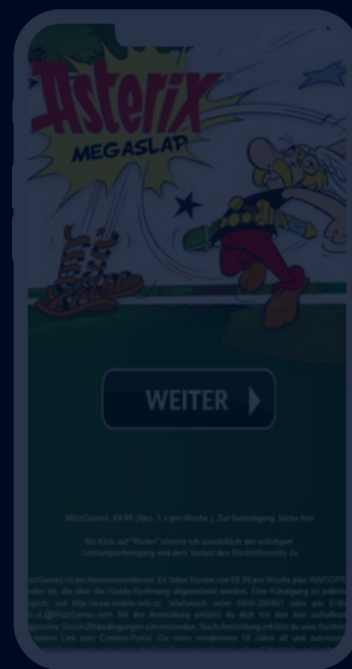
Content Portal

Single Content Services: Sign-up Flow

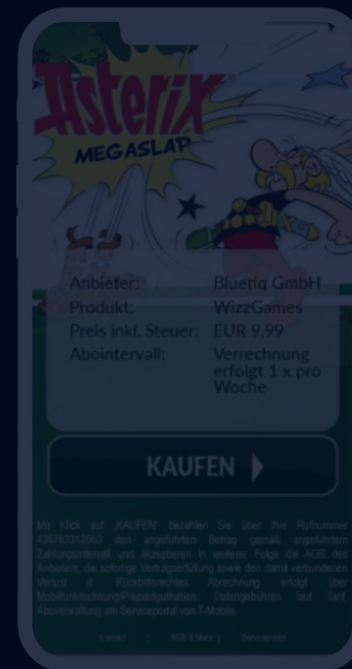
(c.10% of FY 2022 revenues)



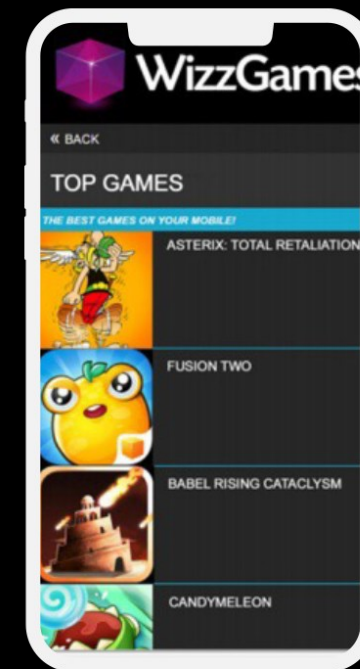
Banner



Step 01



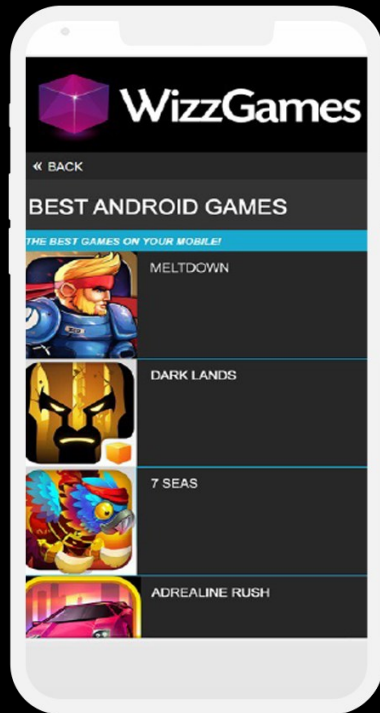
Step 02



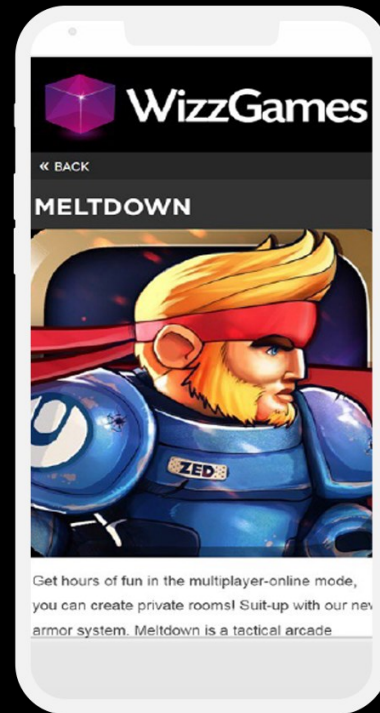
Content Portal

Single Content Services: Content Portal

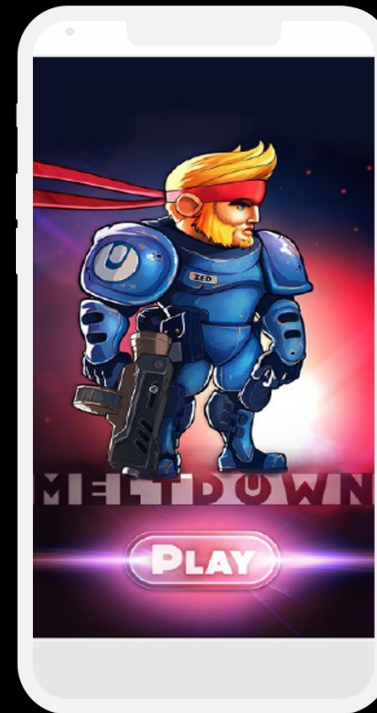
(c.10% of FY 2022 revenues)



Browse content portal



Game detail page



Time to play

Enjoy gaming!

Bundled Content Portals



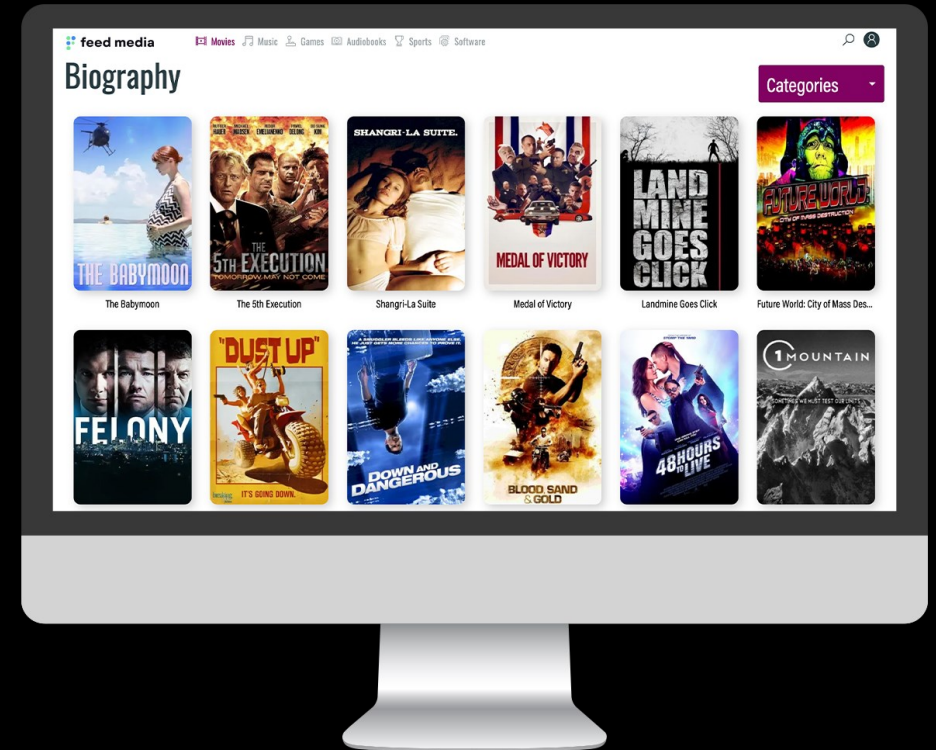
Bundled Content Services

(c.90% of FY 2022 revenues)

➡ 25+ content portals

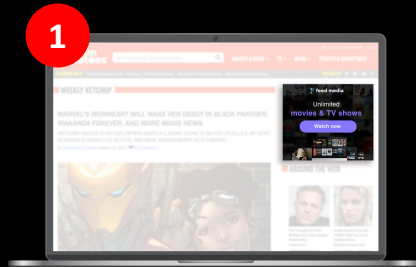
There are two kinds of content portals:

- a) **Live and actively promoted portals:** open for new members to sign up to
- b) **Non-promoted portals:** our existing members using the content portals

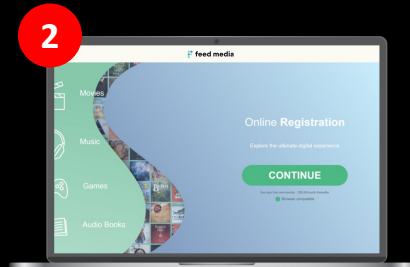


Bundled Content Portals: Sign-up Flow

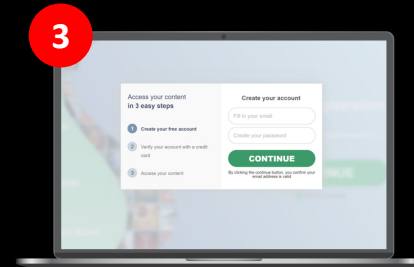
(c.90% of FY 2022 revenues)



