CLIQ DIGITAL

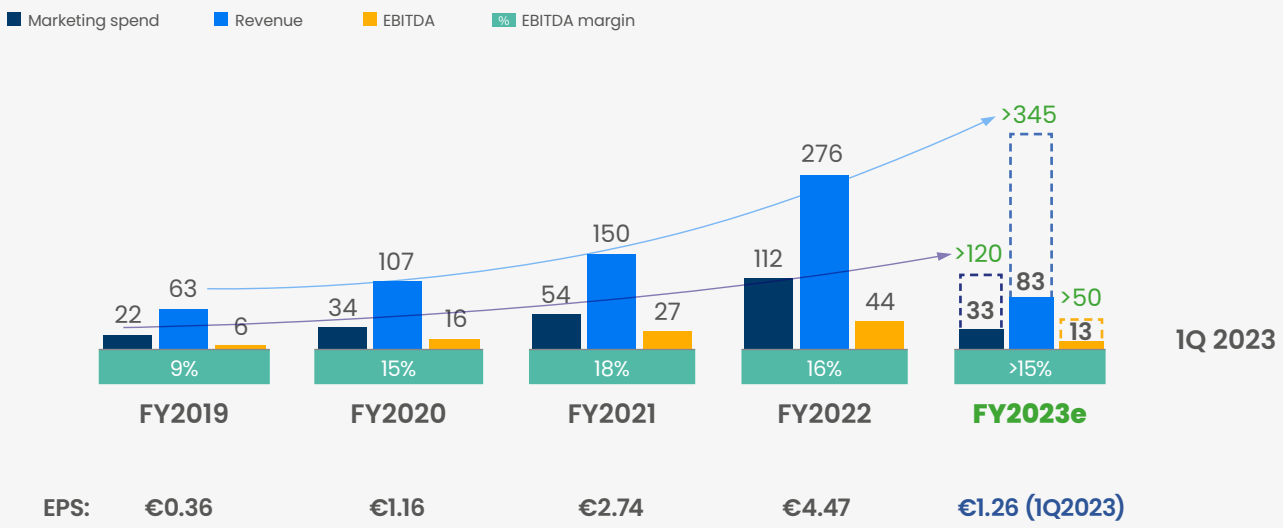
1Q/2023
FINANCIAL REPORT

– UNAUDITED –

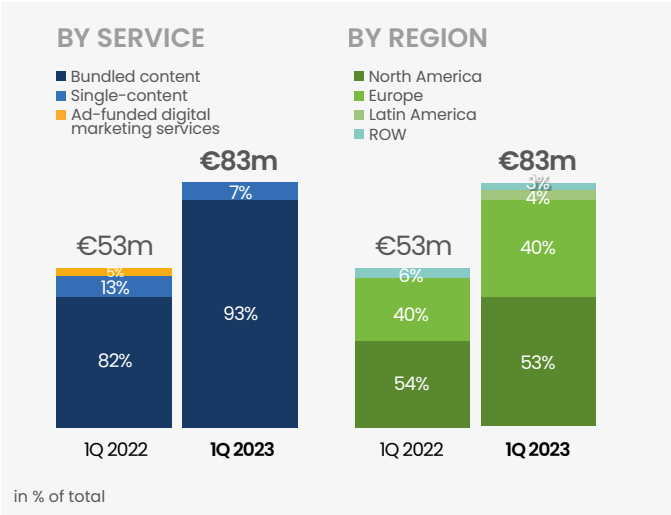
KEY FINANCIALS

REVENUE	MARKETING SPEND	EBITDA	MEMBERS
€83m	€33m	€13m	1.2m
+58% y/y	+46% y/y	+54% y/y	+11% y/y

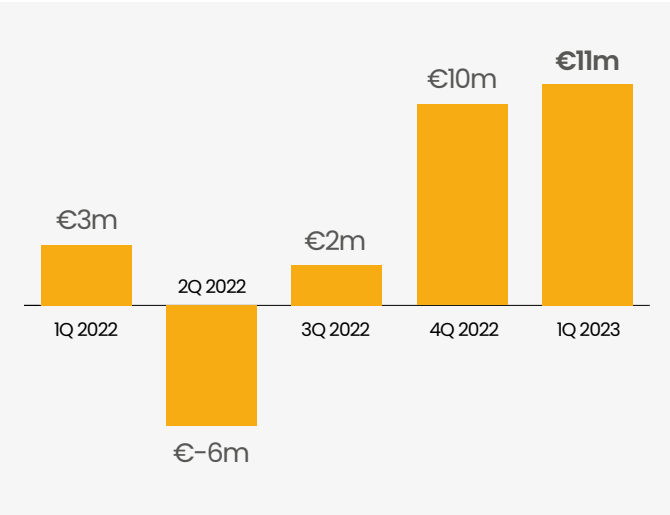
BUSINESS DEVELOPMENT



Revenue breakdown



Cash position



KEY FIGURES

in millions of €

P&L highlights

	1Q 2023	1Q 2022
Revenue	**82.9**	**52.6**
Marketing spend	32.9	22.5
EBITDA	**12.8**	**8.3**
EBITDA margin	15%	16%
EBIT	11.9	8.0
EBIT margin	14%	15%
Profit for the period	8.2	5.8
Basic earnings per share (in €)	**1.26**	**0.90**

