

Q3 2023

Results Presentation

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25th October 2023



A global platform

Leading in connected consumer insights



1998
Cint founded

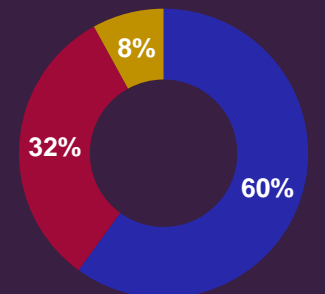
2021
Lucid acquired

1,000+
employees

4,400
Customers

295.2
MEUR net sales in 2022

Net sales by region
Q3 2023



■ Americas ■ EMEA ■ APAC

Weak demand affected the quarterly revenue; continued progress on platform unification

Q3 Business Review

- Lower demand from a few large clients
- Continued strong growth in Media Measurement
- Significant steps taken to bring down reversal rates
- Product integration on schedule
- Migration of first wave of managed services customers started this month
- New self-service platform to launch in January 2024 to selected customers ahead of wider release

**Q3 figures in brief –
weak demand affecting
sales but maintained
profitability**

(4.9%)

Constant currency
sales growth

62.2%

Gross margin

18.1%

Adjusted
EBITDA margin

12.9%

EBITDA margin

Work ongoing to improve quality

Progress and actions

- Work on quality beginning to bear fruit, Marketplace reversals down to 10 percent in the quarter
- Proprietary AI-driven fraud systems implemented in key markets
- Shortening the feedback loop from customers to more quickly identify sources of poor quality

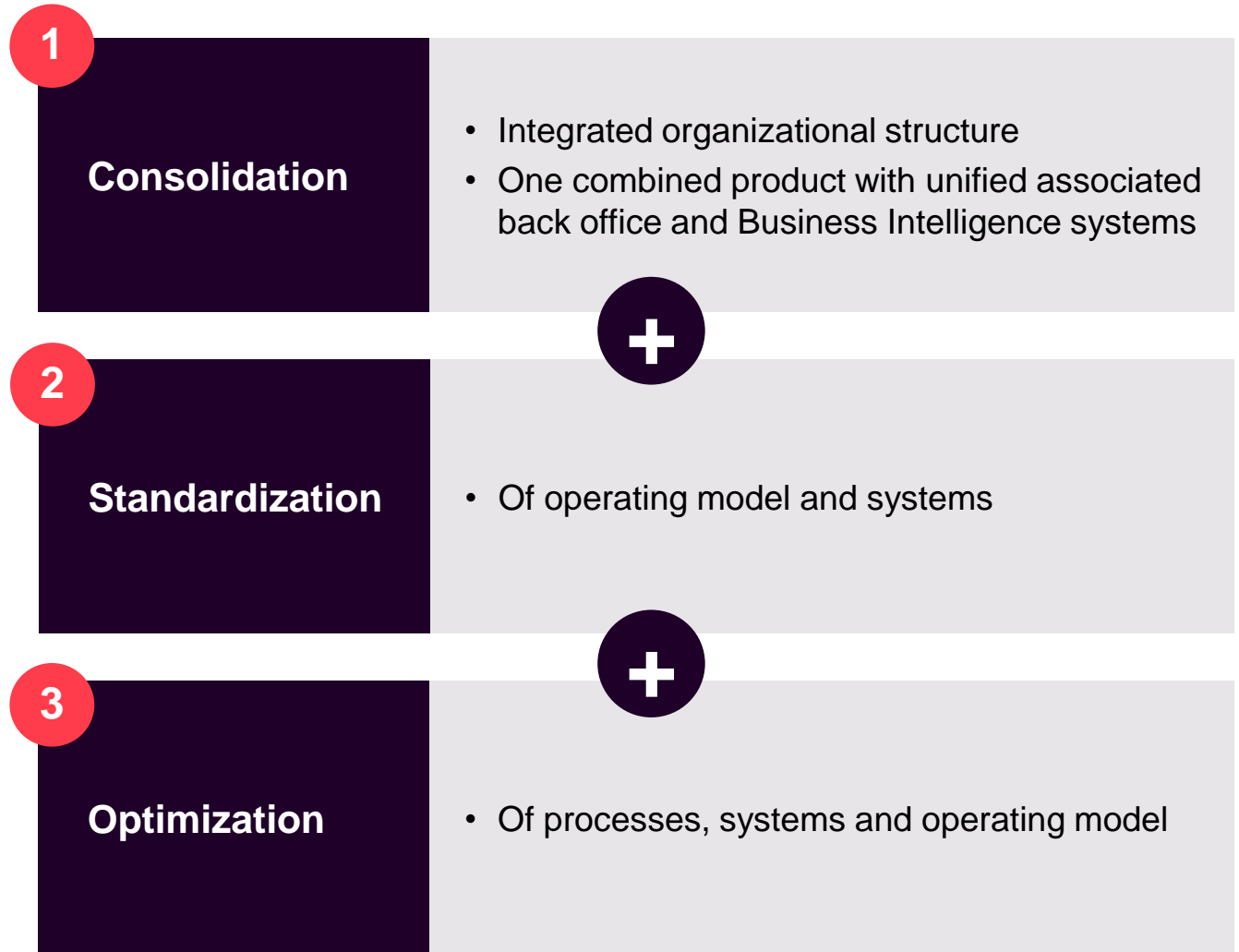
Full focus on product integration and customer migration

