Press release

20 February 2020

Catena Media's Year-end report 2019

Catena Media plc (Nasdaq Stockholm: CTM)

October - December 2019 (compared with October - December 2018)

- Operating revenue amounting to EUR 27.1m was impacted by an exceptional EUR 0.5m adjustment relating to previous periods, resulting in a reported total of EUR 26.6m (27.3), a decrease of 3%
- Adjusted EBITDA excluding exceptional costs decreased by 2 percent and totalled EUR 11.8m (12.0), corresponding to an adjusted EBITDA margin of 44 percent (44)
- EBITDA decreased by 29 percent and totalled EUR 8.5m (12.0), corresponding to an EBITDA margin of 32 percent (44)
- Net cash generated from operating activities amounted to EUR 9.0m (11.5)
- New Depositing Customers (NDCs) totalled 113,283 (127,805), a decrease of 11 percent
- Earnings per share amounted to EUR -0.53 (0.22) before dilution
- Earnings per share amounted to EUR -0.50 (0.21) after dilution

January - December 2019 (compared with January - December 2018)

- Revenue decreased by 2 percent and totaled EUR 102.8m (105.0)
- Adjusted EBITDA excluding exceptional costs decreased by 13 percent and totalled EUR 43.5m (50.1), corresponding to an adjusted EBITDA margin of 42 percent (48)
- EBITDA decreased by 15 percent and totalled EUR 40.5m (47.8), corresponding to an EBITDA margin of 39 percent (46)
- Net cash generated from operating activities amounted to EUR 38.0m (40.7)
- New Depositing Customers (NDCs) totalled 436,706 (539,475), a decrease of 19 percent
- Earnings per share amounted to EUR -0.18 (0.56) before dilution
- Earnings per share amounted to EUR -0.17 (0.52) after dilution

"We will continue to execute on our strategy to focus on few brands, invest in new markets, and continue our focus on cost control. We are prepared for continued improvements in 2020 and beyond."

Per Hellberg, CEO

Updated financial targets

Due to changed market conditions and an increasingly dynamic business environment, the board has reviewed, and decided to change the long-term financial targets for Catena Media. The current financial targets will be replaced by:

1. Profitable double-digit growth on a yearly basis (organic)
2. Operate below a net interest-bearing debt/adjusted EBITDA of 1.75x long-term

Key takeaways

- The underlying EBITDA continued to show a positive trend compared to the third quarter 2019.
- Continued focus on cost control activities, where costs are reduced to improve margins in our legacy business, and reinvested into new growth markets.
- Updated financial targets.
- The refinancing continues with a positive momentum.

Significant events during the fourth quarter

- AskGamblers – a Catena Media core brand – now in Japanese, Spanish and Portuguese.
- Catena Media agrees on amended and final terms for US assets acquired in December 2016.
- Catena Media Nomination Committee 2020 AGM appointed.
- Catena Media resolves upon a directed new share issue as final payment for an acquisition made in June 2018.
- Notification of Major Holdings in Catena Media plc. The notification indicates that Bodenholm Capital AB, as of 2 October 2019, holds 15.19 percent of the voting rights in Catena Media plc.
- Notification of Major Holdings in Catena Media plc indicating that Swedbank Robur Fonder AB, as of 7 October 2019, holds 4.46 percent of the voting rights in Catena Media plc.

Significant events after the end of the period

- Catena Media deepens its relationship with the sellers of the US assets after the earn-out period and secures competence in the important US market.
- Catena Media takes the lead in sustainable gambling with a review site focusing on sustainable online casinos.
- Catena Media resolves upon a directed share issue as payment of 70 percent of the final purchase price for the US assets acquired in December 2016.
- Notification of Major Holdings in Catena Media plc. The notification indicates that Erik Bergman, one of the founders of Catena Media, as of 16 January 2020, holds 4.36 (6.2) percent of the voting rights in Catena Media plc, via Aveny Ltd.
- Catena Media foresees lower operating profit for Q4 2019 due to impairment of intangible assets, adoption of IFRS 9 accounting assumptions and an exceptional revenue adjustment in the US.
- The average revenue in the first quarter 2020, up until January 31, was 9 percent higher than the average revenue for the corresponding period 2019. This trading update is not a revenue forecast, but an indication of how the quarter has started.

For further information, please contact:

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This information is information that Catena Media plc. is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on 20 February 2020 at 07.00 CET.

About Catena Media

Catena Media has a leading position within online lead generation. The company has about 400 employees in US, Australia, Japan, Serbia, UK, Sweden, Italy and Malta (HQ). The company is listed on Nasdaq Stockholm. Further information is available at www.catenamedia.com.