



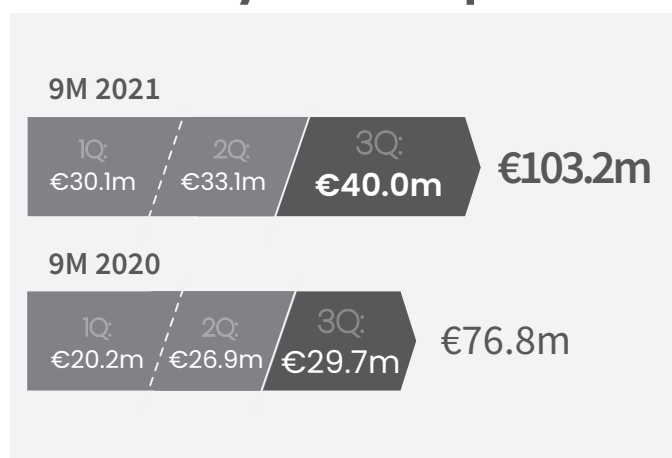
entertainment first

3Q/9M 2021 Financial Report
(unaudited)

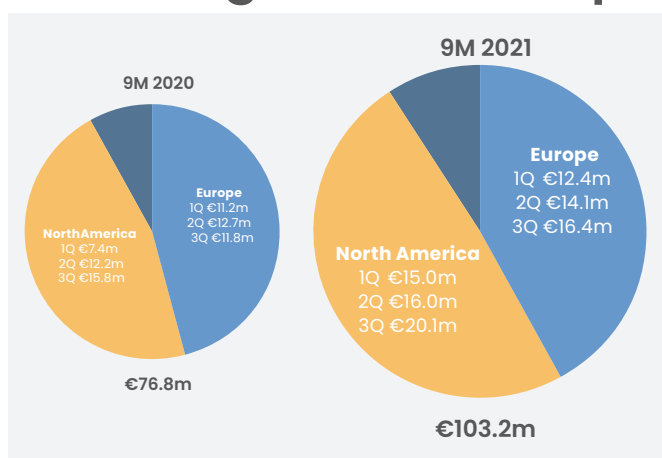
Business development



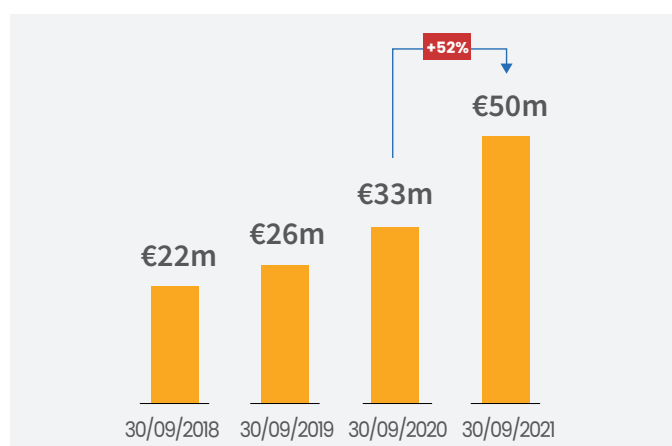
Quarterly sales split



Regional sales split



Customer base value



Operating free cash flow



in millions of €

Sales/earnings	9M 2020	9M 2021	Change	3Q 2020	3Q 2021	Change
Gross revenue	76.8	103.2	+34%	29.7	40.0	+35%
of which generated in						
• North America	35.3	51.0	+44%	15.8	20.1	+27%
• Europe	35.7	42.9	+20%	11.8	16.4	+39%
• ROW	5.8	9.3	+62%	2.1	3.5	+64%
Marketing spend	-26.2	-34.8	+33%	-9.8	-13.8	+41%
EBITDA	10.9	19.0	+75%	4.5	7.4	+63%
EBITDA margin	+14%	+18%		+15%	+19%	
EBIT	10.3	18.1	+75%	4.4	7.0	+60%
EBIT margin	+13%	+18%		+15%	+18%	
Net result	7.3	12.3	+69%	2.9	4.7	+62%
EPS (fully diluted)	0.80	1.82	+128%	0.32	0.70	+119%