Progress and actions

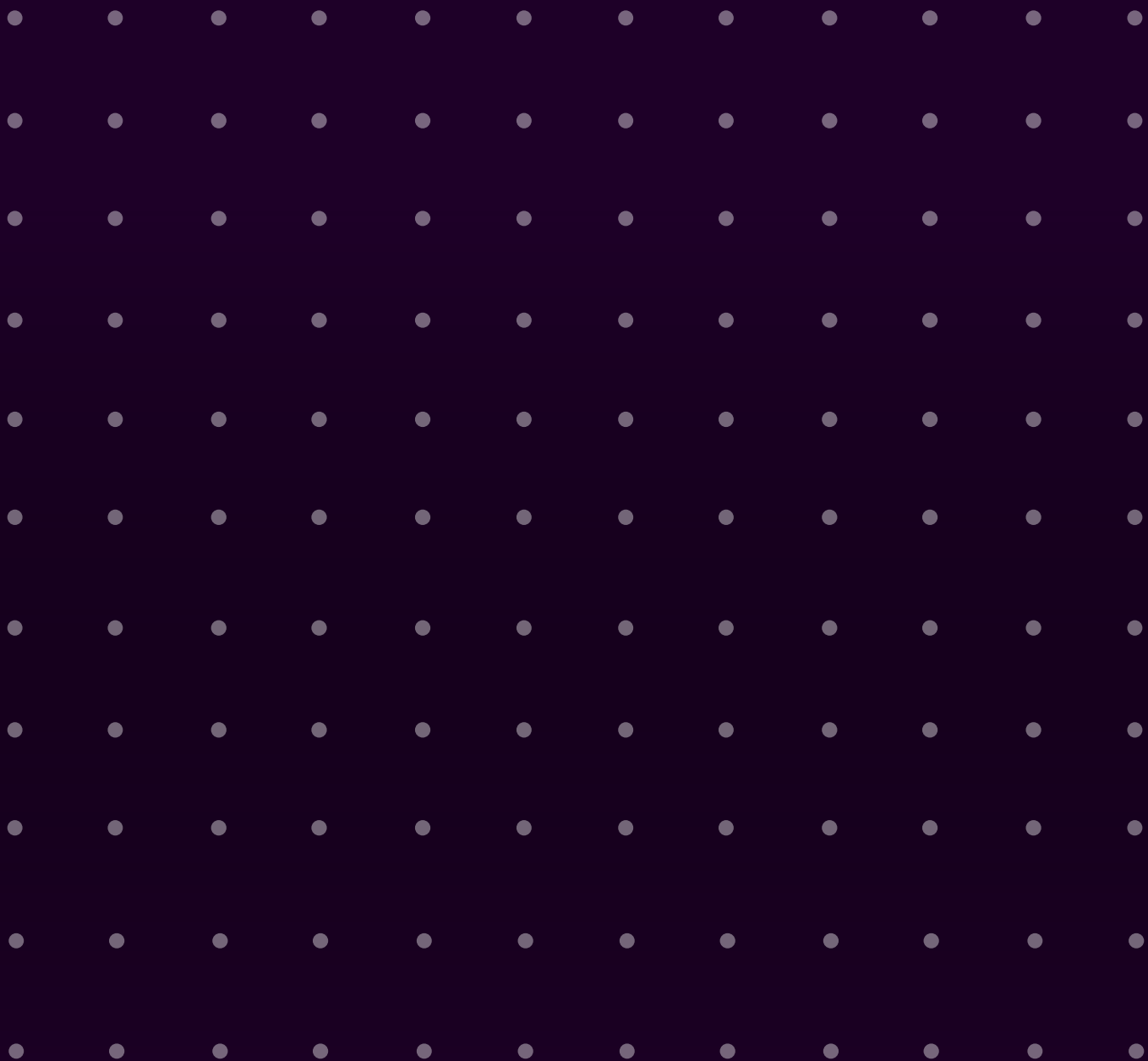
- The product integration to develop the new platform is progressing at plan
- The new platform will connect organisations with the broadest choice of trusted consumer opinions
- It is designed to be easy to use, technology forward, innovative and efficient
- Managed-services customer access to the platform will start in October
- Self-service platform launching in Q1 2024 with other customers migrated throughout the rest of the year

