

CLIQ

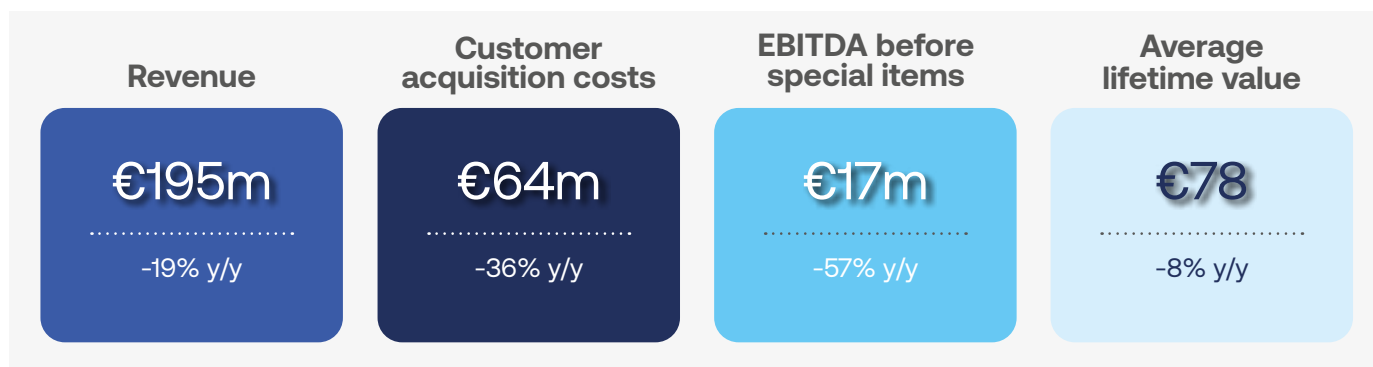
DIGITAL

3Q/9M 2024 Financial report

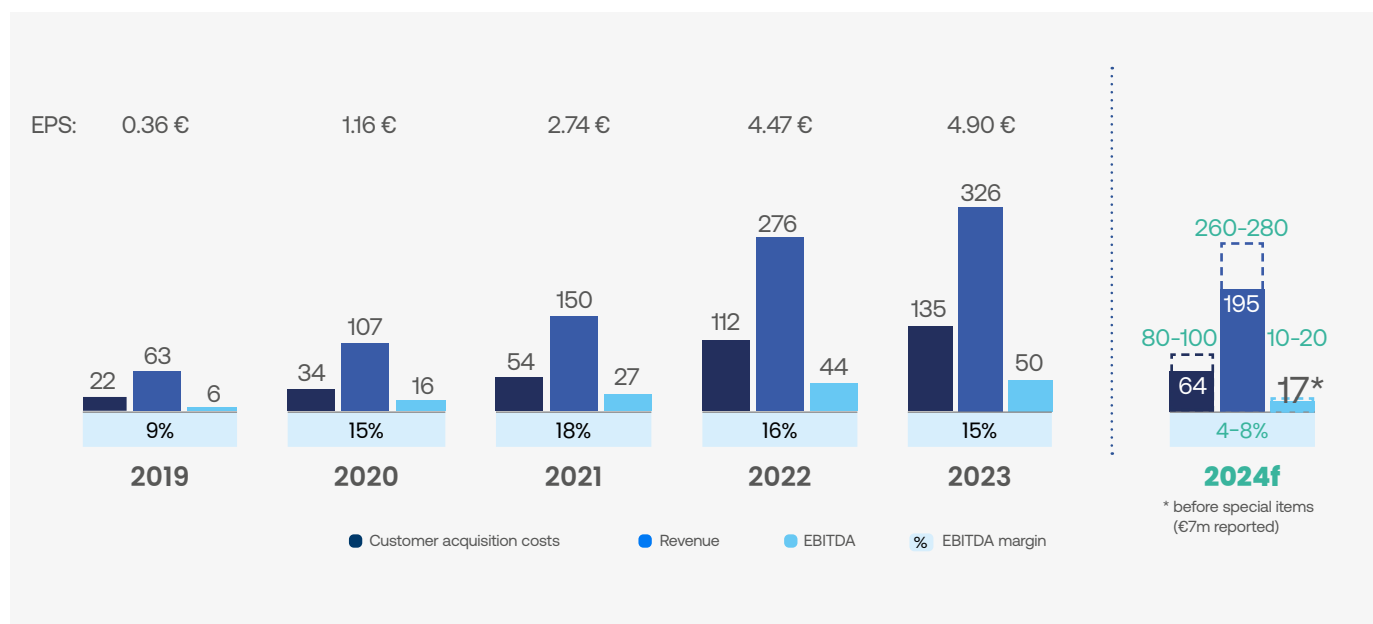
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● Highlights