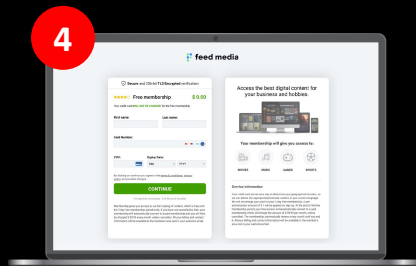
Banner



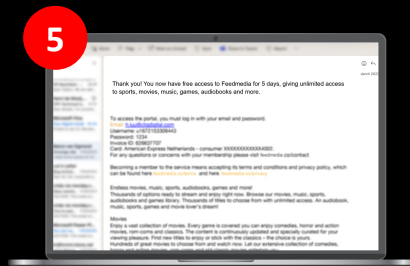
Landing page



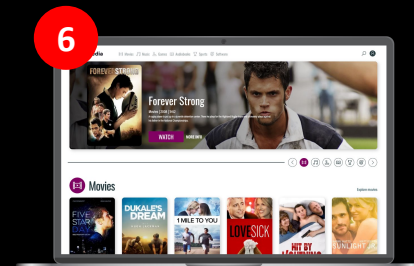
Sign-up



3D Secure Payment Page



Welcome E-mail



Content Services

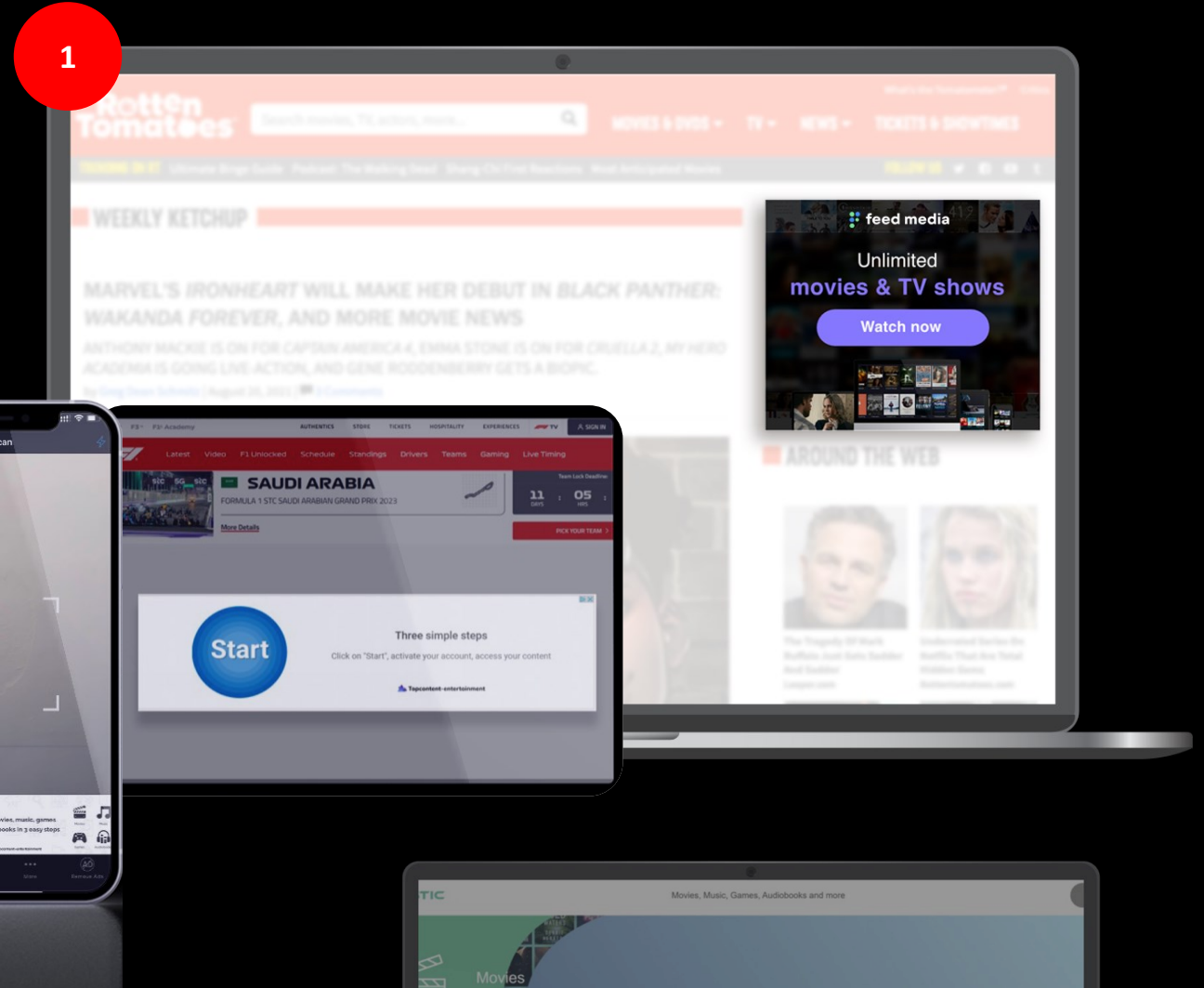
Bundled Content Services: Banner

(c.90% of FY 2022 revenues)

€112 million marketing spend in 2022 to utilise the power of advertising platforms, such as Google, Facebook, YouTube and other advertising platforms to find the best-matching target audiences.

This led to worldwide **15.5 billion online banner impressions** advertising our streaming services, generated via our in-house media buying team during 2022.

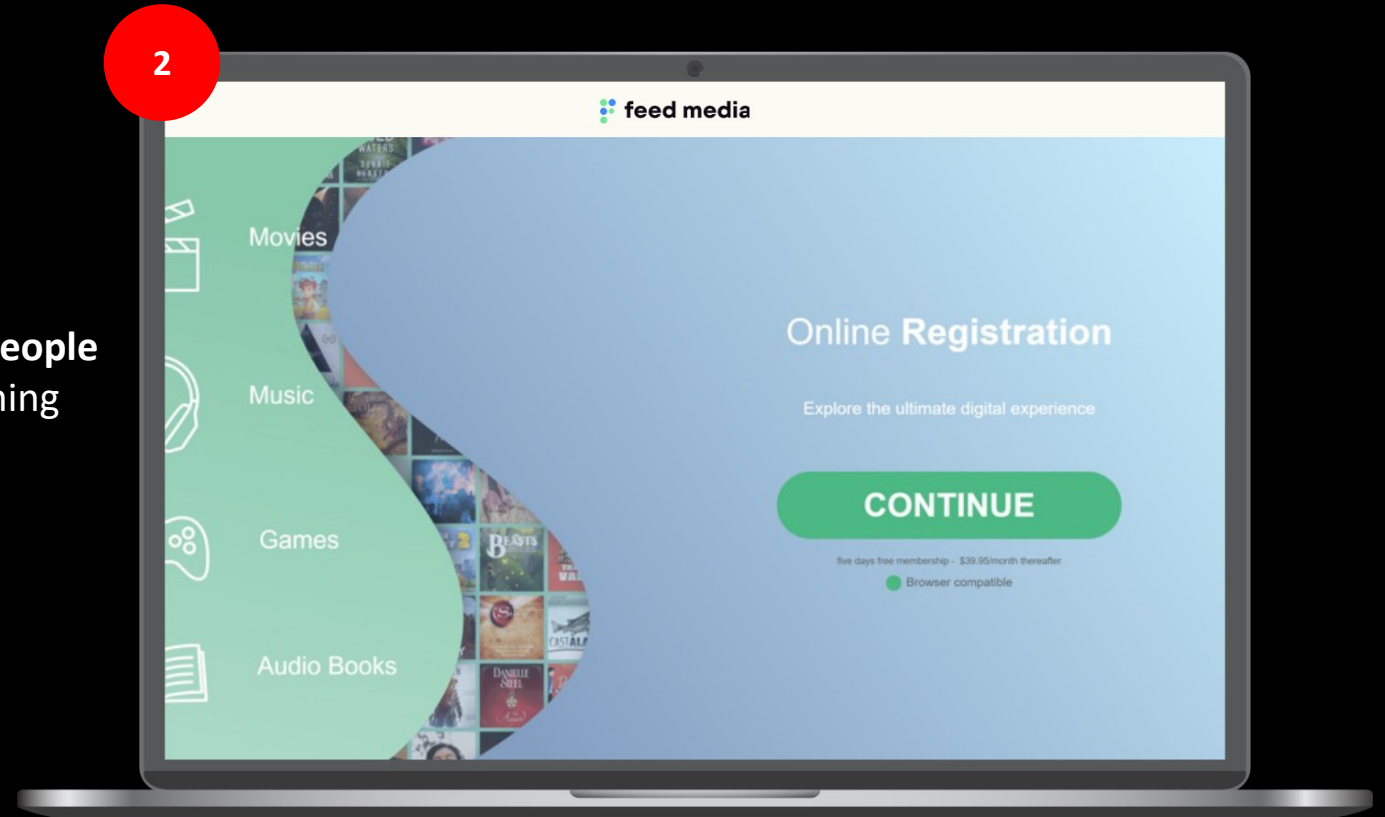
CLIQ



Bundled Content Services: Landing Page

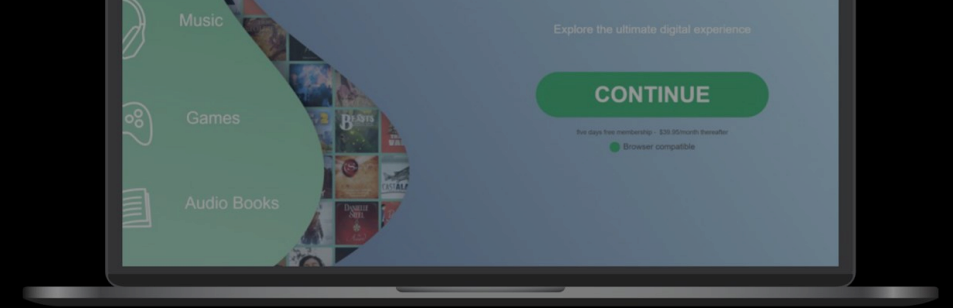
(c.90% of FY 2022 revenues)

In 2022, we sparked the interest of almost **323 million people** to click on our **continue button** of our numerous streaming service landing pages.

