

CLIQ Digital

Guidance raised with growth momentum

Upgraded guidance

Media

CLIQ Digital (CLIQ) raised its FY21 gross revenue and EBITDA guidance on Friday (17 September), following its strong H121 results and management's expectation for a dynamic market environment to at least the end of 2021. CLIQ now expects to generate gross revenue of c €145m (previously at least €140m) and EBITDA of c €26m (c €22m), representing year-on-year growth of 36% and 60%, respectively. This would lead to a margin of 17.9%, significantly ahead of our current FY21 forecast of 15.7% and CLIQ's reported FY20 margin of 15%. Improved EBITDA guidance also highlights its robust financial position, indicated by a net debt to EBITDA ratio of 0.1x for FY21e using our net debt forecast of €2.7m. Management has left all other guidance for FY21 unchanged, which include marketing spend of €46m and a CLIQ factor of 1.6x. We will adjust our forecasts after its Q3 results are released.

Year end	Revenue (€m)	PBT* (€m)	EPS* (€)	EV/EBIT (x)	P/E (x)	Yield (%)
12/19	63.1	3.9	0.4	31.6	64.4	N/A
12/20	107.0	14.4	1.2	9.9	19.9	2.0
12/21e	142.0	20.7	1.6	6.9	10.8	3.7
12/22e	172.7	28.3	2.2	5.1	7.5	5.3

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

As highlighted by our update on CLIQ's [H121 results](#), ytd growth has been primarily driven by management's strategy of direct media buying rather than affiliate marketing. Through direct media buying, management can focus its marketing spend on audiences, which should deliver greater profitability by cutting out fees paid to intermediaries. Following the strategy's successful pilot in its North American operations, CLIQ has been implementing the strategy in its European market in 2021. This was the key driver of its H121 results, where gross revenue and EBITDA rose by 34% y-o-y and 83% y-o-y respectively and EBITDA margin increased to 18.4%.

20 September 2021

Price €23

Market cap €150m

Net debt (€m) at 30 June 2021 1.6

Shares in issue 6.5m

Free float 83%

Code CLIQ

Primary exchange XETRA

Secondary exchange FRA

Share price performance



Business description

CLIQ Digital is a leading direct marketing and sales organisation for digital products, with its own global payments and distribution platform. It works in 34 countries. In 2020 45% of sales were generated in Europe, 48% in North America, 7% in other regions.

Analysts

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