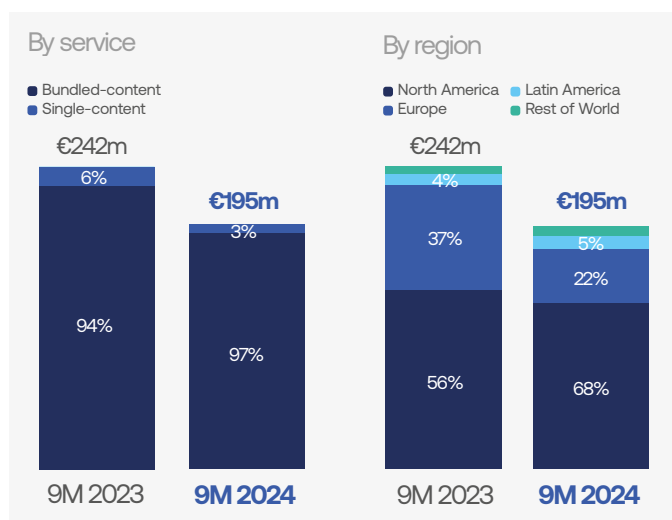
9M 2024 key financials



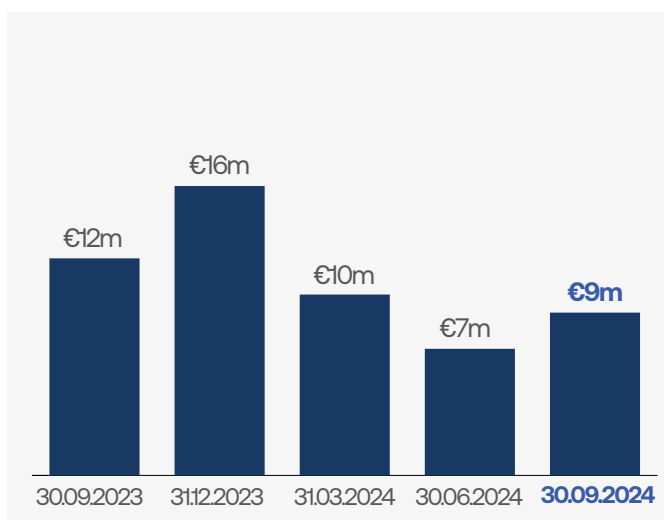
Business development (in millions of €)



Revenue breakdown (in % of total)



Cash position



Key figures

in millions of €

Sales & earnings	9M 2024	9M 2023	3Q 2024	2Q 2024
Revenue	195.1	242.2	53.9	68.2
Customer acquisition costs for the period	-79.6	-91.6	-20.6	-27.7
EBITDA*	16.6	38.5	5.7	5.6
EBITDA margin*	9%	16%	11%	8%
EBIT*	12.5	35.6	4.2	4.3
EBIT margin*	6%	15%	8%	6%
Profit for the period*	8.2	24.9	2.7	2.8
Basic earnings per share* (in €)	1.36	3.82	0.45	0.45
Diluted earnings per share* (in €)	1.36	3.80	0.45	0.45
Cash flow	9M 2024	9M 2023	3Q 2024	2Q 2024
Cash flow from operating activities	3.4	23.9	3.8	0.8
Cash flow from investing activities	-4.2	-9.1	-0.8	-1.1
Operating free cash flow	-0.9	14.7	3.1	-0.2
Cash flow from financing activities	-6.1	-12.7	-1.5	-3.1
Total cash flow	-6.9	2.0	1.5	-3.3
KPIs			30.09.2024	30.06.2024
Unique paying customers (in millions)			0.7	1.0
Lifetime Value of Customer Base			97	128
	9M 2024	9M 2023	3Q 2024	2Q 2024
Exp. avg. lifetime value of a customer (in €)	78	85	72	78
Total customer acquisition costs	63,7	100	9,9	24,5
Balance sheet			30.09.2024	31.12.2023
Total assets			130.9	154.7
Equity			100.4	103.1
Equity ratio			77%	67%
Net financial debt (-) / net cash (+)			8.7	15.7
Human resources			30.09.2024	31.12.2023
Full-time employees			122	147
Part-time employees			22	23
Total employees			144	170
Shares			30.09.2024	31.12.2023
Share price (in €)			6.73	19.88
Numbers of shares issued			6,508,714	6,508,714
Numbers of shares outstanding			5,997,469	6,504,714
Market capitalisation			40.4	129.3

* before special items for the periods in 2024



Management Statement

“Our action plans and countermeasures are showing good and gradual progress.

Financially, the Group’s strongly improved operating free cash flow, its total liquidity and the EBITDA margin expansion are testament to our focus on profitability and cash generation.

Operationally, we are very pleased to have launched new and exciting digital products, further accelerated the diversification of our sales channels and made greater inroads in streamlining and restructuring our company with our Fit For Future transformation programme.

We are now in a better state to get back to our growth path going forward.”

Business development

Group-wide transformation programme

In 2024, the CLIQ Digital Group (hereafter referred to as “CLIQ” or “Group”) initiated a comprehensive transformation programme (“Fit For Future”) to improve both its cost efficiencies and productivity gains. The main objective of the programme is to fundamentally transform the Group to become more focused, streamlined, and goal-driven. The full transformation programme is expected to be completed during the first quarter 2025.

The “Fit For Future” programme was set up to deliver significant, recurrent annual cost savings Group-wide. In the first nine months 2024, the cost-savings comprised measures to counter adverse market conditions and right-size the Group’s operations and administration. Notable examples include a full-scale strategic review of the Group’s human resources, its external service provider support and its general administrative as well as operating expenses.

Productivity gains were – and are to be further – generated by fully focussing on operational improvements required across the Group. The Group is focusing on accelerating the diversification of its sales channels (the “Magnificent Seven”) and establishing solid frameworks to facilitate stronger global earnings, including the testing and launch of new digital products and monetisation models.

Revenue

In the **third quarter** 2024 (01/07 – 30/09/2024), the Group generated €53.9 million in revenue (2Q 2024: €68.2 million). Year-on-year as well as quarter-on-quarter, revenue declined by 35% and 21% respectively. The main reason for this decline was the rigorous lowering of the cost per acquisition (CPA), which Management effected for the first time in the second quarter 2024 in order to strengthen the Group’s focus on profitability and cash generation. Hence, the CPA was reduced purposefully to be in line with a lower expected average lifetime value (LTV) of the Group’s customer base. Subsequently, this CPA reduction led to less new customer acquisitions. The LTV decreased to €72 because of higher churn rates caused by new customer care tools in place at the card scheme companies, which resulted in shorter average customer loyalty durations.

In 3Q 2024, bundled-content streaming services constituted 97% of total Group revenue (2Q 2024: 97%) and the regions North America and Europe constituted 71% and 21% of total revenue respectively. Sales in Latin America decreased to €2.8 million in the third quarter 2024 due to the austerity measures imposed also in this region.

in millions of €	9M 2024	9M 2023	3Q 2024	2Q 2024
Revenue	195.1	242.2	53.9	68.2
of which generated by:				
Bundled-content streaming services	188.5	227.0	52.2	66.0
Single-content streaming services	6.6	15.2	1.8	2.2
Regional split:				
North America	133.4	142.6	38.2	46.7
Europe	43.3	84.1	11.5	14.2
Latin America	10.2	9.3	2.8	3.9
ROW	8.2	6.2	1.4	3.4

In the **first nine months** of 2024, CLIQ's revenue declined year-on-year by 19% to €195.1 million (9M 2023: €242.2 million). Revenue from bundled-content streaming services amounted to €188.5 million, which was a year-on-year decrease of 17%. The share of North American and European revenue was 68% and 22% respectively (9M 2023: 59% and 35% respectively).