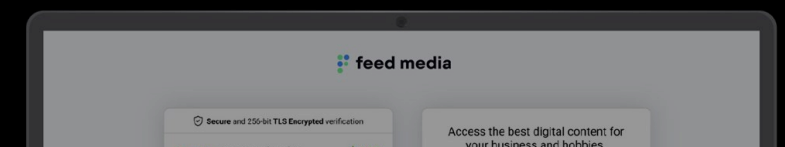
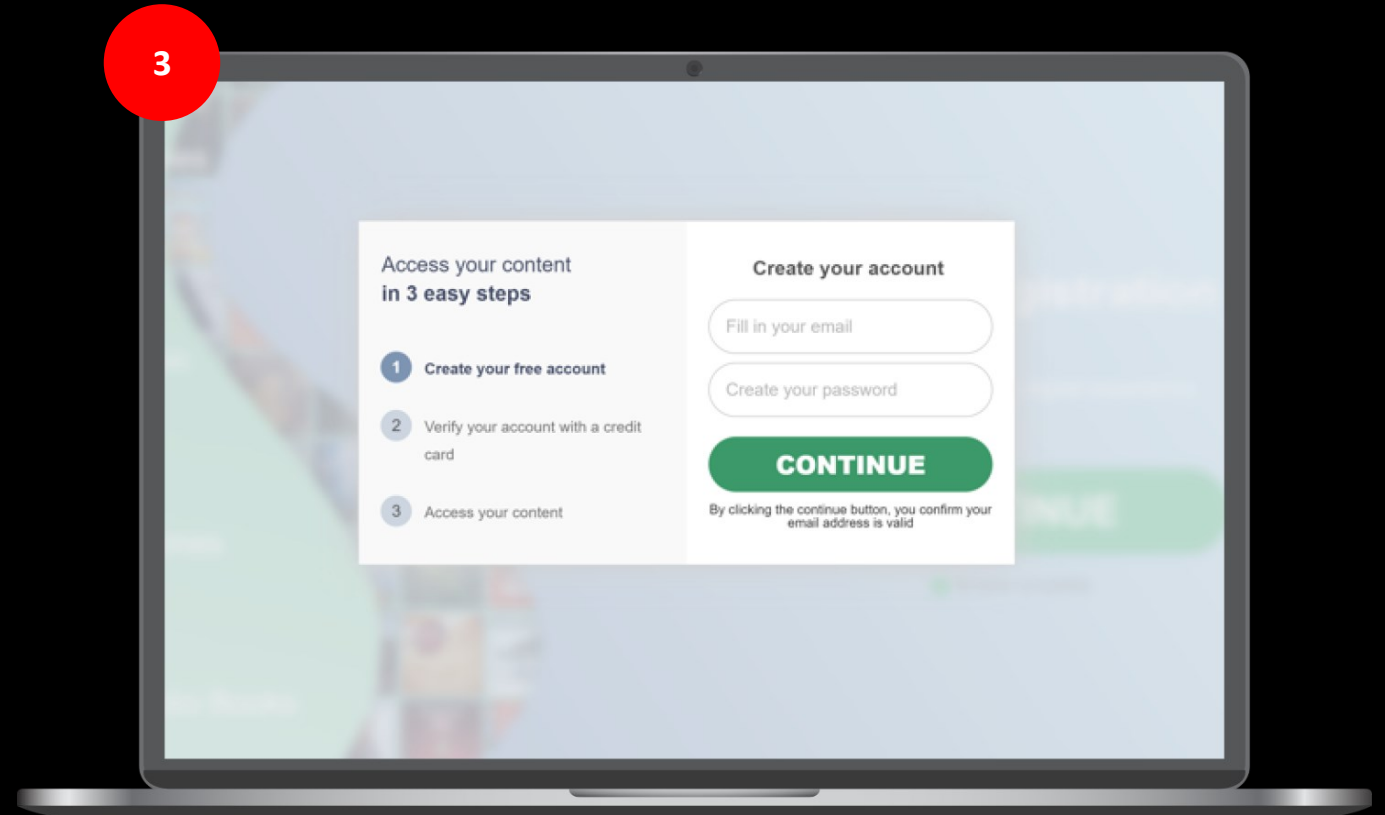


Bundled Content Services: Sign-up

(c.90% of FY 2022 revenues)



In 2022, almost **87 million people submitted their email address and password** to start their interest in our all-in-one streaming services, including a free trial period.



Bundled Content Services: Payment Page

(c.90% of FY 2022 revenues)

The 3D-Secure payment page guarantees a safe and easy payment procedure.

Each paid membership always has an **active multi-step opt-in flow** in place prior to subscription, numerous opt-in security measures and a clear confirmation of the agreed membership, immediately after the transaction.

Cancellation is possible any moment, we have a lenient refund policy in place and a dedicated support page with FAQ & live chat options.

4

The screenshot displays the 'feed media' payment page. On the left, a 'Free membership' offer is highlighted with a green star rating and a price of '\$0.00'. It states that the credit card will not be charged for the free membership. Below this, there are input fields for 'First name', 'Last name', 'Card Number', 'CVV', and 'Expiry Date'. A green 'CONTINUE' button is prominently displayed. To the right, a section titled 'Access the best digital content for your business and hobbies' shows icons for 'MOVIES', 'MUSIC', 'GAMES', and 'SPORTS'. Below this, 'Service information' explains that the credit card is used for geographical location determination and that a 5-day free membership period will automatically convert to a paid membership of \$39.95 per month after the trial ends. A small red circle with the number '4' is overlaid on the top left of the laptop screen.

Bundled Content Services: Welcome Email

(c.90% of FY 2022 revenues)

After signing up, you'll receive an e-mail confirming your membership, the terms and conditions and customer care details.

We do all content licensing, portal infrastructure and promotions online via **numerous CLIQ entities** since our founding in 2003.

CLIQ

5

Thank you! You now have free access to Feedmedia for 5 days, giving unlimited access to sports, movies, music, games, audiobooks and more.

To access the portal, you must log in with your email and password.

Email: h.ha@cliqdigital.com

Username: u1672153309443

Password: 1234

Invoice ID: 626637707

Card: American Express Netherlands - consumer XXXXXXXXXXXXXXX4002

For any questions or concerns with your membership please visit feedmedia.co/contact

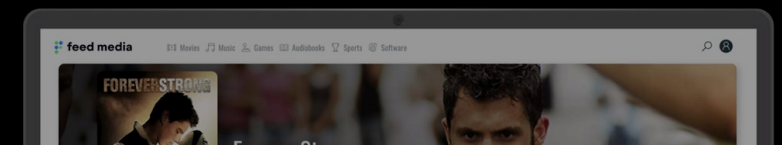
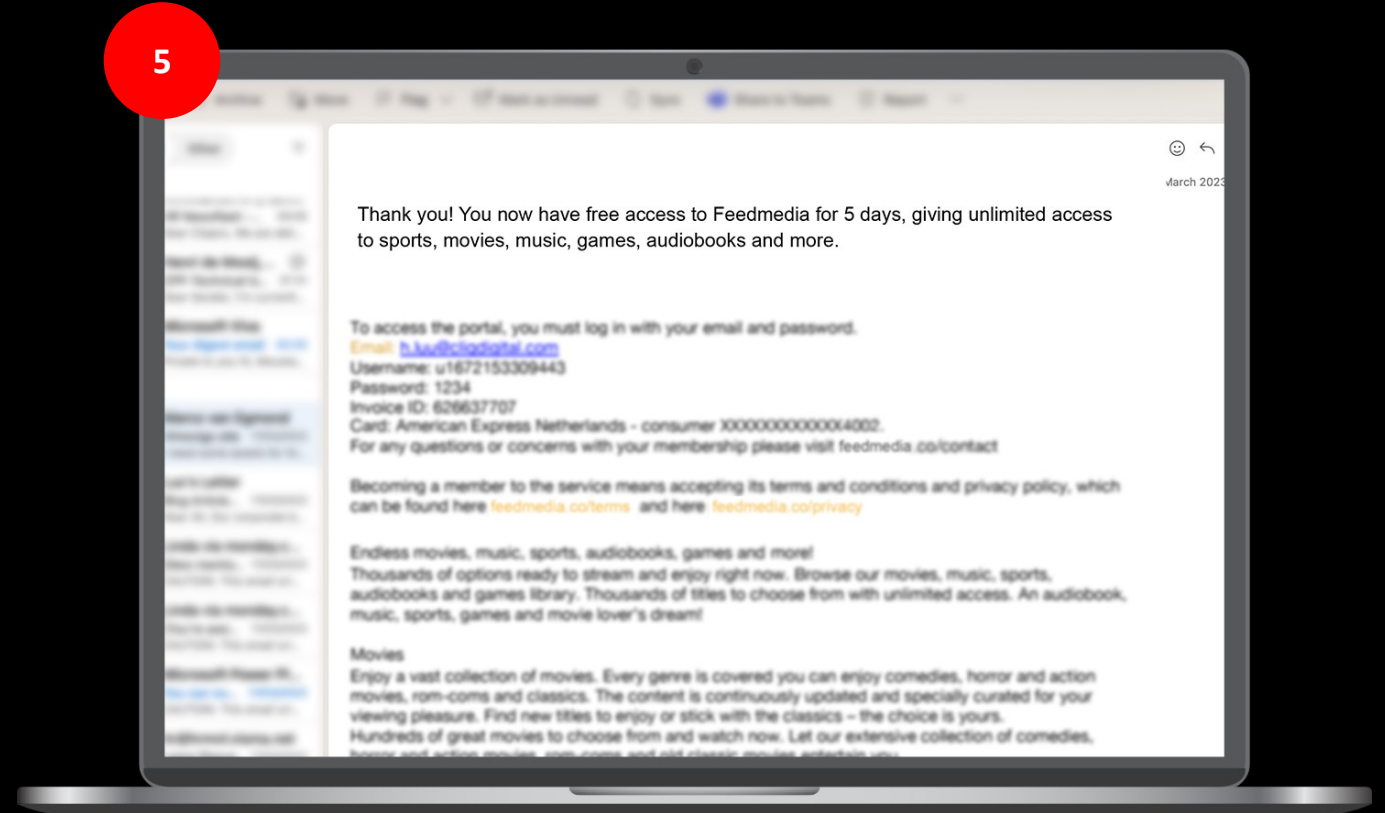
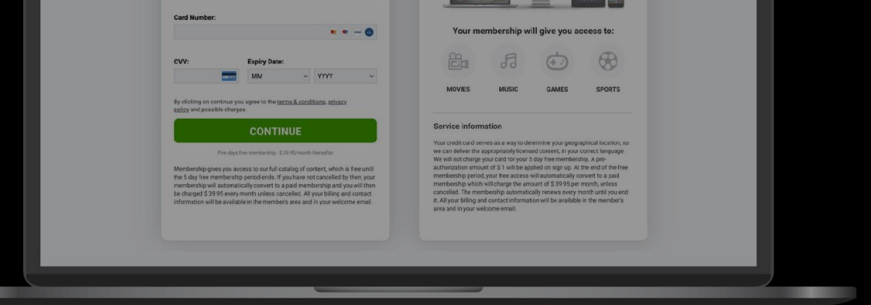
Becoming a member to the service means accepting its terms and conditions and privacy policy, which can be found here feedmedia.co/terms and here feedmedia.co/privacy

