

Strong growth acceleration in Q3 21

CLIQ Digital reported a strong set of Q3 2021 results, which show a strong acceleration of growth. Revenues increased by 35% yoy to EUR 40.0m, while EBITDA increased by 63% to EUR 7.4m or 19% of revenue. Overall, this was even slightly better than we had expected after the guidance increase in September. The guidance of EUR 145m in revenue as well as an EBITDA of c. 26m was confirmed, but it appears increasingly conservative. We thus see our positive view on CLIQ Digital confirmed.

Revenues up 35% yoy

Revenue increased by 35% yoy to EUR 40.0m, driven by strong growth in all regions but particularly Europe, where revenue increased by 39% yoy to EUR 16.4m. At first glance this seems relatively in line with the growth observed in H1 2021 as growth after 9m 2021 stood at 34% yoy. However, on a sequential basis this marks a strong acceleration of growth as revenue increased by 20% qoq, after it had hovered around EUR 30m to EUR 33m for four consecutive quarters.

Marketing expenses the main driver of growth

Marketing expenses were the main driver of growth in Q3 2021, with marketing expenses up 41% to EUR 13.8m. Good news is that this did not have any negative impact on the efficiency of the marketing expenses as the CLIQ factor amounted to 1.63x in Q3 2021, a slight improvement against H1 2021 when the CLIQ factor amounted to 1.55x.

Overproportionate EBITDA increase

EBITDA increased more than proportionately to EUR 7.4m or 19% of revenue. This shows the strong operating leverage the business can show, even if the marketing expense ratio increases as it did in Q3 2021.

Guidance appears to become increasing conservative – especially for the profitability

After the strong result in Q3 2021, the increased guidance is in our view already becoming somewhat conservative. To reach the guidance, CLIQ will need to reach revenue of EUR 42.8m in Q4 2021. While this marks another increase compared to Q3 2021 one needs to keep in mind that the higher marketing expenses in Q3 2021 will also have a boosting factor on Q4 2021. EBITDA on the other hand is needed to amount to EUR 6.6m in Q4 2021, which is EUR 0.8m less than in Q3 2021. This appears to be easily achievable. However, it seems likely that CLIQ will use the strong environment to push marketing expenses even more in Q4 than in Q3, which would ensure strong growth to continue also into the start of FY 2022.

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