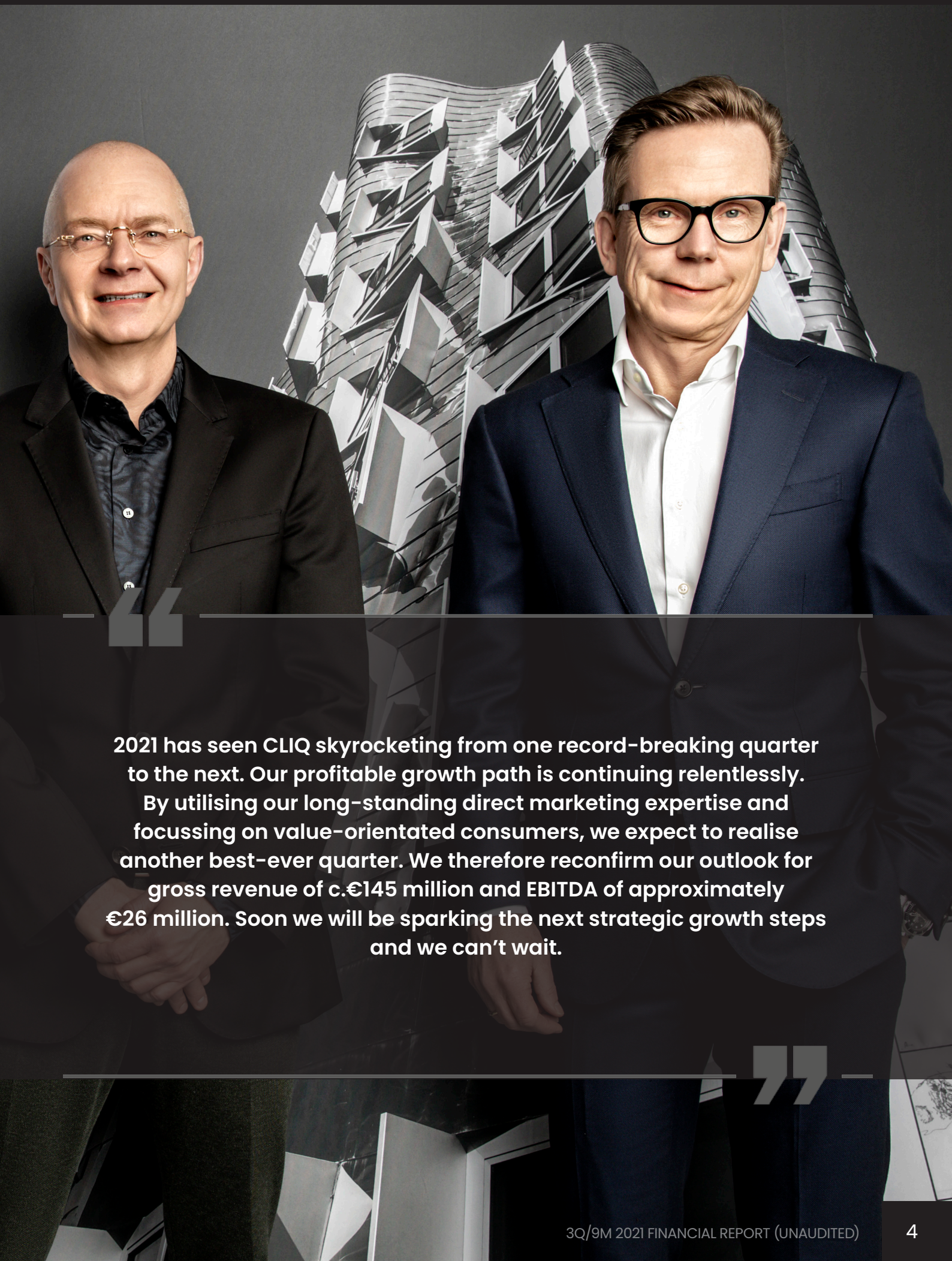
Cash flow	9M 2020	9M 2021
Cash flow from operating activities	10.3	13.1
Cash flow from investing activities	-0.2	-1.6
Operating free cash flow	10.1	11.6
Cash flow from financing activities	-3.2	-11.8
Total cash flow (prev. defined as "Free cash flow")	6.9	-0.3

CLIQ-specific KPIs	2020	2021
CLIQ Factor (9M)	1.65x	1.61x
CLIQ Factor (3Q)	1.65x	1.63x
Customer Base Value (30 September)	33.0	50.0

Balance sheet	31/12/2020	30/09/2021
Equity	55.6	56.1
Total assets	77.0	88.9
Equity ratio	72%	63%
Net financial debt (-) / net liquidity (+)	0.9	0.7

Human resources	30/09/2020	30/09/2021
Full-time employees	71	99
Part-time employees	18	23
Total employees	89	122

Shares	30/09/2020	30/09/2021
Share price (in €)	16.70	23.70
Number of shares	6.2	6.5
Market capitalisation	103	154



2021 has seen CLIQ skyrocketing from one record-breaking quarter to the next. Our profitable growth path is continuing relentlessly.

By utilising our long-standing direct marketing expertise and focussing on value-orientated consumers, we expect to realise another best-ever quarter. We therefore reconfirm our outlook for gross revenue of c.€145 million and EBITDA of approximately €26 million. Soon we will be sparking the next strategic growth steps and we can't wait.

Business development

Revenue

CLIQ Digital Group's gross revenue increased by 34% to €103.2 million (9M 2020: €76.8 million) from January to September 2021. The share of North American and European gross revenue was 49% and 42% respectively (9M 2020: 46% and 46% respectively). The most prevalent and fastest growing payment means in the first nine months was credit card, which amounted to 69% of gross revenue (9M 2020: 57%).

In the third quarter 2021 (01/07-30/09/2021), CLIQ Digital generated gross revenue of €40.0 million (3Q 2020: €29.7 million). This corresponds to an increase of 35% compared to the third quarter of the previous year and a sequential improvement of 21% quarter-on-quarter in comparison to the second quarter 2021. The European sales growth increased to 39% year-on-year mainly due to the rollout of the own, direct media buying across Europe. 72% of total gross revenue in 3Q 2021 was paid for with credit card (3Q 2020: 67%).

Earnings

In the first nine months of 2021, CLIQ Digital's EBITDA grew by 75% to €19.0 million (9M 2020: €10.9 million) and included higher marketing expenses – one of CLIQ's most important KPIs for further revenue growth – of €34.8 million (+33%, 9M 2020: €26.2 million), which underline CLIQ's accelerating focus on direct media buying (via an own procurement team) from the corresponding fundamental shift from media buying via affiliated partners. In 3Q 2021, the EBITDA margin (in per cent of gross revenue) was 19% compared to 15% in last year's third quarter.

In 9M 2021, the net result totalled €12.3m and was 69% higher than in the prior year's comparable period (9M 2020: €7.3m). Net result in the third quarter 2021 came in 62% higher than in prior year's third quarter and totalled €4.7 million (PY: €2.9 million).

The fully diluted EPS for the first nine months grew by 128% year-on-year and totalled €1.82 in comparison to €0.80 in 9M 2020, also due to the successful buyout of French minority shareholders. EPS was €0.70 in the third quarter and thus 119% higher year-on-year (PY: €0.32).

Content

In 3Q 2021, CLIQ announced three new content deals.