The route to higher profitability and innovation

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

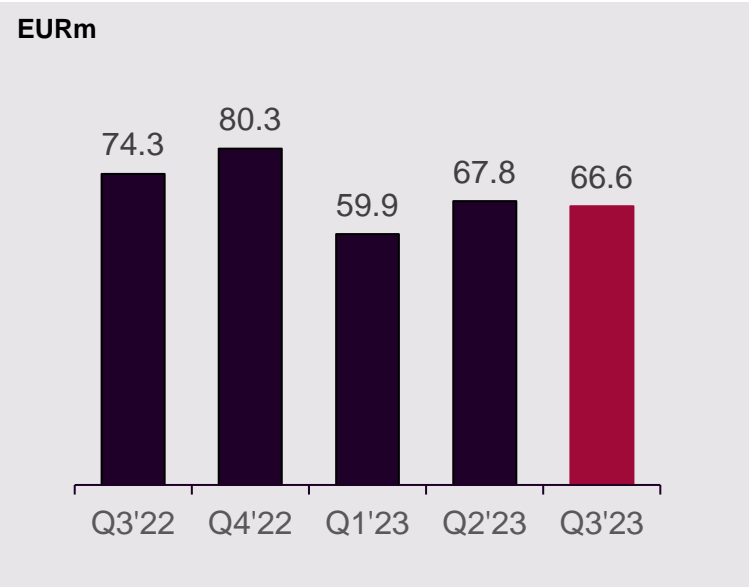


Financial Update



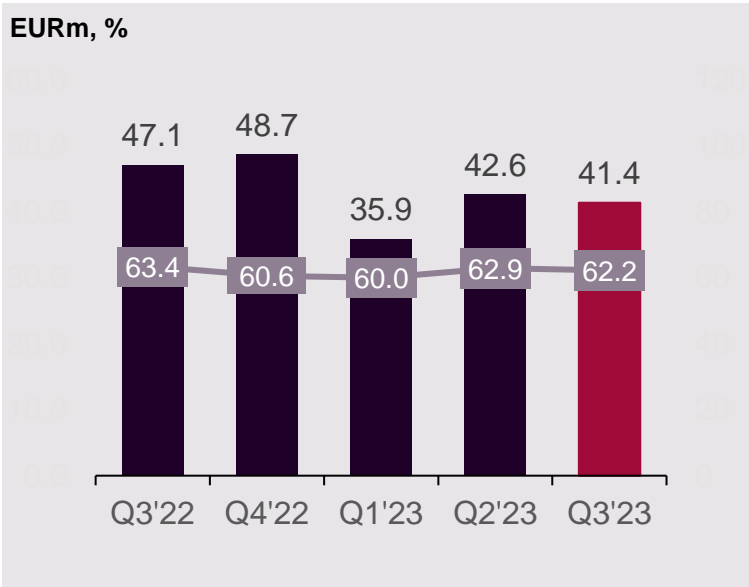
Q3 Financials

Net sales



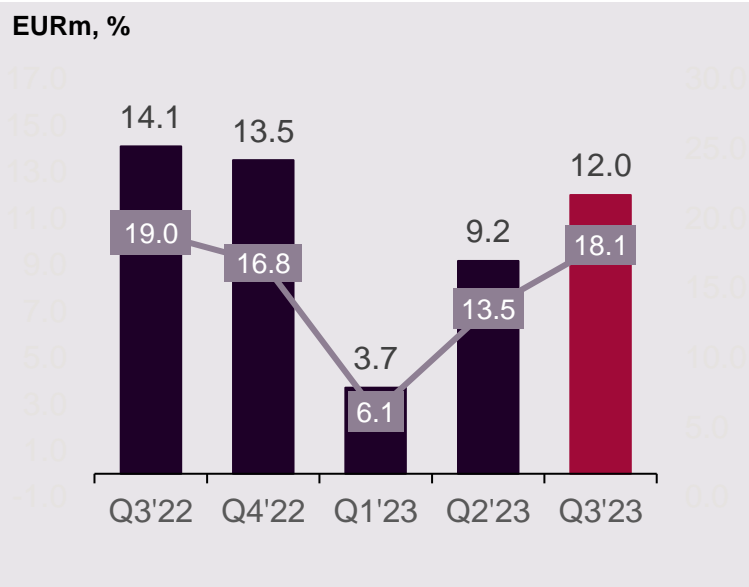
- Growth negatively affected by weak demand and general slowdown in the broader macroeconomy