Cash flow

	1Q 2023	1Q 2022
Cash flow from operating activities	4.1	1.6
Cash flow from investing activities	-2.8	-1.5
Operating free cash flow	**1.4**	**0.2**
Cash flow from financing activities	-0.4	0.1
Total cash flow	1.0	0.3

KPIs

	1Q 2023	1Q 2022
Members (in millions per end of period)	1.2	1.1
Lifetime Value Customer Base (per end of period)	147	104
6M-Profitability Index	1.28x	1.48x

Balance sheet

	31/03/2023	31/12/2022
Equity	89.7	81.3
Total assets	139.0	135.1
Equity ratio	65%	60%
Net financial debt(-) / net liquidity(+)	**10.9**	**9.9**

Human resources

	31/03/2023	31/12/2022
Full-time employees	143	139
Part-time employees	27	25
Total employees	**170**	**164**

Shares

	31/03/2023	31/12/2022
Share price (in €)	29.30	25.20
Number of shares	6,508,714	6,508,714
Market capitalisation	**191**	**164**

MANAGEMENT STATEMENT

Despite muted consumer sentiment expectations, 2023 has gotten off to an excellent start with another record-breaking quarter of double-digit growth rates also thanks to our increased marketing converting into impressive sales and earnings growth.

This sets us well on track to achieve our 2023 guidance.

BUSINESS DEVELOPMENT

Revenue

The CLIQ Digital Group (hereafter referred to as the "Group") focuses mainly on bundled-content services and revenue grew significantly year-on-year by 58% to €82.9 million (1Q 2022: €52.6 million) during the first quarter 2023 (01/01 – 31/03/2023).

In millions of €	1Q 2023	in % of total revenue	1Q 2022	In % of total revenue	Y/Y Δ
Bundled-content streaming services	77.0	93	42.9	82	79%
Single-content streaming services	5.9	7	7.1	13	-17%
Ad-funded digital marketing services[1]	-		2.7	5	-
Total	**82.9**		**52.6**		**58%**

The online advertisement campaigns promoting bundled-content streaming services drove the revenue for bundled-content streaming services to €77 million, which was a year-on-year increase of 79%.

To reduce costs, optimise operations and transparency, the Group will offer members who pay via credit card billing one membership for streaming services, and no longer present the possibility to sign up for two services. Management expects the impact on revenues to be limited due to the lower pricing of a second service and optimisation of the customer journey and service set-up of our bundled content streaming services.

In millions of €	1Q 2023	in % of total revenue	1Q 2022	In % of total revenue	Y/Y Δ
North America	44.3	53	28.3	54	57%
Europe	33.4	40	21.2	40	57%
Latin America	3.0	4	-	0	-
ROW	2.3	3	3.1	6	-27%
Total	**82.9**		**52.6**		**58%**

The revenue growth was driven by North American and European sales, which both grew by 57%. Sales in Latin America in 1Q 2023 were €3.0 million. The share of European and North American revenue was 40% and 53% respectively (1Q 2022: 40% and 54% respectively).

The most predominant and fastest growing payment means in the first three months was credit card payments, which amounted to 93% of Group revenue (1Q 2022: 82%), marking the highest level in the Group's history.

[1] Following a strategic realignment, the business activities relating to the (ad-funded) digital marketing services were discontinued as of mid-August 2022. The strategic realignment prescribes greater focus on the subscription-based, bundled content streaming services and better linking the operations and processes to the Group's goals and overall business strategy.

Marketing

The total marketing costs consist of the marketing spend, capitalised marketing spend and amortised contract costs related to the revenue recognised in the period.

in millions of €	**1Q 2023**	1Q 2022	Y/Y Δ
Marketing spend	-32.9	-22.5	46%
Capitalised marketing spend	32.4	20.7	57%
Amortised contract costs	-28.9	-15.2	90%
Total marketing costs	**-29.5**	**-17.0**	**74%**
in % of revenue	36%	32%	

Marketing spend in 1Q 2023 amounted to €32.9 million (PY: €22.5 million) and was the main driver for the increase in Group revenue. The total marketing costs in 1Q 2023 amounted to €29.5 million (PY: €17.0 million), which as a percentage of revenue was 36% (PY: 32%). The higher marketing costs reflected the more competitive pricing environment, where bidding prices were elevated, also on new advertising platforms. In addition, the Group faced changes in the key account management set-up for online advertising platforms, which led to a temporary increase in advertising prices. The brand marketing spend share remained immaterial in 1Q 2023.