Endless movies, music, sports, audiobooks, games and more!
Thousands of options ready to stream and enjoy right now. Browse our movies, music, sports, audiobooks and games library. Thousands of titles to choose from with unlimited access. An audiobook, music, sports, games and movie lover's dream!

Movies

Enjoy a vast collection of movies. Every genre is covered you can enjoy comedies, horror and action movies, rom-coms and classics. The content is continuously updated and specially curated for your viewing pleasure. Find new titles to enjoy or stick with the classics – the choice is yours.

Hundreds of great movies to choose from and watch now. Let our extensive collection of comedies, horror and action movies, rom-coms and old classic movies entertain you.

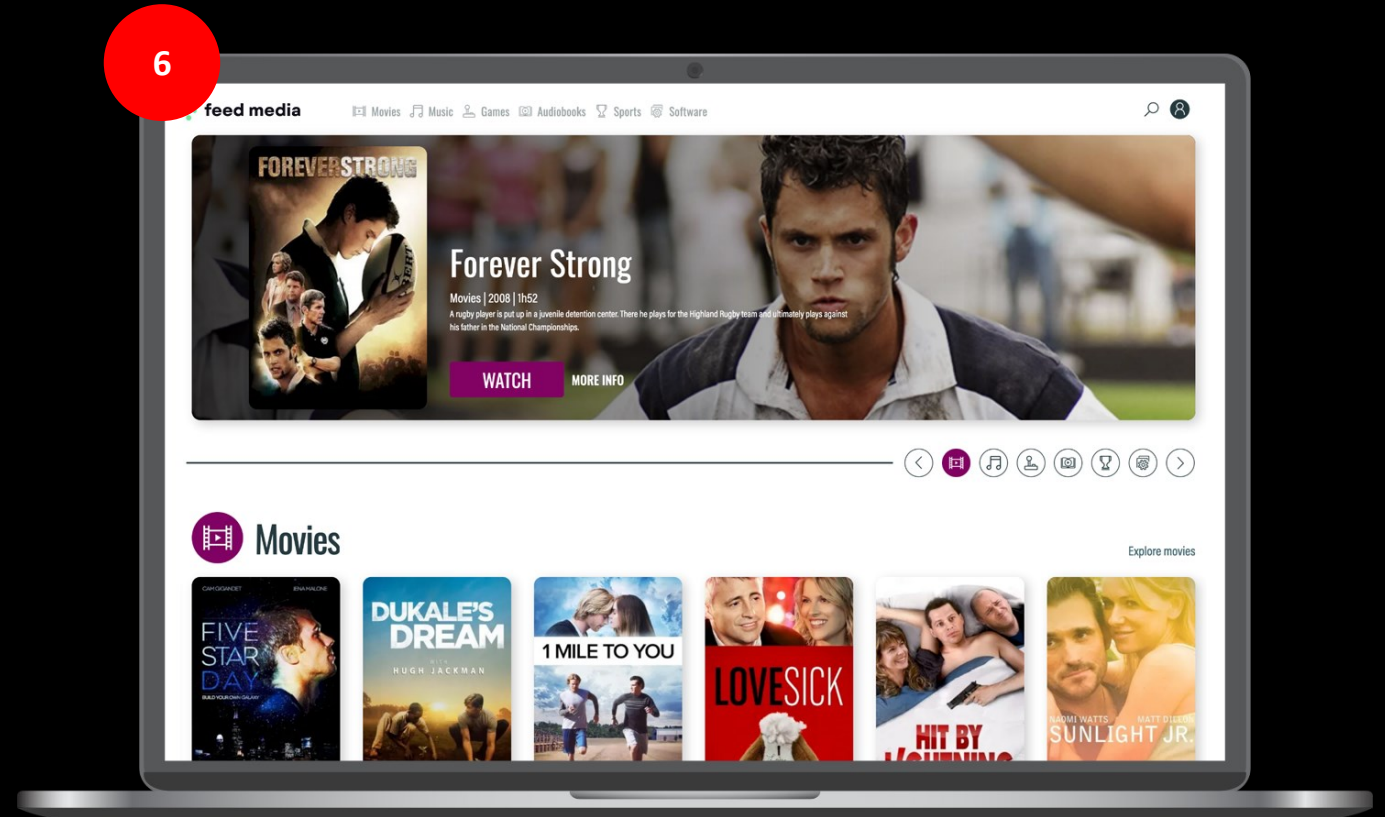


Bundled Content Services: Content Portal

(c.90% of FY 2022 revenues)

Let's surf through the content together!

CLIQ



Content Partners



Movies & series



Music



Audiobooks



Games



Sports



CLIQ's External Partners Explained

- For billing and customer care we work with **OUR EXTERNAL BUSINESS PARTNERS** who are experts in their field.
- All over the world, we work together with **billing payment experts** who operate with different entities and diverse merchants.
- Next to our CLIQ customer care employees we also work with **external specialists** who have a professional customer care infrastructure and can support our members in their local language.
- Having the above in-house would mean at least fifty extra employees with very specialised roles and professions.



Customer Care

We also get complaints. To service our members, we operate an expert customer service team, which can be reached via the following channels:



Email



Live chat

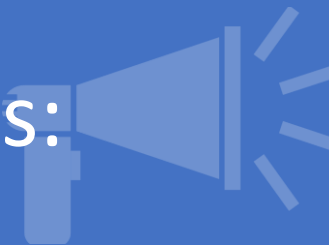


Social media community
management



Phone helplines

Our Top 3 Complaints:



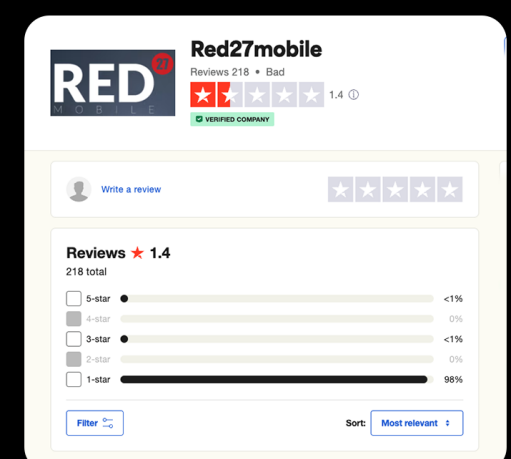
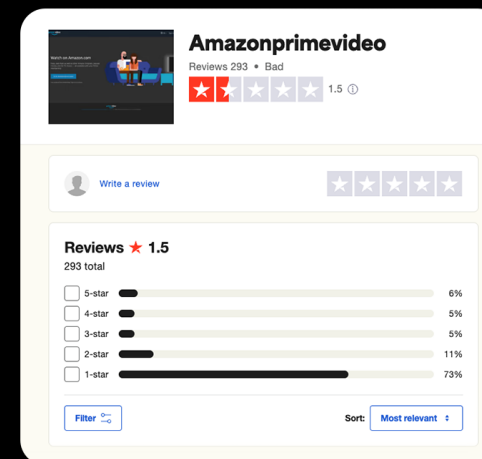
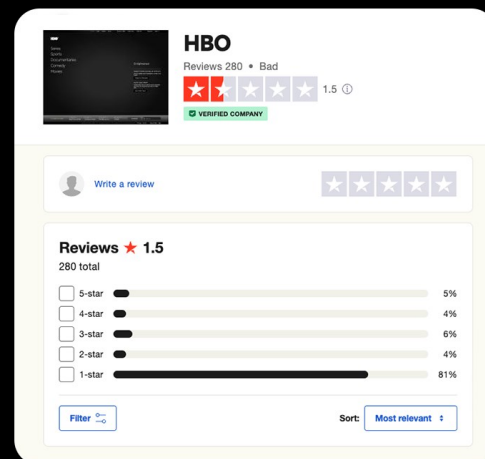
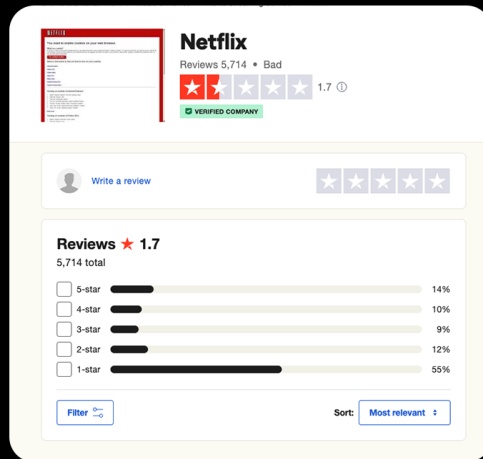
1. Customer claims a minor subscribed.
2. Customer requests clarification of the charges:
Explain where mentioned.
3. Customer denies registration and/or payment.

