



# iClick Interactive

Q2 2019 Earnings Presentation

NASDAQ: **ICLK** | 26 August 2019



# Disclaimer

The information in this presentation is provided to you by iClick Interactive Asia Group Limited (the "Company") solely for informational purpose and does not constitute an offer to buy or sell or solicitation of an offer to buy or sell, any securities of the "Company" in any jurisdiction or an inducement to enter into investment activity, nor may it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever in the United States or anywhere else. Specifically, this presentation does not constitute a "prospectus" within the meaning of the U.S. Securities Act of 1933, as amended (the "Securities Act"). No securities of the Company may be offered or sold in the United States without registration with the U.S. Securities and Exchange Commission (the "SEC") unless pursuant to an available exemption from the registration requirement of the Securities Act. This presentation does not contain all relevant information relating to the Company or its securities, particularly with respect to the risks and special considerations involved with an investment in the securities of the Company.

This presentation does not constitute legal, regulatory, accounting or tax advice to you. This presentation does not constitute and should not be considered as any form of financial opinion or recommendation by the Company or any other party.

This presentation contains "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," "explore," "confident" and similar statements. Such statements are based upon management's current expectations and current market and operating conditions, and relate to events that involve known or unknown risks, uncertainties and other factors, all of which are difficult to predict and many of which are beyond the Company's control. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: the Company's fluctuations in growth; its success in implementing its mobile and new retail strategies, including extending its solutions beyond its core digital marketing business; relative percentage of its gross billing recognized as net revenues under the gross and net models; its ability to retain existing clients or attract new ones; its ability to retain content distribution channels and negotiate favorable contractual terms; market competition, including from independent online marketing technology platforms as well as large and well-established internet companies; market acceptance of online marketing technology and enterprise solutions; effectiveness of its algorithms and data engines; its ability to collect and use data from various sources; ability to integrate and realize synergies from acquisitions, investments or strategic partnership; fluctuations in foreign exchange rates; general economic conditions in China and other jurisdictions where the Company operates; and the regulatory landscape in China and other jurisdictions where the Company operates. Further information regarding these and other risks is included in the Company's annual report on Form 20-F and other filings with the SEC. The Company, its officers, advisors, or representatives undertakes no obligation to update or revise these forward-looking statements for events or circumstances that occur subsequent to the date of this presentation, except as required under law.

This presentation contains certain financial measures that are not recognized under generally accepted accounting principles in the United States ("GAAP"). The Company uses adjusted EBITDA, adjusted net loss, and diluted adjusted net loss per ADS, each a non-GAAP financial measure, in evaluating the Company's operating results and for financial and operational decision-making purposes. The Company believes that adjusted EBITDA, adjusted net loss, and diluted adjusted net loss per ADS help identify underlying trends in the Company's business that could otherwise be distorted by the effect of the expenses and gains that the Company includes in net loss. The Company believes that adjusted EBITDA and adjusted net loss provide useful information about the Company's operating results, enhance the overall understanding of the Company's past performance and future prospects and allow for greater visibility with respect to key metrics used by the Company's management in its financial and operational decision-making. Adjusted EBITDA, adjusted net loss, and diluted adjusted net loss per ADS should not be considered in isolation or construed as an alternative to net loss or any other measure of performance or as an indicator of the Company's operating performance. Investors are encouraged to review the historical non-GAAP financial measures to the most directly comparable GAAP measures. Adjusted EBITDA, adjusted net loss, and diluted adjusted net loss per ADS presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to the Company's data. The Company encourages investors and others to review the Company's financial information in its entirety and not rely on a single financial measure. See Appendix for a reconciliation of the Company's adjusted EBITDA to net loss, its most comparable GAAP measure, and a reconciliation of the Company's adjusted net loss to net loss, its most comparable GAAP measure. Additionally, currency-neutral revenue is calculated using actual exchange rates in use during the comparative prior year period to enhance the visibility of the underlying business trends excluding the impact of translation arising from foreign currency exchange rate fluctuations. These non-GAAP financial measures was presented with the most directly comparable GAAP financial measures together for facilitating a more comprehensive understanding of operating performance between periods.