EBITDA

In the first three months of 2023, CLIQ Digital Group's EBITDA grew in line with sales by 54% to €12.8 million (1Q 2022: €8.3 million), resulting in a roughly stable EBITDA margin of 15.4% compared to 15.8% in 1Q 2022. The slightly lower EBITDA margin year-on-year was mainly due to the increased marketing costs.

Earnings per share

Profit for the first quarter was 41% higher than in prior year's first quarter and totalled €8.2 million (PY: €5.8 million). Basic EPS for the first three months grew by 40% year-on-year and was €1.26 in comparison to €0.90 in 1Q 2022.

Key performance indicators

To increase reporting transparency and improve peer comparison, going forward the Group will disclose unique paying member numbers. The previously reported paid memberships included members who signed up for two services. The number of members for bundled and single-content streaming services increased to 1.2 million (31/03/2022: 1.1 million).

The expected average lifetime value of a customer for bundled and single-content services was €78.66 in 1Q 2023 (1Q 2022: €71.27). The year-on-year increase was due to the Group's focus on selling bundled content services and the subsequent growing share of bundled content service memberships.

The Lifetime Value of Customer Base (LTVCB) came in at €147 million (31/03/2022: €104 million) at the end of March 2023. The LTVCB is calculated by multiplying the number of members by their individual remaining lifetime value and represents total revenue that is expected to be generated by existing members.

The six months' Profitability Index for the first three months of 2023 was 1.28x, compared to 1.48x in the same period of 2022. The year-on-year decrease was related to a general increase in the customer acquisition costs across all regions due to elevated market prices bid in order to reach the target audience as well as the cost of testing new advertising platforms and new countries. In addition, the Group faced changes in account set-up on advertising platforms leading to a temporary increase in the advertising prices. The Profitability Index is the ratio of the net revenue per user in the first six months of the subscription to the cost of customer acquisition. It is used as a key performance indicator for measuring the profitability of newly acquired subscribers and in the decision-making process as to whether to invest in certain products or markets.

Cash flow

In the first quarter, €1.4 million operating free cash flow was generated (1Q 2022: €0.2 million). Operating free cash flow is defined as the sum of net cash generated by operating and investing activities, i.e. before cash flow from financing activities.

The cash inflow from operating activities during the first three months of 2023 amounted to €4.1 million (cf. €1.6 million in 1Q 2022). This increase in cash flow from operating activities was due mainly to the higher revenues after the deductions of the third-party costs and other payment service costs.

The 1Q 2023 cash outflow from investing activities amounted to €2.8 million compared to €1.5 million in 1Q 2022 and was largely related to investments relating to Cliq (www.cliq.de) as well as to payments for licensed content.

The cash flow from financing activities during 1Q 2023 was an outflow of €0.4 million (1Q 2022: €0.1 million inflow).

in millions of €	**1Q 2023**	1Q 2022
EBITDA	**12.8**	**8.3**
Δ Contract costs	-3.5	-5.5
Δ Other working capital	-5.4	-0.1
Taxes, financial result & others	0.2	-1.3
Cash flow from operating activities	4.1	1.6
Cash flow from investing activities	-2.8	-1.5
Operating free cash flow	**1.4**	**0.2**
Cash flow from financing activities	-0.4	0.1
Cash flow for the period	**1.0**	**0.3**

Cash position

As at 31 March 2023, the net cash / debt position of the Group was:

in millions of €	31/03/2023	31/12/2022	Δ
Cash & cash equivalents	10.9	16.8	-5.9
Bank borrowings	-	-6.9	6.9
Net cash position	**10.9**	**9.9**	**1.0**

After netting cash and cash equivalents with bank borrowings, net cash increased to €10.9 million compared with a net cash position of €9.9 million as at 31/12/2022.

OPPORTUNITIES AND RISKS

Taking into account the respective probability of occurrence and the potential impact of the risks described in the annual report 2022, no risks were identified that could threaten CLIQ Digital AG as a going concern.

OUTLOOK

In 2023, the CLIQ Digital Group expects strong organic growth in revenue, EBITDA and marketing spend due to increased demand for streaming services.

