

Q2 2024

Results Presentation

Giles Palmer, CEO & Niels Boon, CFO

19^h July 2024



The world's largest survey exchange



1998
Cint founded

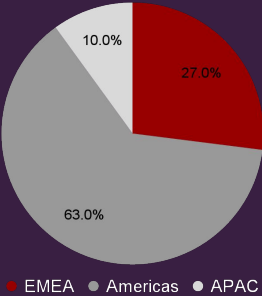
2021
Lucid acquired

900+
FTEs

4,300
Customers

167.6
MEUR net sales in 2023 pro forma

Net sales by region
Q2 2024



Stable sales with improved profitability

Q2 business review

- Media Measurement showed positive sales growth, offset by lower sales in Cint Exchange*
- Platform unification progressing although with some delays
- Migration of managed services customers on plan
- Efficiency program announced, designed to reduce personnel related costs by approx. 10 percent

** Previously called Marketplace, which includes both the legacy platforms and new Cint Exchange*

Q2 figures in brief

Net sales

€ 42.1m

-2.7% constant currency growth vs. € 42.9m (pro f.)

Gross profit

€ 36.6m

87.0% (87.9%) gross margin
Q2 2023 € 37.7m (pro f.)

OPEX

€ 29.5m

-6.1% year on year growth
€ 31.4m in Q2 2023 (pro f.)

EBITA

€ 7.1m

16.9% EBITA margin
€ 6.3m in Q2 2023

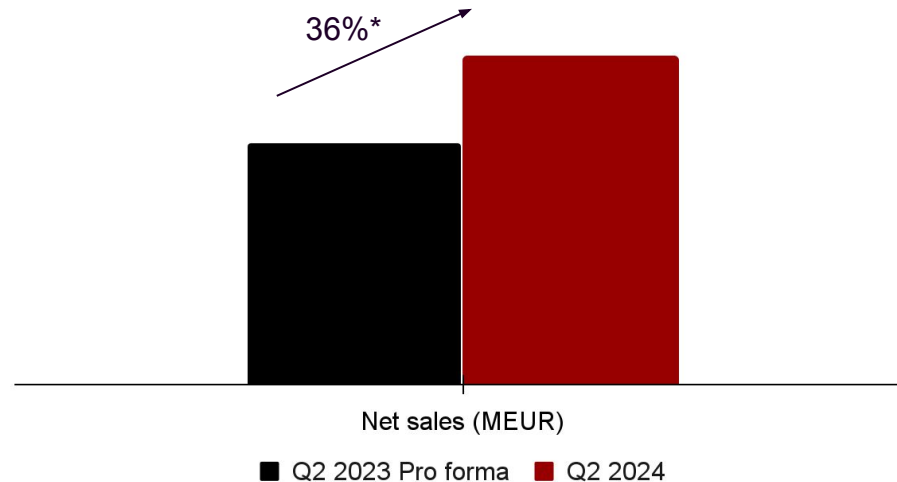
Focus on product integration and customer migration

Progress and actions

- Platform consolidation is progressing mostly on plan. The new front end is ca. three months delayed, and the hosted panel system is ca. two months delayed
- During the quarter, we successfully deprecated and fully decommissioned one of the legacy platforms
- Managed services customer migration is expected to be completed in Q3 2024
- Our investments in automation and AI in the new Cint Exchange give our customers feedback on the feasibility of getting their surveys answered, saving them time and money