On 29 July, CLIQ licensed exclusive live broadcasting rights for 3 seasons of the Italian Serie B football championship for the DACH region. The top matches per round are shown in full-length and in HD on Fridays from 6 p.m., Saturdays from 2 p.m., Sundays from 12 p.m. and Mondays from 6 p.m.

Furthermore, a license deal with Lighthouse Home Entertainment was signed for 360 high-quality, multi-genre German, European and international movies including recent releases for two consecutive years. The catalogue will be refreshed with new titles every month.

On 18 August, CLIQ announced the signing of a five-year, worldwide licensing agreement for Blacknut's Cloud Gaming Service. From early 2022 on, more than 500 high-quality games titles will be available to CLIQ members across all operating countries.

Cash flow

in millions of €	9M 2020	9M 2021
Cash flow from operating activities	10.3	13.1
Cash flow from investing activities	-0.2	-1.6
Operating free cash flow	10.1	11.6
Cash flow from financing activities	-3.2	-11.8
Total cash flow (prev. defined as "Free cash flow")	6.9	-0.3

A €13.1 million cash inflow from operating activities resulted during the first nine months of 2021 (cf. €10.3 million in 9M 2020). This improvement in operating cash flow is due to the better result in the first nine months.

The cash outflow from investing activities in 9M 2021 was €1.6 million (9M 2020: €0.2 million) and reflected the increased content made available in the multi-content portals.

The cash outflow from financing activities in 9M 2021 was €11.8 million (9M 2020: €3.2 million) and included €6 million for the minority shareholdings' transaction and €3.3 million dividend distribution (PY: €2.0 million) and the cash settlement of share-based stock option arrangements. Total cash flow amounted to -€0.3 million during the first nine months of 2021 compared to €6.9 million in 9M 2020.

Key performance indicators

In the first nine months of 2021, the CLIQ Factor totalled 1.61x (9M 2020: 1.65x) and increased sequentially from 1.62x in the second quarter 2021 to 1.63x in the 3Q 2021. The CLIQ Factor is the ratio of the net revenue per user in the first six months to the cost of member acquisition. It is used as a key performance indicator for measuring the profitability of newly acquired members and in the decision-making process as to whether to invest in certain products or markets.

At the end of the September 2021, the Customer Base Value (CBV) was €50.0 million and thus 52% higher year-on-year (30/09/2020: €33.0 million). The CBV is calculated by multiplying the number of members by their individual remaining net lifetime value. It therefore represents the total net revenue (i.e. gross revenue less the cost of third parties) that is expected to be generated by existing members.

Financial position

in millions of €	30/09/2021	30/09/2020	Change
Cash & bank balances	6.7	3.8	+2.9
Bank borrowings	-6.0	-6.5	+0.5
Net financial debt (-) / net liquidity (+)	0.7	-2.7	+3.4

After netting cash and cash equivalents with bank borrowings, the net cash position increased to €0.7 million compared with -€2.7 million as at 30/09/2020.

Opportunities and risks

Taking into account the respective probability of occurrence and the potential impact of the risks described in the annual report 2020, we identified no risks that might threaten CLIQ Digital AG as a going concern.

Outlook 2021

The Management Board confirms its 2021 outlook:

On 17/09/2021 CLIQ Digital raised its forecast for gross revenue and EBITDA for the financial year 2021 to c.€145 million (previously: at least €140 million) and approx. €26 million (previously: c.€22 million) respectively.

	2021e	9M 2021
Gross revenue	€145m (prev. ≥ €140m)	€103m
Marketing spend	€46m	€35m
EBITDA	€26m (prev. ~ €22m)	€19m
CLIQ Factor	1.60x	1.61x

The total marketing spend is expected to be roughly €46 million and the CLIQ Factor is estimated to amount to around 1.60x for the full year 2021.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the nine months ended 30 September

in '000 €	Note	9M 2021	9M 2020
Gross revenue	6	103,178.3	76,828.5
Cost of sales	7	-66,800.5	-51,898.0
Gross margin		36,377.8	24,930.5
Personnel expenses	8	-13,249.3	-10,189.2
Other operating expenses	9	-3,752.3	-3,048.3
Impairment losses and gains on trade receivables and contract costs		-387.5	-817.2
Total operating expenses		-17,389.1	-14,054.7
EBITDA		18,988.7	10,875.8
Depreciation, amortisation and impairment charges applied to intangible, tangible and other current assets	9	-887.7	-555.1
EBIT		18,101.0	10,320.7
Financial income and financial expenses	10	-862.0	-676.2
Profit for the year from continuing sales		17,239.0	9,644.5
Income taxes	11	-4,951.7	-2,371.2
Profit for the year		12,287.3	7,273.3
Attributable to:			
Owners of the Company		11,981.0	5,038.1
Non-controlling interest		306.3	2,235.3
Profit for the year		12,287.3	7,273.4
Earnings per share			
Number of shares for calculation of basic earnings per share (in thousands)		6,504.7	6,188.7
Number of shares for calculation of diluted earnings per share (in thousands)		79.9	90.0
Basic earnings per share (in €)		1.84	0.81
Diluted earnings per share (in €)		1.82	0.80

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF
PROFIT AND LOSS AND OCI**

for the nine months ended 30 September

in '000 €	Note	9M 2021	9M 2020
Profit for the year		12,287.3	7,273.3
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign sales	12	204.5	-399.0
Total comprehensive income for the year		12,491.8	6,874.3
Attributable to:			
Shareholders of the company		12,185.5	4,639.0
Non-controlling interest		306.3	2,235.3
Total comprehensive income for the year		12,491.8	6,874.3