Customer acquisition costs

The customer acquisition costs for the period consist of the total customer acquisition costs, capitalised customer acquisition costs (contract costs) and amortised contract costs related to the revenue recognised in the period.

in millions of €	9M 2024	9M 2023	Y/Y Δ	3Q 2024	2Q 2024	Q/Q Δ
Total customer acquisition costs	-63.7	-100.0	-36%	-9.9	-24.5	-60%
Capitalised customer acquisition costs (contract costs)	63.4	98.0		9.9	24.4	
Amortised contract costs	-79.3	-89.6		-20.6	-27.6	
Customer acquisition costs for the period	-79.6	-91.6	-13%	-20.6	-27.7	-26%
in % of revenue	41%	38%		38%	41%	

CLIQ's total customer acquisition costs in the **third quarter** 2024 decreased by 60% to €9.9 million (2Q 2024: €24.5 million). The customer acquisition costs for the period in 3Q 2024 amounted to €20.6 million (2Q 2024: €27.7 million), which as a percentage of revenue improved to 38% (2Q 2024: 41%). The lower customer acquisition costs for the period are attributable to the Group's decision to focus on profitability and subsequently to lower the target Cost Per Acquisition (CPA), which also resulted in lower sales.

In the **first nine months** of 2024, the Group's total customer acquisition costs decreased by 36% to €63.7 million (9M 2023: €100.0 million) and the customer acquisition costs for the period amounted to €79.6 million (9M 2023: €91.6 million).

EBITDA

To provide a clear and accurate representation of the core performance, the EBITDA has been normalised for special items. These special items predominately comprise costs linked to the Group-wide transformation programme ("Fit For Future"), including corporate restructuring and tax optimisations. They also include temporary consultancy and contractor costs to execute the "Fit For Future" transformation programme as well as staff and other operational expenses. These temporary costs will be reduced after the completion of the transformation programme, which is expected to be in the first quarter 2025. These normalisations ensure that the EBITDA before special items accurately reflects the Group's ongoing operational performance and growth potential.

In the **third quarter** of 2024, the Group's EBITDA before special items increased quarter-on-quarter by 2% to €5.7 million (2Q 2024: €5.6 million), which resulted in an EBITDA margin of 10.5% (2Q 2024: 8.2%). The quarter-on-quarter decrease in the Other Cost of Sales was in line with the revenue development. Reported EBITDA in the third quarter was €2.6 million (2Q 2024: €3.0 million) and 11% lower than in the second quarter. Included therein are €3.0 million special items relating to costs incurred mostly from the Group's transformation programme (2Q 2024: €2.6 million).

In the **first nine months** of 2024, the Group's EBITDA before special items decreased by 57% to €16.6 million (9M 2023: €38.5 million) and the EBITDA margin was 8.5% (9M 2023: 15.9%). Reported EBITDA amounted to €7.5 million and included therein are €9.1 million special items relating to the Group's transformation programme.

Profit for the period & Earnings per share

Before special items, profit in the **third quarter** 2024 was broadly stable quarter-on-quarter and totalled €2.7 million (2Q 2024: €2.8 million). Basic EPS before special items for the third quarter was €0.45 (cf. €0.45 in 2Q 2024). Reported profit for the period was €0.4 million (2Q 2024: €0.8 million) with €0.07 basic EPS (2Q 2024: €0.14).

Profit before special items in the **first nine months** amounted to €8.2 million and was 67% lower than prior year (9M 2023: €24.9 million). Basic EPS before special items for the first nine months was €1.36 in comparison to €3.82 in 9M 2023. Reported profit for the period was €1.4 million with €0.23 basic EPS.

Share buyback programme

On 20 February 2024, CLIQ announced that its Management and Supervisory Board had authorised a capital return programme by means of a share buyback of up to 646,871 of the company's shares that will be completed within twelve months.

In the period from 28 February 2024 to 30 September 2024, the company repurchased 507,245 shares under its share buyback programme at an average share price of €9.40, which equalled 78.4% of the maximum buyback volume and 7.8% of the total share capital issued. Per 30 September 2024, the total shares outstanding amounted to 5,997,469 (6,508,714 shares issued less 511,245 treasury shares).

For further information on the share buyback programme, please refer to the section "[Share Buyback Programme 2024](#)".

Operational indicators

Per 30 September 2024, the total number of unique paying customers for bundled and single-content streaming services amounted to 0.7 million (30/06/2024: 1.0 million). The quarter-on-quarter decrease resulted from the Group's stronger focus on profitability than on sales growth.

The expected average lifetime value of a customer (LTV) for bundled and single-content services was down 8% quarter-on-quarter to €72 in 3Q 2024 (2Q 2024: €78). In 9M 2024, the corresponding value was €78 (9M 2023: €85).

As at 30/09/2024, the Group's lifetime value of customer base (LTVCB) was €97 million (30/06/2024: €128 million). The LTVCB is calculated by multiplying the number of customers by their individual remaining lifetime value and represents the total revenue that is expected to be generated by existing customers.

Cash flow

in millions of €	9M 2024	9M 2023	3Q 2024	2Q 2024
EBITDA before special items	16.6	38.5	5.7	5.6
Special items	-9.1	-	-3.0	-2.6
Δ Contract costs	15.9	-8.4	10.7	3.2
Δ Other working capital	-14.3	-4.7	-2.1	-6.3
Taxes, financial result & others	-5.7	-1.6	-7.5	1.0
Cash flow from operating activities	3.4	23.9	3.9	0.8
Cash flow from investing activities	-4.2	-9.1	-0.8	-1.1
Operating free cash flow	-0.9	14.8	3.1	-0.2
Share buyback	-4.8	-	-1.2	-2.4
Dividend payment	-0.3	-11.6	-	-0.3
Other cash flow from financing activities	-1.1	-1.1	-0.4	-0.4
Cash flow from financing activities	-6.1	-12.7	-1.5	-3.1
Cash flow for the period	-6.9	2.1	1.5	-3.4

In the **third quarter** 2024, the Group's operating free cash flow was €3.1 million (2Q 2024: -€0.2 million). The operating free cash flow is defined as the sum of net cash generated by operating and investing activities, i.e. before cash flow from financing activities.

