

9 November 2022

CLIQ Digital AG

Rating Buy
Share price (EUR) 23.15
Target price (EUR) 80.00

Bloomberg CLIQ GY
Sector TMT

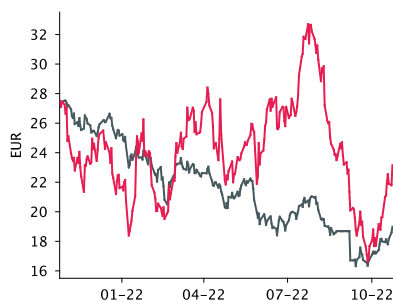
Share data

Shares out (m) 6.5
Daily volume shs (k) 20.0
Free float (%) 89.00
Market cap (EUR m) 147
EV (EUR m) 143
DPS (EUR) 1.10
Dividend yield (%) 4.3
Payout ratio (%) 40.0

Performance

ytd (%) -6.3
12 months (%) -15.8
12 months rel. (%) 24.9
Index Scale

Share price performance



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

Source: Bloomberg

Next triggers

31 January 2023: Prel. FY 2022 results
21 February 2023: FY 2022 Report

Analysts

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Strong Q3-22 figures, FY 2022 guidance conservative

CLIQ delivered another record quarter with a 91% yoy sales growth, above our expectations. We therefore increase our estimates and confirm our Buy recommendation and the EUR 80 TP. CLIQ's FY 2022 guidance should be easily fulfilled.

Net cash position & started sales activities in Latin America

CLIQ realized a 91% sales growth to EUR 76.5m in Q3-22. The strong growth reflects an increase in paid subscriptions for its multi-content streaming web portals, which grew by 127% to EUR 67.1m sales (Q3-21: EUR 29.5m). Sales growth in North America amounted to 121% yoy, while in Europe growth stood at 63% yoy. In the region "Other", CLIQ started sales in Latin America with new market entries.

A major source of growth is its marketing spend that grew from EUR 13.8m (Q3-21) to EUR 30.4m in Q3-22. The EBITDA grew by 68% yoy to EUR 12.4m (Q3-21: 7.4m) due to a growing number of subscribers (1.8m against 1.2m as of 30/09/2021). The EBITDA margin stood at 16% (Q3-21: 19%) and reflects higher expenditures in customer acquisition. Following a net profit of EUR 8.6m (Q3-22) after EUR 4.7m last year, the EPS grew by 89% to EUR 1.33 (Q3-21: EUR 0.70). In the 9M-22 period EPS came in at EUR 3.30 (9M-21: EUR 1.84) which means that P/E amounts to low 7.0x on a 9-months basis. The operating free cash flow climbed to EUR 8.3m, +77% yoy (Q3-21: EUR 4.7m). As a result, the net cash position amounted to EUR 2.1m, an improvement of EUR 7.9m compared to Q2-22.

CLIQ.de: CLIQ will launch CLIQ.de by the end of FY 2022. The testing phase of the beta version of CLIQ.de has been extended in order to have more time to conduct additional performance stress tests to secure high load across the multiple content verticals. The launch is scheduled for 15 December 2022.

Early reporting

The company confirmed its FY 2022 guidance (sales of at least EUR 250m, an EBITDA of more than EUR 38m, marketing spend above EUR 90m) which we regard as conservative: If one assumes in Q4 the same sales level as in Q3 (which is conservative as CLIQ always grows qoq) full year sales should reach EUR ~270m.

It is worth mentioning that CLIQ will present preliminary and unaudited FY 2022 on 31 January 2023 - probably the earliest time in Germany.

Key figures		2020	2021	2022e	2023e	2024e
Sales	EUR m	107	150	271	311	357
EBITDA	EUR m	16	27	42	48	56
EBIT	EUR m	15	26	40	47	54
EPS	EUR	1.16	2.74	4.27	4.95	5.75
Sales growth	%	69.4	40.2	80.6	14.7	14.9
EBIT growth	%	218.8	72.8	53.8	15.3	15.5
EPS growth	%	223.7	136.7	55.8	16.0	16.0
EBITDA margin	%	14.9	18.1	15.4	15.5	15.6
EBIT margin	%	14.2	17.5	14.9	15.0	15.1
Net margin	%	6.7	11.9	10.3	10.4	10.5
EV/Sales	ratio	1.36	0.96	0.53	0.46	0.39
EV/EBITDA	ratio	9.1	5.3	3.4	2.9	2.5
EV/EBIT	ratio	9.6	5.5	3.5	3.0	2.6
P/E	ratio	7.4	9.4	5.3	4.6	3.9
P/BV	ratio	1.0	2.8	1.8	1.4	1.2
Dividend yield	%	5.4	4.3	7.6	8.8	10.2