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF
THE FINANCIAL POSITION**

in '000 €	Note	30/09/2021	31/12/2020
ASSETS			
Goodwill	12	48,044.8	47,840.3
Other intangible assets	13	1,535.1	773.3
Plant, operating and office equipment	14	2,683.2	2,193.2
Contract costs		645.0	288.7
Financial assets		-	11.3
Deferred tax assets		2,815.7	4,139.7
Non-current assets		55,723.8	55,246.5
Trade receivables		13,600.3	9,085.6
Contract costs		11,882.4	7,177.6
Other assets		965.9	552.7
Cash and cash equivalents		6,703.4	4,908.1
Current assets		33,152.0	21,724.0
Total assets		88,875.8	76,970.5
EQUITY & LIABILITIES			
Issued capital	18	6,508.7	6,188.7
Share premium		46,635.8	46,635.8
Retained earnings		1,454.0	-2,820.3
Other reserves		197.9	806.1
Equity attributable to the shareholders		54,796.4	50,810.3
Non-controlling interest	18	1,337.0	4,839.2
Equity		56,133.4	55,649.5
Deferred tax liabilities		2,992.5	1,731.9
Bank borrowings	16	-	3,772.9
Other financial liabilities	15	3,022.2	2,298.3
Other liabilities		1,552.1	657.8
Non-current liabilities		7,566.8	8,460.9
Other financial liabilities	15	998.0	411.4
Bank borrowings	16	5,909.2	-
Provisions		375.0	375.0
Trade payables		4,561.2	1,993.9
Income tax liabilities		2,075.3	3,220.8
Other liabilities		11,256.9	6,859.0
Current liabilities		25,175.6	12,860.1
Total liabilities		32,742.4	21,321.0
Total equity and liabilities		88,875.8	76,970.5

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the nine months ended 30 September

in '000 €	Issued capital	Share premium	Retained earnings	Other reserves	Equity attributable to the share-holders	Non-controlling interest	Total equity
Balance as of 31 December 2020	6,188.7	46,635.8	-2,820.3	806.1	50,810.3	4,839.2	55,649.5
Net profit / loss for the period	-	-	11,981.0	-	11,981.0	306.3	12,287.3
Other comprehensive income	-	-	-	204.5	204.5	-	204.5
Dividend distributions	-	-	-2,876.3	-	-2,876.3	-463.3	-3,339.7
Equity-settled share-based payments	-	-	-1,006.6	-1,003.3	-2,009.9	-	-2,009.9
Currency translation difference	-	-	-	190.6	190.6	46.5	237.1
Acquisition of NCI (Note 18)	320.0	-	-3,823.8	-	-3,503.8	-3,391.7	-6,895.5
Balance as of 30 September 2021	6,508.7	46,635.8	1,454.0	197.9	54,796.4	1,337.0	56,133.4

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

for the nine months 30 September

in '000 €	Note	9M 2021	9M 2020
Cash flow from operating activities			
Result for the year		12,287.3	7,273.4
Adjustments for:			
Income tax expense recognised in profit or loss		4,951.7	2,371.2
Financial income and expenses recognised in profit or loss		862.0	676.4
Equity-settled share based payment transactions		280.6	-
Depreciation and amortisation of non-current assets	9	887.7	555.1
		19,269.3	10,876.1
Changes in working capital		-2,028.1	523.0
Cash generated from operations		17,241.3	11,399.1
Income taxes (paid)/received		-3,540.8	-616.7
Interest (paid)/received		-562.1	-524.3
Net cash generated by operating activities		13,138.4	10,259.1
Cash flow from investing activities			
Payments for property, plant and equipment	14	-359.9	-103.2
Payments for intangible fixed assets	13	-1,219.8	-108.2
Net cash (used in)/generated by investing activities		-1,579.7	-211.4

in '000 €	Note	9M 2021	9M 2020
Cash flow from financing activities			
Repayment of borrowings		-104.7	-1,117.3
Transaction costs related to loans and borrowings		-	-32.8
Lease instalments paid		-86.7	-193.1
Acquisition of non-controlling interest	18	-6,000.0	-
Dividends paid		-3,339.7	-
Share options		-2,290.5	-
Net cash used in financing activities		-11,821.6	-3,176.0
Net increase / (decrease) in cash and cash equivalents *		-262.9	6,870.7
Cash and cash equivalents at the beginning of the year		908.1	-9,577.5
Net increase / (decrease) in cash and cash equivalents		-262.9	6,870.7
Effects of exchange rate changes on the balance of cash held in foreign currencies		58.3	26.7
Cash and cash equivalents at the end of the period		703.4	-2,680.1
Cash and bank balances		6,703.4	3,809.9
Bank borrowing overdraft facility	16	-6,000.0	-6,489.9
Cash and cash equivalents in cash flow statement		703.4	-2,680.0

* Total cash flow (prev. "Free cash flow")

1 CORPORATE INFORMATION

The CLIQ Group (hereafter, CLIQ Digital or CLIQ) is a leading digital lifestyle company, which provides streaming entertainment services to consumers worldwide with unlimited access to music, audiobooks, games, sports and movie content.

The company has a long-standing and profitable history in expert digital marketing and offering niche products for the mass market at competitive prices. The CLIQ Group operates in over 30 countries with a headcount of 100 (including part-time employees and contractors) from 30 different nationalities as at 31 December 2020. The company is a valuable strategic business partner for networks, content producers as well as for publishers and payment service providers. The parent company of the CLIQ Group is CLIQ Digital AG, located in Dusseldorf. The shares of CLIQ Digital AG are listed in the Scale segment of the Frankfurt Stock Exchange (ISIN DE000A0HHJR3).