THE INFORMATION CONTAINED IN THIS DOCUMENT MAY NOT BE FORWARDED, PUBLISHED OR DISTRIBUTED, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON (WHETHER WITHIN OR OUTSIDE YOUR ORGANIZATION/ FIRM) FOR ANY PURPOSE ANY MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, PUBLICATION, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED.



# **BUSINESS UPDATE**

# Key Business Updates

## iClick & Japan-Based Vector sign MOU for integrated enterprise & marketing solutions



### About Vector Inc. (6058:JP)

- Vector Inc. is the leading strategic Public Relations (“PR”) group in Japan. It operates over 10 countries across Asia.
- It is ranked as top 15 PR agency and fastest growing of the world.
- Scope of services includes digital marketing, video-ads, talent casting news wire, media svcs.

### *Rationale*

- ✓ The partnership will focus on the development of enterprise and marketing solutions targeting Chinese consumers travelling in Japan to unlock the potential of smart retail through offline and online data integration.
- ✓ The enterprise solutions leverage iClick’s proprietary platform that incorporates Artificial Intelligence (AI) to learn, build, and store knowledge enabling accurate predictions about consumer behavior.

## V-Click Technology Officially Launched for SE Asia Co’s. to target Chinese consumers



### About V-Click Technology

- V-Click is the joint venture formed between VGI Global Media Plc (“VGI”) (VGI.BKK), Thailand’s number one online to offline (O2O) solutions provider across advertising, payment and logistics platforms and iClick.
- The suite of technology-driven digital marketing and media solutions provided by V-Click will include intelligence, social, and mobile tools

### *Rationale and Synergies*

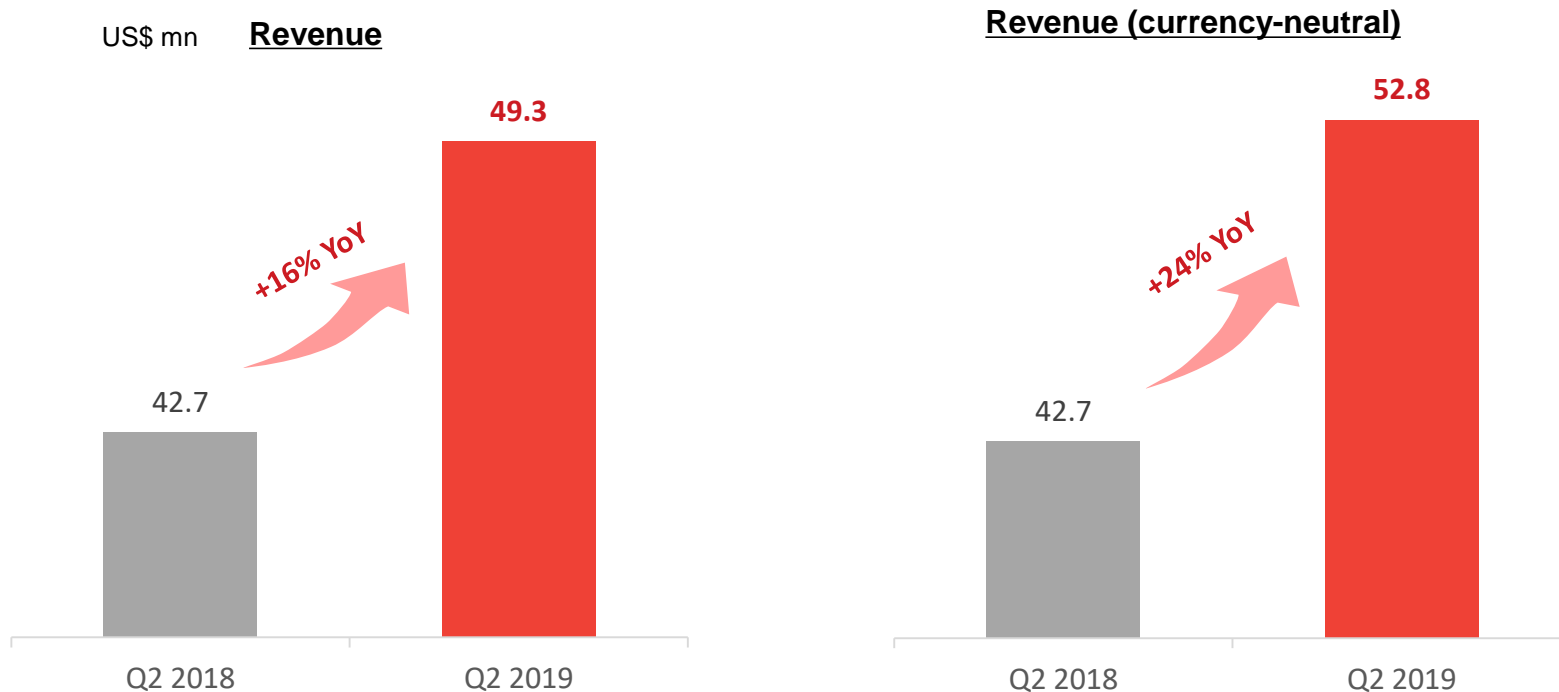
- ✓ Thailand is one of the most popular overseas destinations for Chinese tourists. In 2018, there were 10.5 million visitors from China, with a total expenditure of USD 18 billion.
- ✓ Generate significant cross border marketing opportunities, which can be addressed through a suite of mobile and new media products