- Decline in constant currency was -5%, similar to Q2'23

Gross profit



- Gross margin of 62.2% (63.4)
- Decrease due to product mix

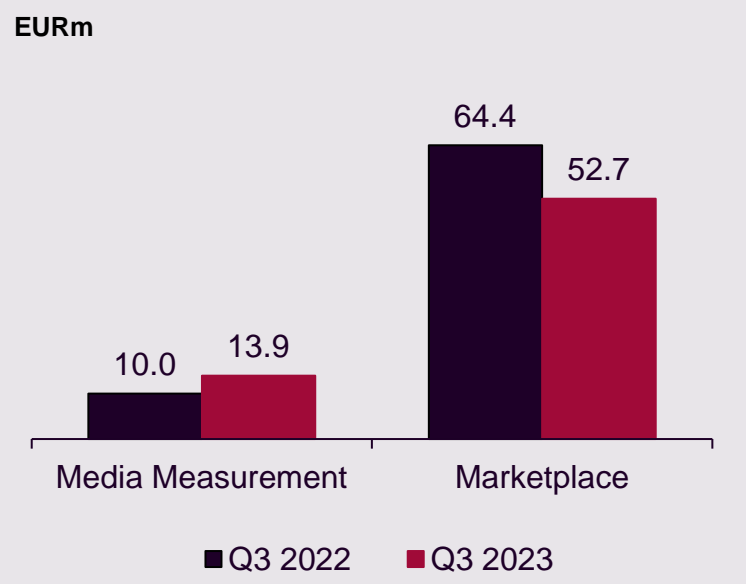
Adjusted EBITDA



- Adjusted EBITDA margin at 18.1% (19.0)
- Lower costs for the LTIP programmes EUR+0.9m (-1.0) effect on EBITDA
- Cost control mitigating lower sales

