

iClick Interactive Asia Group Limited

Fourth-Quarter and Full-Year 2019 Earnings Presentation

NASDAQ: **ICLK** | 31 March 2020



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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 income/(loss), and diluted adjusted net income/(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 income/(loss), and diluted adjusted net income/(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 income/(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 income/(loss), and diluted adjusted net income/(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 income/(loss), and diluted adjusted net income/(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 income/(loss) to net loss, its most comparable GAAP measure. 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

Over US\$30 Million Credit Facility from HSBC

Fast Facts

- Arranged by HSBC's GBA+ Technology Fund
- Proceeds from the facility will be used for working capital and general corporate support

Rationale

- ✓ This credit facility helps supercharge the growth of our core business and enables us to enhance our ability to provide value-added solutions
- ✓ It will further strengthen our financial position and execution of strategic initiatives.

Obtained New Strategic and Financial Investors

Fast Facts

- Key investors, Marine Central Limited and Tech Famous Limited, have voluntarily elected to convert their convertible bonds in an aggregate principal amount of US\$30 million

Rationale

- ✓ The early conversion indicates investors' confidence in our ability to execute and unlock shareholder value
- ✓ It also serves to substantially reduce the debt on our balance sheet, availing capital to promote our corporate development initiatives



KEY FINANCIAL HIGHLIGHTS

Multiple Records Achieved – Q4 2019 vs. Q4 2018

With first-ever quarterly adjusted net income



Gross billing

US\$223 mn
+128% YoY



Revenue

US\$57 mn
+43% YoY



Gross profit

US\$17 mn
+46% YoY



Adjusted EBITDA

US\$2.5 mn
+3.4mn YoY



Adjusted net income

US\$118 K
Positive for the first time

Multiple Records Achieved – FY2019 vs. FY2018

Record year with historical high gross billing, revenue, gross profit and adjusted EBITDA