The Group parent company is CLIQ Digital Aktiengesellschaft (hereinafter referred to as “CLIQ Digital”), which is headquartered at Grünstraße 8, 40212 Dusseldorf, Germany. The company is entered in the commercial register of the Amtsgericht Dusseldorf (Commercial Register Sheet 69068). The shares of CLIQ Digital AG are listed on the Frankfurt Stock Exchange in the Open Market segment, forming part of the Scale Segment of the Deutsche Börse AG. Pursuant to Section 2 (11) of the German Securities Trading Act (WpHG), the Open Market does not constitute an organised or regulated market. The guidelines for Deutsche Börse AG’s regulated unofficial market form the basis for including securities in the Open Market. As a consequence, CLIQ Digital AG is not a capital market-orientated company pursuant to Section 264d of the German Commercial Code (HGB) and is also not obligated pursuant to Section 315e of the German Commercial Code (HGB) to prepare consolidated financial statements on the basis of International Financial Reporting Standards (IFRS) as adopted by the EU. CLIQ Digital AG is obligated to prepare consolidated financial statements according to German accounting standards. However, an exemption is available when the company prepares consolidated financial statements according to IFRS.

These IFRS condensed consolidated quarterly financial statements are prepared to provide investors with additional financial information in line with capital markets expectations and to fulfil disclosure obligations to Deutsche Börse AG under the General Terms and Conditions of Deutsche Börse AG for the Open Market of the Frankfurt Stock Exchange.

The period for the Group’s condensed consolidated quarterly financial statements starts on 1 January and ends on 30 September of each calendar year. This condensed consolidated quarterly financial statements are prepared in Euros, which is the functional and reporting currency of CLIQ Digital. Reporting is in thousands of Euros unless stated otherwise.

2 SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

2.1 Acquisition of non-controlling shareholdings in Hype Ventures B.V.

By acquiring an additional 20 percent share in Hype Ventures B.V. CLIQ Digital has become the sole shareholder of the Hype Ventures Group. Hype Ventures B.V. is an Amsterdam-based Group company of CLIQ Digital AG. It provides streaming entertainment services to consumers worldwide. Hype Ventures B.V. holds 100% of the shares in the Dutch companies CMind B.V. and Tornika Media B.V. and 100% in the French company Tornika SAS.

CLIQ Digital AG paid a fixed amount of €6 million and an earn-out consideration of approximately €0.8 million payable over two years as well as 320,000 new no par value bearer shares issued to the sellers. The 320,000 new shares are entitled to dividends from 1 January 2021 and CLIQ Digital AG agreed to a lock-up period after issuance of the new shares in May 2021. With this capital issue, the company's share capital increased from €6,188,714.00 by €320,000.00 to €6,508,714.00.

3 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

The condensed consolidated quarterly financial statements for the nine months ended 30 September 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2020 ('last annual financial statements'). They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The accounting policies adopted in the preparation of the quarterly condensed consolidated financial statements are consistent with those followed in the preparation of the Group's the last annual financial statements.

4 SCOPE OF CONSOLIDATION

Set out below is a list of subsidiaries of CLIQ Digital AG which have been included in the condensed consolidated quarterly financial statements as per the reporting period:

	Proportion of ownership interest and voting power held by the Group		Proportion of ownership interest and voting power held by the Group
CLIQ Digital AG, Dusseldorf, Germany			
ADGOMO Limited	100%	Luboka Media Limited	100%
Bob Mobile Hellas S.A.	100%	Memtiq B.V.	100%
C Formats GmbH	100%	Moonlight Mobile Limited	100%
Claus Mobi GmbH	100%	Netacy Inc.	100%
CLIQ B.V.	100%	Red27 Mobile Limited	80%
CLIQ UK Holding B.V.	100%	Rheinkraft Production GmbH	100%
CMind B.V.	100%	The Mobile Generation Americas Inc.	100%
CPay B.V.	100%	TMG Singapore PRE Ltd.	100%
Cructiq AG	100%	Tornika Media B.V.	100%
GIM Global Investments Munich GmbH	100%	Tornika S.A.S.	100%
Guerilla Mobile Asia Pacific Pte. Ltd.	100%	Universal Mobile Enterprises Limited	100%
Hype Ventures B.V.	100%	VIPMOB B.V.	80%
Hypecode S.A.S.	100%	Zimiq GmbH	100%
iDNA B.V.	100%		

5 USE OF JUDGEMENTS AND ESTIMATES

In the application of the Group's accounting policies, which are described in Note 3, the Board Members of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant to the balance sheet date. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

6 GROSS REVENUE

The Group derives revenue from services at a point in time for the following services:

In '000 €	9M 2021	9M 2020
Digital entertainment services	95,786.9	71,715.4
Digital marketing services	7,391.4	5,113.1
Total gross revenue	103,178.3	76,828.5

In the following table gross revenue from contracts with customers is disaggregated by geographical market:

In '000 €	9M 2021	9M 2020
Europe	42,898.2	35,749.0
North America	50,990.0	35,334.0
Other continents	9,290.1	5,745.5
Total gross revenue	103,178.3	76,828.5

7 COST OF SALES

The cost of sales are composed as follows:

In '000 €	9M 2021	9M 2020
Marketing spend	34,845.8	26,171.2
Capitalised marketing spend	-29,884.6	-23,583.1
Amortised contract costs	24,928.4	20,961.6
Third party costs	22,573.6	18,750.1
Other COS	14,337.3	9,598.2
Total	66,800.5	51,898.0

8 PERSONNEL EXPENSES

The personnel expenses are composed as follows:

In '000 €	9M 2021	9M 2020
Wages and salaries	9,990.9	5,928.3
Pension contributions	41.5	30.4
Social security contributions	845.8	577.9
Share-based payment arrangements	1,633.7	3,033.3
Hired staff and related costs	560.2	456.6
Redundancy costs	-	33.1
Other	177.2	129.6
Total	13,249.3	10,189.2

8.1 Employees

The average number of employees during the financial period was as follows:

	9M 2021	9M 2020
Employees (average full-time equivalent)	105.1	85
Full-time employees (average headcount)	92	73
Part-time employees (average headcount)	21	15
Employees (average headcount)	113	88

