

iClick Interactive Asia Group Limited

Q3 2019 Earnings Presentation

NASDAQ: **ICLK** | 26 November 2019



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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.

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BUSINESS UPDATE

Key Business Updates

US\$20 Million Convertible Note Issuance

Fast Facts

- Purchaser being Marine Central Limited, back by the majority shareholder of Forbes Media LLC
- Conversion price set at the lower of US\$4.3 or the VWAP over a certain period plus 10% premium
- Lock-up period of 12 months
- Three years duration due November 11, 2022

Rationale and Synergies

- ✓ Conversion price premium shows the conviction investors have in the Company.
- ✓ The relationships developed from the Note issuance may potentially evolve into substantial synergies beyond a pure financial investment
- ✓ The net proceeds will be primarily used for continued investment in our enterprise solutions and other new businesses.

Industry Recognition

Tencent's Advertising and Marketing Service

- Best Branding and Performance Coordination Award
- Excellence Award
- Commitment Award
- Innovation Award

Tencent 腾讯

Creative Award 2019

- Annual Influential Platform
- Innovation Golden Award in Marketing



International Travel & Tourism Awards

- Best Tourism Marketing Agency
– Highly Commended

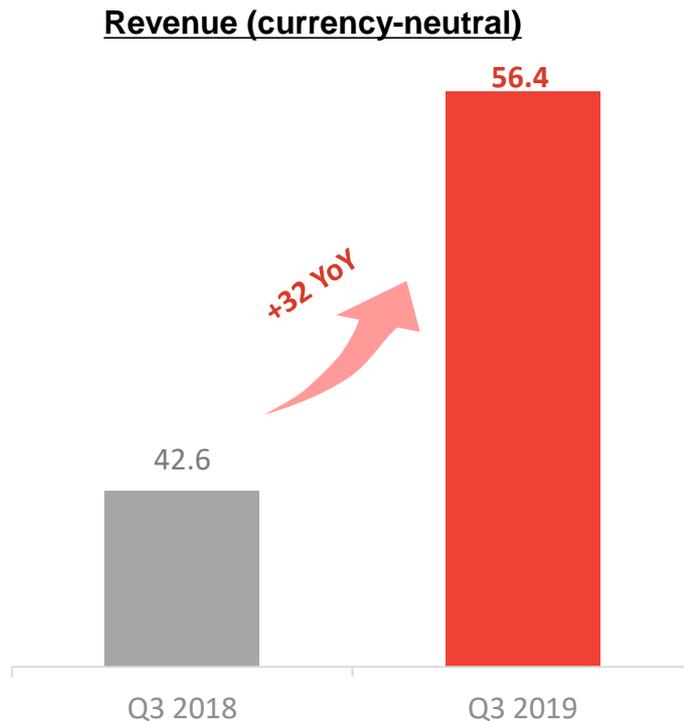
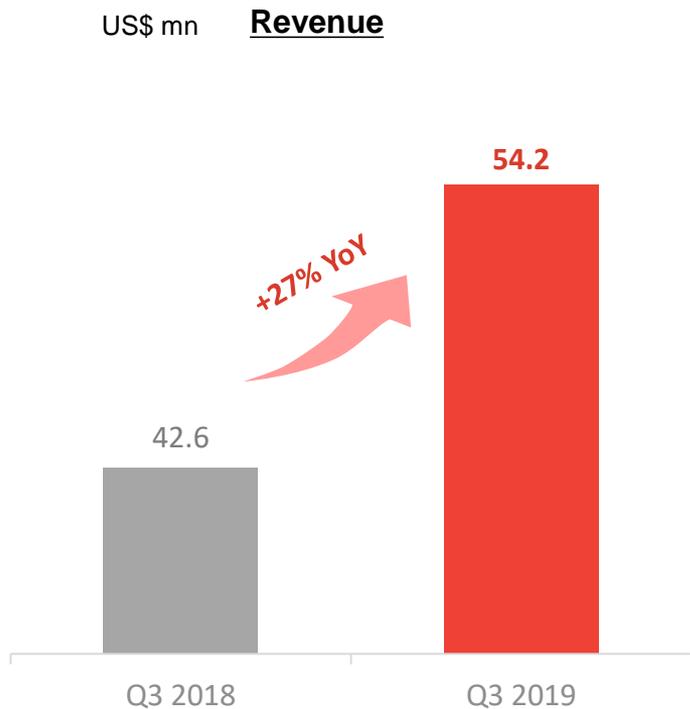




