

3 November 2021

CLIQ Digital AG

Rating Buy
Share price (EUR) 27.30
Target price (EUR) 75.00

Bloomberg CLIQ GY
Sector Consumer Services

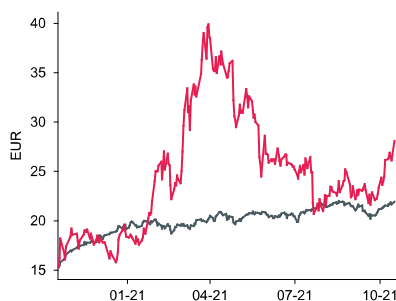
Share data

Shares out (m) 6.5
Daily volume shs (m) 1.1
Free float (%) 89.00
Market cap (EUR m) 178
EV (EUR m) 174
DPS (EUR) 0.46
Dividend yield (%) 5.4
Payout ratio (%) 40.0

Performance

ytd (%) 64.5
12 months (%) 77.3
12 months rel. (%) 32.3
Index SDAX

Share price performance



— CLIQ Digital
— Price rel. to SDAX - Price Index

Source: Bloomberg

Next triggers

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Analysts

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Strong 9M-21 figures

CLIQ Digital was able to considerably increase 9M/Q3-21 sales and even stronger earnings figures. The company confirmed its FY 2021 guidance. As a result we affirm our Buy recommendation and the EUR 75.00 TP.

9M-21 overview

CLIQ was able to increase gross revenue by 34% yoy from EUR 76.8m (9M-20) to EUR 103.2m in the current business year. The share of North American and European gross revenue was 49% and 42% respectively. Its marketing spend (76% direct media buying compared to 55% in 9M-20) climbed from EUR 26.2m to EUR 34.8m in the 9M-21 period. This means an increase of 34% yoy and secures further growth for CLIQ.

In 9M-21, CLIQ Digital's EBITDA grew by 75% to EUR 19.0m (9M-20: EUR 10.9m), which corresponded to an EBITDA margin of 18% (9M-20: 14%). In 3Q-21, the EBITDA margin was 19% compared to 15% in last year's third quarter. EBITDA in 3Q-21 amounted to EUR 7.4m, which represented a yoy increase of 63%. In the 9M-21 period the net result improved from EUR 7.3m (9M-20) to EUR 12.3m, a rise of 69% yoy. The fully diluted EPS for the first nine months grew by 128% yoy and amounted to EUR 1.82 in comparison to EUR 0.80 in 9M-20, also a result of the successful buyout of French minority shareholders.

Its cash flow from operating activities improved from EUR 10.3m (9M-20) to EUR 13.1m in the current business year.

CLIQ-specific KPIs

In the first nine months of FY 2021, the CLIQ Factor totalled 1.61x (9M-20: 1.65x) and increased sequentially from 1.62x in Q2-21 to 1.63x in the 3Q-21. At the end of September 2021, the Customer Base Value (CBV) was EUR 50.0m and thus 25% higher compared to the prior quarter-end closing (June 2021: EUR 40.0m) mainly due to growth of the member base.

FY 2021 guidance confirmed

CLIQ reconfirmed its FY 2021 outlook for gross revenue of ~ EUR 145m and EBITDA of ~ EUR 26m which looks reasonable to us. The company explained to have new content deals in the pipeline. **We therefore believe that CLIQ remains on a highly profitable growth path and confirm our Buy recommendation and EUR 75.00 TP.**

Key figures		2019	2020	2021e	2022e	2023e
Sales	EUR m	63	107	145	182	219
EBITDA	EUR m	6	16	26	34	42
EBIT	EUR m	5	15	25	33	41
EPS	EUR	0.36	1.16	2.45	3.15	3.81
Sales growth	%	8.5	69.4	35.8	25.0	20.5
EBIT growth	%	59.9	218.8	67.5	31.0	21.9
EPS growth	%	2.6	223.7	116.3	31.6	22.1
EBITDA margin	%	9.1	14.9	18.1	18.8	19.0
EBIT margin	%	7.6	14.2	17.5	18.4	18.6
Net margin	%	3.5	6.7	11.2	11.8	12.0
EV/Sales	ratio	2.53	1.40	0.94	0.67	0.47
EV/EBITDA	ratio	27.8	9.4	5.2	3.5	2.5
EV/EBIT	ratio	33.5	9.9	5.3	3.6	2.5
P/E	ratio	8.1	7.4	9.2	7.0	5.8
P/BV	ratio	0.4	1.0	2.2	1.8	1.5
Dividend yield	%	9.7	5.4	4.3	5.7	6.9