Media Measurement

Q2 2024

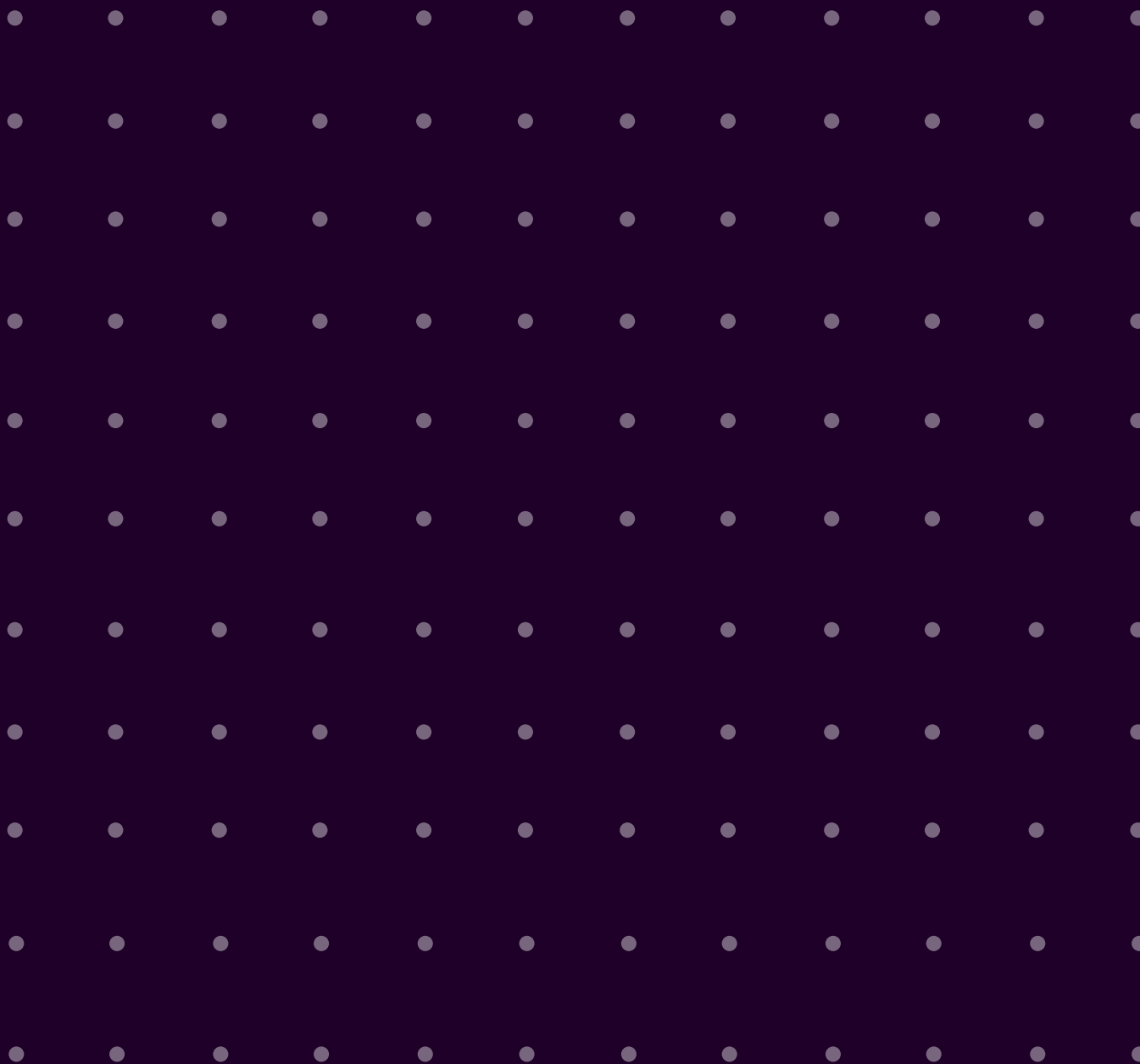


Measurement innovations

- Enhanced our capacity to surface social insights and introduced the ability to measure out-of-home digital display ads
- Released AI-powered insights in our reporting, automated summaries helping our clients communicate results of their media performance
- Also released the functionality to target respondents, so our advertising customers can measure brand lift specifically within the audience segments that are most relevant to their brand