Based on stable exchange rates, no adjustments to the Group's portfolio and despite tough comparables, the Management Board is confident that in 2023, CLIQ will be able to generate more than €345 million in revenue and realise an EBITDA of at least €50 million with a total marketing spend exceeding €120 million.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the three months ended 31 March

in '000 €	Note	1Q 2023	1Q 2022
Revenue	5	82,868	52,612
Cost of sales	6	-61,303	-37,798
Gross profit		**21,565**	**14,814**
Personnel expenses	7	-6,601	-4,860
Other operating expenses		-2,114	-1,485
Impairment losses and gains on trade receivables and contract costs		-63	-181
Total operating expenses		**-8,778**	**-6,526**
EBITDA		**12,787**	**8,288**
Depreciation, amortisation and impairment charges applied to intangible, tangible and other current assets	8	-873	-307
EBIT		**11,914**	**7,981**
Financial income and financial expenses	9	-451	-239
Profit before tax		**11,462**	**7,742**
Income taxes	10	-3,248	-1,907
Profit for the year		**8,215**	**5,835**
Attributable to:			
Owners of the Company		8,215	5,837
Non-controlling interest		-	-2
Profit for the year		**8,215**	**5,835**
Earnings per share			
Basic earnings per share (in €)		1.26	0.90
Diluted earnings per share (in €)		1.25	0.90

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OCI

for the three months ended 31 March

in '000 €	Note	1Q 2023	1Q 2022
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		31	-231
Total other comprehensive income for the year		**31**	**-231**
Total profit for the year		**8,215**	**5,835**
Total comprehensive income for the year		**8,246**	**5,604**
Attributable to:			
Shareholders of the company		8,246	5,606
Non-controlling interest		-	-2
Total comprehensive income for the year		**8,246**	**5,604**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF THE FINANCIAL POSITION

in '000 €	Note	31/03/2023	31/12/2022
Assets			
Goodwill	11	47,467	47,435
Other intangible assets	12	9,651	8,401
Property, operating and office equipment	13	4,653	4,957
Contract costs		767	707
Other non-current assets	14	1,995	1,972
Deferred tax assets		1,114	1,583
Total non-current assets		**65,646**	**65,055**
Trade receivables		18,836	13,618
Contract costs		42,256	38,857
Other current assets		1,419	768
Cash and cash equivalents		10,883	16,804
Total current assets		**73,394**	**70,047**
Total assets		**139,040**	**135,101**
Equity & Liabilities			
Issued capital		6,509	6,509
Share premium		58,053	58,053
Retained earnings		24,590	16,375
Other reserves		598	435
Equity attributable to the shareholders		**89,750**	**81,372**
Non-controlling interest		-66	-65
Total equity		**89,685**	**81,307**
Deferred tax liabilities		11,355	10,503
Other financial liabilities	15	3,671	4,137
Other liabilities		1,833	1,376
Total non-current liabilities		**16,859**	**16,016**
Borrowings		-	6,562
Other financial liabilities	15	2,142	2,178
Provisions		375	375
Trade payables		9,700	9,531
Income tax liabilities		3,889	2,613
Other liabilities		16,390	16,519
Total current liabilities		**32,496**	**37,778**
Total liabilities		**49,355**	**53,794**
Total equity and liabilities		**139,040**	**135,101**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the three months ended 31 March

in '000 €	Issued capital	Share premium	Retained earnings	Other reserves	Equity attributable to the shareholders	Non-controlling interest	Total equity
Balance as of 1 January 2023	**6,509**	**58,053**	**-5,516**	**435**	**81,372**	**-65**	**81,307**
Net profit / loss for the period	-	-	8,215	-	8,215	-	8,215
Other comprehensive income	-	-	-	42	42	-	42
Equity-settled share-based payments	-	-	-	122	122	-	122
Balance as of 31 March 2023	**6,509**	**58,053**	**24,590**	**598**	**89,750**	**-66**	**89,685**

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

for the three months ended 31 March

in '000 €	Note	1Q 2023	1Q 2022
Cash flow from operating activities			
Profit before tax		11,462	7,742
Financial income and expenses recognized in profit or loss	9	451	239
Equity-settled share based payment transactions		122	72
Depreciation and amortization of non-current assets	12, 13	1,654	722
		13,690	**8,774**
Changes in working capital		**8,835**	**-5,745**
(Increase)/decrease in contract costs		-3,449	-5,498
(Increase)/decrease in trade receivables and other current assets		-5,559	-2,363
Increase/(decrease) in current liabilities		196	2,287
Cash generated from operations		**4,855**	**3,200**
Income taxes (paid)/received		-657	-1,420
Interest (paid)/received		-67	-151
Net cash generated from operating activities		**4,132**	**1,629**
Cash flow from investing activities			
Payments for property, plant and equipment	16	-28	-152
Payments for intangible fixed assets	15	-2,531	-1,315
Acquisition of other investments		-199	-
Net cash (used in)/generated from investing activities		**-2,758**	**-1,466**