KEY FINANCIAL HIGHLIGHTS

Revenue

Driven by Growing Market Demand from Marketers and New Enterprise Solutions



Revenue Breakdown

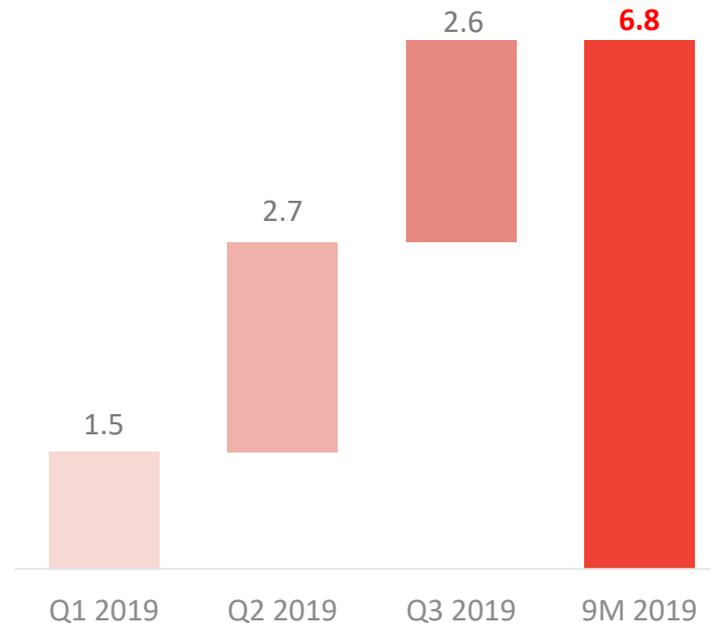
Marketing Solutions Record High & Enterprise Solutions on Track

Marketing solutions increased by **26%** on a **currency-neutral basis**.