* 35% in constant currency

Financial Update



Q1 2024 reporting changes to enhance transparency

Cint

Interim report

January – March 2024

Q12024

Improved profitability with flat sales. Platform unification on plan

First quarter 2024

- Effective from the first quarter 2024, Cint implemented changes in its financial reporting. Pro forma figures are presented for the purpose of comparability.
- On a pro forma basis net sales increased by 1.1 percent to EUR 36.4m (36.0 pro forma) and by 1.6 percent on a constant currency basis. Reported net sales decreased by 39.2 percent to EUR 36.4m (59.9m).
- Gross profit amounted to EUR 30.3m (30.9 pro forma) corresponding to a margin of 83.3 percent (85.7 pro forma). Reported gross profit last year amounted to EUR 35.9m
- EBIT amounted to EUR -8.4m (-10.1) with an EBIT margin of -23.1 percent (-28.1 pro forma). Reported EBIT margin last year was -16.9 percent.
- EBITA amounted to EUR 1.5m (0.9) with an EBITA margin of 4.1 percent (2.5 pro forma). Reported EBITA margin last year was 1.5 percent.
- EPS, before dilution amounted to EUR -0.04 (-0.04).
- Adjusted EPS, before dilution amounted to EUR 0.00 (0.00).

Significant events during and after the quarter

- In January 2024, Cint announced an upcoming change of CFO. On 2 April 2024 Niels Boon assumed the position as CFO replacing Olivier Lefranc who has left the company.
- In April 2024, Cint announced changes in the financial reporting effective from the first quarter 2024. The changes encompass a change in revenue recognition, a new presentation format for the income statement and the introduction of an EBITA measure. For more information, please refer to note 2 Summary of significant accounting policies and note 3 Pro forma.

Key financial ratios for the Group

KEUR	2024 Jan-Mar	2023 Jan-Mar	Pro forma* 2023 Jan-Mar	2023 Jan-Dec
Net sales	36,411	59,870	36,026	266,538
Net sales growth, reported	-39.2%	-11.1%	n.a.	-9.7%
Net sales growth, pro forma	1%	-0.1%	-0.1%	-0.1%
Gross profit	30,345	35,940	30,890	166,174
Gross margin	83.3%	60.0%	85.7%	62.3%
Operating profit/loss before amortization (EBITA)	1492	910	910	28,704
Operating profit/loss before amortization (EBITA) margin	4.1%	15%	2.5%	10.8%
FX gain/loss on operating items	-592	-272	-272	-1,221
EPS, before dilution	-0.04	-0.04	-0.04	-2.10
Adjusted EPS, before dilution	0.00	0.00	0.00	0.07
Net debt	79,944	59,912	59,912	72,277

*Pro forma figures include changes in revenue recognition and a reclassification of direct platform costs from operating expenses to cost of services sold, for more information please refer to note 2 Summary of significant accounting policies and note 3 Pro forma

Cint

- Net revenue recognition

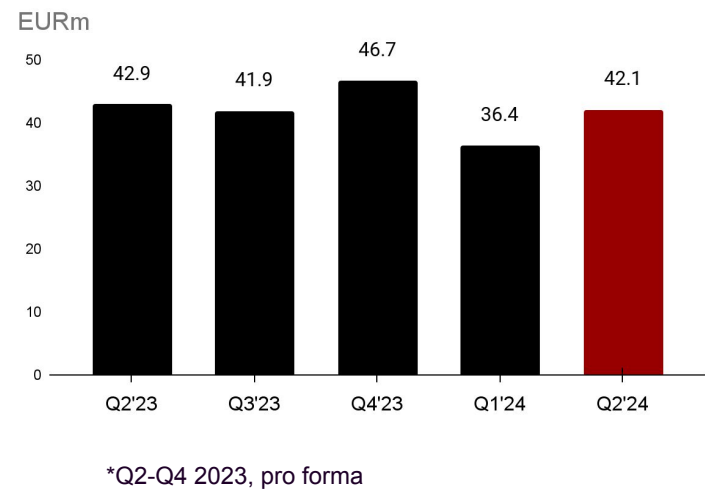
Net Sales are now reported net of Cost of Sample. Consequently, the reported net sales are lower and the gross margin higher.
- Function-based income statement

Replacing the previous cost-based method.
- Introduction of EBITA Measure

Depreciation included, while amortization of acquisition related intangible assets and non-recurring items are reported separately.