# KEY FINANCIAL HIGHLIGHTS

# Revenue

■ Driven by Growing Market Demand from Marketers and New Enterprise Solutions

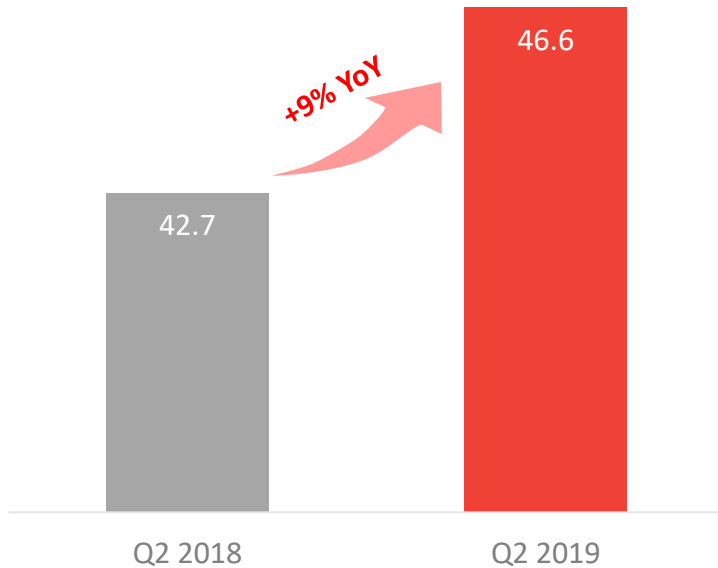


# Revenue Breakdown

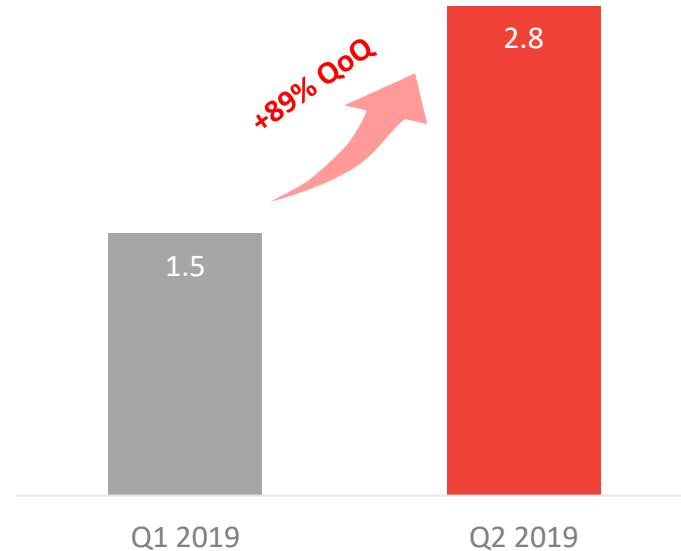
## Marketing Solutions Record High & Enterprise Solutions Grows Robustly QoQ

Marketing solutions increased by 17% on a *currency-neutral basis*.