US\$ mn Marketing Solutions



Enterprise Solutions



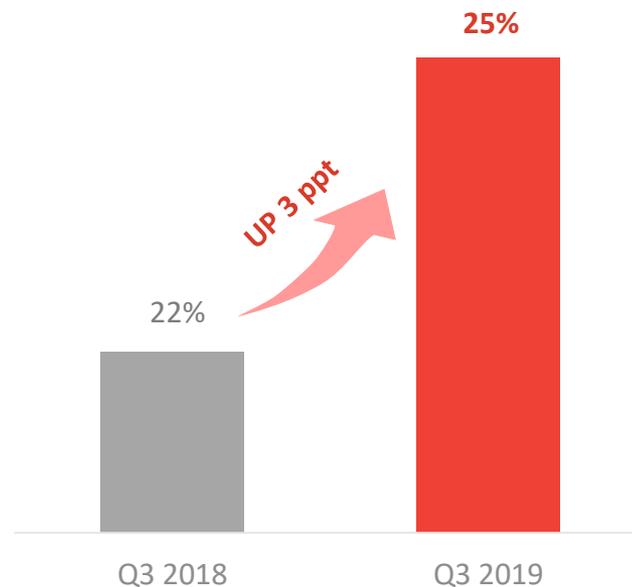
Gross Profit

Robust Gross Profit Growth and Improvement in Gross Profit Margin

US\$ mn Gross Profit

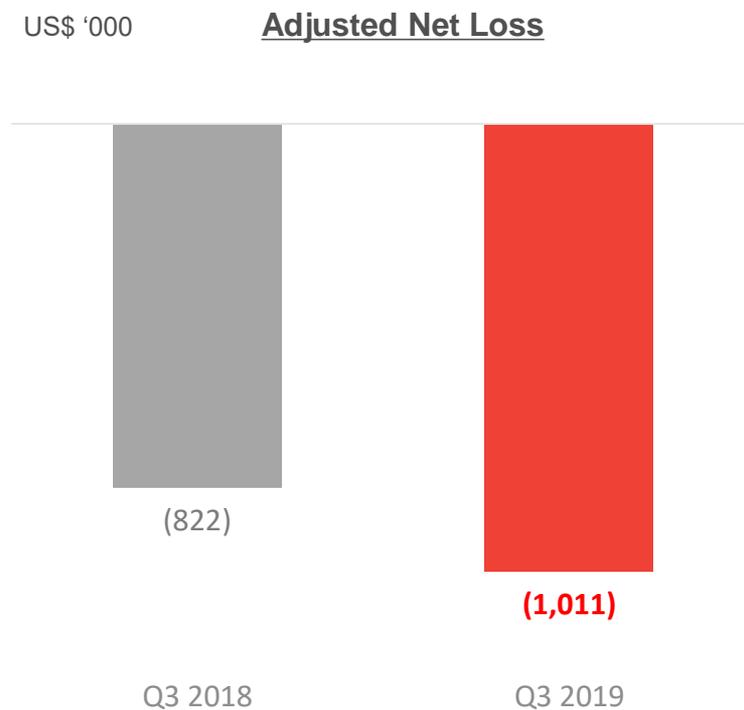
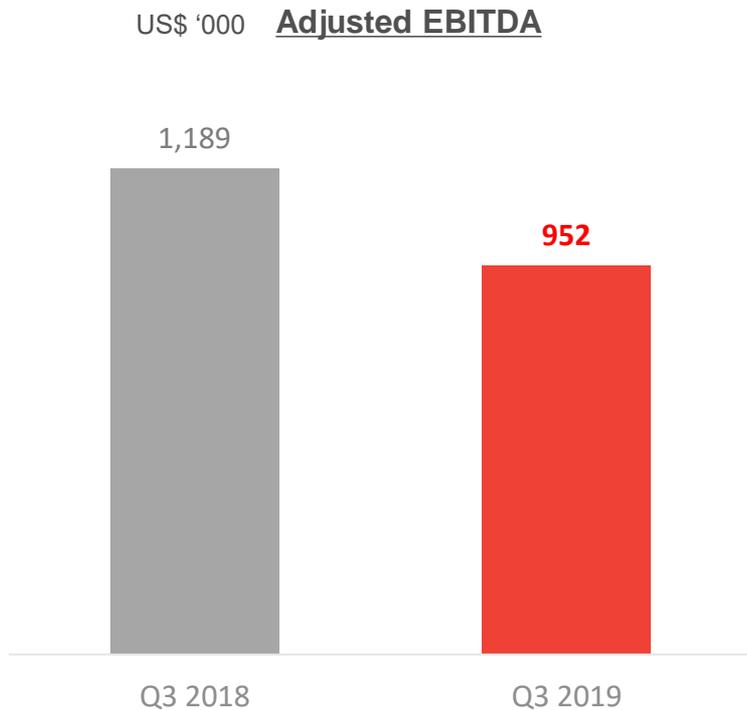