Complaints

Trustpilot is clearly a website mostly used by users to complain. Also, big & known players like Netflix, HBO and Amazon receive a low rating.

In perspective:

- Red27 on Trustpilot has 218 reviews on 4.3 million members acquired since 2020
- **Complaint rate of 0.00507%**

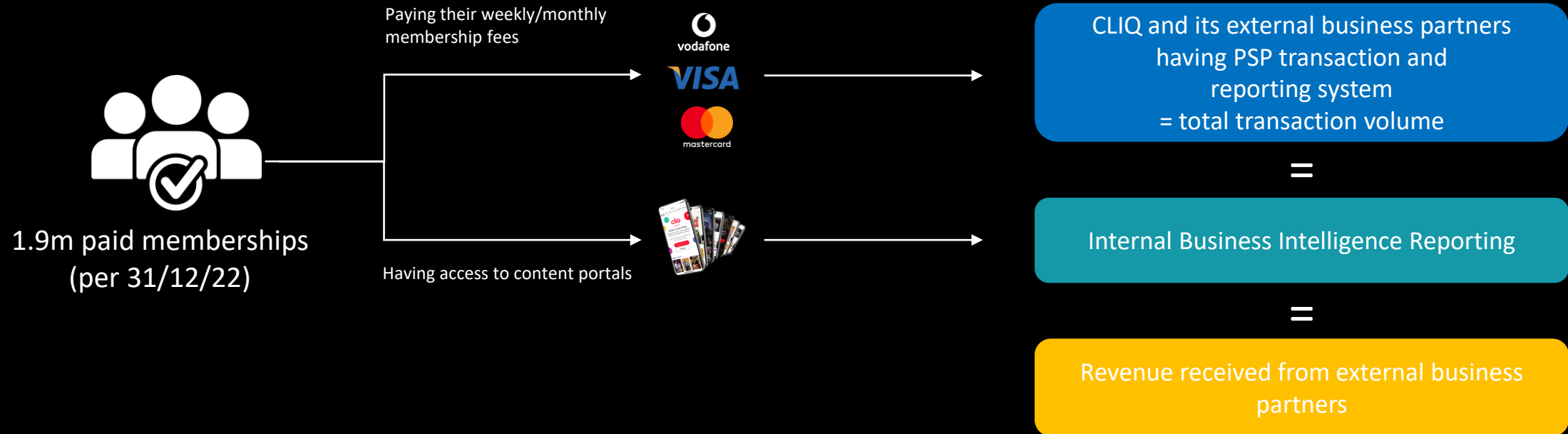


URLs

We don't share our URLs because we consider them to be a company secret and are therefore confidential information

Both marketing and service URLs are confidential information. If we would disclose them our competitors will be able to see on which domains our advertising banners are shown, allowing them to directly compete with us on one or more specific domain(s), leading to an increase in pricing for our online advertising or even worse: CLIQ could lose specific online traffic as competitors might be able to pay a higher price.

Paid Memberships



Revenue

Next to the future revenue generated by its 1.9 million paid memberships, live and active promoted streaming services bring in new members and thus revenue.

1.9 million paid memberships at the end of 2022 are estimated to generate €141 million revenue.

For 2023, we expect higher revenue, to be realized via (1) more new memberships attracted by our growing marketing spend in current markets and (2) higher sales from entries into new markets.


All URLs

Single and bundled streaming services, promoted and non-promoted portals

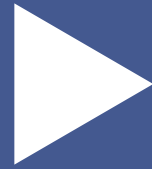


€276m

Total revenue realised in 2022

A person wearing a dark suit and a white shirt is holding a black clapperboard. The clapperboard has a white top bar with black diagonal stripes. The person's hands are visible, holding the clapperboard from the top and bottom. The background is a solid light blue color.

Explanatory movie with regards
to the customer journey, from
banner to content portal:



Click to watch the video

cliQ

cliQ

cliQ

cliQ

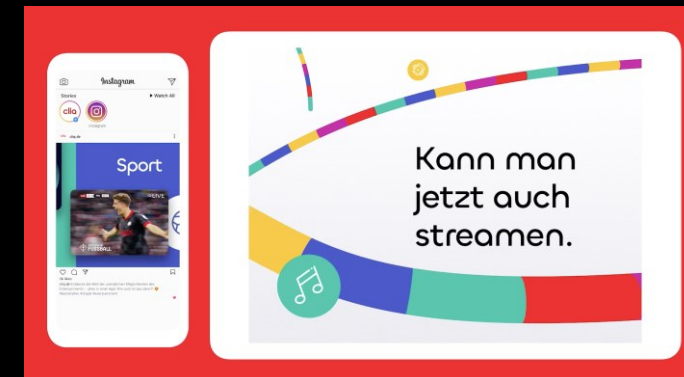
cliQ

Cliq Brand Marketing

We entered the **German market** in December 2022 with our **flagship service Cliq**, creating **brand awareness** with **TV spots** and **DOOH** advertising during 2Q 2023.

Our aim is:

- Generating **500 million impressions** by end of 2Q
- Reaching **65%** of all Germans aged between **18-64** by end of 2Q



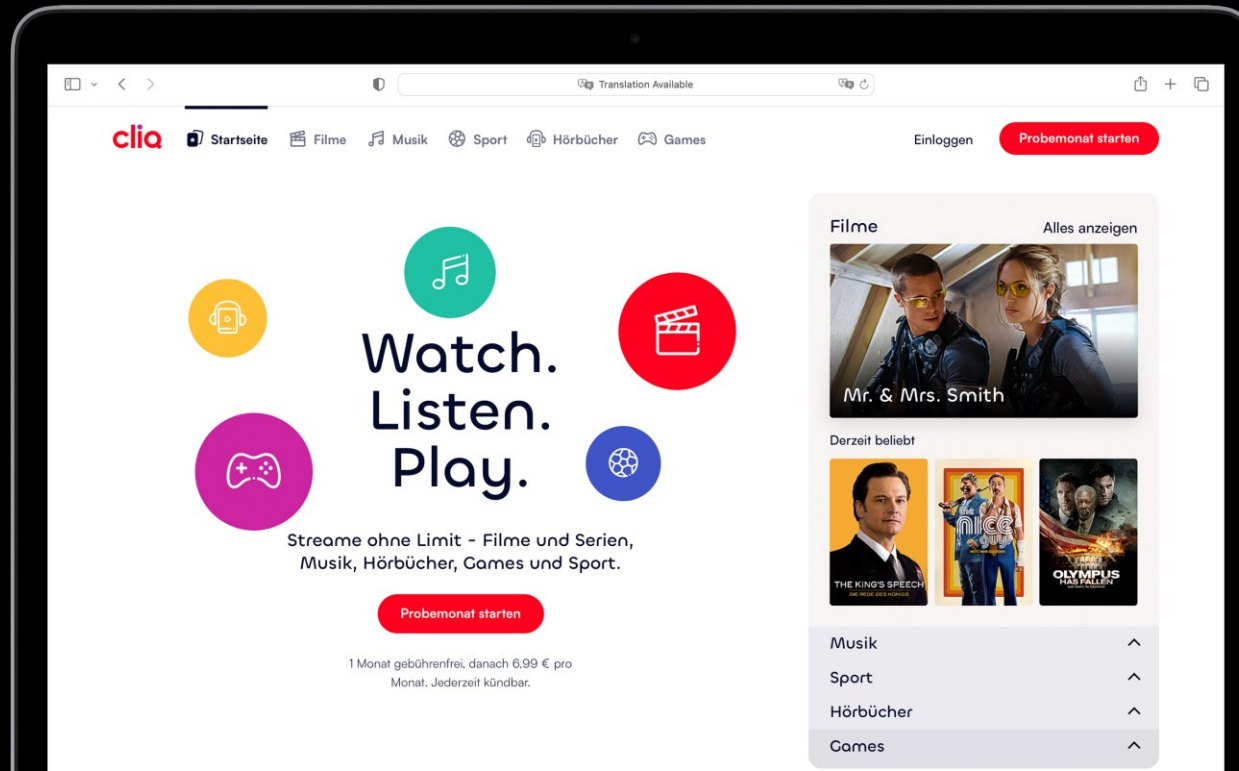


Click to watch the video

Content Portal

Let's scroll through cliq.de together!