Source: Bloomberg, Company data, Quirin Privatbank estimates

Profit & loss statement

Profit & loss statement (EUR m)	2019	YOY	2020	YOY	2021e	YOY	2022e	YOY	2023e	YOY
Sales	63.1	8.5 %	107.0	69.4 %	145.2	35.8 %	181.5	25.0 %	218.8	20.5 %
Cost of sales	44.3		72.0		97.8		122.2		147.3	
Gross profit	18.8		34.9		47.4		59.3		71.5	
Personnel expenses	8.5		13.7		16.6		19.5		23.2	
Other operating income	0.0		0.0		0.0		0.0		0.0	
Other operating expenses	3.9		4.5		5.4		6.4		7.6	
EBITDA	5.8	49.1 %	15.9	177.3 %	26.3	64.6 %	34.2	30.2 %	41.5	21.4 %
EBITDA margin (%)	9.11		14.91		18.08		18.83		18.97	
EBIT	4.8	59.9 %	15.2	218.8 %	25.5	67.5 %	33.4	31.0 %	40.7	21.9 %
EBIT margin (%)	7.56		14.22		17.54		18.38		18.58	
Net interest	-0.9		-0.8		-1.0		-1.8		-2.5	
Income from Participations	n.a.		n.a.		n.a.		n.a.		n.a.	
Net financial result	-0.9		-0.8		-1.0		-1.8		-2.5	
Exceptional items	n.a.		n.a.		n.a.		n.a.		n.a.	
Pretax profit	3.9	15.0 %	14.4	272.3 %	24.5	70.5 %	31.5	28.6 %	38.2	21.1 %
Pretax margin (%)	6.12		13.45		16.88		17.37		17.45	
Taxes	0.0		4.0		6.8		8.7		10.6	
Tax rate (%)	-0.71		27.51		27.58		27.65		27.72	
Earnings after taxes	3.9		10.4		17.8		22.8		27.6	
Minorities	1.7		3.3		1.8		2.3		2.8	
Group attributable income	2.2	2.6 %	7.2	223.7 %	15.9	122.7 %	20.5	28.4 %	24.8	21.0 %
No. of shares (m)	6.2		6.2		6.5		6.5		6.5	
Earnings per share (EUR)	0.36	2.6 %	1.16	223.7 %	2.45	111.7 %	3.15	28.4 %	3.81	21.0 %