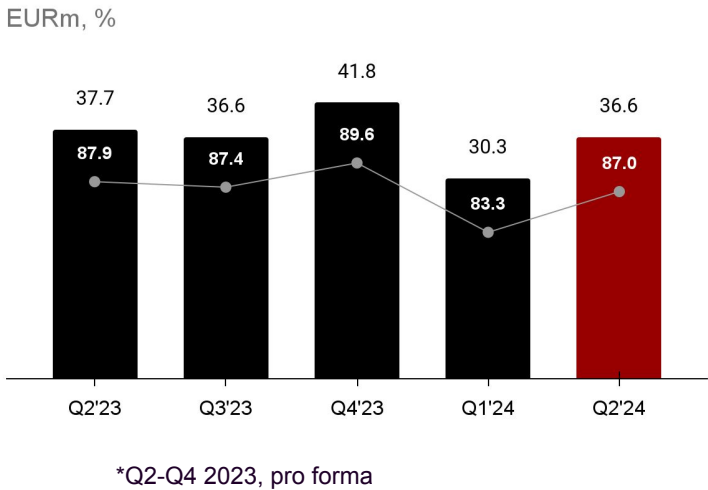
Note: See also the press release from April 17, 2024 ["Cint announces changes in the financial reporting to enhance financial transparency and reporting to align with business strategy"](#)

Net sales



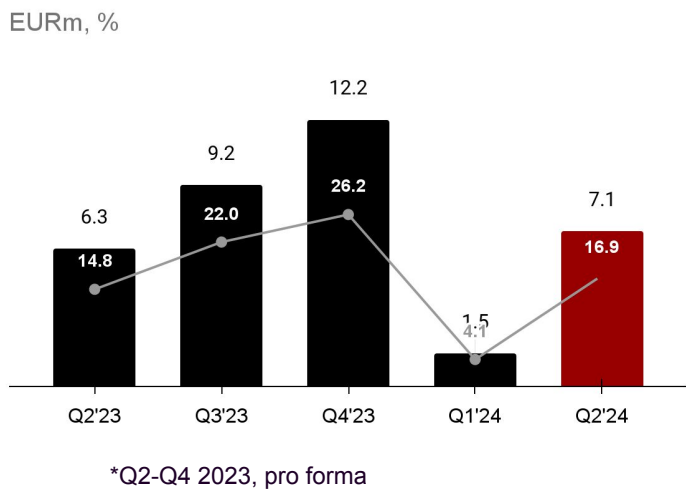
- Growth in constant currency was -2.7% with continued growth in Media Measurement offset by lower sales on Cint Exchange.
- Temporary reduction in supply due the migration of suppliers to the new platform affected sales negatively by ca. EUR 2m.

Gross profit



- Gross margin of 87.0% (87.9 pro forma)
- Affected by higher direct labor costs, partly mitigated by lower hosting costs

