

CLIQ Digital announces 94% sales growth for the second quarter

- 1.7m paid memberships as at 30 June (q/q: +205k); customer base valued at €121m (+16% q/q)
- Sales grew by 94% to €64m in 2Q 2022 driven by multi-content portals and North America
- Quarterly EBITDA up 60% to over €10m with a 16% margin
- EPS was €1.97 in 6M 2022 (up 73% from €1.14 in 6M 2021)
- Well on track to deliver record FY 2022 with reaffirmed guidance

DÜSSELDORF, 2 August 2022 – CLIQ Digital AG today publishes its second quarter and half year 2022 unaudited financial report.

Performance

- **Sales:** In contrast to the prevailing environment, CLIQ Digital's organic sales growth rate in 2Q 2022 was very strong at 94% with total sales amounting to €64.2 million (2Q 2021: €33.1 million). Quarter-on-quarter, sales grew by 22% underlining the company's strong growth path.

Breakdown:

in millions of €

	2Q 2022	2Q 2021	Δ	6M 2022	6M 2021	Δ
Multi-content	56.2	23.3	141%	99.1	43.2	129%
Single-content	5.7	7.2	-21%	12.7	15.7	-19%
Ad-funded	2.3	2.6	-10%	5.0	4.3	17%
Sales	64.2	33.1	94%	116.8	63.2	85%

North America	38.0	16.0	138%	66.3	30.9	114%
Europe	23.4	14.1	66%	44.6	26.5	68%
Other	2.8	3.1	-10%	5.9	5.8	2%
Sales	64.2	33.1	94%	116.8	63.2	85%

The quarterly growth is mainly due to an increase in marketing spend resulting in more paid memberships for our multi-content portals in particular, which grew by 141% to €56.2 million sales (2Q 2021: €23.3 million). Across all major regions, sales

grew significantly with North America and Europe growing year-on-year by 138% and 66% respectively.

- **Marketing spend:** In 2Q 2022, the marketing spend increased materially by 149% to €29.6 million (PY: €11.9 million) due to increased advertising volume. The proportion of own media buying grew to 90% compared to 77% in 2021.
- **EBITDA:** In 2Q 2022, EBITDA increased by 60% to €10.1 million (PY: €6.3 million) with a margin of 16% (PY: 19%), reflecting higher investments in marketing campaigns and content to grow the customer base.
- **Earnings per share:** EPS in 2Q 2022 rose by 71% to €1.07 (PY: €0.63) on the back of an underlying profit for the period of €7.0 million (PY: €4.1 million). In the first six months 2022, EPS increased by 73% and was €1.97 against €1.14 in 6M 2021.
- **Cash flow:** In 2Q 2022, operating free cash flow was €-1.1 million (PY: €1.8 million) due to the greater marketing spend and investments of €2.4 million in both content (€1.1 million) and the CLIQ.de platform (€1.3 million). The dividend distribution in 2Q 2022 was 133% higher year-on-year and €7.2 million (cf. €3.1 million in 2Q 2021), which impacted the cash flow in the quarter.

Operating review

- **Members:** The number of paid memberships per 30/06/2022 for multi- and single content offerings grew further quarter-on-quarter by 0.2 million to 1.7 million (31/03/2022: 1.5 million) driven by the increase in successful marketing campaigns and the attractive content proposition. During the quarter, the expected average lifetime value of a new member grew to €72.41 (1Q 2022: €71.27).
- **Lifetime Value of Customer Base:** The Lifetime Value of Customer Base (LTVCB) grew sustainably to €121 million (31/03/2022: €104 million) at the end of June 2022. The LTVCB is calculated by multiplying the number of members by their individual remaining lifetime value and represents the total sales that is expected to be generated by the existing member base.
- **Profitability Index:** CLIQ Digital's six months' Profitability Index for 2Q 2022 was 1.45x, compared to 1.62x in 2Q 2021. The year-on-year decrease was related to a general increase in the cost per acquisition across all regions.

Strategic updates

- **CLIQ.de:** At a virtual event on Wednesday 15 June, Management showcased an upscaled multi-content portal with new features and content highlights. cliqdigital.com/allinone will be re-introduced as CLIQ.de at a reduced membership fee of €6.99 and go live in Germany on the web and all platforms with a native app (mobile and TV) in September 2022.

- **Brand marketing:** A brand marketing campaign to increase the brand awareness and complement the performance marketing of CLIQ.de will be run under the name of “best of alles” (best of everything). The campaign will reflect the brand’s positioning as simple and affordable, in particular to attract value-orientated consumers currently burdened by high energy and household prices.
- **Content:** In May, CLIQ Digital announced a 2-year licence agreement with Sportdigital for international live football (Sportdigital Fussball), fun and action sports as well as outdoor sports, motorsports (EDGEsport) and horse riding (ClipMyHorse.TV).

Outlook 2022

The Management Board confirms its 2022 outlook: The number of paid memberships is expected to surpass the 2 million-mark by the end of the year with sales of at least €250 million, an EBITDA of more than €38 million in 2022 and a total marketing spend in excess of €90 million.

Management statement

“Once again, we have sustainably grown our customer base, sales and earnings. CLIQ Digital’s second quarter performance is a fantastic team effort. Adding nearly two members every minute to our customer base is the meaningful result of hard work and a consistent strategy,” said Ben Bos, member of the Management Board. *“We are confident that we shall continue our growth path and become more and more attractive to our members.”*

Earnings call

A live video conference call and webcast will be held at **10.00 a.m. CEST today** and conducted in English by Ben Bos.

To attend the conference call and ask questions during the live question and answer session, prior registration of contact details is required at

https://us02web.zoom.us/webinar/register/WN_93ER6CvMQa9x2nnCthDKQ

A recording of the webcast will be available after the call at:
<https://cliqdigital.com/investors/financials>.

Contacts

Investor relations:

Sebastian McCoskrie, s.mccoskrie@cliqdigital.com, +49 151 52043659

Julián Palacios, j.palacios@cliqdigital.com, +49 151 18476600

Media relations:

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

Financial calendar

3Q/9M 2022 Financial report & earnings call	Thursday	3 November 2022
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About CLIQ Digital

CLIQ Digital is a global streaming provider specialising in the performance marketing of mass market entertainment products and offering its members unlimited access to movies, series, music, audiobooks, sports and games. CLIQ Digital has a long and successful corporate history in digital marketing, offering niche products to the mass market at competitive prices. The company operates in over 30 countries and employed 168 staff from 34 different nationalities as at 30 June 2022. CLIQ Digital is a valuable strategic business partner for networks, content producers as well as for publishers and payment service providers. The company is headquartered in Düsseldorf and has offices in Amsterdam, London, Paris, Barcelona, Toronto and Florida. 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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