

Clear beat with Q4 / FY 2022 key figures

CLIQ Digital has reported an even stronger than expected final quarter, beating at each line in the P&L (revenue +77%, EBITDA +55%) driven by the high level of marketing spend highlighting the strength of the family-orientated streaming proposition offered, with membership increasing to 1.9m (+45% yoy). FY'22 guidance is thus clearly beaten and initial targets for the current year are some 5% above existing market expectations. We confirm our EUR 72 TP and reiterate our BUY rating.

Strong finish even better than high expectations

CLIQ's already buoyant development has been maintained in Q4'22, with revenue growth of 77% to EUR 83m (PAsE EUR 75m), with strong growth indicated across all regions but not specified with the preliminary trading statement. That makes for annual sales of EUR 276m (+84%) beating guidance calling for at least EUR 250m. Consensus had assumed that guidance would be beaten, but the extent of the beat is a positive surprise.

Higher marketing drags a little on margin percentage, but the profit sum increases nicely

EBITDA in Q4'22 jumped 55% to EUR 13m (clearly beating PAsE 9.4m), with the margin declining to c.15.5% (Q4'21: 12.5%). The key point here is that the marketing spend increased to EUR 30m (+50%) due to higher advertising volume and driving the subscription business. Member numbers have increased 45% yoy to 1.9m (Sept; 1.8m) with CLIQ Digital's focus on a family-orientated proposition proving to be a winner with streaming customers.

2023 guidance could support modest upgrades to consensus

Guidance calling for sales in 2022 > EUR 250m and EBITDA > EUR 38m has been clearly beaten, as has consensus which was pitched a little higher. Today's brief trading statement has introduced new targets for the current year, calling for sales to exceed EUR 345m (PAsE: EUR 326m), driven by strong marketing activities (over EUR 120m expected) and investments into additional attractive content. EBITDA is expected to exceed EUR 50m, (PAsE EUR 48m) which could support c.5% upgrades to consensus estimates. We confirm our EUR 72 TP and reiterate our BUY rating.

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