Gross Margin



Non-GAAP Results

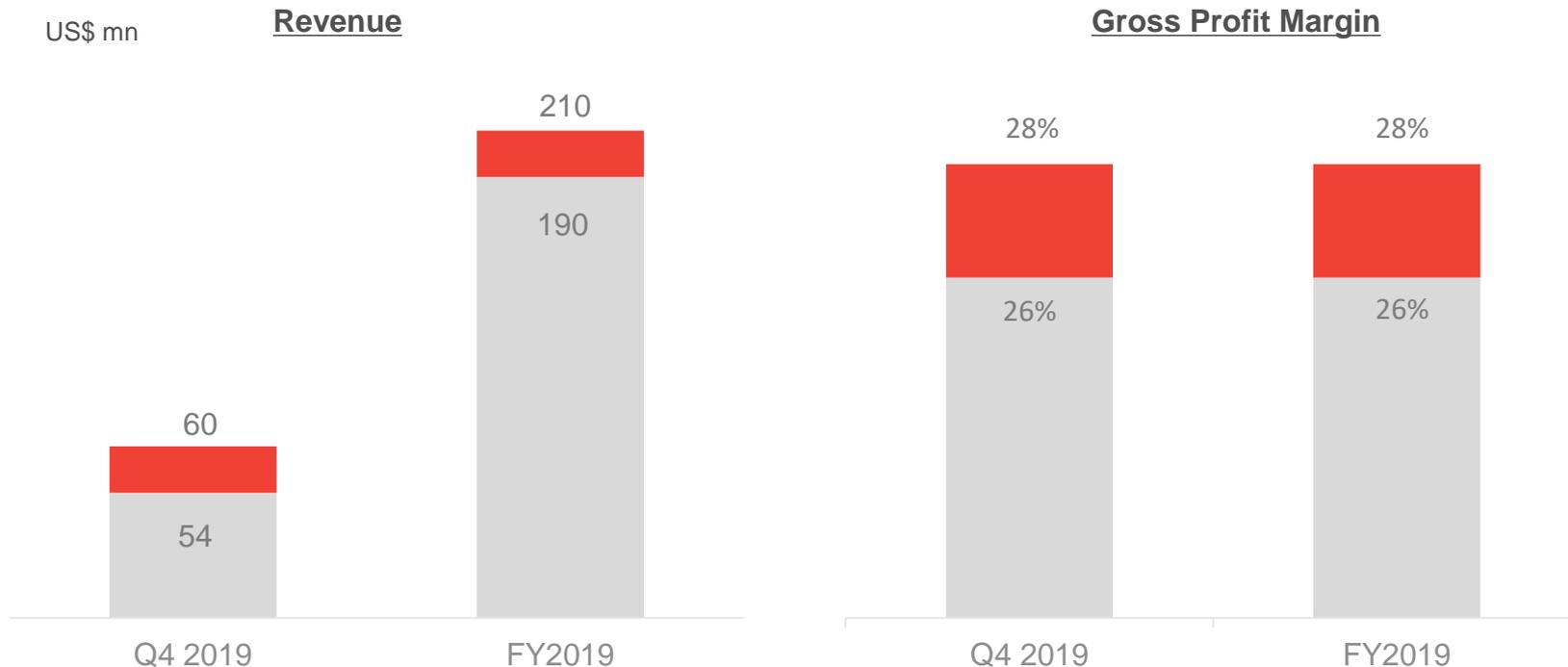
Stable Adjusted EBITDA and Adjusted Net Loss



Note: For a reconciliation of the Company's adjusted EBITDA to net income/ (loss) and adjusted net loss to net income/ (loss), their most comparable GAAP measures, please refer to reconciliation tables in the Appendix.