9 DEPRECIATION, AMORTISATION AND IMPAIRMENT CHARGES

In '000 €	9M 2021	9M 2020
Licenses and trademarks	409.4	201.5
Other intangible assets	60.2	83.4
Right of use assets	298.3	176.3
Plant, operating and office equipment	119.8	63.2
Other assets	-	30.7
Total	887.7	555.1

10 FINANCIAL INCOME AND FINANCIAL EXPENSES

In '000 €	9M 2021	9M 2020
Interest expenses on bank overdrafts and loans	-104.8	-198.9
Amortisation capitalised finance expenses	-136.2	-136.8
Interest expense on lease liabilities	-61.4	-15.3
Exchange results	-290.5	-194.5
Bank costs	-199.6	-77.9
Other financial expenses	-69.5	-52.8
Total financial income and financial expenses	-862.0	-676.2

11 CORPORATE INCOME TAX

Income tax expense is recognised at an amount determined by multiplying the profit (loss) before tax for the quarterly reporting period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the quarterly period. To allocate profit and losses and determine in which countries it should be taxed the Group applies a transfer pricing policy which is reviewed and when necessary revised on an annual basis. The income taxes recognised in the quarterly financial statements are based on the same transfer pricing policy as in the last annual financial statements. As such, the effective tax rate in the quarterly financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

All deferred taxes on temporary differences were calculated, as in the previous year, on the basis of a combined 31.2% tax rate for Germany, 25% tax rate for The Netherlands, 19% tax rate for the United Kingdom and the applicable tax rate for other foreign jurisdictions. As in the previous year, the recognition of deferred taxes on German tax loss carry forward were based throughout on tax rates of 15.4% for trade tax, and 15.8% for corporation tax and the solidarity surcharge.

11.1 Reconciliation of the effective tax rate

In '000 €	DE	NL	UK	Other	9M 2021
Profit before tax	-1,746.7	16,377.9	2,515.6	92.2	17,239.0
Nominal tax rate	31.2%	25.0%	19.0%	22.7%	31.2%
Income tax calculated at nominal rate	545.4	-4,094.5	-478.0	-20.9	-5,382.9
Expenses share option plan which are not tax-deductible	-223.6	-	-	-	-223.6
Participation exemption	-118.4	-	-	-	-118.4
Tax results from previous years	-550.0	1.1	23.1	-	-525.8
Effects of different tax rates of subsidiaries operating in other jurisdictions	-	-	-	-	1,334.9
Non-deductible amortisation and depreciation expenses	-21.1	-	-	-	-21.1
Other	9.5	0.1	0.1	-24.5	-14.8
Income tax expense in profit or loss account (effective)	-358.2	-4,093.3	-454.8	-45.4	-4,951.7
Effective tax rate	-20.5%	25.0%	18.1%	49.3%	28.7%

12 GOODWILL

12.1 Reconciliation of carrying amount of goodwill

In '000 €	30/09/2021	31/12/2020
Cost	48,150.4	47,945.9
Accumulated impairment losses	-105.6	-105.6
Carrying amount goodwill	48,044.8	47,840.3

In '000 €	30/09/2021	31/12/2020
Cost		
Opening balance at 1 January	47,945.9	47,945.9
Effect of foreign currency exchange differences	204.5	235.9
Closing balance at reporting date	48,150.4	48,181.8
Accumulated impairment losses		
Opening balance at 1 January	-105.6	-105.6
Effect of foreign currency exchange differences	-	-
Closing balance at reporting date	-105.6	-105.6
Carrying amount at reporting date	48,044.8	47,840.3

13 OTHER INTANGIBLE ASSETS

The other intangible assets consist of the following assets as at 30 September 2021:

In '000 €	Licenses and trademarks	Internally generated intangible assets	Total
Cost			
31 December 2020	1,447.6	590.1	2,037.7
Additions	975.9	243.9	1,219.8
Disposals	-492.4	-178.2	-670.6
Effect of currency exchange differences	34.9	9.2	44.1
30 September 2021	1,966.0	665.0	2,631.0
Amortisation and impairment losses			
31 December 2020	894.9	369.5	1,264.4
Amortisation	409.4	60.2	469.6
Disposals	-492.4	-178.2	-670.6
Effect of currency exchange differences	25.2	7.3	32.5
30 September 2021	837.1	258.8	1,095.9
Carrying amount 31 December 2020	552.7	220.6	773.3
Carrying amount 30 September 2021	1,128.9	406.2	1,535.1

14 PLANT, OPERATING AND OFFICE EQUIPMENT

The property, plant and equipment consist of the following assets as at 30 September 2021:

In '000 €	Plant. operating and office equipment	Right of Use Assets	Total
Cost			
31 December 2020	944.4	1,979.5	2,923.9
Additions	359.9	545.6	905.5
Disposals	-619.0	-	-619.0
Effect of currency exchange differences	0.5	-	0.5
30 September 2021	685.8	2,525.1	3,210.9
Amortisation and impairment losses			
31 December 2020	730.7	-	730.7
Depreciation	119.8	298.3	418.1
Disposals	-619.0	-	-619.0
Effect of currency exchange differences	0.3	-2.4	-2.1
30 September 2021	231.8	295.9	527.7
Carrying amount 31 December 2020	213.7	1,979.5	2,193.2
Carrying amount 30 September 2021	454.0	2,229.2	2,683.2

14.1 Right of use assets

The right of use asset relates to the rental agreements signed by the Group. The right of use asset is depreciated using the straight-line method and based on the contractual term of the rental agreement.