Gross billing

US\$641 mn
+60% YoY



Revenue

US\$199 mn
+25% YoY



Gross profit

US\$57 mn
+45% YoY



Adjusted EBITDA

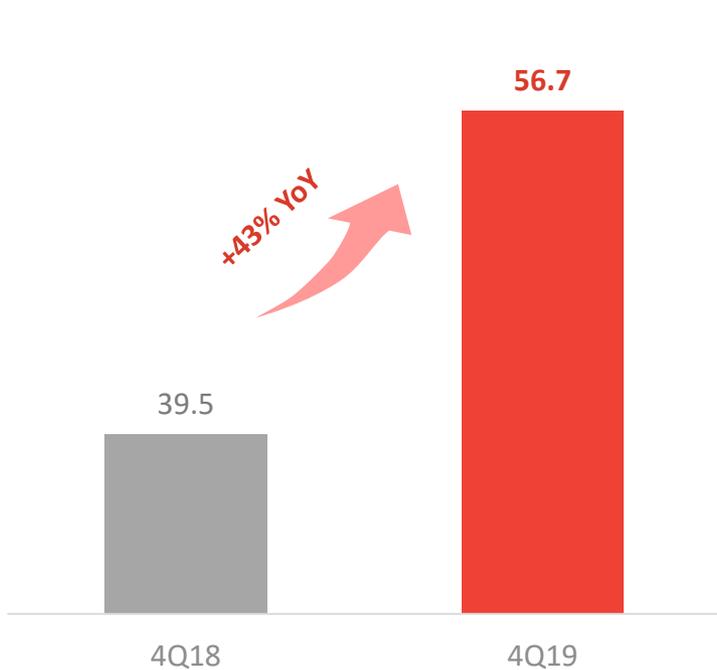
US\$6 mn
More than 3x YoY

Revenue

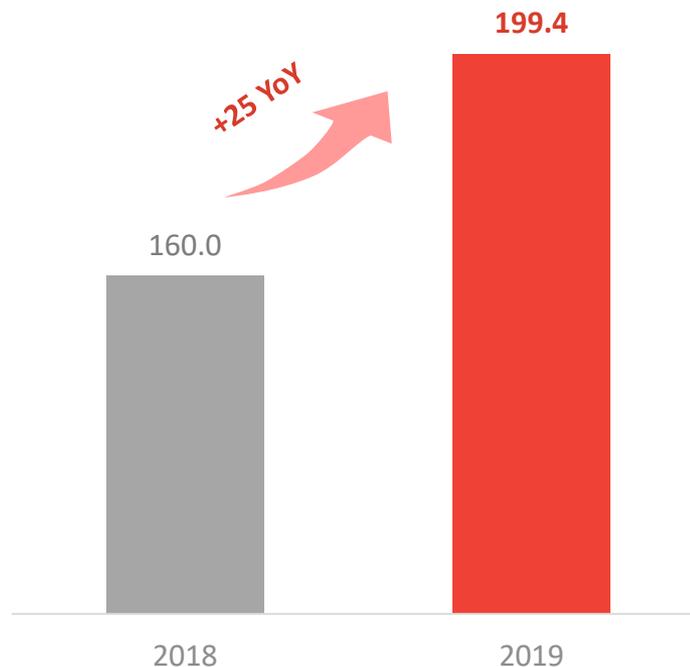
Driven by Growing Market Demand from Marketers and New Enterprise Solutions

US\$ mn

Quarterly Revenue



Annual Revenue



Revenue Breakdown

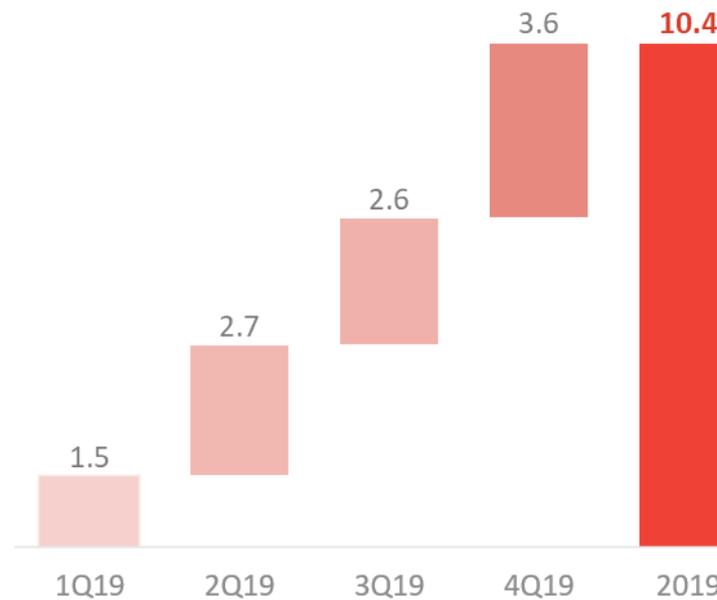
Marketing Solutions Record High & Enterprise Solutions Reached Target