in '000 €	Note	1Q 2023	1Q 2022
Cash flow from financing activities			
Transaction costs related to loans and borrowings		-	-60
Lease instalments paid		-379	-166
Net cash used in financing activities		**-378**	**106**
Total cash flow		**995**	**268**
Cash and cash equivalents at the beginning of the year		**9,900**	**2,301**
Net increase / (decrease) in cash and cash equivalents		995	268
Effects of exchange rate changes on the balance of cash held in foreign currencies		-12	-30
Cash and cash equivalents at the end of the year		**10,883**	**2,538**
Cash and bank balances		10,883	14,038
Bank borrowing overdraft facility		-	-11,500
Cash and cash equivalents in cash flow statement		**10,883**	**2,538**

1 CORPORATE INFORMATION

The CLIQ Digital Group sells subscription-based streaming services that bundle movies & series, music, audiobooks, sports and games to consumers globally. The Group licences streaming content from partners, bundles it and sells the content through its numerous streaming services. Over the years, CLIQ has become a specialist in online advertising and creating streaming services that are advertised towards specific consumer groups. CLIQ operates in over 30 countries and employed 170 staff from 38 different nationalities as at 31 March 2023. The company is headquartered in Düsseldorf and has offices in Amsterdam, London, Paris and Toronto.

The holding company of the Group is CLIQ Digital AG, located in Grünstraße 8, 40212 Düsseldorf, Germany and registered in the commercial register of the Amtsgericht Düsseldorf (commercial register number 69068). The shares of CLIQ Digital AG are listed on the Frankfurt Stock Exchange in the Scale segment for small and medium-sized companies, which is part of the Open Market segment (ISIN: DE000A0HHJR3, WKN: A0HHJR) and is a constituent of the MSCI World Micro Cap Index. Pursuant to Section 2 (5) of the German Securities Trading Act (WpHG), the Open Market does not constitute an organised or regulated market. The basis for the inclusion of securities in the Open Market are the guidelines for the Regulated Unofficial Market of Deutsche Börse AG. As a result, 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 the International Financial Reporting Standards (IFRS) as applicable in the EU. CLIQ Digital AG is obligated to prepare consolidated financial statements in accordance with German accounting standards. However, an exemption is possible if the company prepares consolidated financial statements according to IFRS.

The period for the Group's condensed consolidated interim financial statement starts on 1 January and ends on 31 March of each calendar year. This condensed consolidated interim financial statements are prepared in euros, which is the functional and reporting currency of CLIQ Digital Group. Reporting is in thousands of euros (in '000 €) unless otherwise stated.

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

The condensed consolidated interim financial statements for the three months ended 31 March 2023 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 2022 ('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 condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's last annual financial statements.

3 SCOPE OF CONSOLIDATION

Set out below is a list of subsidiaries of CLIQ Digital Group which have been included in the condensed consolidated interim financial statements as per the reporting period and showing the proportion of ownership interest and voting power held by the Group.

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31 Mar 2023	31 Dec 2022
ADGOMO Limited	Sales and marketing of digital products	Witney, United Kingdom	100%	100%
Bob Mobile Hellas S.A.	Dormant	Attiki, Greece	100%	100%
Bunkr Technologies S.A.S.	Dormant	Vincennes, France	80%	80%
C Formats GmbH	Sales and marketing of digital products	Düsseldorf, Germany	100%	100%
Claus Mobi GmbH	Sales and marketing of digital products	Düsseldorf, Germany	100%	100%
CLIQ B.V.	Holding	Amsterdam, The Netherlands	100%	100%
Cliq Games B.V.	Dormant	Amsterdam, The Netherlands	60%	60%
Cliq GmbH	Sales and marketing of digital products	Düsseldorf, Germany	100%	100%
Cliq Holding B.V. (formerly Cliq UK Holding B.V.)	Holding	Amsterdam, The Netherlands	100%	100%
CMind B.V.	Sales and marketing of digital products	Amsterdam, The Netherlands	100%	100%
CPay B.V.	Sales and marketing of digital products	Amsterdam, The Netherlands	100%	100%
Cructiq AG	Sales and marketing of digital products	Baar, Switzerland	100%	100%
Guerilla Mobile Asia Pacific Pte. Ltd	Dormant, in liquidation process	Singapore	100%	100%
Hype Ventures B.V.	Merged into CLIQ Holdings B.V.	Amsterdam, The Netherlands		100%
iDNA B.V.	Sales and marketing of digital products	Amsterdam, The Netherlands	100%	100%
Luboka Media Limited	Sales and marketing of digital products	Witney, United Kingdom	100%	100%
Memtiq B.V.	Sales and marketing of digital products	Amsterdam, The Netherlands	100%	100%
Moonlight Mobile Limited	Sales and marketing of digital products	Witney, United Kingdom	100%	100%
Netacy Inc.	Dormant	Dover, USA	100%	100%
Red27 Mobile Limited	Sales and marketing of digital products	Witney, United Kingdom	100%	100%
Rheinkraft Production GmbH	Sales and marketing of digital products	Düsseldorf, Germany	100%	100%
The Mobile Generation Americas Inc.	Payroll	Toronto, Canada	100%	100%
TMG Singapore PTE Ltd.	Dormant , in liquidation process	Singapore	100%	100%
Tornika Media B.V.	Sales and marketing of digital products	Amsterdam, The Netherlands	100%	100%
Tornika S.A.S.	Sales and marketing of digital products	Paris, France	100%	100%
Universal Mobile Enterprises Limited	Sales and marketing of digital products	Witney, United Kingdom	100%	100%
VIPMOB B.V.	Liquidated on 27 March 2023	Amsterdam, The Netherlands		100%
Zimiq GmbH	Sales and marketing of digital products	Düsseldorf, Germany	100%	100%