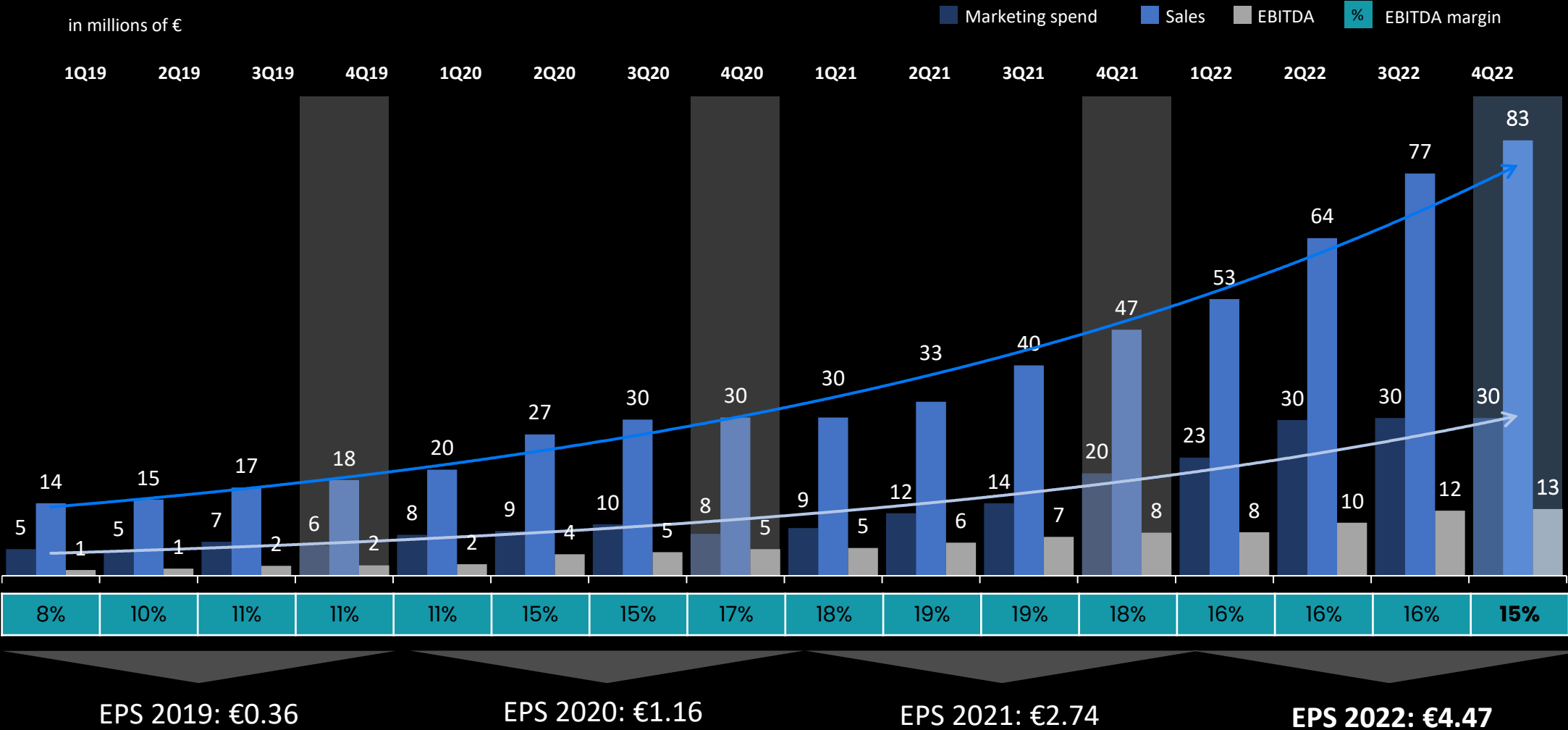
CLIQ



A blue-tinted image of a Formula 1 car driving on a track at night. The car is in the center, moving towards the viewer. The track has white diagonal stripes on the front. The background shows the track curving away and stadium lights on the sides, creating a sense of speed and motion. The word "FINANCIALS" is overlaid in white, bold, sans-serif capital letters in the center of the image.

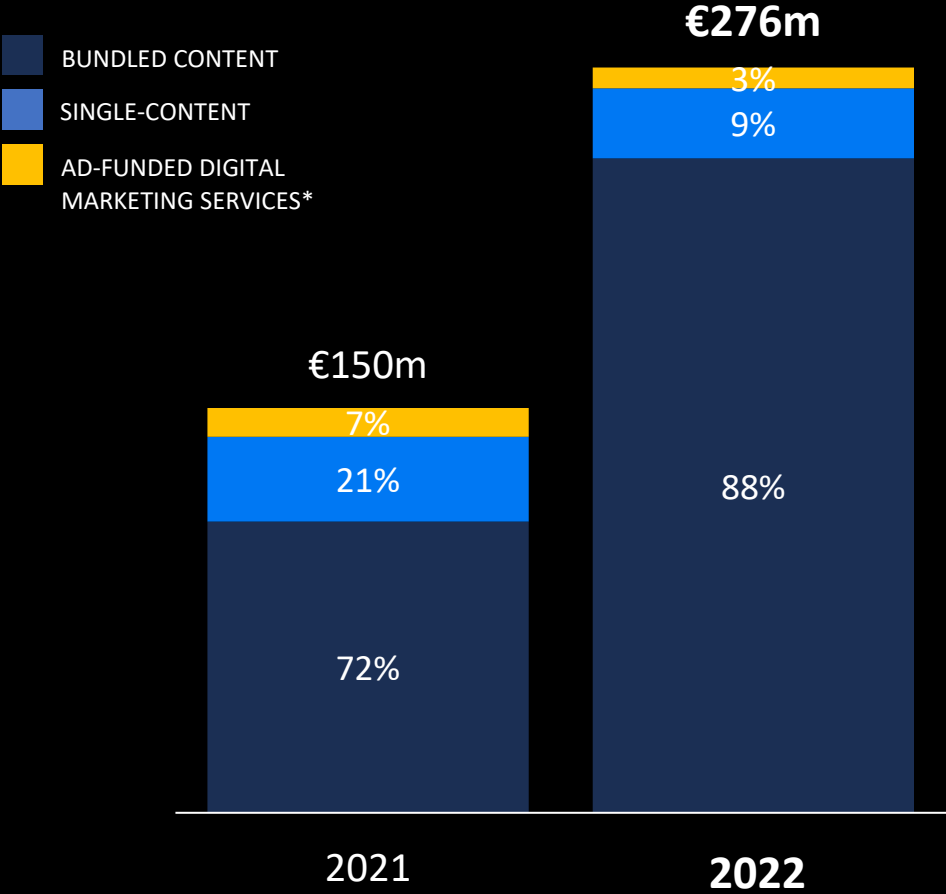
FINANCIALS

Growth Story | Four-Year Overview

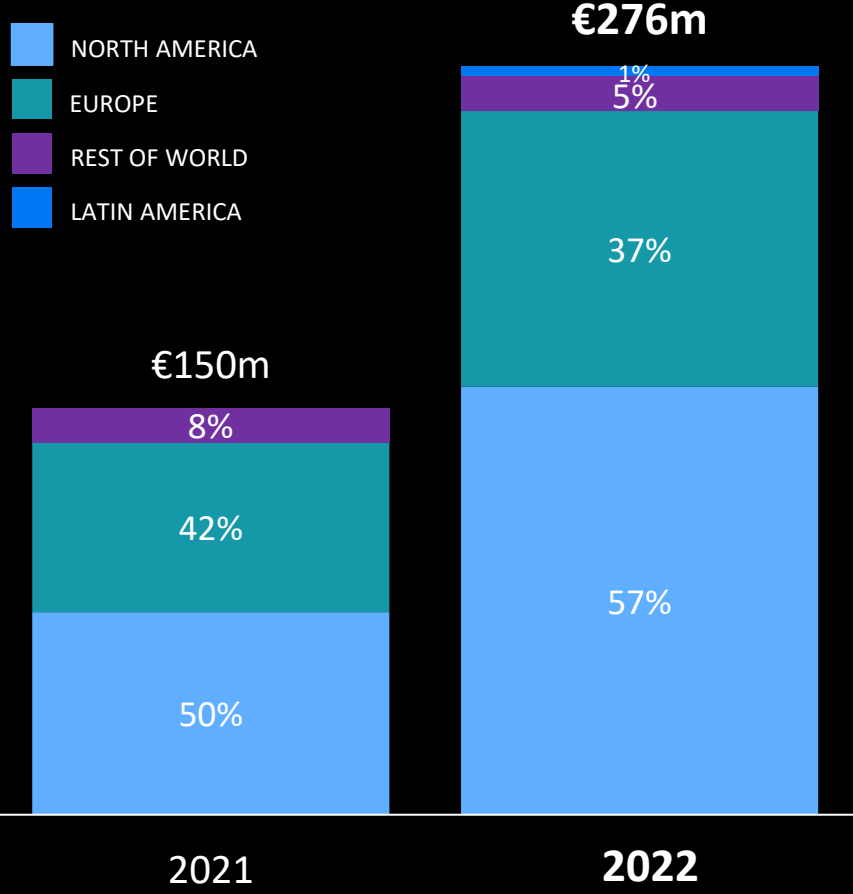


Sales Breakdown | (in % of total sales)

BY SERVICE



BY REGION

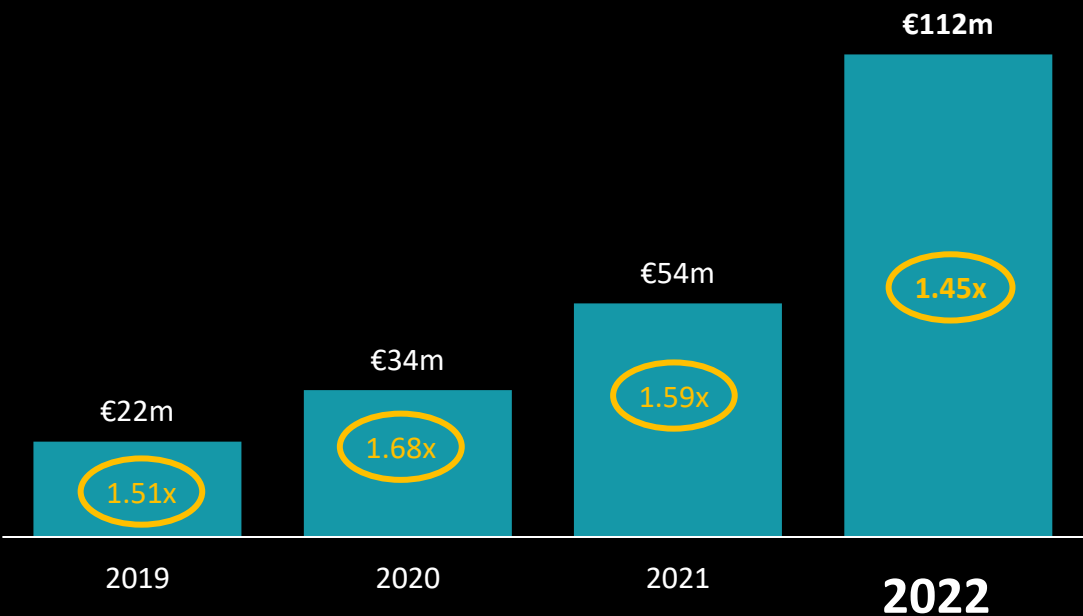


*Following a strategic realignment, these business activities were discontinued as of mid-August 2022