EBITA

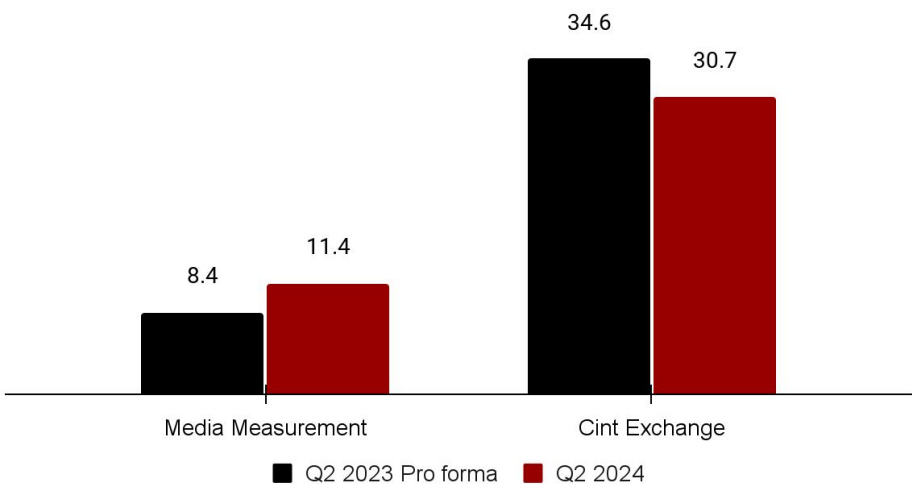


- Improved EBITA despite lower gross margin, as a result of lower operating expenditures
- EBITA margin at 16.9% (14.8% pro forma)

Net sales split

Business segments

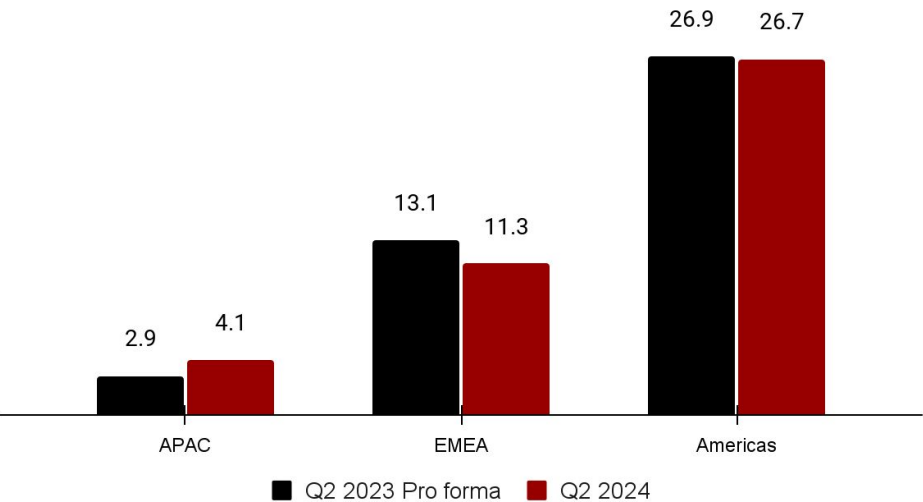
EURm



- Cint Exchange sales growth of -11% pro forma (-12 % in constant currency) as a result of lower revenues per complete on stable volumes
- Media Measurement net sales growth of 36% pro forma (35% in constant currency): higher sales with existing clients and new client logos

Regions

EURm



- Americas net sales growth of -1% pro forma (-2% in constant currency). Cint Exchange sales -17%, Measurement sales 38%.
- EMEA net sales growth of -14% pro forma (-15% in constant currency)
- APAC net sales growth of 40% pro forma (47% in constant currency)

Improved EBITA due to cost savings

KEUR	Pro forma		
	2024 Apr-Jun	2023 Apr-Jun	2023 Apr-Jun
Net Sales	42,068	42,925	67,801
Cost of services sold	-5,476	-5,181	-25,155
Gross Profit	36,592	37,744	42,646
Sales and Marketing Expenses	-11,674	-11,986	-11,986
Research and Development Expenses	-7,608	-6,439	-11,341
General and Administrative Expenses	-10,092	-12,441	-12,441
Other operating income/expenses	-100	-541	-541
Operating profit/loss before amortization (EBITA)	7,119	6,337	6,337
Amortization and impairment on acquisition related assets	-7,316	-8,044	-8,044
Items affecting comparability	-4,900	-3,990	-3,990
Operating profit/loss (EBIT)	-5,097	-5,696	-5,696

Key comments

- EBITA margin of 16.9% in the quarter compared to 9.3% reported and 14.8% pro forma in Q2 last year
- Lower gross margins more than offset by lower operating expenditures
- Items affecting comparability (NRI) of EUR 4.9m, include EUR 2.9m related the reorganization announced on July 1, 2024 and EUR 2.0m related to the Lucid acquisition. As of Q3, no more NRI costs related to the acquisition are expected.