15 OTHER FINANCIAL LIABILITIES

In '000 €	30/09/2021	31/12/2020
Non-current liabilities		
Lease liabilities	2,252.0	1,841.1
Contingent considerations resulting from acquisitions	770.2	457.2
	3,022.2	2,298.3
Current liabilities		
Lease liabilities	250.3	138.4
Contingent considerations resulting from acquisitions	704.0	273.0
Forward exchange contracts	43.7	-
	998.0	411.4
Total financial liabilities	4,020.2	2,709.7

15.1 Lease liabilities

A maturity analysis of the lease payments as of reporting date is presented below:

In '000 €	30/09/2021	31/12/2020
Not later than 1 year	250.3	138.4
Later than 1 year and not later than 5 years	1,534.9	1,260.4
Later than 5 years	717.1	580.7
Total	2,502.3	1,979.5

15.2 Contingent considerations and other

During the year an amount of €848.5 thousand has been added in relation to the acquisition of the remaining 20% in Hype Ventures B.V (Note 18). The other movements during the year are related to payments.

16 BANK BORROWINGS

In '000 €	30/09/2021	31/12/2020
Credit facility	-	-
Borrowing base facility	6,000.0	4.000,0
Total secured bank loans	6,000.0	4.000,0
Capitalised finance expenses	-90.8	-227.1
Total bank borrowings	5,909.2	3,772.9

On 21 May 2019 CLIQ Digital AG signed a financing facility in the amount of € 13.5 million and a maturity until 31 March 2022 provided by a consortium consisting of Commerzbank AG and Postbank AG. The facility provided by Commerzbank AG and Postbank AG in the amount of maximum € 13.5 million contains a borrowing base facility and a fixed credit facility.

The borrowing base facility and the fixed credit facility has an interest rate of 3M-Euribor plus margin. Depending on certain performance indicators the margin on the borrowing base facility can vary between 2.00% - 2.15% and the margin on the fixed credit facility between 2.65% - 2.90%.

Per 30 September 2021 the total facility available amounted to € 13.5 million (31 Dec 2020: € 13.5 million) of which an amount of € 6.0 million (31 Dec 2020: € 4.0 million) was drawn down.

CLIQ Digital AG is obliged to comply with the covenants set out in the loan agreements with Commerzbank. For the first nine month of 2021, all covenants were met. In order to secure the credit facility, the CLIQ Digital Group transferred its trade receivables to Commerzbank by way of global assignment.

16.1 Capitalised bank financing expenses

The capitalised financing expenses are related to arrangement fees and other expenses which are directly attributable to obtaining the current credit facility. The capitalised financing expenses are released as financial expenses in a straight-line in accordance with the end term of the credit facility.

17 SHARE-BASED PAYMENTS ARRANGEMENTS

17.1 Description of share based payment arrangements

At 30 September 2021, the Group had the following share options arrangements outstanding:

	30/09/2021	31/12/2020
In '000 €	Number of instruments	Number of instruments
Share appreciation rights 2017	17	74
Stock option plan 2017	67	67
Share appreciation rights 2019	35	35
Share appreciation rights 2020	53	63
Share appreciation rights 2021	36	-
Subtotal cash-settled share option arrangements	208	239
Stock option plan 2017	-	90
Stock option plan 2020	42	-
Subtotal equity-settled share option arrangements	42	90
Total	250	329

During the period the below share based payments arrangement are new or changed compared to the last annual consolidated financial statements.

17.1.1 Share appreciation rights 2021

During the year 2021 the Group granted a total of 35,750 share appreciation rights (SARs) to employees that entitle them to a cash payment after 4 years of service. The share appreciation rights expire at the end of a 7 year period after grant date. A precondition for the exercise of the share appreciation rights is that the respective year performance target has been achieved within the four-year waiting period. The year performance target is based on the Group EBITDA in comparison to the Group budgeted EBITDA. The amount of cash payment is determined based on the increase in the share price of the Company between grant date and the time of exercise.

17.1.2 Stock option plan 2020

The purpose of this plan is the persistent linking of the interests of the members of the Management Board and of employees of the company with the interests of the shareholders of the company in a long-term increase of the corporate value so as to have regard to the shareholder value concept.

The options issued within the framework of the Plan entitle the holder thereof to subscribe shares in the Company. One option entitles the holder thereof to subscribe one share in the company. Such right to subscribe shares may be satisfied either out of a contingent capital created for this purpose or out of the holdings of the Company's own shares. This will be decided by the Supervisory Board as far as the Management Board is concerned and by the Management Board for the other participants. The term of each option ends after expiration of seven years since grand date of the option to the respective participant. The holding period of the options amounts to four years.

Each stock option gives the right to a no-par value share in the company, against payment of the exercise price of € 1. A prerequisite for the exercise of options is the achievement of the annual performance target within the waiting period. The main performance target for the exercise of options is achieved if the closing price of the share in the Company in Xetra trading at the Frankfurt stock exceeds the target share price corresponding to the year and month of the grand date on a total of fifty stock exchange trading days within a period of twelve months following the granting of the relevant options

17.2 Assumptions underlying the cash-settled stock option plans

The fair value of the options was calculated by an external valuation expert using the Black-Scholes- Merton formula. For all the programs, plausible estimates were made of the expected volatility, including price increases that occurred in the relevant periods until balance sheet date.

The inputs used in the measurement of the average weighted fair values at grant date and measurement date of the share appreciation rights and stock option plans were as follows.

	Share ap- preciation rights 2017	Stock option plan 2017	Share ap- preciation rights 2019	Share ap- preciation rights 2020	Share ap- preciation rights 2021
Number of options issued (in '000)	74,0	67,5	34,6	63,3	35,8
Fair value of the option on grant date	€2.52	€1.46	€0.65	€2.61	€5.91
Fair value of the option on measurement date	€19.21	€22.58	€21.52	€16.81	€11.11
Exercise price of the option on the issue date	€6.84	€1.00	€2.35	€7.15	€17.94
Expected volatility	65.00%	60.00%	60.00%	60.00%	65.00%
Duration of the option	7 yrs	7 yrs	7 yrs	7 yrs	7 yrs
Expected dividends	5.00%	5.00%	5.00%	5.00%	5.00%
Risk-free interest rate	-0.60%	-0.60%	-0.60%	-0.50%	-0.50%

17.3 Assumptions underlying the equity-settled stock option plans

The fair value of the options was calculated by an external valuation expert using the Black-Scholes-Merton formula. For all the programs, plausible estimates were made of the expected volatility, including price increases that occurred in the relevant periods until balance sheet date.