US\$ mn Marketing Solutions



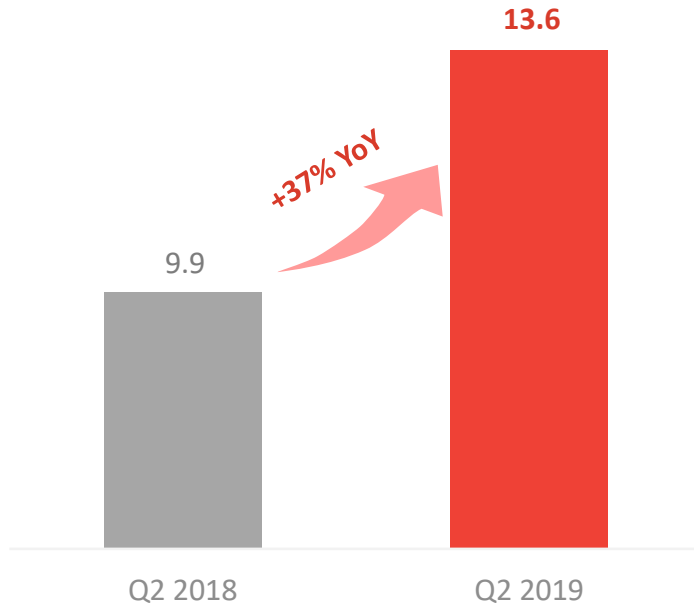
Enterprise Solutions



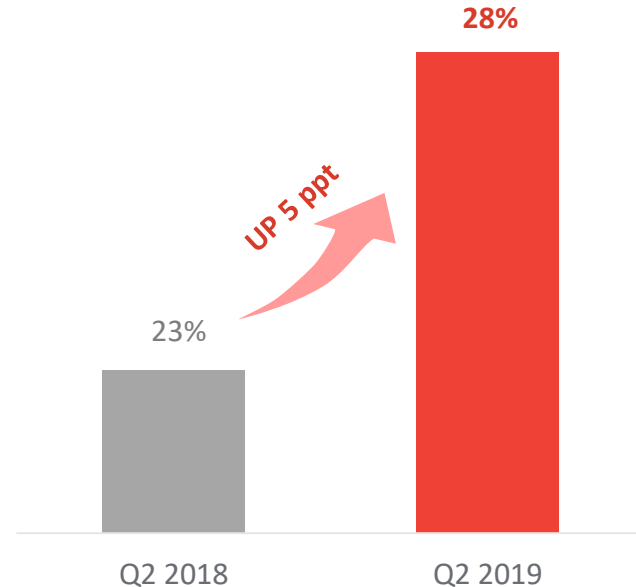
# Gross Profit

## Record High in Gross Profit and Improvement in Gross Profit Margin

US\$ mn Gross Profit



Gross Margin