Source: Bloomberg, Company data, Quirin Privatbank estimates

Change of estimates

Change of estimates (in EURm)	2022e		Δ	2023e		Δ	2024e		Δ
	old	new		old	new		old	new	
Sales	252.3	270.8	7%	292.7	310.7	6%	339.0	357.0	5%
EBITDA	38.8	41.7	7%	45.2	48.2	7%	52.9	55.8	5%
EPS (EUR)	3.97	4.27	7%	4.56	4.95	9%	5.27	5.75	9%

Source: Quirin Privatbank

Profit & loss statement

Profit & loss statement (EUR m)	2020	YOY	2021	YOY	2022e	YOY	2023e	YOY	2024e	YOY
Sales	107.0	69.4 %	150.0	40.2 %	270.8	80.6 %	310.7	14.7 %	357.0	14.9 %
Cost of sales	72.0		98.8		178.3		204.6		235.1	
Gross profit	34.9		51.2		92.5		106.1		121.9	
Personell expenses	13.7		18.0		38.0		43.5		49.7	
Other operating income	0.0		0.0		0.0		0.0		0.0	
Other operating expenses	4.5		6.6		14.0		16.0		18.3	
EBITDA	15.9	177.3 %	27.2	70.5 %	41.7	53.3 %	48.2	15.7 %	55.8	15.7 %
EBITDA margin (%)	14.91		18.13		15.39		15.52		15.63	
EBIT	15.2	218.8 %	26.3	72.8 %	40.4	53.8 %	46.6	15.3 %	53.8	15.5 %
EBIT margin (%)	14.22		17.52		14.93		15.00		15.08	
Net interest	-0.8		-0.9		-1.0		-1.1		-1.0	
Income from Participations	n.a.		n.a.		n.a.		n.a.		n.a.	
Net financial result	-0.8		-0.9		-1.0		-1.1		-1.0	
Exceptional items	n.a.		n.a.		n.a.		n.a.		n.a.	
Pretax profit	14.4	272.3 %	25.3	76.2 %	39.4	55.5 %	45.5	15.6 %	52.8	15.9 %
Pretax margin (%)	13.45		16.90		14.55		14.66		14.79	
Taxes	4.0		7.1		11.0		12.6		14.5	
Tax rate (%)	27.51		28.04		27.89		27.59		27.54	
Earnings after taxes	10.4		18.2		28.4		33.0		38.3	
Minorities	3.3		0.4		0.6		0.7		0.9	
Group attributable income	7.2	223.7 %	17.8	148.9 %	27.8	55.8 %	32.2	16.0 %	37.4	16.0 %
No. of shares (m)	6.5		6.5		6.5		6.5		6.5	
Earnings per share (EUR)	1.16	223.7 %	2.74	136.7 %	4.27	55.8 %	4.95	16.0 %	5.75	16.0 %