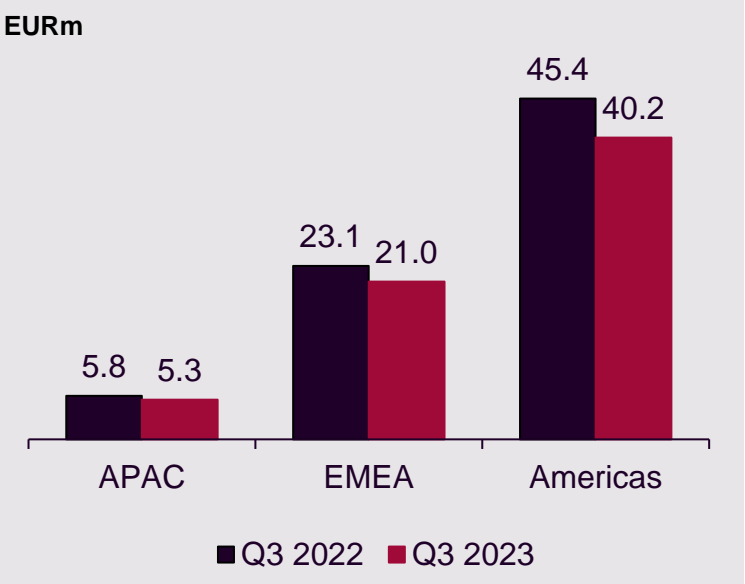
Net sales split

Business segments



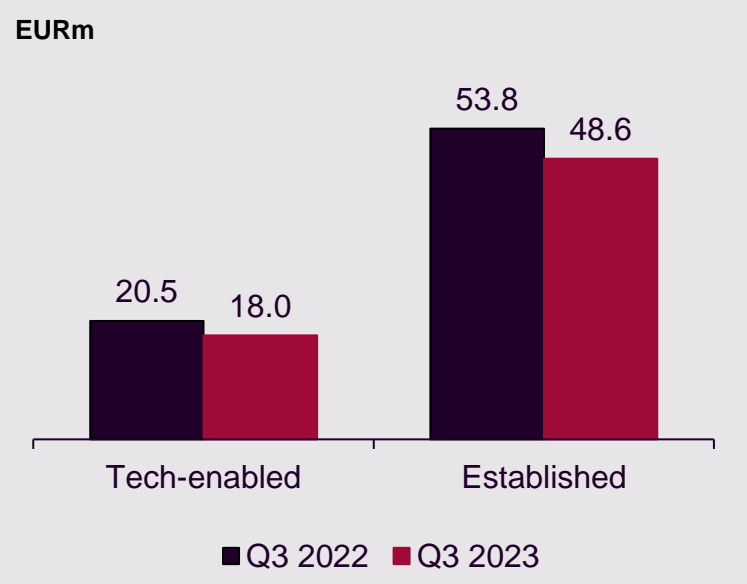
- Marketplace sales growth of -18% (-13% in constant currency): lower spend per customer
- Media Measurement net sales growth of 40% (49% constant currency): higher volumes with existing clients and continued new client gains

Regions



- Americas net sales growth of -12% (-5% in constant currency)
- EMEA net sales growth of -9% (-7% in constant currency)
- APAC net sales growth of -8% (+2% in constant currency)

Customer types



- Tech-enabled companies net sales growth of -13% (-7% in constant currency)
- Established insight companies net sales growth of -10% (-4% in constant currency)

Adjusted EBITDA impacted by lower sales, continued cost control

KEUR	2023 Jul-Sep	2022 Jul-Sep	2022 Jan-Dec	Rolling 12-month
Total customer spend	88,452	105,188	411,489	369,346
Net Sales	66,570	74,319	295,188	274,582
Cost of services sold	-25,185	-27,184	-111,881	-105,887
Gross Profit	41,386	47,134	183,307	168,695
Operating Expenses	-37,532	-42,725	-171,767	-163,663
Capitalized development cost	4,733	3,813	15,994	17,623
Items Affecting Comparability	3,452	5,913	21,244	15,751
Adjusted total net operating expenses	-29,347	-32,998	-134,529	-130,289
% of Total customer spend	33.2%	31.4%	32.7%	35.3%
Adjusted EBITDA	12,038	14,136	48,778	38,406
Adjusted EBITDA margin	18.1%	19.0%	16.5%	14.0%