The inputs used in the measurement of the average weighted fair values at grant date and measurement date of the share appreciation rights and stock option plans were as follows.

	Stock option plan 2017	Stock option plan 2020
Number of options issued (in '000)	90,0	42,0
Fair value of the option on grant date	€13.98	€18.00
Exercise price of the option on grant date	€1.00	€1.00
Expected volatility	60.00%	60.00%
Duration of the option	7 yrs	7 yrs
Expected dividends	5.00%	5.00%
Risk-free interest rate	0.00%	0.00%

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behavior.

17.4 Reconciliation of outstanding share options arrangements

The number and weighted-average exercise prices of share options under the share option programmes were as follows.

	9M 2021 Average exercise price	
	Number (in '000)	€
1 January	329.4	3.64
Granted during the period	77.8	10.01
Exercised during the period	-147.3	1.92
Forfeited during the year	-10.0	11.71
30 September	249.9	4.20
Exercisable on 30 September	-	-

The options outstanding at 30 September 2021 had an exercise price in the range of €1.00 to €18.24 (31 Dec 2020: €1.00 to €15.29) and a weighted-average contractual life of 5.3 years (2020: 5.2 years). The weighted-average share price at the date of exercise for share options exercised in 2021 was €25.41 (9M 2020: no options exercised).

18 ACQUISITION OF NON-CONTROLLING INTEREST

The Group acquired the remaining 20% non-controlling interest (NCI) share in the subsidiary Hype Ventures B.V., increasing its ownership from 80% to 100%. Hype Ventures B.V. is an Amsterdam-based Group company of CLIQ Digital AG. It provides streaming entertainment services to consumers worldwide. Hype Ventures B.V. holds 100% of the shares in the Dutch companies CMind B.V. and Tornika Media B.V. and 100% in the French company Tornika SAS.

The transaction has economic effect as of 1 January 2021. The following table summarises the effect of change in the Group's ownership interest in Hype Ventures B.V.:

In '000 €	
Carrying amount of 20% NCI acquired	3,391.7
Considerations paid in cash during the period	-6,000.0
Contingent considerations resulting from acquisitions (Note 15.2)	-848.5
Other	-47.0
Decrease in equity attributable to owners of the Company	-3,503.8

The decrease in equity attributable to the owners of the Company comprised:

In '000 €	
Increase in issued capital (320,000 x € 1,00)	320.0
Decrease in retained earnings	-3,823.8
Decrease in equity attributable to owners of the Company	-3,503.8

The 320,000 new shares will be entitled to dividends from 1 January 2021 and CLIQ Digital AG has agreed to a lock-up period after issuance of the new shares in May 2021. With this capital issue, the company's share capital will increase from €6,188,714.00 by €320,000.00 to €6,508,714.00.

19 COMMITMENTS AND CONTINGENCIES

As at balance sheet date the Group has no significant commitments for expenditures which have not already been recognised.

20 EVENTS AFTER THE REPORTING PERIOD

No significant events have occurred after the reporting date, which are of significant importance to the CLIQ Digital Group.

Responsibility statement

We confirm that, to the best of our knowledge and in accordance with applicable accounting principles for interim reporting, the condensed interim financial statements of CLIQ Digital AG present a true and fair view of the CLIQ Group's assets, financial situation and earnings, and that the condensed Group interim management report describes fairly, in all material respects, the Group's business trends and performance, The Group's position, and the significant risks and opportunities of the Group's expected future development in the remaining months of 2021.

1 November 2021

The Management Board

For further information, please contact

CLIQ Digital AG Investor Relations

Sebastian McCoskrie
+49 151 52043659
s.mccoskrie@cliqdigital.com
www.cliqdigital.ag/investors

Deekeling Arndt Advisors in Communications GmbH (PR advisor)

Daniela Münster
+ 49 174 3358111
daniela.muenster@deekeling-arndt.com
www.deekeling-arndt.com

About CLIQ Digital:

CLIQ Digital (www.cliqdigital.com) is a streaming provider specialising in direct marketing of affordable entertainment products to consumers worldwide with unlimited access to music, audiobooks, games, sports and movie content. The company has a long-standing and successful history in expert digital marketing and offering niche products for the mass market at competitive prices. CLIQ Digital operates in over 30 countries and employs staff of 100 from 29 different nationalities as at 31 December 2020. The company is a valuable strategic business partner for networks, content producers as well as for publishers and payment service providers. CLIQ Digital is headquartered in Düsseldorf and has offices in Amsterdam, London, Paris, Barcelona and Tequesta, Florida. The company is listed in the Scale segment of the Frankfurt Stock Exchange (ISIN DE000A0HHJR3) and is a constituent of the MSCI World Micro Cap Index.

Visit our website at <https://cliqdigital.ag/investors>, the primary source for publications and information about CLIQ Digital.

Disclaimer

This financial report contains forward-looking statements which are based on certain expectations and assumptions at the time of publication of this report and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in this report. Many of these risks and uncertainties relate to factors that are beyond CLIQ Digital's ability to control or estimate precisely, such as future market and economic conditions, the behaviour of other market participants, the ability to successfully integrate acquired businesses and achieve anticipated synergies and the actions of government regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this report. CLIQ Digital does not undertake any obligation to publicly release any update or revisions to these forward-looking statements to reflect events or circumstances after the date of this report.

Please note: rounding differences can occur and In case of doubt, the English version shall prevail.