Source: Company data, Quirin Privatbank estimates

Balance sheet

Balance sheet (EUR m)	2020	YOY	2021	YOY	2022e	YOY	2023e	YOY	2024e	YOY
Assets										
Cash and cash equivalents	4.9		7.3		11.5		15.5		17.8	
Accounts receivables	9.1		12.5		24.6		33.2		46.2	
Inventories	0.0		0.0		0.0		0.0		0.0	
Other current assets	7.7		17.1		31.8		41.8		51.8	
Tax claims	0.0		0.0		0.0		0.0		0.0	
Total current assets	21.7	42.9 %	36.9	69.7 %	67.9	84.1 %	90.5	33.3 %	115.8	27.9 %
Fixed assets	2.2		3.8		10.0		15.9		21.6	
Goodwill	47.8		48.2		48.2		48.2		48.2	
Other intangible assets	0.8		2.6		2.6		2.6		2.6	
Financial assets	0.0		1.5		1.5		1.5		1.5	
Deferred taxes	4.1		2.6		2.6		2.6		2.6	
Other fixed assets	0.3		0.8		0.8		0.8		0.8	
Total fixed assets	55.2	4.4 %	59.4	7.5 %	65.5	10.4 %	71.5	9.0 %	77.1	8.0 %
Total assets	77.0	13.0 %	96.3	25.1 %	133.4	38.6 %	162.0	21.4 %	192.9	19.1 %
Equity & Liabilities										
Subscribed capital	6.2		6.5		6.5		6.5		6.5	
Reserves & other	46.6		58.1		58.1		58.1		58.1	
Revenue reserves	-2.8		-5.5		11.1		30.5		52.9	
Accumulated other comprehensive	0.8		0.5		4.4		6.2		8.3	
Shareholder's equity	55.6	19.2 %	59.6	7.0 %	80.2	34.6 %	101.3	26.3 %	125.8	24.2 %
Minorities	4.8		0.0		0.0		0.0		0.0	
Shareholder's equity incl. minorities	55.6	19.2 %	59.6	7.0 %	80.2	34.6 %	101.3	26.3 %	125.8	24.2 %
Long-term liabilities										
Pension provisions	0.0		0.0		0.0		0.0		0.0	
Financial liabilities	3.8		0.0		7.7		5.7		4.7	
Tax liabilities	1.7		4.1		7.4		8.5		9.8	
Other liabilities	3.0		5.3		9.6		11.1		12.7	
Total long-term debt	8.5	-33.5 %	9.4	11.6 %	24.7	162.1 %	25.2	1.9 %	27.1	7.6 %
Short-term debt										
Other provisions	0.4		0.4		0.7		0.8		0.9	
Trade payables	2.0		7.9		7.3		6.4		7.3	
Financial debt	0.0		5.0		0.2		5.0		5.0	
Other liabilities	7.3		12.8		18.2		20.8		23.9	
Total short-term debt	12.9	48.0 %	27.3	112.1 %	28.5	4.6 %	35.4	24.3 %	40.0	12.8 %
Total equity & liabilities	77.0	13.0 %	96.3	25.1 %	133.4	38.6 %	162.0	21.4 %	192.9	19.1 %

Source: Company data, Quirin Privatbank estimates

Financial key ratios

Key ratios	2020	2021	2022e	2023e	2024e
Per share data (EUR)					
EPS	1.16	2.74	4.27	4.95	5.75
Book value per share	9.0	9.2	12.3	15.6	19.3
Free cash flow per share	2.6	2.7	0.6	0.9	1.0
Dividend per share	0.46	1.10	1.71	1.98	2.30
Valuation ratios					
EV/Sales	1.36	0.96	0.53	0.46	0.39
EV/EBITDA	9.1	5.3	3.4	2.9	2.5
EV/EBIT	9.6	5.5	3.5	3.0	2.6
P/E	7.4	9.4	5.3	4.6	3.9
P/B	1.0	2.8	1.8	1.4	1.2
Dividend yield (%)	5.4	4.3	7.6	8.8	10.2
Growth					
Sales growth (%)	69.4	40.2	80.6	14.7	14.9
EBITDA growth (%)	177.3	70.5	53.3	15.7	15.7
EBIT growth (%)	218.8	72.8	53.8	15.3	15.5
EPS growth (%)	223.7	136.7	55.8	16.0	16.0
Profitability ratios					
EBITDA margin (%)	14.9	18.1	15.4	15.5	15.6
EBIT margin (%)	14.2	17.5	14.9	15.0	15.1
Net margin (%)	6.7	11.9	10.3	10.4	10.5
ROCE (%)	14.5	24.8	31.2	31.5	29.3
Financial ratios					
Total equity (EUR m)	55.6	59.6	80.2	101.3	125.8
Equity ratio (%)	72.3	61.9	60.1	62.5	65.2
Net financial debt (EUR m)	-1.1	-2.3	-3.6	-4.9	-8.2
Net debt/Equity	0.7	0.6	0.6	0.6	0.7
Interest cover	18.5	27.9	39.5	43.6	52.1
Net debt/EBITDA	-0.1	-0.1	-0.1	-0.1	-0.1
Payout ratio (%)	39.8	40.2	40.0	40.0	40.0
Working Capital (EUR m)	8.9	9.6	39.4	55.1	75.8
Working capital/Sales	0.08	0.06	0.15	0.18	0.21

Source: Company data, Quirin Privatbank estimates

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Price and Rating History (last 12 months)

Date	Price target-EUR	Rating	Initiation
09.11.2022	80.00	Buy	
04.08.2022	80.00	Buy	
22.06.2022	80.00	Buy	
10.05.2022	75.00	Buy	
08.03.2022	75.00	Buy	16.06.2020

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Competent supervisory authority

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