Improvement in operating cash flow

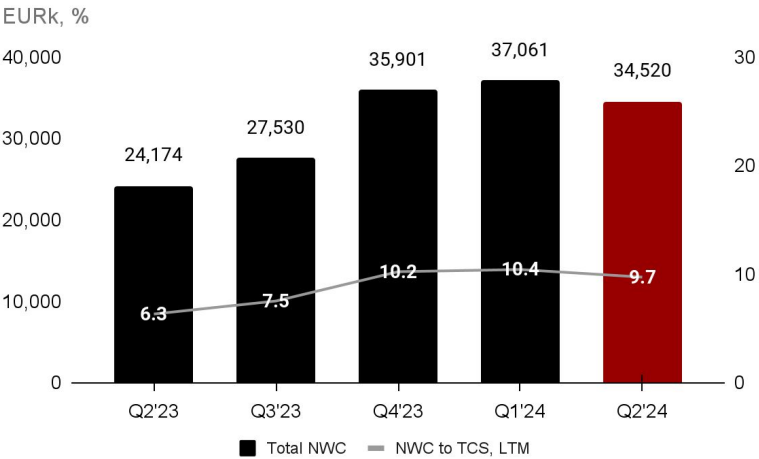
KEUR	2024 Apr-Jun	2023 Apr-Jun	2023 Jan-Dec
Operating cash flow before working capital	9,347	6,084	21,633
Cash flow from changes in working capital	-2,175	-7,973	-19,857
Cash flow from investing activities	-4,829	-7,663	-21,585
Cash flow from financing activities	-2,832	-701	-2,647
Net cash flow	-489	-10,253	-22,457
Cash and cash equivalents	30,751	45,940	38,862
Net debt	79,523	66,959	72,277

Key comments

- Net cash flow quarter to date was EUR -0.5m compared with EUR -10.3m in the same period last year
- Operating cash flow improved by EUR 3.3m, even though interest payments were EUR 0.3m higher compared to last year
- Cash flow from changes in working capital amounted to EUR -2.2m compares to EUR -8.0m, mainly driven by an increase in accounts payable
- Cash flow from investing activities amounted to EUR -4.8m quarter to date (vs. EUR -7.7m) and consisted mainly of capitalized development costs
- Cash flow from financing activities includes EUR 2.3m loan amortization, compared to no payment last year