The cash inflow from operating activities during the third quarter of 2024 amounted to €3.9 million (cf. €0.8 million in 2Q 2024). This sequential increase in cash flow from operating activities was mainly due to lower total customer acquisition costs and higher receivables collected in the period. The third quarter 2024 cash outflow from investing activities was €0.8 million (2Q 2024: €1.1 million) and largely related to payments for licensed content as well as for investments in platform and technical developments. The cash flow from financing activities during the third quarter 2024 was an outflow of €1.5 million (2Q 2024: €3.1 million outflow) and included €1.2 million cash outflow for the share buyback programme (2Q 2024: €2.4 million).

The Group's business development in the **first nine months** of the year resulted in an operating free cash flow of -€0.9 million (9M 2023: €14.8 million inflow).

In the first nine months 2024, the cash outflow from investing activities decreased to €4.2 million (9M 2023: €9.1 million) due to less payments for licensed content as well as for investments relating to platform and technical developments compared with the prior year. The cash outflow from financing activities during the first nine months 2024 was €6.1 million (9M 2023: €12.7 million) and included €4.8 million cash outflow for the share buyback programme and €0.3 million dividend distribution.

Cash position

As at 30 September 2024, the Group's total liquidity was:

in millions of €	30.09.2024	31.12.2023	Δ
Cash & cash equivalents	8.7	15.7	
Bank borrowings	-	-	
Net cash position	8.7	15.7	-45%
Undrawn credit facility	15.0	15.0	
Total liquidity	23.7	30.7	-23%

After netting cash and cash equivalents with bank borrowings per 30 September 2024, the net cash position was €8.7 million compared with a net cash position of €15.7 million as at the year-end closing 2023.

Opportunities and risks

The risks and opportunities as described in chapter 5 of the Group Management Report in the Annual Report 2023 are still applicable. The Annual Report 2023 is available on the Group's website at <https://cliqdigital.com/investors/financials>.

Taking into account the respective probability of occurrence and the potential impact of the risks described in the Annual Report 2023, no risks were identified that could threaten CLIQ Digital AG as a going concern.

Outlook

Based on stable exchange rates, no adjustments to the Group's portfolio, the Management Board expects organic Group sales in the full year 2024 to be between €260 and €280 million, total customer acquisition costs of between €80 and €100 million, and EBITDA is forecast to range between €10 and €20 million.

Furthermore, revenue of around €325 million is estimated to be achieved in the full year 2025. The mid-term Group sales target is to achieve a run rate during the fourth quarter of 2026, which realises an annual revenue of more than €400 million going forward.

Unaudited condensed consolidated statement of profit and loss for the nine months ended 30 September

in '000 €	Note	9M 2024	9M 2023
Revenue	5	195,142	242,234
Cost of sales	6	-159,755	-178,473
Gross profit		35,387	63,761
Personnel expenses	7	-20,403	-18,576
Other operating expenses		-7,456	-6,553
Impairment losses and gains on trade receivables and contract costs		-57	-92
Total operating expenses		-27,915	-25,221
EBITDA		7,472	38,540
Depreciation, amortisation and impairment charges applied to intangible, tangible and other current assets	8	-4,128	-2,979
EBIT		3,344	35,561
Financial income and financial expenses	9	-219	-808
Profit before tax		3,125	34,753
Income taxes	10	-1,719	-9,886
Profit for the period		1,406	24,868
Attributable to:			
Owners of the company		1,406	24,869
Non-controlling interest		-	-1
Profit for the period		1,406	24,868
Earnings per share			
Basic earnings per share (in €)		0,23	3,82
Diluted earnings per share (in €)		0,23	3,80

Unaudited condensed consolidated statement of profit and loss and other comprehensive income for the nine months ended 30 September

in '000 €	9M 2024	9M 2023
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	-	65
Total other comprehensive income for the period	-	65
Profit for the period	1,406	24,868
Total comprehensive income for the period	1,406	24,932
Attributable to:		
Shareholders of the company	1,406	24,933
Non-controlling interest	-	-1
Total comprehensive income for the period	1,406	24,932

Unaudited condensed consolidated statement of the financial position

in '000 €	Note	30.09.2024	31.12.2023
Assets			
Non-current assets			
Goodwill	11	47,515	47,515
Other intangible assets	12	10,410	12,134
Property, operating and office equipment	13	3,249	3,979
Contract costs		2,263	2,581
Other non-current assets	14	2,103	1,971
Deferred tax assets		1,313	1,683
Total non-current assets		66,854	69,864
Current assets			
Trade receivables		22,291	20,546
Contract costs		31,071	46,616
Other assets		2,039	1,915
Cash and cash equivalents		8,675	15,737
Total current assets		64,076	84,812
Total assets		130,930	154,677

in '000 €	Note	30.09.2024	31.12.2023
Equity and liabilities			
Equity			
Issued capital		6,002	6,509
Share premium		53,794	58,053
Retained earnings		37,717	36,569
Other reserves		2,960	2,046
Equity attributable to the shareholders		100,473	103,177
Non-controlling interest		-93	-93
Total equity		100,380	103,084
Liabilities			
Non-current liabilities			
Deferred tax liabilities		10,224	14,309
Other financial liabilities	15	2,232	2,969
Other liabilities		35	423
Total non-current liabilities		12,491	17,700
Current liabilities			
Other financial liabilities	15	1,573	1,410
Provisions		375	375
Trade payables		1,843	13,086
Income tax liabilities		2,701	6,886
Other liabilities		11,568	12,136
Total current liabilities		18,059	33,892
Total liabilities		30,550	51,593
Total equity and liabilities		130,930	154,677