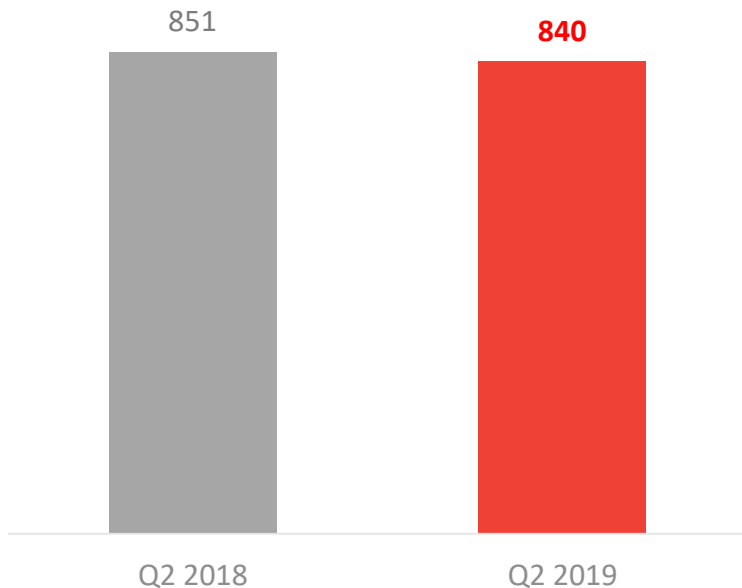




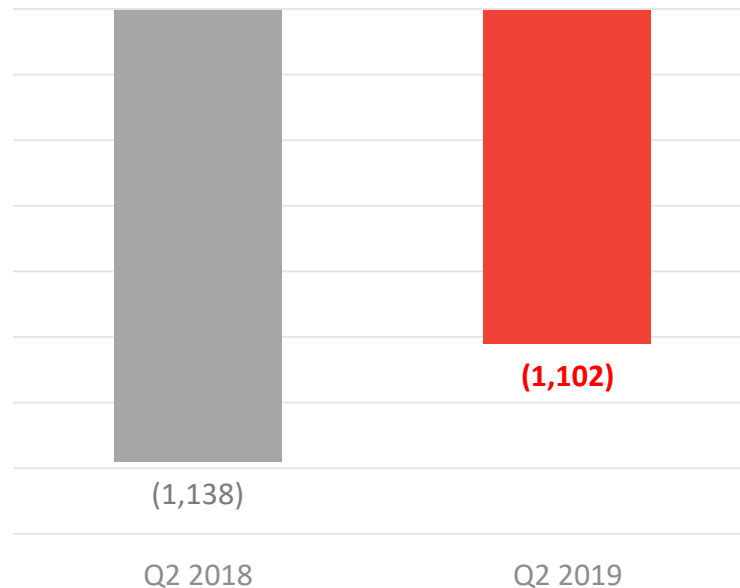
# Non-GAAP Results

## Stable Adjusted EBITDA and Improving Adjusted Net Loss

US\$ '000 Adjusted EBITDA

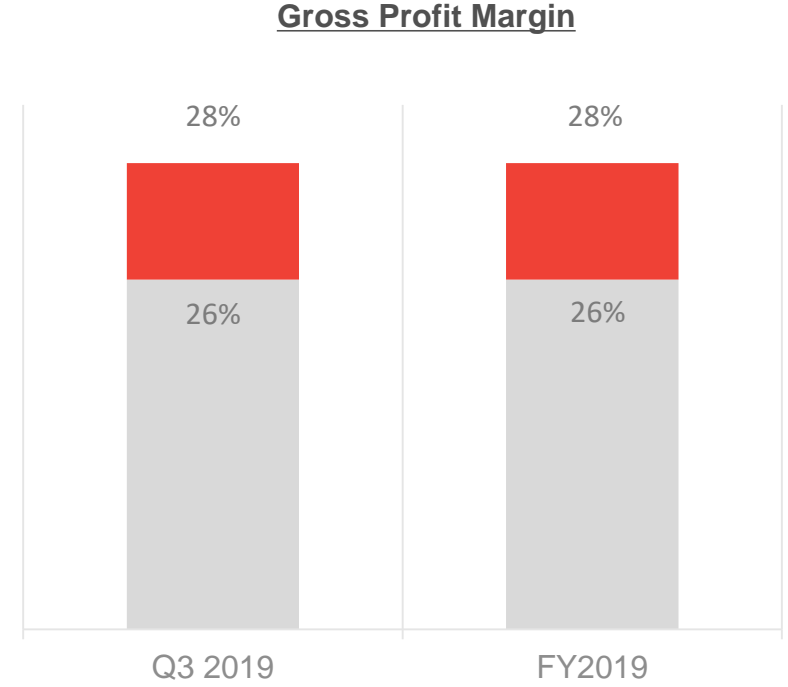
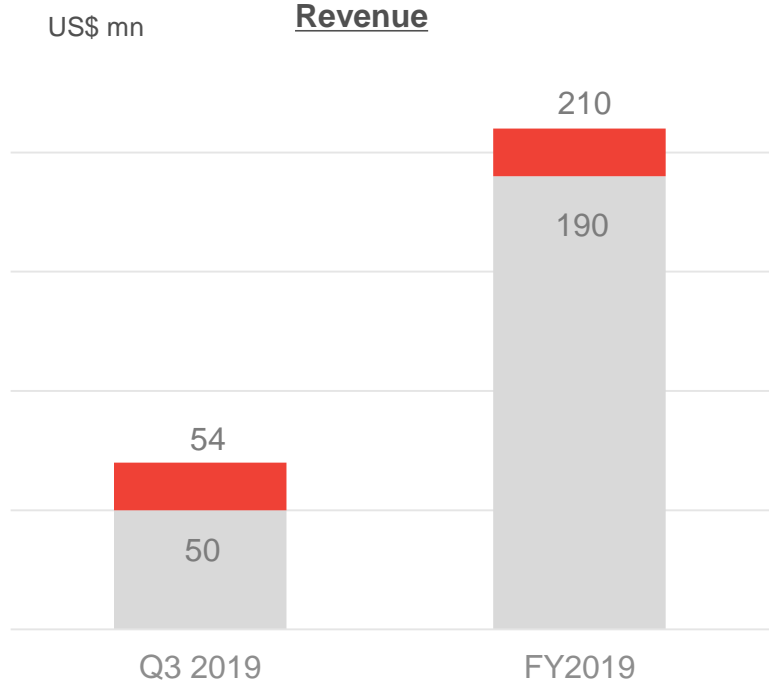