4 USE OF JUDGEMENTS AND ESTIMATES

In the application of the Group's accounting policies, which are described in Note 2, 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.

5 REVENUE

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

In '000 €	1Q 2023	1Q 2022
Digital entertainment services	82,868	49,941
Digital marketing services	-	2,670
Total revenue	**82,868**	**52,612**

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

In '000 €	1Q 2023	1Q 2022
North America	44,267	28,275
Europe	33,380	21,225
Latin America	2,960	-
ROW	2,261	3,111
Total	**82,868**	**52,612**

6 COST OF SALES

The cost of sales are composed as follows:

In '000 €	1Q 2023	1Q 2022
Marketing spend	32,910	22,540
Capitalised marketing spend	-32,392	-20,693
Amortised contract costs	28,943	15,170
Marketing costs	**29,461**	**17,017**
Third party costs	13,812	9,423
Other COS	18,030	11,358
Total	**61,303**	**37,798**

7 PERSONNEL EXPENSES

The personnel expenses are composed as follows:

In '000 €	1Q 2023	1Q 2022
Wages and salaries	4,844	3,524
Pension contributions	20	6
Social security contributions	494	432
Share-based payment arrangements	853	516
Hired staff and related costs	255	153
Other	135	229
Total	**6,601**	**4,860**

7.1 Employees

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

	1Q 2023	1Q 2022
Employees (average full-time equivalent)	165	125
Full-time employees (average headcount)	143	129
Part-time employees (average headcount)	27	18
Employees (average headcount)	**170**	**146**

8 DEPRECIATION, AMORTISATION AND IMPAIRMENT CHARGES

In '000 €	Q1 2023	Q1 2022
Licences and trademarks	-	20
Other intangible assets	499	19
Right of use assets	265	178
Plant, operating and office equipment	109	60
Total	**873**	**307**

9 FINANCIAL INCOME AND FINANCIAL EXPENSES

In '000 €	Q1 2023	Q1 2022
Financial income		
Exchange results	-	22
Total financial income	**-**	**22**
Financial expenses		
Interest expenses on bank overdrafts and loans	-40	-43
Amortisation capitalised finance expenses	-53	-47
Interest expense on lease liabilities	-51	-36
Exchange results	-178	-
Bank costs	-95	-99
Other financial expenses	-35	-36
Total financial expenses	**-451**	**-217**
Net financial result	**-451**	**-239**

10 CORPORATE INCOME TAX

Income tax expense is recognised at an amount determined by multiplying the profit (loss) before tax for the 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 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 interim 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 interim 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, 25.8% tax rate for The Netherlands, 19.0% tax rate for the United Kingdom and the applicable tax rate for other foreign jurisdictions.

10.1 Reconciliation of the effective tax rate

In '000 €	DE	NL	UK	Other	1Q 2023	1Q 2022
Profit before tax	**-1,953**	**12,249**	**1,242**	**-76**	**11,463**	**7,745**
Nominal tax rate	31.2%	25.8%	19.0%	19.7%	31.2%	31.2%
Income tax calculated at nominal rate	**610**	**-3,160**	**-236**	**15**	**-3,579**	**-2,418**
Effects of different tax rates of subsidiaries operating in other jurisdictions	-	-	-	-	808	526
Expenses share option plan which are not tax-deductible	-47	-	-	-	-47	-32
Tax results from previous years	-39	41	31	-	33	-29
Recognition of previously unrecognized (derecognition of previously recognized) tax losses	-463	-	-	-	-463	-
Non-deducitble amortisation and depreciation expenses	-	-	-	-	-	-7
Other	-	1	-	1	2	-2
Income tax expense in profit or loss account (effective)	**60**	**-3,119**	**-205**	**16**	**-3,247**	**1,907**
Effective tax rate	**3.1%**	**25.5%**	**16.5%**	**21.0%**	**28.3%**	**20.8%**