Unaudited condensed consolidated statement of changes in equity for the nine months ended 30 September

in '000 €	Issued capital	Share premium	Retained earnings	Other reserves	Equity attributable to the shareholders	Non-controlling interest	Total equity
Balance as of 31 December 2023	6,509	58,053	36,569	2,046	103,177	-93	103,084
Net profit / loss for the period	-	-	1,406	-	1,406	-	1,406
Other comprehensive income	-	-	-	-111	-111	-	-111
Dividend distributions	-	-	-258	-	-258	-	-258
Equity-settled share-based payments	-	-	-	1,025	1,025	-	1,025
Own shares acquired	-507	-4,259	-	-	-4,766	-	-4,766
Balance as of 30 September 2024	6,002	53,794	37,717	2,960	100,473	-93	100,380

Unaudited consolidated cash flow statement for the nine months ended 30 September

in '000 €	Note	9M 2024	9M 2023
Cash flow from operating activities			
Profit before tax		3,125	34,753
Net (gain)/loss arising on financial liabilities designated as at fair value through profit and loss	9	-8	-1
Financial income and expenses recognised in profit or loss	9	227	809
Equity-settled share based payment transactions		1,025	408
Depreciation and amortisation of non-current assets	12, 13	7,019	5,652
		11,387	41,622
Changes in working capital			
(Increase)/decrease in contract costs		15,863	-8,418
(Increase)/decrease in trade receivables and other current assets		-2,039	-9,138
Increase/(decrease) in current liabilities		-12,247	4,441
		12,965	28,506
Cash generated from operations			
Income taxes (paid)/received		-9,617	-4,395
Interest (paid)/received		35	-217
		3,382	23,894
Net cash generated from operating activities			
Cash flow from investing activities			
Payments for property, plant and equipment	13	-27	-99
Payments for intangible fixed assets	12	-4,217	-8,051
Sales/ (Acquisition) of other investments		-	-199
Net cash (outflow)/inflow on acquisition of subsidiaries		-	-800
		-4,244	-9,149

in '000 €	Note	9M 2024	9M 2023
Cash flow from financing activities			
Transaction costs related to loans and borrowings		7	-
Lease instalments paid		-1,070	-1,072
Acquisition of non-controlling interest		-	1
Dividends paid		-258	-11,643
Share buyback		-4,766	-
Net cash used in financing activities		-6,085	-12,712
Total cash flow		-6,948	2,031
Cash and cash equivalents at the beginning of the year			
		15,737	9,900
Total cash flow		-6,947	2,031
Effects of exchange rate changes on the balance of cash held in foreign currencies		-112	-63
Cash and cash equivalents at the end of the year		8,679	11,868
Cash and bank balances		8,679	11,868
Bank borrowing overdraft facility		-	-
Cash and cash equivalents in cash flow statement		8,679	11,868

1 Corporate information

The CLIQ Digital Group is a leading online performance marketing company selling subscription-based streaming services that bundle movies & series, music, audiobooks, sports and games to consumers worldwide. The Group licenses streaming content from partners, bundles it and sells the content through its numerous streaming services. Over the years, CLIQ Digital has become a specialist in online advertising and creating streaming services that are advertised towards specific consumer groups. CLIQ Digital operates in over 40 countries and employed 144 staff from 37 different nationalities as at 30 September 2024. The company is headquartered in Düsseldorf and has offices in Amsterdam, Paris and Toronto.

CLIQ Digital is listed in the Open Market segment Scale of the Frankfurt Stock Exchange (ISIN: DE000A35JS40, GSIN/WKN: A35JS4) and is a constituent of the MSCI World Micro Cap Index. Pursuant to Section 2 (5) of the German Securities Trading Act (WpHG), the Open Market does not constitute an organised or regulated market. The basis for the inclusion of securities in the Open Market are the guidelines for the Regulated Unofficial Market of Deutsche Börse AG. As a result, CLIQ Digital AG is not a capital market-orientated company pursuant to Section 264d of the German Commercial Code (HGB) and is also not obligated pursuant to Section 315e of the German Commercial Code (HGB) to prepare consolidated financial statements on the basis of the International Financial Reporting Standards (IFRS) as applicable in the EU. CLIQ Digital AG is obligated to prepare consolidated financial statements in accordance with German accounting standards. However, an exemption is possible if the company prepares consolidated financial statements according to IFRS.

The period for the Group's condensed consolidated interim financial statement starts on 1 January and ends on 30 September of each calendar year. These condensed consolidated interim financial statements are prepared in euros, which is the functional and reporting currency of CLIQ Digital Group. Reporting is in thousands of euros (in '000 €) unless otherwise stated.

2 Basis of preparation and changes to the Group's accounting policies

The condensed consolidated interim financial statements for the nine months ended 30 September 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2023 ('last annual financial statements'). The statements do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements. The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's last annual financial statements.

3 Scope of consolidation

Set out below is a list of subsidiaries of CLIQ Digital Group which are included in the condensed consolidated interim financial statements as per the reporting period and showing the proportion of ownership interest and voting power held by the Group.