US\$ '000 Adjusted Net Loss



# Guidance

## Q3 2019 & FY2019





# **BUSINESS OVERVIEW**

# About iClick Interactive

## Strong Marketing Solutions and Data Analytics Capabilities

### COVER



**114,000**  
MOBILE APPS



**2.1Mil**  
WEBSITES

### ANALYSE



**0.8 TB**  
DATA COLLECTED  
DAILY



**824.9Mil**  
ACTIVE  
PROFILED USERS

**16** AVERAGE ATTRIBUTES  
PER PROFILE



**INTENT**



**INTEREST**



**ONLINE TRANSACTION**



**SOCIAL**



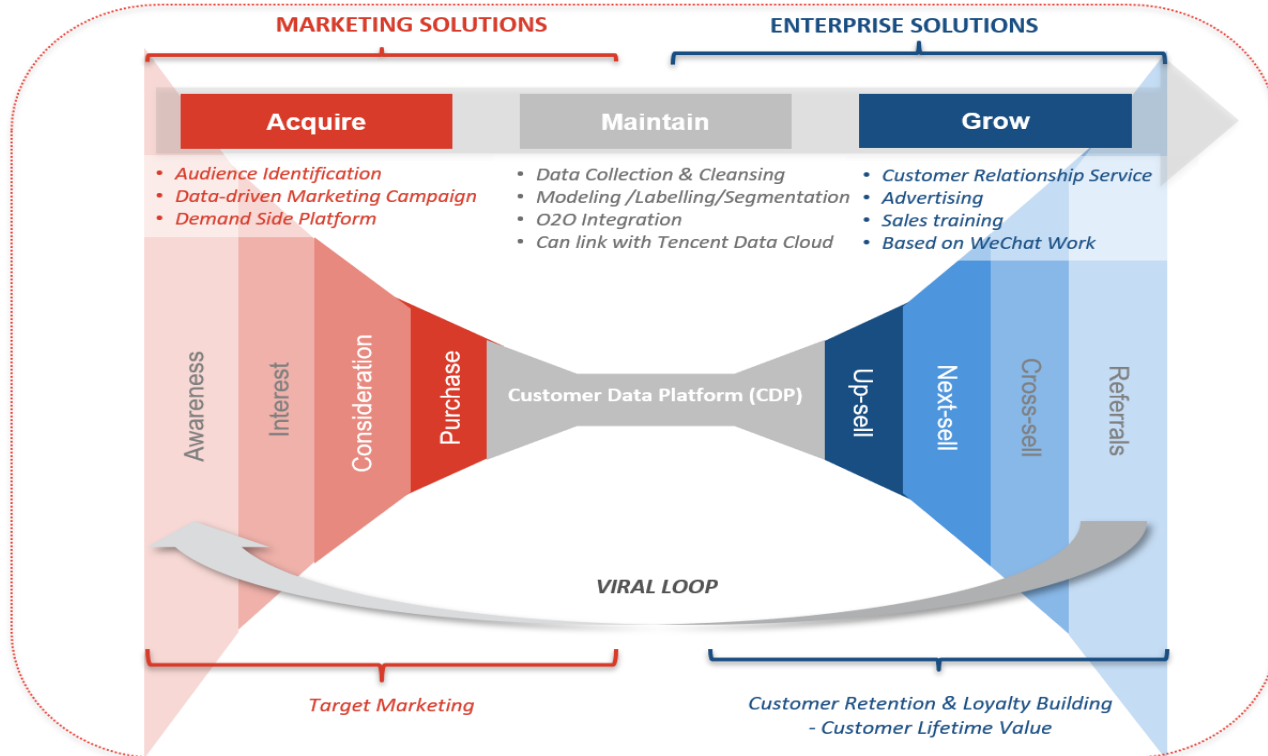
**DEMOGRAPHIC**



**OFFLINE PURCHASE  
BEHAVIOR**

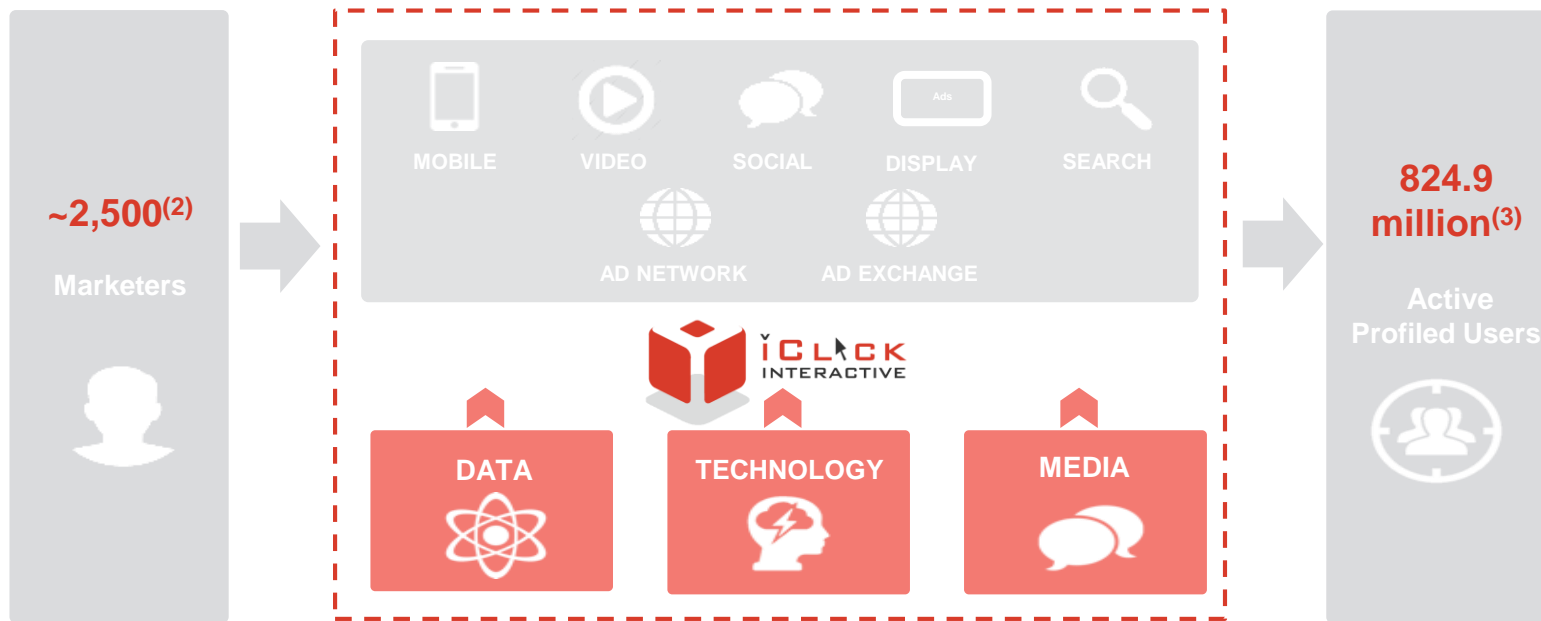
# Growth Strategy – Completing the Consumer Full-Cycle Solution

Transitioning to an **Integrated CRM and Marketing Cloud Platform** to unlock the full potential of smart retail (online and offline)



# Core Business – Marketing Solutions

We use **DATA** and **AI-DRIVEN TECHNOLOGY** to help brands target and acquire the **RIGHT CUSTOMERS** efficiently



We are the **LARGEST INDEPENDENT MARKETING TECHNOLOGY PLAYER** in China, with a 4.9% market share of the digital advertising market<sup>(1)</sup>

(1) Based on gross billing in 2018 according to a report commissioned by us and prepared by Frost & Sullivan. Independent marketing technology companies refer to online marketing technology companies that do not own, or are not part of any group which owns, any online publishing resources

(2) Data for 2018

(3) Data in the 30 days leading up to March 31<sup>st</sup>, 2019

# New Business Line – Enterprise Solutions

We partner with Tencent to offer **fully-integrated data-driven and smart Enterprise Solutions**, which enable brands to manage their consumers more efficiently, help increase the repurchase rate and therefore enhance the consumers' loyalty.