Source: Company data, Quirin Privatbank estimates

Balance sheet

Balance sheet (EUR m)	2019	YOY	2020	YOY	2021e	YOY	2022e	YOY	2023e	YOY
Assets										
Cash and cash equivalents	0.7		4.9		8.3		14.0		18.9	
Accounts receivables	8.2		9.1		15.3		21.2		30.5	
Inventories	5.6		7.2		12.8		15.9		19.2	
Other current assets	0.6		0.6		5.6		10.6		15.6	
Tax claims	0.1		0.0		0.0		0.0		0.0	
Total current assets	15.2	17.7 %	21.7	42.9 %	42.0	93.2 %	61.6	46.8 %	84.2	36.6 %
Fixed assets	0.7		2.2		2.2		2.4		2.4	
Goodwill	48.1		47.8		47.8		47.8		47.8	
Other intangible assets	0.7		0.8		0.8		0.8		0.8	
Financial assets	0.0		0.0		0.0		0.0		0.0	
Deferred taxes	3.1		4.1		4.1		4.1		4.1	
Other fixed assets	0.3		0.3		0.3		0.3		0.3	
Total fixed assets	52.9	0.2 %	55.2	4.4 %	55.2	-0.1 %	55.5	0.5 %	55.4	0.0 %
Total assets	68.1	3.6 %	77.0	13.0 %	97.2	26.3 %	117.1	20.5 %	139.7	19.3 %
Equity & Liabilities										
Subscribed capital	6.2		6.2		6.5		6.5		6.5	
Reserves & other	46.6		46.6		46.6		46.6		46.6	
Revenue reserves	-8.2		-2.8		6.7		19.0		33.9	
Accumulated other comprehensive	0.1		0.8		4.2		6.0		7.7	
Shareholder's equity	46.7	-2.3 %	55.6	19.2 %	68.9	23.8 %	83.0	20.5 %	99.6	20.0 %
Minorities	2.0		4.8		4.8		4.8		4.8	
Shareholder's equity incl. minorities	46.7	90.7 %	55.6	19.2 %	68.9	23.8 %	83.0	20.5 %	99.6	20.0 %
Long-term liabilities										
Pension provisions	0.0		0.0		0.0		0.0		0.0	
Financial liabilities	9.9		3.8		0.0		0.0		0.0	
Tax liabilities	1.2		1.7		2.4		2.9		3.5	
Other liabilities	1.5		3.0		4.0		5.0		6.0	
Total long-term debt	12.7	595.2 %	8.5	-33.5 %	6.4	-24.8 %	8.0	25.0 %	9.6	20.5 %
Short-term debt										
Other provisions	0.0		0.4		0.5		0.6		0.8	
Trade payables	2.0		2.0		2.7		3.4		4.1	
Financial debt	0.0		0.4		5.0		5.0		5.0	
Other liabilities	5.6		6.9		9.3		11.6		14.0	
Total short-term debt	8.7	-46.1 %	12.9	48.0 %	21.9	70.3 %	26.1	19.3 %	30.5	16.6 %
Total equity & liabilities	68.1	3.6 %	77.0	13.0 %	97.2	26.3 %	117.1	20.5 %	139.7	19.3 %

Source: Company data, Quirin Privatbank estimates

Financial key ratios

Key ratios	2019	2020	2021e	2022e	2023e
Per share data (EUR)					
EPS	0.36	1.16	2.45	3.15	3.81
Book value per share	7.5	9.0	10.6	12.8	15.3
Free cash flow per share	0.3	0.0	0.3	1.0	0.6
Dividend per share	0.28	0.46	0.98	1.26	1.52
Valuation ratios					
EV/Sales	2.96	1.65	1.20	0.93	0.75
EV/EBITDA	32.5	11.1	6.6	4.9	3.9
EV/EBIT	39.2	11.6	6.8	5.1	4.0
P/E	8.1	7.4	11.1	8.7	7.2
P/B	0.4	1.0	2.6	2.1	1.8
Dividend yield (%)	9.7	5.4	3.6	4.6	5.6
Growth					
Sales growth (%)	8.5	69.4	35.8	25.0	20.5
EBITDA growth (%)	49.1	177.3	64.6	30.2	21.4
EBIT growth (%)	59.9	218.8	67.5	31.0	21.9
EPS growth (%)	2.6	223.7	111.7	28.4	21.0
Profitability ratios					
EBITDA margin (%)	9.1	14.9	18.1	18.8	19.0
EBIT margin (%)	7.6	14.2	17.5	18.4	18.6
Net margin (%)	3.5	6.7	11.0	11.3	11.3
ROCE (%)	6.8	14.4	23.6	28.1	31.6
Financial ratios					
Total equity (EUR m)	46.7	55.6	68.9	83.0	99.6
Equity ratio (%)	68.6	72.3	70.9	70.9	71.3
Net financial debt (EUR m)	9.2	-0.7	-3.3	-9.0	-13.9
Net debt/Equity	0.7	0.7	0.7	0.7	0.7
Interest cover	5.3	18.5	32.8	26.6	31.7
Net debt/EBITDA	1.6	0.0	-0.1	-0.3	-0.3
Payout ratio (%)	78.4	39.8	40.0	40.0	40.0
Working Capital (EUR m)	6.5	8.9	20.1	35.5	53.8
Working capital/Sales	0.10	0.08	0.14	0.20	0.25

Source: Company data, Quirin Privatbank estimates

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BUY > +10%

HOLD <=-10% and < = +10%

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Price and Rating History (last 12 months)

Date	Price target-EUR	Rating	Initiation
03.11.2021	75.00	Buy	
28.09.2021	75.00	Buy	
11.05.2021	73.00	Buy	
22.03.2021	60.00	Buy	
10.02.2021	45.00	Buy	
04.11.2020	33.00	Buy	16.06.2020

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Competent supervisory authority

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