More Marketing, More Members, More Sales

Marketing spend

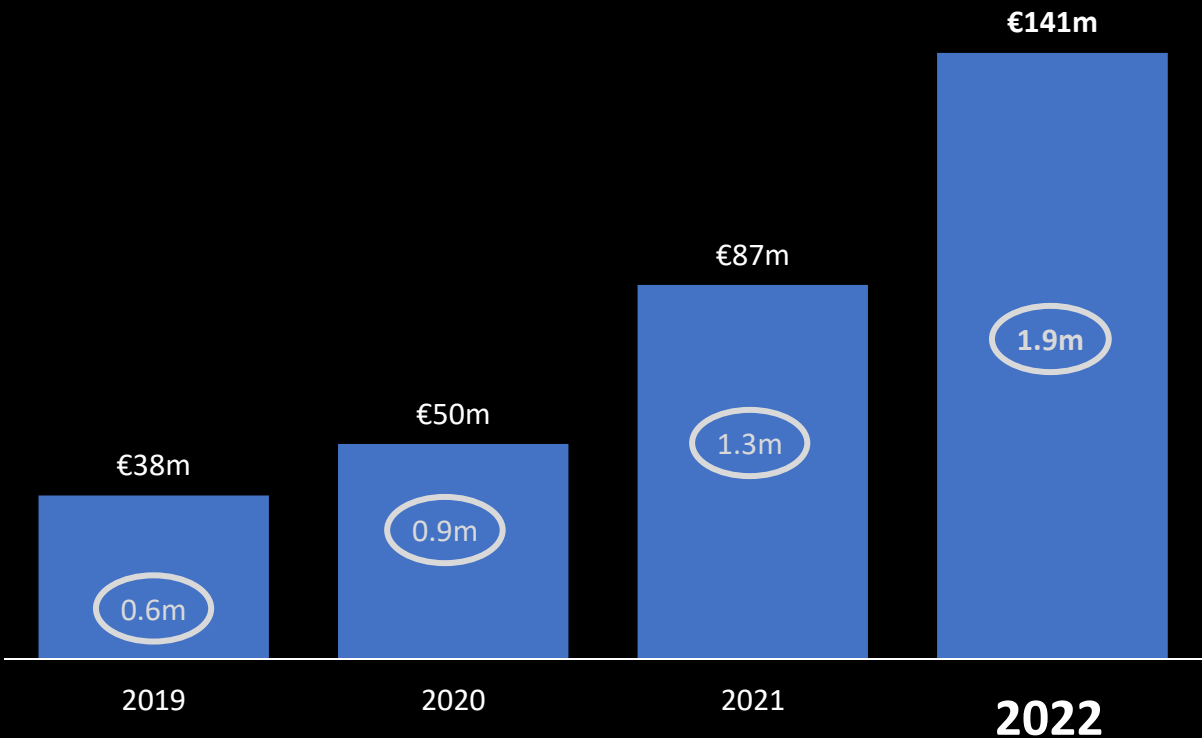
6M-Profitability Index



Lifetime Value of Customer Base

Number of members x Remaining lifetime value per member

Customer Base (number of paid memberships)



2022 | Income Statement

in millions of €	2022	2021	Δ
Sales	276.1	150.0	84%
Cost of sales	-201.3	-98.8	
Gross Margin	74.8	51.2	46%
Personnel expenses	-20.7	-18.0	
Other operating expenses	-10.6	-6.0	
EBITDA	43.5	27.2	60%
margin	16%	18%	
Depreciation & amortisation	-1.4	-0.9	
EBIT	42.1	26.3	60%
Financial result	-1.2	-0.9	
Income taxes	-11.9	-7.1	
Profit for the period	29.0	18.2	59%
EPS (in €)	4.47	2.74	63%

- 84% sales growth mainly due to increase in paid memberships from 1.3m to 1.9m
- EBITDA in % of sales was 16% (2021: 18%)
- Record earnings per share of €4.47, of which 40 % is to be paid out as a dividend

2022 | Marketing Costs

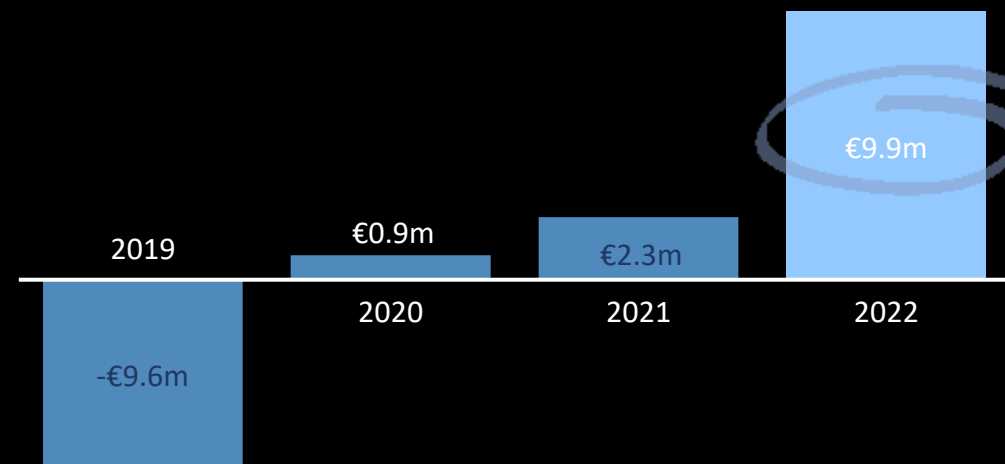
in millions of €	2022	2021	Δ
Marketing spend	112.3	54.4	106%
Capitalised marketing spend (contract costs)	-107.5	-47.0	
Amortised contract costs	85.0	37.5	
Marketing costs	89.8	44.9	100%
in % of total sales	33%	30%	

- Increase in paid memberships is the result of increased marketing spend from €54 million to €112 million
- Capitalised marketing spend refers to all marketing spend directly allocable to the acquisition of a new member
- The marketing spend that could not be capitalised relates to marketing in connection with the ad-funded digital marketing services (which were discontinued as of August 2022)
- Marketing costs in % of sales increased from 30% to 33%, mainly due to the lower 6M-Profitability Index

2022 | Cash Conversion

in Millionen €	2022	2021
EBITDA	43.5	27.2
Δ Contract costs	-22.5	-9.5
Δ Other working capital	4.5	8.3
Taxes, financial result & others	-1.7	-5.2
Cash flow from operating activities	23.8	20.8
Cash flow from investing activities	-8.4	-4.8
Operative free cash flow	15.4	16.0
Cash flow from financing activities	-7.8	-14.6
Cash flow for the period	7.7	1.4

Net Debt / Cash Position



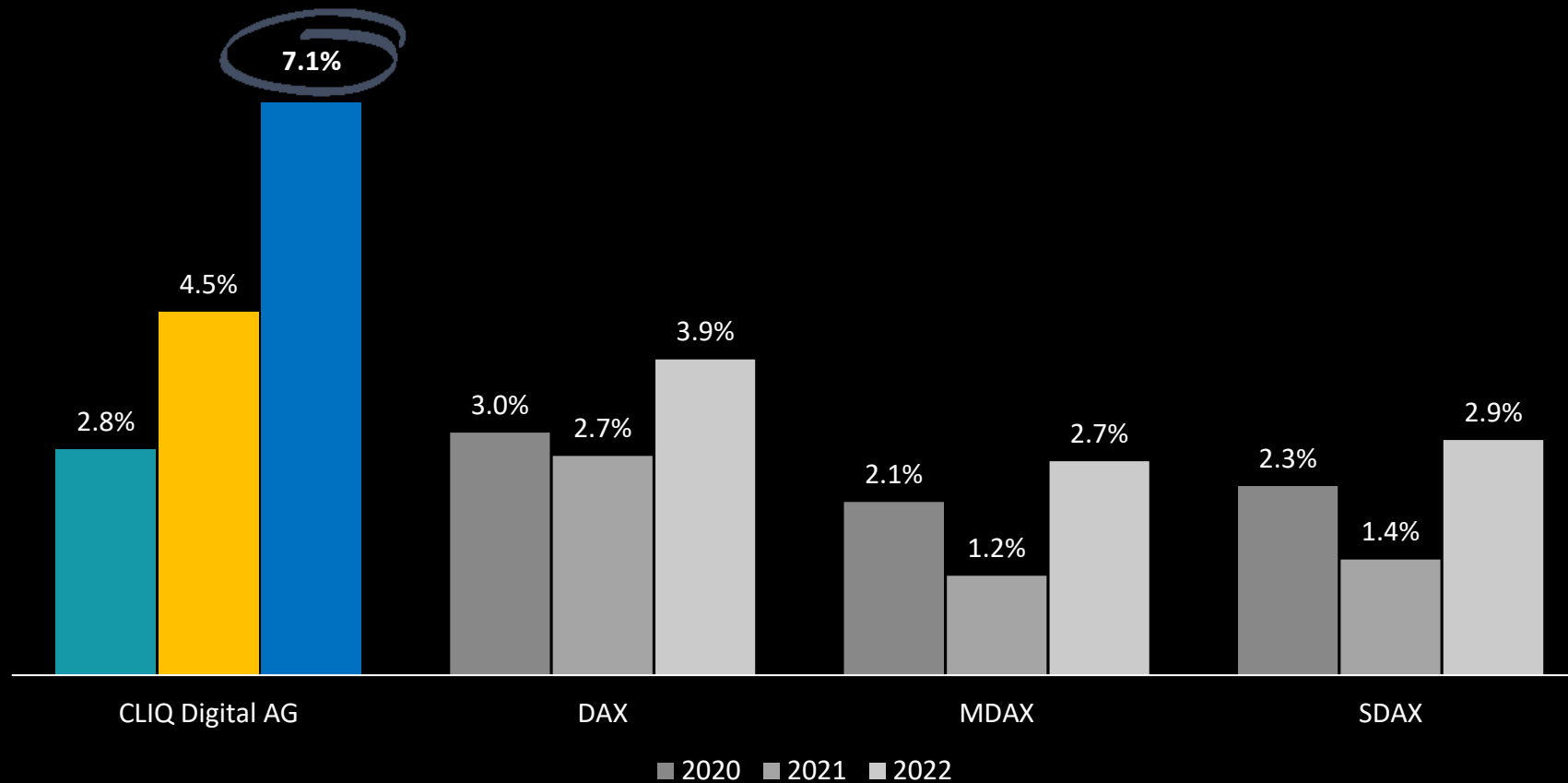
- Cash flow from operating activities grew due to the increased number of paid memberships and collected membership fees
- Cash outflow from investing activities was largely related to investments in platform development (€5.2 million) and in newly licensed content (€3.7 million)
- Outflow from financing activities included €7.2 million dividend distribution