Name of subsidiary	Place of incorporation	30 Sep 2024	31 Dec 2023
Principal companies			
Netherlands			
Cliq B.V.	Amsterdam, The Netherlands	100%	100%
CMind B.V.	Amsterdam, The Netherlands	100%	100%
CPay B.V.	Amsterdam, The Netherlands	100%	100%
iDNA B.V.	Amsterdam, The Netherlands	100%	100%
Germany			
Cliq GmbH	Düsseldorf, Germany	100%	100%
France			
Tornika S.A.S.	Paris, France	100%	100%
Other companies			
ADGOMO Limited	Witney, United Kingdom	100%	100%
C Formats GmbH	Düsseldorf, Germany	100%	100%
Claus Mobi GmbH (merged into Rheinkraft Productions GmbH per January 1, 2024)	Düsseldorf, Germany	100%	100%
Cliq Games B.V.	Amsterdam, The Netherlands	60%	60%
Cructiq AG	Baar, Switzerland	100%	100%
Luboka Media Limited	Witney, United Kingdom	100%	100%
Memtiq B.V.	Amsterdam, The Netherlands	100%	100%
Red27 Mobile Limited	Witney, United Kingdom	100%	100%
Rheinkraft Production GmbH	Düsseldorf, Germany	100%	100%
The Mobile Generation Americas Inc.	Toronto, Canada	100%	100%
Tornika Media B.V.	Amsterdam, The Netherlands	100%	100%
Universal Mobile Enterprises Limited	Witney, United Kingdom	100%	100%
Zimiq GmbH	Düsseldorf, Germany	100%	100%
Holding, inactive and closed companies			
Cliq Holding B.V. (formerly Cliq UK Holding B.V.)	Amsterdam, The Netherlands	100%	100%
CLIQStream B.V.	Amsterdam, The Netherlands	100%	0%
Moonlight Mobile Limited	Witney, United Kingdom	100%	100%
Bob Mobile Hellas S.A.	Attiki, Greece	100%	100%
Booster Media Limited	Witney, United Kingdom	100%	0%
Bunkr Technologies S.A.S.	Vincennes, France	80%	80%
Netacy Inc. (Liquidated as per 4 January, 2024)	Dover, USA	0%	100%

4 Use of judgements and estimates

In the application of the Group's accounting policies, which are described in Note 2, the Management Board members of the company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant to the balance sheet date. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

5 Revenue

The Group derives revenue from services at a point in time for the following services:

in '000 €	9M 2024	9M 2023
Digital entertainment services	194,858	242,228
Digital marketing services	284	-
Other income (digital entertainment services-related)	-	6
Total	195,142	242,234

In the following table revenue from contracts with customers is disaggregated by geographical market:

in '000 €	9M 2024	9M 2023
Europe	43,339	84,120
North America	133,379	142,610
Latin America	10,213	9,318
ROW	8,209	6,187
Total	195,142	242,234

6 Cost of sales

The cost of sales are composed as follows:

in '000 €	9M 2024	9M 2023
Total customer acquisition costs	63,701	100,012
Capitalised customer acquisition costs (contract costs)	-63,404	-97,984
Amortised contract costs	79,258	89,565
Customer acquisition costs for the period	79,556	91,594
Third-party costs	25,144	39,345
Other cost of sales	55,055	47,534
Total	159,755	178,473

7 Personnel expenses

The personnel expenses are composed as follows:

in '000 €	9M 2024	9M 2023
Wages and salaries	15,737	15,041
Pension contributions	12	35
Social security contributions	2,101	1,637
Share-based payment arrangements	135	229
Hired staff and related costs	4,214	6,204
Capitalised personnel expenses	-2,146	-5,141
Other	351	571
Total	20,403	18,576

7.1 Employees

The average number of employees during the reporting period was as follows:

	9M 2024	9M 2023
Employees (average full-time equivalent)	154.7	168.6
Full-time employees (average headcount)	122.0	147.0
Part-time employees (average headcount)	21.7	26.5
Employees (average headcount)	143.7	173.5

8 Depreciation, amortisation and impairment expenses

in '000 €	9M 2024	9M 2023
Other intangible assets	3,050	1,872
Right of use assets	770	773
Plant, operating and office equipment	309	334
Total	4,128	2,979

9 Financial income and financial expenses

in '000 €	9M 2024	9M 2023
Financial income		
Interest income	205	61
Fair value movements on financial liabilities designated as FVTPL	8	1
Total financial income	213	61
Financial expenses		
Interest on bank overdrafts and loans	-56	-98
Amortisation capitalised finance expenses	-30	-73
Interest expense on lease liabilities	-92	-144
Foreign currency exchange results	-140	-325
Bank costs	-59	-154
Other financial expenses	-55	-76
Total financial expense	-433	-869
Total financial income and financial expenses	-219	-808

10 Corporate income tax

Income tax expense is recognised at an amount determined by multiplying the profit (loss) before tax for the reporting period by Management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the period. To allocate profit and losses and determine in which countries it should be taxed, the Group applies a transfer pricing policy which is reviewed and when necessary revised on an annual basis. The income taxes recognised in the interim financial statements are based on the same transfer pricing policy as in the last annual financial statements. As such, the effective tax rate in the interim financial statements may differ from Management's estimate of the effective tax rate for the annual financial statements.

All deferred taxes on temporary differences were calculated, as in the previous year, on the basis of a combined 31.2% tax rate for Germany, 25.8% tax rate for The Netherlands and the applicable tax rate for other foreign jurisdictions.

10.1 Reconciliation of the effective tax rate

in '000 €	DE	NL	Other	9M 2024
Profit before tax	-2,678	5,212	591	3,125
Nominal tax rate	31.2%	25.8%	25.3%	31.2%
Income tax calculated at nominal rate	836	-1,345	-147	-976
Effects of different tax rates of subsidiaries operating in other jurisdictions				320
Expenses for share option plans which are not tax deductible	-360	-	-	-360
Participation exemption	-328	-	-	-328
Recognition of previously unrecognized/(derecognition of previously recognised) tax losses	-368	-	-	-368
Tax results from previous years	1	-	-	1
Fair value movements related to contingent considerations arrangements from acquisitions	-	-	-	-
Other	-	-	-7	-7
Income tax expense in profit or loss account (effective)	-219	-1,345	-156	-1,719
Effective tax rate	-8.2%	25.8%	26.3%	55.0%

11 Goodwill

11.1 Reconciliation of carrying amount of goodwill

in '000 €	30.09.2024	31.12.2023
Cost	47,621	47,621
Accumulated impairment losses	-106	-106
Carrying amount goodwill	47,515	47,515

in '000 €	30.09.2024	31.12.2023
Cost		
Opening balance	47,621	47,621
Acquisition through business combination	-	-
Disposals	-	-
Effect of foreign currency exchange differences	-	-
Closing balance	47,621	47,621
Accumulated impairment losses		
Opening balance	-106	-106
Impairment	-	-
Effect of foreign currency exchange differences	-	-
Closing balance	-106	-106
Closing balance	47,515	47,515