Higher accounts payables mitigating increased receivables

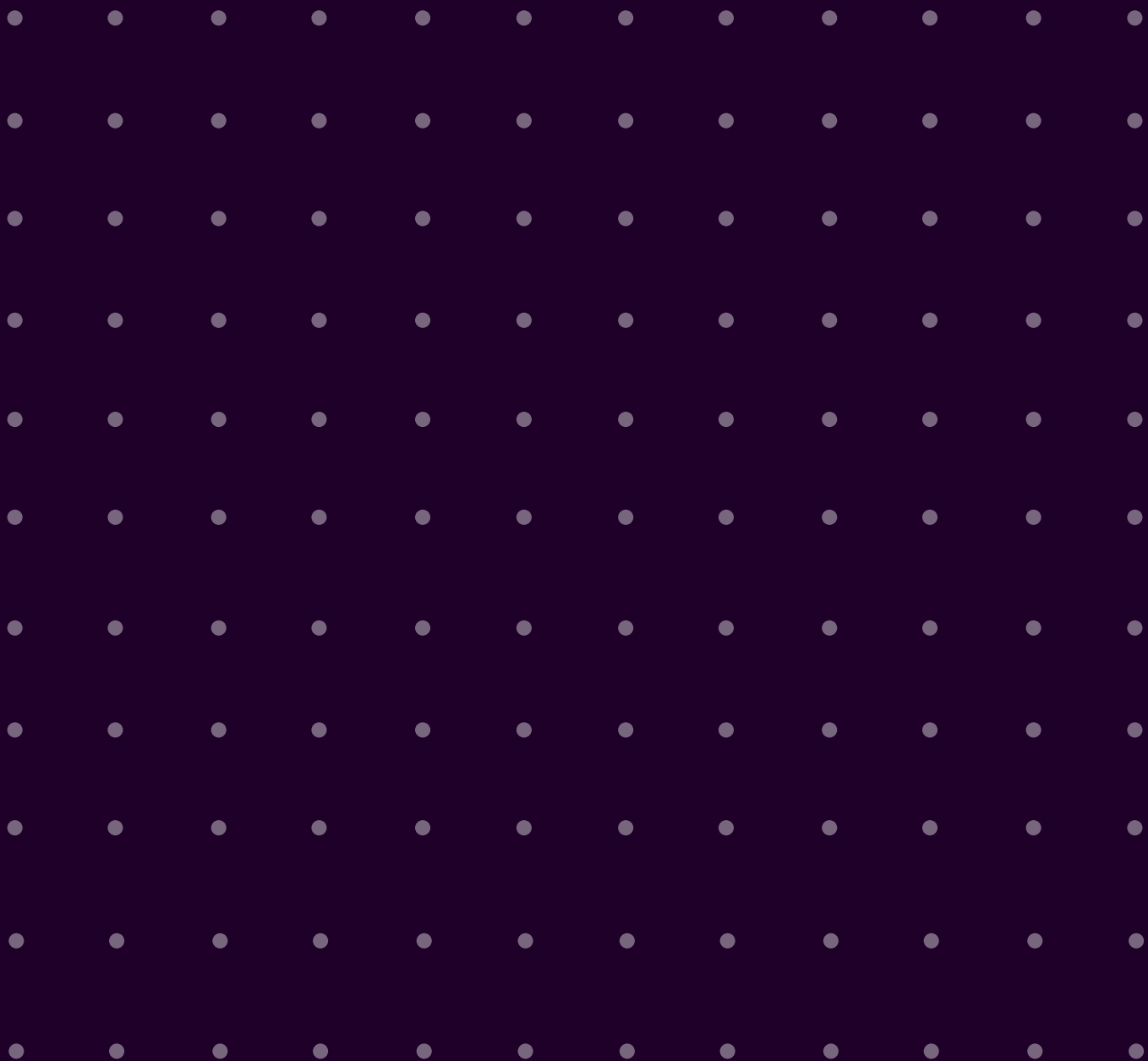
KEUR	2024 30 Jun	2024 31 Mar	2023 31 Dec	2023 30 Sep	2023 30 Jun
Accounts receivable	108,842	97,894	96,001	95,772	87,667
Other current receivable	26,467	25,872	27,738	30,130	29,624
Accounts payable	-57,273	-44,502	-42,619	-52,676	-51,444
Other current liabilities	-43,516	-42,203	-45,219	-45,695	-41,674
Total Net Working Capital	34,520	37,061	35,901	27,530	24,174
Total Customer Spend, LTM	354,178	354,710	352,764	369,346	386,083
NWC toTCS, LTM	9.7%	10.4%	10.2%	7.5%	6.3%
Accounts Receivable to TCS, LTM	30.7%	27.6%	27.2%	25.9%	22.7%
Accounts Payable to TCS, LTM	16.2%	12.5%	12.1%	14.3%	13.3%



Key comments

- Working capital decreased by EUR 2.5m as well as from 10.4% to 9.7% compared to Total Customer Spend
- Main drivers were the increase of accounts payable (+EUR 12.8m), mitigating the increased accounts receivable (+EUR 10.9m)
- There are intense ongoing efforts to improve working capital, though improvements are expected to show only gradually

Summary



The route to higher profitability and innovation

Creation of an efficient and highly profitable organization, primed for further innovation and growth

1

Consolidation

- Integrated organizational structure
- One combined product with unified associated back office and KPIs

2

Standardization

- Of commercial operating model and internal systems with increased data-centricity