Key comments

- Adj EBITDA margin was 18.1% in the quarter compared to 19.0% in Q3 last year
- Lower sales was partly offset by tight control over OPEX
- Lower costs for the LTIP programmes affected EBITDA by EUR+0.9m (-1.0)
- Total integration cost of EUR 3.4m in Q3 2023
- Integration costs are expected to gradually reduce to zero by mid-2024

Ongoing work to improve cash flow

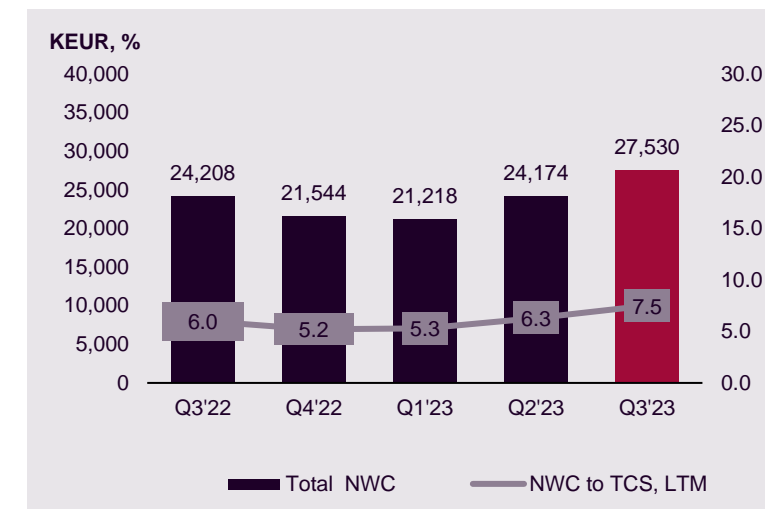
KEUR	2023 Jul-Sep	2022 Jul-Sep	2022 Jan-Dec	Rolling 12-month
Cash flow from operating activities	1,325	19,850	6,715	4,382
Cash flow from investing activities	-4,965	-4,009	-18,065	-21,678
Cash flow from financing activities	-656	-675	-2,046	-3,565
Net cash flow	-4,296	15,167	-13,396	-20,861
Cash and cash equivalents	42,121	65,780	62,609	42,121
Net debt	74,027	64,896	56,397	74,027

Key comments

- Cash flow from operating activities during the quarter were negatively affected by:
 - Changes in working capital of EUR -3.8m (+7.9 last year)
 - Net interest payments of EUR 2.8m (1.3 last year)
 - NRIs of EUR 3.5m (5.9 last year)
- During Q3 the financial covenants were met
- We expect to see cash flow improvements in the next quarters by improved collection and from a reduction of non-recurring integration costs