12 Other intangible assets

The other intangible assets consist of the following assets as at 30 September 2024:

in '000 €	Licenses and trademarks	Internally generated intangible assets	Total
Cost			
31 December 2023	5,339	12,594	17,932
Additions	2,070	2,146	4,216
Disposals	-3,183	-189	-3,372
30 September 2024	4,225	14,549	18,774
Accumulated depreciation and impairment losses			
31 December 2023	2,162	145	2,306
Amortisation in the financial year	2,891	3,050	5,940
Disposals	-3,183	-189	-3,372
30 September 2024	2,400	5,968	8,368
Carrying amount 31 December 2023	2,646	9,488	12,134
Carrying amount 30 September 2024	1,826	8,582	10,410

13 Plant, operating and office equipment

The property, plant and equipment consist of the following assets as at 30 September 2024:

in '000 €	Plant, opera- ting and office equipment	Right of use assets	Total
Cost			
31 December 2023	1,793	4,914	6,707
Additions	27	319	346
Disposals	-14	-	-14
30 September 2024	1,805	5,233	7,038
Amortisation and impairment losses			
31 December 2023	884	1,844	2,728
Amortisation in the financial year	306	770	1,076
Disposals	-14	-	-14
30 September 2024	1,175	2,614	3,788
Carrying amount 31 December 2023	909	3,070	3,979
Carrying amount 30 September 2024	630	2,619	3,249

13.1 Right of use assets

The right of use asset relates to the rental agreements signed by the Group. The right of use asset is depreciated using the straight-line method and based on the contractual term of the rental agreement.

14 Other non-current assets

in '000 €	30.09.2024	31.12.2023
Foreign currency forwards	131	-
Blacknut S.A.S	1,572	1,572
Dreamspark S.A.S	400	400
Total	2,103	1,971

15 Other financial liabilities

in '000 €	30.09.2024	31.12.2023
Non-current liabilities		
Lease liabilities	2,232	2,969
Total non-current liabilities	2,232	2,969
Current liabilities		
Lease liabilities	1,429	1,350
Contingent considerations resulting from acquisitions	-	8
Forward exchange contracts	93	-
Other	52	52
Total current liabilities	1,573	1,410
Total financial liabilities	3,804	4,379

15.1 Lease liabilities

A maturity analysis of the lease payments as at the reporting date is presented below:

in '000 €	30.09.2024	31.12.2023
No later than 1 year	1,429	1,350
Later than 1 year and not later than 5 years	2,232	2,969
Later than 5 years	-	-
Total	3,660	4,319

16 Bank borrowings

	30.09.2024	31.12.2023
Credit facility	-	-
Borrowing base facility	-	-
Total secured bank loans	-	-
Capitalised finance expenses	-	-
Total bank borrowings	-	-

The Group has an overdraft facility with HSBC for an amount of €15.0 million. If the overdraft facility is drawn down upon, the interest rate is calculated as follows:

(i) for EUR: at the Main Refinancing Operations rate published by the European Central Bank (ECB) (provided that, if such interest rate is less than zero, it shall be deemed to be zero), increased with the applicable margin of 2.60%.

(ii) for USD: Midpoint of Federal Reserve (FED) Target Range (provided that, if such interest rate is less than zero, it shall be deemed to be zero), increased with the applicable margin of 2.85%.

(iii) for GBP: at the Bank Of England rate published by the Bank of England (BOE) (provided that, if such interest rate is less than zero, it shall be deemed to be zero), increased with the applicable margin of 2.85%.

An amount of €64 thousand of capitalised finance expenses was reclassified to other current assets as no amount was drawn down per 30 September 2024.

17 Share-based payment arrangements

17.1 Description of share-based payment arrangements

At 30 September 2024, the Group had the following share-based payment arrangements outstanding:

	30.09.2024	31.12.2023
	Number of instruments	Number of instruments
Share appreciation rights 2017	-	-
Stock option plan 2017	-	23
Share appreciation rights 2019	1	22
Share appreciation rights 2020	24	53
Share appreciation rights 2021	46	59
Share appreciation rights 2022	31	44
Share appreciation rights 2023	33	46
Share appreciation rights 2024	59	-
Subtotal cash-settled share based payment arrangements	195	247
Stock option plan 2020	168	137
Stock option plan 2022	171	152
Subtotal equity-settled share based payment arrangements	339	288
Total	533	535

During the period, the below share-based payment arrangements are new or changed compared to the last annual financial statements.

17.1.1 Share appreciation rights 2024

During 9M 2024, the Group granted a total of 59,350 share appreciation rights (SAR) to employees that entitle them to a cash payment after 4 years of service. The share appreciation rights expire at the end of a 7-year period after the grant date. A precondition for the exercise of the share appreciation rights is that the respective year performance target has been achieved within the four-year waiting period. The year performance target is based on the actual Group EBITDA in comparison to the budgeted Group EBITDA. The amount of cash payment is determined based on the increase in the share price of the company between grant date and the time of exercise.

17.1.2 Stock option plan 2020 and 2022

The purpose of this plan is the persistent linking of the interests of the members of the Management Board and of

eligible employees of the company with the interests of the shareholders of the company in a long-term increase in the shareholder value. During 9M 2024, 31,500 stock option rights were granted for the plan relating to 2020 and 18,948 stock option rights were granted relating to 2022.

The options issued within the framework of the plan entitle the holder thereof to subscribe shares in the company. One option entitles the holder thereof to subscribe one share in the company. Such right to subscribe shares may be satisfied either out of a contingent capital created for this purpose or out of the holdings of the company's own shares. This will be decided by the Supervisory Board as far as the Management Board is concerned and by the Management Board for the other participants. The term of each option ends after expiration of seven years since grant date of the option to the respective participant. The holding period of the options amounts to four years.

Each stock option gives the right to a no-par value share in the company, against payment of the exercise price of €1. A prerequisite for the exercise of options is the achievement of the annual performance target within the waiting period. The main performance target for the exercise of options is achieved if the closing price of the share in the company in Xetra trading at the Frankfurt stock exchange exceeds the target share price corresponding to the year and month of the grant date on a total of fifty stock exchange trading days within a period of twelve months following the granting of the relevant options.

