

CLIQ Digital reports full year 2022 results

- Sales grow by 84% to €276 million
- €4.47 EPS resulting from €29m profit for the year (+63%)
- €1.79 dividend per share (PY: €1.10) proposed to AGM
- 2023 outlook: sales of more than €345m and EBITDA in excess of €50m
- Medium-term outlook: sales of over €500m by 2025

DÜSSELDORF, 21 February 2023 – CLIQ Digital Group today publishes its audited 2022 financial statements and presents its 2023 dividend proposal.

Performance

- **Sales:** In 4Q 2022, the Group generated sales of €82.8 million (PY: €46.8 million) with a year-on-year growth rate of 77% and 8% quarter-on-quarter. The quarterly growth is due to an increase in paid memberships for bundled streaming services, which more than doubled to €76.2 million sales (PY €35.2 million).

Breakdown:

in millions of €	4Q 2022	4Q 2021	Δ	FY 2022	FY 2021	Δ
Bundled content	76.2	35.2	116%	242.4	107.9	125%
Single-content	6.6	8.3	-21%	26.0	31.3	-17%
Ad-funded	0	3.3	-100%	7.7	10.7	-28%
Sales	82.8	46.8	77%	276.1	150.0	84%

North America	47.2	23.7	99%	157.9	74.7	111%
Europe	30.2	19.7	53%	101.6	62.6	62%
Latin America	2.0	0		3.4	0	
ROW	3.3	3.4	-2%	13.2	12.7	4%
Sales	82.8	46.8	77%	276.1	150.0	84%

Full year 2022 sales were up 84% (77% in local currency) year-on-year to €276.1 million (PY: €150.0 million) driven predominantly by successful online advertising campaigns for bundled content streaming services in both North America and Europe.

- **Marketing:** In 4Q 2022, the marketing spend grew year-on-year by 52% to €29.8 million (PY: €19.5 million) due to increased advertising volume. For the full year 2022, marketing spend more than doubled year-on-year and totalled €112.3 million (PY: €54.4 million). The marketing growth derived from broader targeting options of the bundled content services on Google. CLIQ's numerous streaming services offer one product across the five most popular content categories. This means the Group's marketing angles and advertising sources can be widely explored. On top, CLIQ was able to add globally other advertising platforms, media sources and exchanges to find the Group's target audiences.
- **EBITDA:** For 4Q 2022, the EBITDA margin was 15.4% (PY: 17.5%) with EBITDA growing 55% to €12.7 million (PY: €8.2 million) due to the constantly growing number of paid memberships. In FY 2022, EBITDA grew against prior year by 60% to €43.5 million (PY: €27.2 million) and the EBITDA margin was 15.8% p.a. (PY: 18.1%), which exceeded the Group's baseline outlook of 15.2% p.a.
- **Earnings per share:** For 4Q 2022, basic EPS rose by 30% to €1.17 (PY: €0.90). For FY 2022, EPS increased by 63% to €4.47 against €2.74 in prior year.
- **Dividends:** In line with the Group's consistent dividend policy (40% payout ratio), the Management and Supervisory Boards propose a dividend per share of €1.79 (PY: €1.10 distributed) to the Annual General Meeting in Düsseldorf on 6 April 2023.
- **Cash flow:** Operating free cash flow in 4Q 2022 was up 81% to €8.0 million (PY: €4.4 million). In 2022, the Group generated €15.4 million operating free cash flow (PY: €16.0 million), which was slightly lower year-on-year due to higher marketing spend as well as investments in platform development (€5.2 million) and licenced content (€3.7 million).
- **Liquidity:** At year-end 2022, the net cash position of the Group totalled €9.9 million – a year-on-year improvement of €7.6 million.

Operating review

- **Paid memberships:** The number of paid memberships per 31/12/2022 for subscription-based, bundled and single-content streaming services increased by 45% to 1.9 million (31/12/2021: 1.3 million) driven by the successful advertising campaigns and the attractive content propositions. During the fourth quarter, the expected average lifetime value of a new member increased by 7% quarter-on-quarter to €77 (3Q 2022: €72).
- **Lifetime Value of Customer Base:** As at the end of 2022, the Lifetime Value of Customer Base (LTVCB) grew sequentially to €141 million (30/09/2022: €131 million) as well as year-on-year (31/12/2021: €87 million) by 8% and 62% respectively. The LTVCB represents the expected sales to be generated from paid memberships as at reporting date over their estimated individual remaining lifetime.

- **Profitability Index:** CLIQ Digital's six months' Profitability Index for 4Q 2022 was 1.44x, compared to 1.56x in 4Q 2021. The year-on-year decrease was related to a general increase in the customer acquisition costs across all regions, including the new market entry into Latin America. The 6M-Profitability Index for the full year was 1.45x (PY: 1.59x) and less than the company's guidance of around 1.51x as Management decided to further increase the marketing spend in order to realise more gross margin as an absolute amount.

2023 outlook

For the full year 2023, the Group expects sales to exceed €345 million, driven by strong marketing activities (over €120 million of marketing spend expected) and investments into additional attractive content. EBITDA is expected to exceed €50 million, continuing the Group's track record of strong profitability.

Management statement

"In 2023, we want to continue bringing simplicity to the streaming market and further grow as well as roll out our bundled content services globally. Furthermore, we will endeavour to make our flagship streaming service in Germany, cliq.de, a great success," said Luc Voncken, CEO. *"Also financially, the Group is very well positioned to achieve our ambitious growth plans and deliver on our promises,"* said Ben Bos, member of the Management Board.

Earnings call

A live video conference call and webcast will be held at **1.00 p.m. CET today** and conducted in English by Ben Bos.

To attend the conference call, prior registration of contact details is required at

https://us02web.zoom.us/webinar/register/WN_ds8RG3mMTPqokc2xtN9v9Q

Ben Bos will answer questions submitted via email to investors@cliqdigital.com no later than 60 minutes prior to the call.

A recording of the webcast will be available after the call at:

<https://cliqdigital.com/investors/financials>.

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Financial calendar

Annual General Meeting 2023 in Düsseldorf	Thursday	6 April 2023
1Q 2023 Financial report & earnings call	Thursday	4 May 2023
2Q/6M 2023 Financial report & earnings call	Thursday	3 August 2023
3Q/9M 2023 Financial report & earnings call	Thursday	2 November 2023

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.

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