3

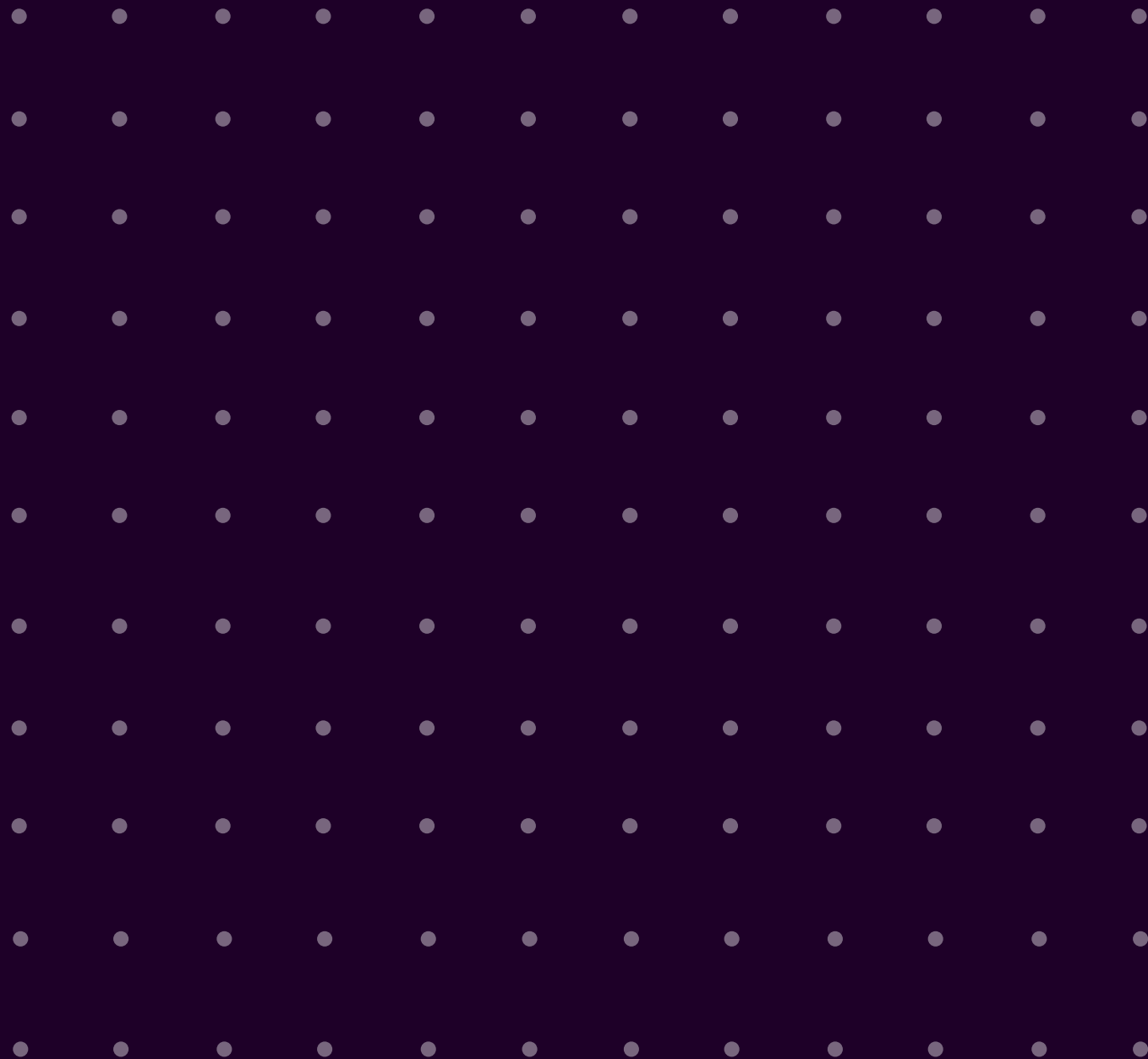
Optimization

- Identification of manual tasks (systems, processes) and automating them
- Optimizing customer Journeys

Management is working on an updated mid term/3 year plan. Following Board approval, mid- term targets for revenue growth and EBITA will be shared in Q4 2024

Q&A

For more information
<https://investors.cint.com>





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