Guidance

Solid Q4 2019 & Reiterate 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



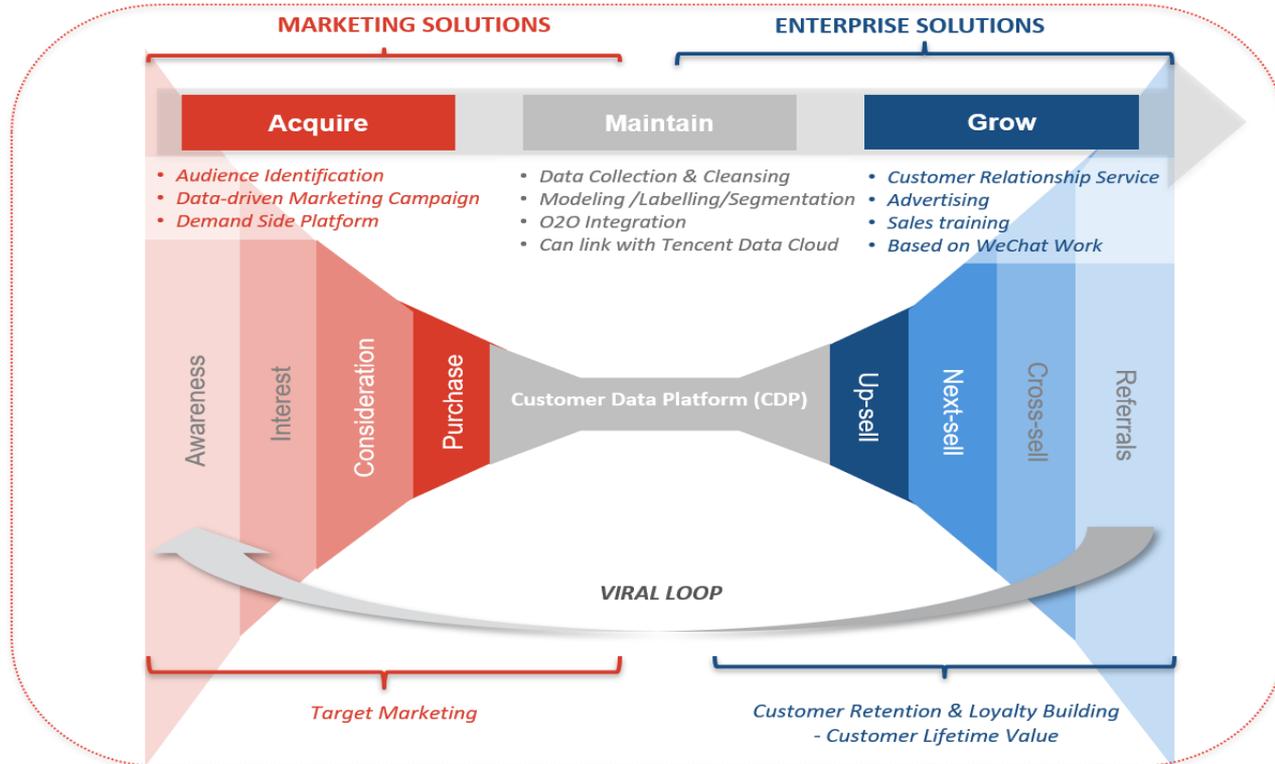
DEMOGRAPHIC



**OFFLINE PURCHASE
BEHAVIOR**

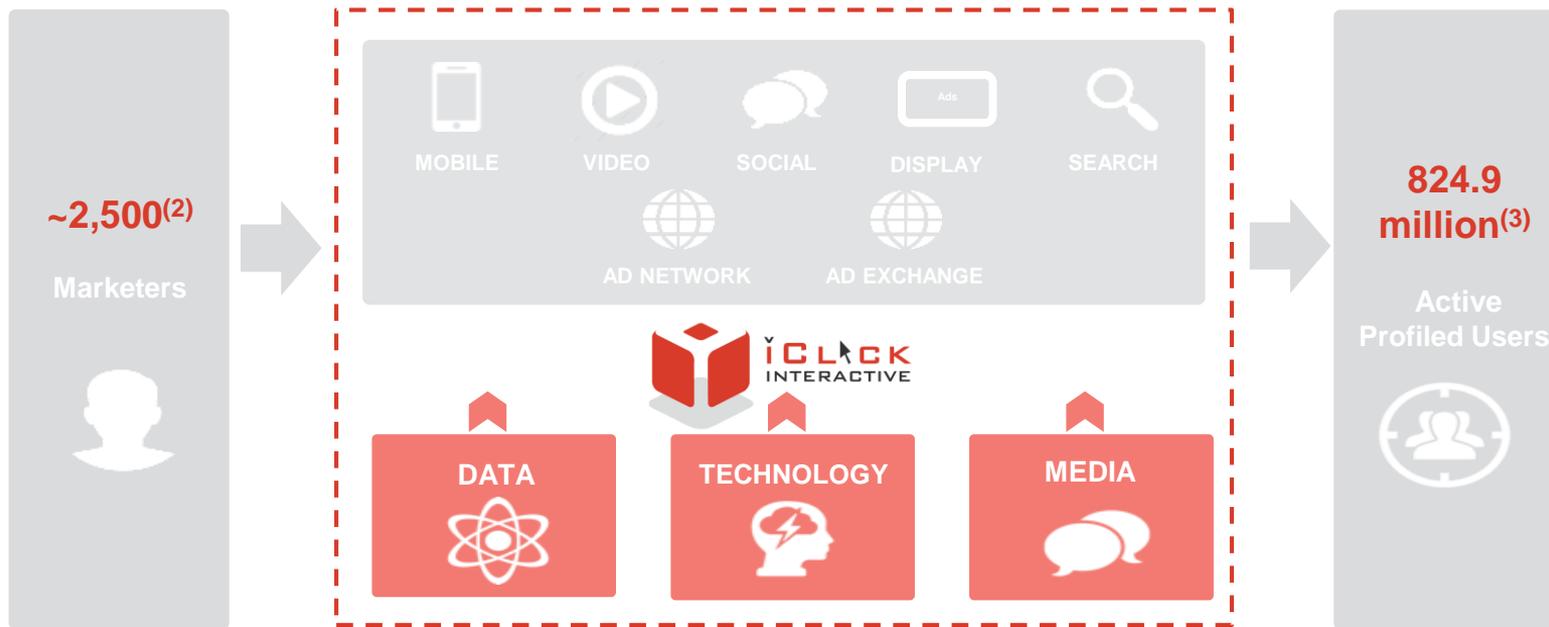
Growth Strategy – Completing the Consumer Full-Cycle Solution