11 GOODWILL

11.1 Reconcilation of carrying amount of goodwill

In '000 €	31/03/2023	31/03/2022
Cost	47,572	47,541
Accumulated impairment losses	-106	-106
Carrying amount goodwill	**47,466**	**47,435**

In '000 €	31/03/2023	31/03/2022
Cost		
Opening balance at 1 January	**47,541**	**48,266**
Disposals	-	-564
Effect of foreign currency exchange differences	31	-161
Closing balance at reporting date	**47,572**	**47,541**
Accumulated impairment losses		
Opening balance at 1 January	**-106**	**-106**
Impairment	-	-
Effect of foreign currency exchange differences	-	-
Closing balance at reporting date	**-106**	**-106**
Carrying amount at reporting date	**47,466**	**47,435**

12 OTHER INTANGIBLE ASSETS

The other intangible assets consist of the following assets as at 31 March 2023:

In '000 €	Licences and trademarks	Internally generated intangible assets	Total
Cost			
31 December 2022	**4,624**	**6,083**	**10,707**
Additions	687	1,884	2,571
Disposals	-551	-	-551
31 March 2023	**4,760**	**7,967**	**12,727**
Amortisation and impairment losses			
31 December 2022	**2,162**	**145**	**2,306**
Amortisation	822	499	1,321
Disposals	-551	-	-551
31 March 2023	**2,432**	**644**	**3,076**
Carrying amount 31 December 2022	**2,462**	**5,938**	**8,401**
Carrying amount 31 March 2023	**2,328**	**7,323**	**9,651**

13 PLANT, OPERATING AND OFFICE EQUIPMENT

The property, plant and equipment consist of the following assets as at 31 March 2023:

In '000 €	Plant, operating and office equipment	Right of Use Assets	Total
Cost			
31 December 2022	**1,733**	**4,832**	**6,565**
Additions	28	39	67
Disposals	-	-	-
31 March 2023	**1,761**	**4,871**	**6,632**
Amortisation and impairment losses			
31 December 2022	**512**	**1,096**	**1,608**
Amortisation in the financial year	106	265	371
Disposals	-	-	-
31 March 2023	**618**	**1,360**	**1,979**
Carrying amount 31 December 2022	**1,221**	**3,736**	**4,957**
Carrying amount 31 March 2023	**1,143**	**3,511**	**4,653**

13.1 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.

14 OTHER NON-CURRENT ASSETS

In '000 €	31/03/2023	31/12/2022
Foreign currency forwards	23	-
Blacknut SAS	1,572	1,572
Dreamspark SAS	400	400
Total	**1,995**	**1,972**

15 OTHER FINANCIAL LIABILITIES

In '000 €	31/03/2023	31/12/2022
Non-current liabilities		
Lease liabilities	3,671	4,137
Subtotal	**3,671**	**4,137**
Current liabilities		
Lease liabilities	1,234	1,054
Contingent considerations resulting from acquisitions	857	857
Forward exchange contracts	-	17
Other	50	250
Subtotal	**2,142**	**2,718**
Total financial liabilities	**5,813**	**6,315**

15.1 Lease liabilities

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

In '000 €	31/03/2023	31/12/2022
Not later than 1 year	1,234	1,054
Later than 1 year and not later than 5 years	3,671	3,888
Later than 5 years	-	249
Total	**4,905**	**5,191**

16 BANK BORROWINGS

In '000 €	31/03/2023	31/12/2022
Overdraft facility	-	6,000
Borrowing base facility	-	904
Total drawdowns on credit facility	**-**	**6,904**
Capitalised finance expenses	-	-342
Total bank borrowings	**-**	**6,562**

An amount of €289 thousand of capitalised finance expenses has been reclassified to other current assets as no amount was drawn down per 31 March 2023.

17 EVENTS AFTER THE REPORTING PERIOD

On 20 April 2023, the Group terminated the financing facility provided by the consortium of Commerzbank AG and Deutsche Bank AG and simultaneously entered into an overdraft facility with HSBC for an amount of €15.0 million at improved terms and conditions.