17.2 Assumptions underlying the cash-settled stock option plans

The fair value of the options was calculated by an external valuation expert using the Black-Scholes-Merton formula. For all the programmes, plausible estimates were made of the expected volatility, including price increases that occurred in the relevant periods until balance sheet date.

The inputs used in the measurement of the average weighted fair values on grant date and measurement date of the share appreciation rights were as follows.

	SAR 2019	SAR 2020	SAR 2021	SAR 2022	SAR 2023	SAR 2024
Number of options issued	34,600	63,250	59,250	44,000	46,350	59,350
Fair value of the option on the grant date	€ 0.65	€ 7.55	€ 5.58	€ 8.33	€ 9.52	€ 19.82
Fair value of the option on measurement date	€ 13.94	€ 7.49	€ 3.99	€ 3.91	€ 5.27	€ 5.23
Exercise price of the option on the issue date	€ 2.00	€ 10.22	€ 21.87	€ 23.24	€ 26.02	€ 20.02
Expected volatility	65%	65%	60%	60%	60%	60%
Duration of the option	7 yrs	7 yrs	7 yrs	7 yrs	7 yrs	7 yrs
Expected dividends	7.1%	7.1%	7.1%	7.1%	7.1%	7.1%
Risk-free interest rate	2.6%	2.6%	1.9%	1.9%	2.3%	2.3%

17.3 Assumptions underlying the equity-settled stock option plans

The fair value of the options was calculated by an external valuation expert using the Black-Scholes-Merton formula. For all the programmes, plausible estimates were made of the expected volatility, including price increases that occurred in the relevant periods until balance sheet date.

The inputs used in the measurement of the average weighted fair values on grant date and measurement date of the stock option plans were as follows.

	Stock option plan 2020	Stock option plan 2022
Number of options issued	168,000	170,528
Fair value of the option on the grant date	€ 18.00	€ 16.56
Share price at grant date	€ 22.03	€ 25.39
Exercise price of the option on grant date	€ 1.00	€ 1.00
Expected volatility	60%	60%
Duration of the option	7 yrs	7 yrs
Expected dividends	2.2%	2.2%
Risk-free interest rate	2.5%	2.5%

Expected volatility has been based on an evaluation of the historical volatility of the company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

17.4 Reconciliation of outstanding share options arrangements

The number and weighted-average exercise prices of share options under the share option programmes were as follows.

	9M 2024	
	Average exercise price	
	Number	€
31 December 2023	535,430	7.80
Granted during the period	109,798	11.28
Exercised during the period	-72,750	4.48
Forfeited during the period	-39,250	22.46
30 September 2024	533,228	7.98
Exercisable on 30 September 2024	1,000	2.00

The options outstanding at 30 September 2024 had an exercise price in the range of €1.00 to €32.32 (31 Dec 2023: €1.00 to €32.32) and a weighted-average contractual life of 4.19 years (31 Dec 2023: 5.2 years). The weighted-average share price at the date of exercise for share options exercised in 9M 2024 was €14.34 (9M 2023: €26.62).

18 Commitments and contingencies

As at the balance sheet date, the Group had no significant commitments for expenditures which have not already been recognised.

19 Events after the reporting period

No other significant events have occurred after the reporting date, which are of significant importance to the Group.

Disclosure in accordance with section 115 (5) sentence 6 of the German securities trading act (WpHG)

The condensed consolidated interim financial statements as at 30 September 2024 – consisting of the consolidated income statement, consolidated balance sheet, cash flow statement, statement of changes in equity and notes – and the Group interim management report for the period 1 January until 30 September 2024 were not audited in accordance with Section 317 of the German Commercial Code (HGB) or subjected to a review by a person qualified to audit financial statements.

Responsibility Statement

We confirm that, to the best of our knowledge and in accordance with applicable accounting principles for interim reporting, the condensed interim financial statements of CLIQ Digital AG present a true and fair view of the CLIQ Group's assets, financial situation and earnings, and that the condensed Group interim management report describes fairly, in all material respects, the Group's business trends and performance, the Group's position, and the significant risks and opportunities of the Group's expected future development in the remaining months of 2024.

6 November 2024

The Management Board

Further information

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About CLIQ Digital

The CLIQ Digital Group is a leading online performance marketing company that distributes subscription-based streaming services that bundle films & series, music, audio books, sports and games to consumers worldwide. The Group licences streaming content from partners, bundles it and sells the content via its numerous streaming services. Over the years, CLIQ has become a specialist in online advertising and the design of streaming services tailored to specific consumer groups.

CLIQ Digital operates in over 40 countries and employed 144 people from 37 different countries as of 30 September 2024. The company is headquartered in Düsseldorf and has offices in Amsterdam, Paris and Toronto.

CLIQ Digital is listed in the Scale segment of the Frankfurt Stock Exchange (WKN: A35JS4, ISIN: DE000A35JS40) and is a member of the MSCI World Micro Cap Index.

Visit our website <https://cliqdigital.com/investors>. Here you will find all publications and further information about CLIQ Digital. You can also follow us on LinkedIn.

Disclaimer

This financial report contains unaudited figures. It also contains forward-looking statements which are based on certain expectations and assumptions at the time of publication of this report and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in this report. Many of these risks and uncertainties relate to factors that are beyond CLIQ Digital's ability to control or estimate precisely, such as future market and economic conditions, the behaviour of other market participants, the ability to successfully integrate acquired businesses and achieve anticipated synergies and the actions of government regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this report. CLIQ Digital does not undertake any obligation to publicly release any update or revisions to these forward-looking statements to reflect events or circumstances after the date of this report.

Please note: rounding differences can occur and In case of doubt, the English version shall prevail.

Financial reporting calendar

30 January 2025	Preliminary FY 2024 results
20 February 2025	Annual report 2024 & earnings call
11 April 2025	Annual General Meeting 2025
8 May 2025	Financial report 1Q 2025 & earnings call
7 August 2025	Half-year financial report 2025 & earnings call
6 November 2025	Financial report 3Q/9M 2025 and earnings call

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