(1) WeChat mini-programs are "sub-applications" within the WeChat ecosystem which provide advanced features to users such as e-commerce, task management, coupons.



# APPENDIX



# GAAP to Non-GAAP Reconciliation

## Reconciliation of Adjusted EBITDA to Net Loss

<i>(US\$'000, except share data and per share data, or otherwise noted, unaudited)</i>	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2019	2018	2019	2018
<b>Net loss</b>	<b>(3,244)</b>	<b>(2,606)</b>	<b>(5,713)</b>	<b>(2,718)</b>
Add/(less):				
Depreciation and amortization	1,644	1,284	3,378	2,646
Interest expense	332	175	537	347
Interest income	(115)	(42)	(214)	(193)
Income tax expense	81	572	27	1,016
<b>EBITDA</b>	<b>(1,302)</b>	<b>(617)</b>	<b>(1,985)</b>	<b>1,098</b>
Add/(less):				
Share-based compensation	568	724	1,226	1,498
Fair value losses on convertible notes	991	-	1,992	-
Other (gains)/losses, net	(440)	744	(1,212)	(1,336)
Net loss attributable to noncontrolling interests	103	-	437	-
Share of losses from an equity investee	14	-	14	-
Cost related to new business setup or acquisitions	397	-	397	-
Cost related to filing of Form F-3	509	-	509	-
<b>Adjusted EBITDA</b>	<b>840</b>	<b>851</b>	<b>1,378</b>	<b>1,260</b>

Note: Adjusted EBITDA represents net loss before (i) depreciation and amortization, (ii) interest expense, (iii) interest income, (iv) income tax expense, (v) share-based compensation, (vi) fair value losses on convertible notes, (vii) other (gains)/ losses, net, (viii) net loss attributable to noncontrolling interests, (ix) share of losses from an equity investee, (x) cost related to new business setup or acquisitions, and (xi) cost related to filing of Form F-3.

# GAAP to Non-GAAP Reconciliation

## Reconciliation of Adjusted Net Loss to Net Loss

(US\$'000, except share data and per share data, or otherwise noted, unaudited)	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2019	2018	2019	2018
<b>Net loss</b>	<b>(3,244)</b>	<b>(2,606)</b>	<b>(5,713)</b>	<b>(2,718)</b>
Add/(less):				
Share-based compensation	568	724	1,226	1,498
Fair value losses on convertible notes	991	-	1,992	-
Other (gains)/ losses, net	(440)	744	(1,212)	(1,336)
Net loss attributable to noncontrolling interests	103	-	437	-
Share of losses from an equity investee	14	-	14	-
Cost related to new business setup or acquisitions	397	-	397	-
Cost related to filing of Form F-3	509	-	509	-
<b>Adjusted net loss</b>	<b>(1,102)</b>	<b>(1,138)</b>	<b>(2,350)</b>	<b>(2,556)</b>
<b>Denominator:</b>				
Denominator for basic and diluted net loss per ADS				
- Weighted average ADS outstanding	57,021,120	52,167,588	56,700,646	52,158,106
Basic adjusted net loss per ADS	(0.02)	(0.02)	(0.04)	(0.05)
Diluted adjusted net loss per ADS	(0.02)	(0.02)	(0.04)	(0.05)

Note: Adjusted net loss represents net loss before (i) share-based compensation, (ii) fair value losses on convertible notes, (iii) other (gains)/ losses, net, (iv) net loss attributable to noncontrolling interests, (v) share of losses from an equity investee, (vi) cost related to new business setup or acquisitions, and (vii) cost related to filing of Form F-3. There is no material tax effects on these non-GAAP adjustments.



## iClick Interactive Asia Group Limited

W | [www.i-Click.com](http://www.i-Click.com)

E | [ir@i-Click.com](mailto:ir@i-Click.com)

T | (852) 3700-9000



| iClick Interactive