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

18 SHARE-BASED PAYMENT ARRANGEMENTS

18.1 Description of share-based payment arrangements

At 31 March 2023, the Group had the following share-based payment arrangements outstanding:

	31/03/2023	31/12/2022
In '000 €	Number of instruments	Number of instruments
Share appreciation rights 2017	-	8.5
Stock option plan 2017	45.0	45.0
Share appreciation rights 2019	23.0	34.6
Share appreciation rights 2020	53.3	53.3
Share appreciation rights 2021	59.3	59.3
Share appreciation rights 2022	44.0	44.0
Share appreciation rights 2023	46.4	-
Subtotal cash-settled share option arrangements	**270.9**	**200.6**
Stock option plan 2020	105.0	94.5
Subtotal equity-settled share option arrangements	**105.0**	**94.5**
Total	**375.9**	**295.1**

During the period, the below share-based payment arrangements are new or changed compared to the last annual financial statements.

18.1.1 Share appreciation rights 2023

During 1Q 2023 the Group granted a total of 46,350 share appreciation rights (SAR) 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.

18.1.2 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 in the shareholder value. During Q1 2023 10,500 stock option rights have been granted..

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 grant 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 exchange exceeds the target share price corresponding to the year and month of the grant date on a total of fifty stock exchange trading days within a period of twelve months following the granting of the relevant options.

18.2 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 programmes, 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 on grant date and measurement date of the share appreciation rights (SAR) and stock option plans were as follows.

	SAR 2017	Stock option plan 2017	SAR 2019	SAR 2020	SAR 2021	SAR 2022	SAR 2023
Number of options issued (in '000)	74,0	67,5	34,6	63,3	59,3	44,0	46,4
Fair value of the option on grant date	€2.52	€1.46	€0.65	€2.61	€7.27	€7.89	€9.52
Fair value of the option on measurement date	€18.36	€27.18	€26.65	€22.16	€11.50	€11.32	€10.79
Exercise price of the option on the issue date	€6.84	€1.00	€2.35	€6.29	€21.19	€22.67	€26.39
Expected volatility	65%	65%	60%	60%	60%	60%	60%
Duration of the option	7 yrs	7 yrs	7 yrs	7 yrs	7 yrs	7 yrs	7 yrs
Expected dividends	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Risk-free interest rate	2.5%	2.5%	2.5%	2.6%	2.6%	2.6%	2.6%

18.3 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 programmes, 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 on grant date and measurement date of the share appreciation rights and stock option plans were as follows.

	Stock option plan 2020
Number of options issued	105,000
Fair value of the option on grant date	€18.06
Share price on grant date	€23.27
Exercise price of the option on grant date	€1.00
Expected volatility	61%
Duration of the option	7 yrs
Expected dividends	5.0%
Risk-free interest rate	-0.5%

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.

18.4 Reconciliation of outstanding share options arrangements

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

	1Q 2023 Average exercise price	
	Number	€
1 January	**332,600**	**4.57**
Granted during the period	56,850	21.70
Exercised during the period	-13,600	2.71
31 March	**375,850**	**8.72**
Exercisable on 31 March	**23,000**	**2.53**

The options outstanding at 31 March 2023 had an exercise price in the range of €1.00 to €32.32 (31 Dec 2022: €1.00 to €32.32) and a weighted-average contractual life of 5.2 years (31 Dec 2022: 4.5 years). The weighted-average share price at the date of exercise for share options exercised in Q1 2023 was €30.23 (3M 2022: €27.05).

19 COMMITMENTS AND CONTINGENCIES

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

DISCLOSURE IN ACCORDANCE WITH SECTION 115 (5) SENTENCE 6 OF THE GERMAN SECURITIES TRADING ACT (WpHG)

The condensed consolidated interim financial statements as at 31 March 2023 – consisting of the consolidated income statement, consolidated balance sheet, cash flow statement, statement of changes in equity and notes – and the Group interim management report for the period 1 January until 31 March 2023 were not audited in accordance with Section 317 of the German Commercial Code (HGB) or subjected to a review by a person qualified to audit financial statements.

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 2023.

3 May 2023

The Management Board

FURTHER INFORMATION

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About CLIQ Digital

The CLIQ Digital Group sells subscription-based streaming services that bundle movies & series, music, audiobooks, sports and games to consumers globally. The Group licences streaming content from partners, bundles it and sells the content through its numerous streaming services. Over the years, CLIQ Digital has become a specialist in online advertising and creating streaming services that are advertised towards specific consumer groups. CLIQ Digital operates in over 30 countries and employed 164 staff from 37 different nationalities as at 31 December 2022. The company is headquartered in Düsseldorf and has offices in Amsterdam, London, Paris and Toronto. CLIQ Digital is listed in the Scale segment of the Frankfurt Stock Exchange (ISIN: DE000A0HHJR3, WKN: A0HHJR) and is a constituent of the MSCI World Micro Cap Index.

Visit our website at **https://cliqdigital.com/investors**, here you will find all publications as well as further information about CLIQ Digital Group. Follow us on **LinkedIn** | **Facebook** | **Instagram**.

Disclaimer

This financial report contains unaudited figures. It also 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.

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