US\$ mn

Marketing Solutions



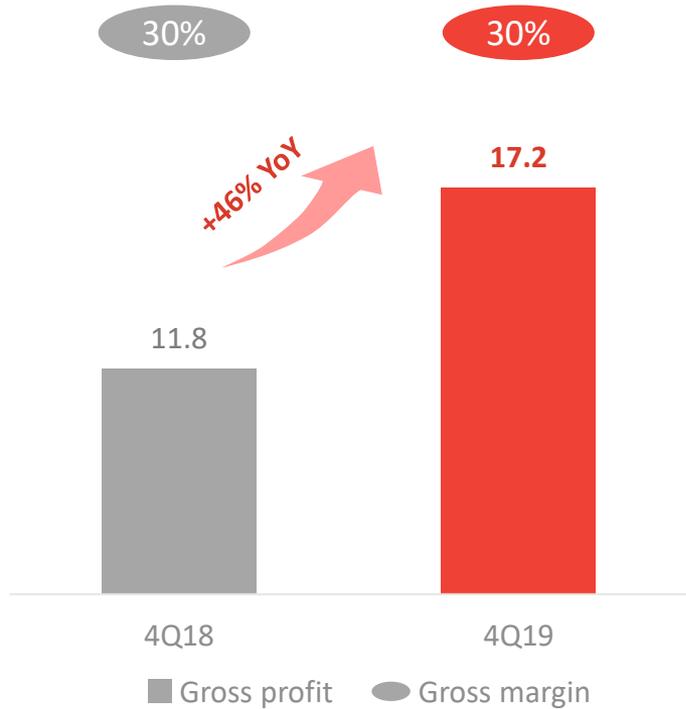
Enterprise Solutions



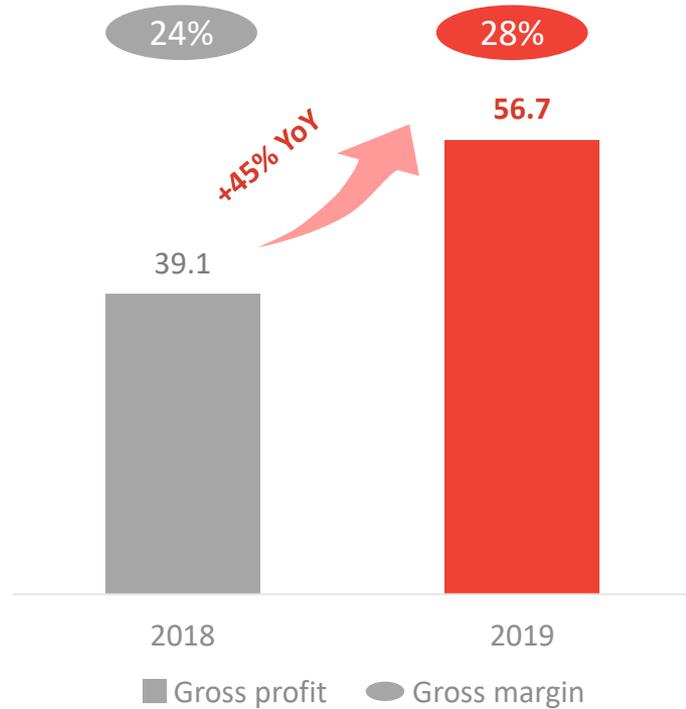
Gross Profit

Robust Growth in Gross Profit and Strong Gross Profit Margin

US\$ mn Quarterly Gross Profit and Gross Margin



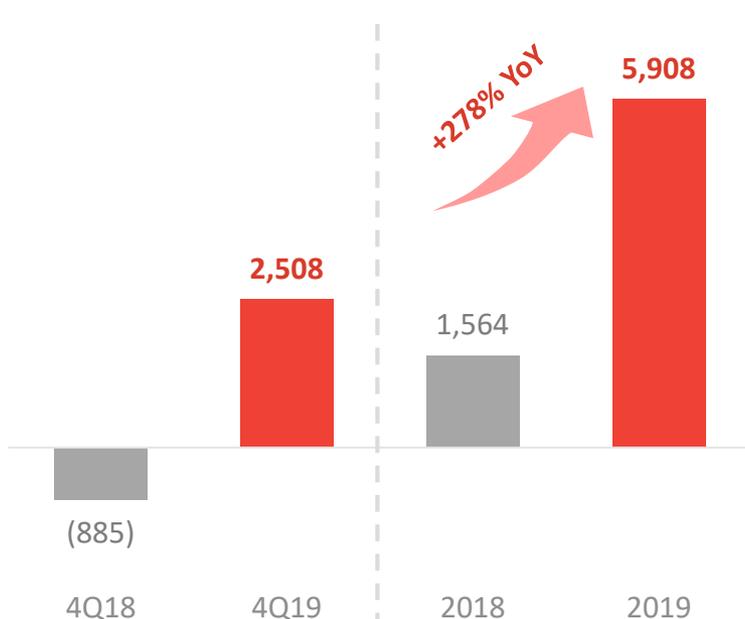
Annual Gross Profit and Gross Margin



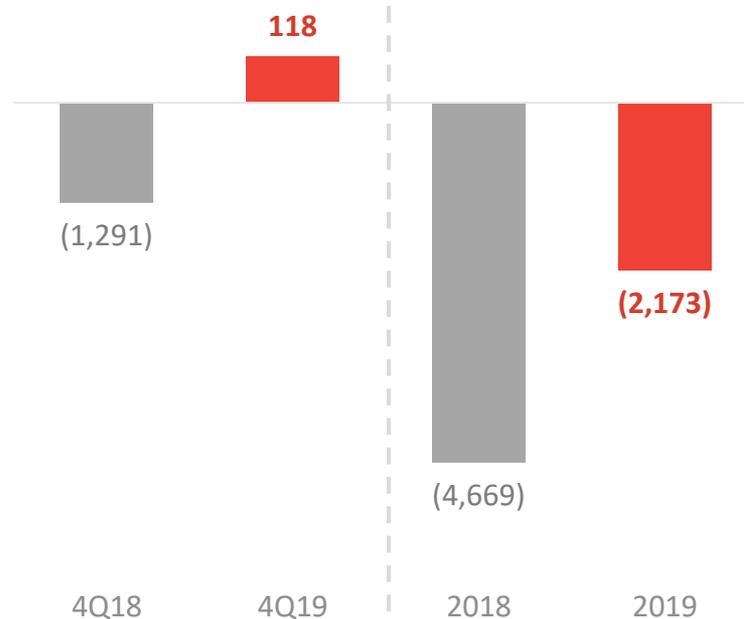
Non-GAAP Results

Annual Adjusted EBITDA More than Tripled and First-ever Quarterly Adjusted Net Income

US\$ '000 Adjusted EBITDA



US\$ '000 Adjusted Net Income/(Loss)