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⁽¹⁾

(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 31st, 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 Income/ (Loss)

(US\$'000, unaudited)	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2019	2018	2019	2018
Net income/ (loss)	863	(21,754)	(4,850)	(24,472)
Add/(less):				
Depreciation and amortization	1,637	1,238	5,015	3,884
Interest expense	476	186	1,013	534
Interest income	(110)	(67)	(324)	(261)
Income tax (benefit)/ expense	(40)	654	(13)	1,670
EBITDA	2,826	(19,743)	841	(18,645)
Add/(less):				
Share-based compensation	431	11,785	1,657	13,283
Fair value (gain)/losses on convertible notes	(2,938)	5,383	(946)	5,383
Other (gains)/losses, net	(759)	1,574	(1,971)	238
Convertible notes issuance cost	-	2,190	-	2,190
Net loss attributable to noncontrolling interests	550	-	987	-
Share of losses from an equity investee	217	-	231	-
Cost related to new business setup or acquisitions	352	-	749	-
Cost related to filing of Form F-3	273	-	782	-
Adjusted EBITDA	952	1,189	2,330	2,449

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

GAAP to Non-GAAP Reconciliation

Reconciliation of Adjusted Net Loss to Net Income/ (Loss)

(US\$'000, except share data and per share data, or otherwise noted, unaudited)	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2019	2018	2019	2018
Net income/ (loss)	863	(21,754)	(4,850)	(24,472)
Add/(less):				
Share-based compensation	431	11,785	1,657	13,283
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Convertible notes issuance cost	-	2,190	-	2,190
Net loss attributable to noncontrolling interests	550	-	987	-
Share of losses from an equity investee	217	-	231	-
Cost related to new business setup or acquisitions	352	-	749	-
Cost related to filing of Form F-3	273	-	782	-
Adjusted net loss	(1,011)	(822)	(3,361)	(3,378)
Denominator:				
Denominator for diluted net loss per ADS				
- Weighted average ADS outstanding	67,184,218	52,722,561	65,915,823	52,348,326
Diluted net income/ (loss) per ADS attributable to iClick Interactive Asia Group Limited	(0.02)	(0.41)	(0.07)	(0.47)
Diluted adjusted net loss per ADS attributable to iClick Interactive Asia Group Limited	(0.02)	(0.02)	(0.05)	(0.06)

Note: Adjusted net loss represents net income/ (loss) before (i) share-based compensation, (ii) fair value (gain)/ losses on convertible notes, (iii) other (gains)/ losses, net, (iv) convertible notes issuance cost, (v) net loss attributable to noncontrolling interests, (vi) share of losses from an equity investee, (vii) cost related to new business setup or acquisitions, and (viii) 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

E | ir@i-Click.com

T | (852) 3700-9000



| iClick Interactive