2022 | Balance Sheet

ASSETS	in millions of €	31/12/2022	31/12/2021	EQUITY & LIABILITIES	31/12/2022	31/12/2021
Goodwill		47.4	48.2	Equity	81.3	59.6
(In)tangible & financial assets		15.3	7.9	Deferred tax liabilities	10.5	4.1
Contract costs		39.6	17.1	Bank borrowings	6.6	5.0
Deferred tax assets		1.6	2.6	Other financial liabilities	6.3	4.7
Trade & other receivables		14.4	13.2	Provisions, trade payables & other liabilities	27.8	21.8
Cash & cash equivalents		16.8	7.3	Income tax payable	2.6	1.2
Total		135.1	96.3	Total	135.1	96.3

- (in)tangible assets grew mainly due to investments in newly licensed content (€3.7 million) and platform development (€5.2 million)
- Contract costs as at 31 December 2022 are higher due to the significant increase in marketing spend to acquire new paid memberships
- Net cash position totalled €9.9m per 31 December 2022
- 60% equity ratio per 31 December 2022 (31/12/2021: 62%)

Dividend Yield



Source: Bloomberg, 2023

- In 2022, CLIQ delivered a significantly better dividend yield than the DAX, MDAX and SDAX: 7.1% dividend yield based on the 2022 year-end closing price
- 40% payout ratio of earnings per share

10-Year Share Price Development



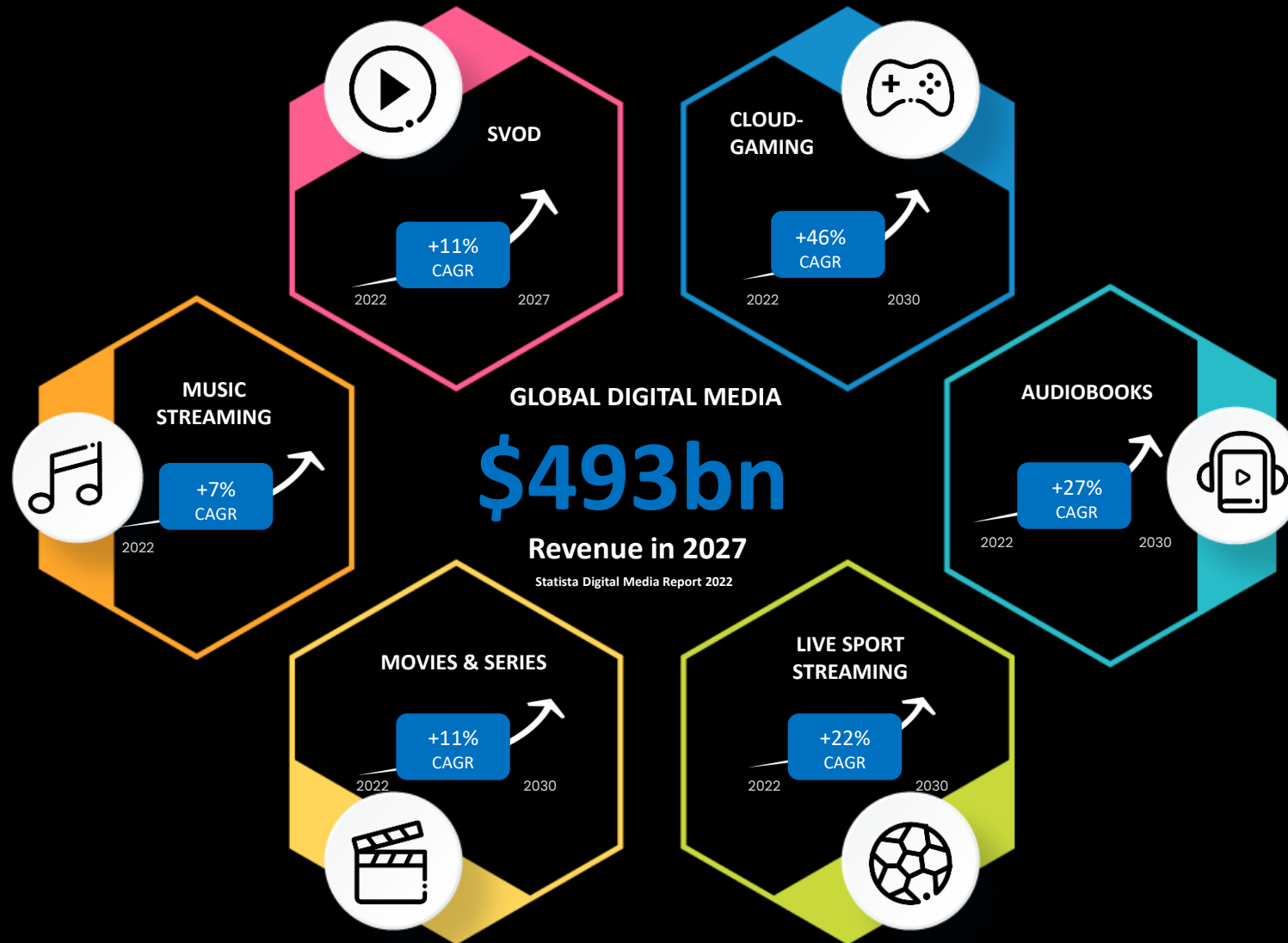
Source: Nasdaq, 2023

- 2022: CLIQ's share price performance (+2%) outperformed all relevant benchmark indices: Scale All Share Index (-36%), Scale 30 (-31%), MSCI World Small Cap Index (-20%), SDAX (-27%) and TecDAX (-26%).
- Third highest trading turnover in Scale with €176 million
- Total Shareholder Return: An investment in CLIQ at €4.80 at the end of 2012 would have resulted in a price gain of 463% by the end of 2022, including dividend reinvestments



OUTLOOK

Outlook | Sweet Spot Niche



Outlook | Growth Drivers

Market Development



Strong market growth for streaming services



Growing demand for **affordable** streaming services



On-demand consumption of content



Societal & behavioural changes vis-a-vis streaming services



Improved technologies, includes **faster bandwidths**



New, **innovative** products, including VR

Business Development



More marketing by **own media buying team**



Improving and adding content, such as podcasts and more kids' content



New target audiences due to **new (localised) content** categories



Greater sales densities in existing regions & countries



Additional payment means to ensure **seamless customer journeys**, especially in emerging markets



Bundled streaming services' rollout in **Latin America** and/or **Asia Pacific**



Bolt-on acquisitions (content & streaming services)

Outlook | 2023

in millions of €	2019	2020	2021	2022	2023e
Sales	63	107	150	276	>345
Marketing spend	22	34	54	112	>120
EBITDA	6	16	27	44	>50

➡ Mid-term outlook

(end 2025):

- ❑ **€500 million** sales
- ❑ **4 to 5 million** paid memberships

Main organic growth drivers

Internal:

- Increased marketing spend
 - Broaden targeting options
 - New advertising platforms, media sources and exchanges
- Latin America expansion
- Cloud gaming

External:

- Growing demand for bundled content streaming services
- Market share gains
- Higher Internet penetration rates
- Declining household disposable income

Questions



2.

Resolution of the appropriation
of the net profit for the fiscal year 2022



3.

Resolution on the approval of the actions of the
members of the management board
for the fiscal year 2022



4.

Resolution on the approval of the actions of the
members of the supervisory board
for the fiscal year 2022

5.

Resolutions on the appointment of the
independent auditor and the group auditor
for the fiscal year 2023

6.

Resolution on the election
of a supervisory board member



7.

Resolution on the amendment of the remuneration
of the supervisory board members and respective
changes to the articles of association

8.

Resolution on changes
to the articles of association

9.

Resolution on the conversion of bearer shares into
registered shares and respective changes to the
articles of association



10.

Resolution on the change of section 18(2) of the
articles of association (Participant's Rights)

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A man and a woman are sitting on a couch, playing a game of chess on a low table. The man is on the left, wearing a dark shirt and glasses, and the woman is on the right, wearing a dark blazer over a light top. They are in a modern office environment with large windows and indoor plants in the background. The image is dimly lit, with the text overlaid in white.

CLIQ
DIGITAL

Let's level up together in 2023!