Increased focus on reducing working capital

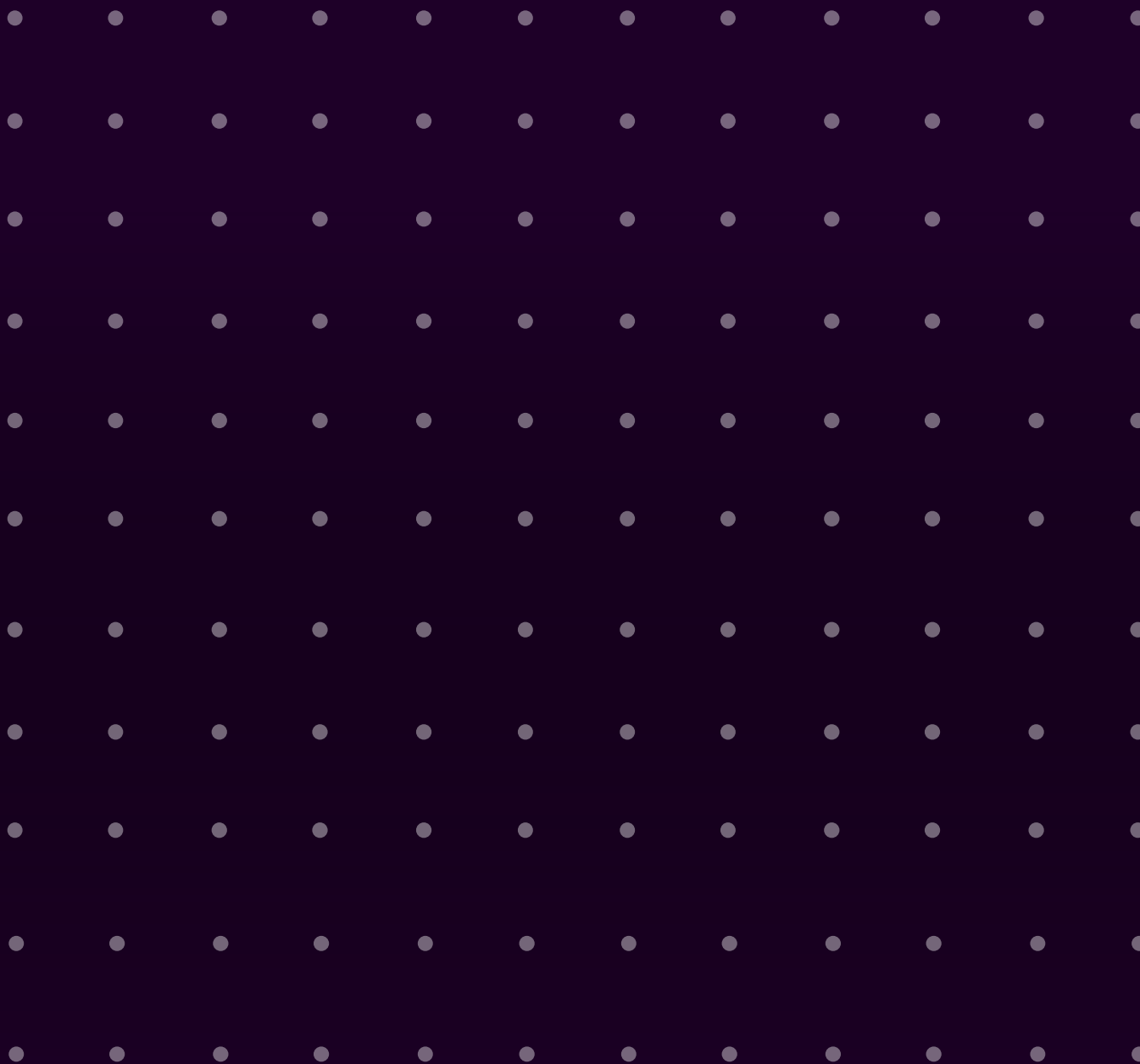
KEUR	2023 30 Sep	2023 30 Jun	2023 31 Mar	2022 31 Dec	2022 30 Sep
Accounts receivable	95,772	87,667	84,881	104,501	100,674
Other current receivable	30,130	29,624	27,823	28,962	31,183
Accounts payable	-52,676	-51,444	-48,793	-65,954	-64,375
Other current liabilities	-45,695	-41,674	-42,692	-45,964	-43,273
Total Net Working Capital	27,530	24,174	21,218	21,544	24,208
Total Consumer Spend, LTM	369,346	386,083	399,518	411,489	402,048
NWC to TCS, LTM	7.5%	6.3%	5.3%	5.2%	6.0%
Accounts Receivable to TCS, LTM	25.9%	22.7%	21.2%	25.4%	25.0%
Accounts Payable to TCS, LTM	14.3%	13.3%	12.2%	16.0%	16.0%



Key comments

- Net working capital increased in Q3 due to increase in AR
- Accounts receivable 0.9 percentage points higher than last year
- Headwinds in collections likely due to high interest rates. On-going increase of collection efforts

Summary



Short-term key priorities

- Proceed with product integration and customer migration
- Consolidate, standardize and optimize to create efficiency
- Implement additional security features to prevent reversals
- Focus on cash flow and net working capital efficiency
- Return to growth

Solid fundamentals for long-term growth

1

The growing need to connect companies with the opinions of real people

2

Cint is positioned in the centre of the market research value chain

3

Marketplace dynamics benefit from scale and digitalization

Q&A

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





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