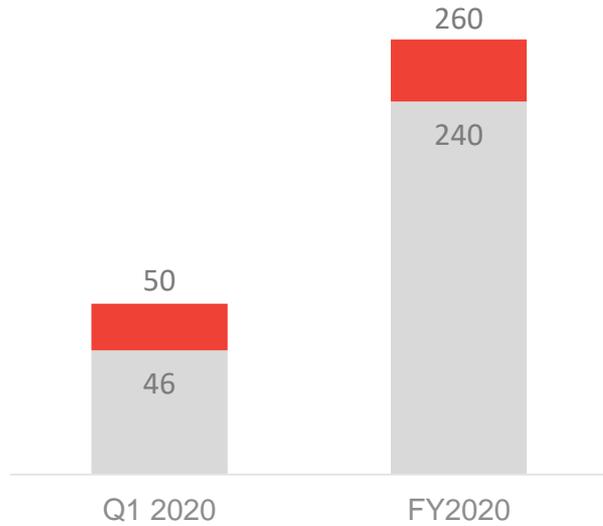
Note: For a reconciliation of the Company's adjusted EBITDA to net income/ (loss) and adjusted net income/(loss) to net income/ (loss), their most comparable GAAP measure, please refer to reconciliation tables in the Appendix.

Guidance

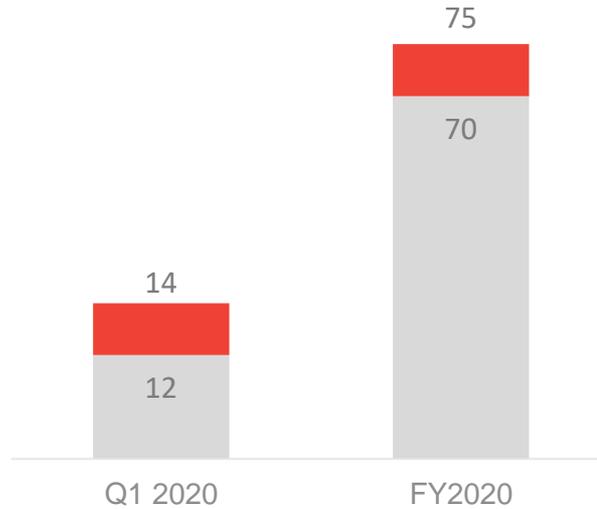
Q1 2020 & FY2020

US\$ mn

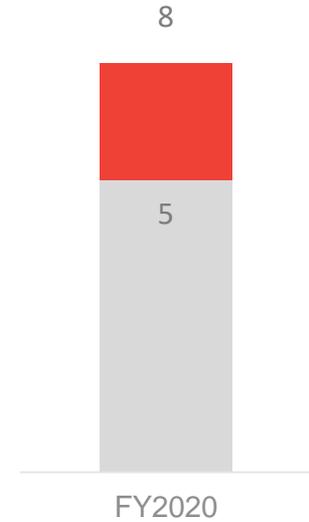
Revenue



Gross Profit



Adjusted EBITDA



Note: Red portion above indicates the Company's guidance range.



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



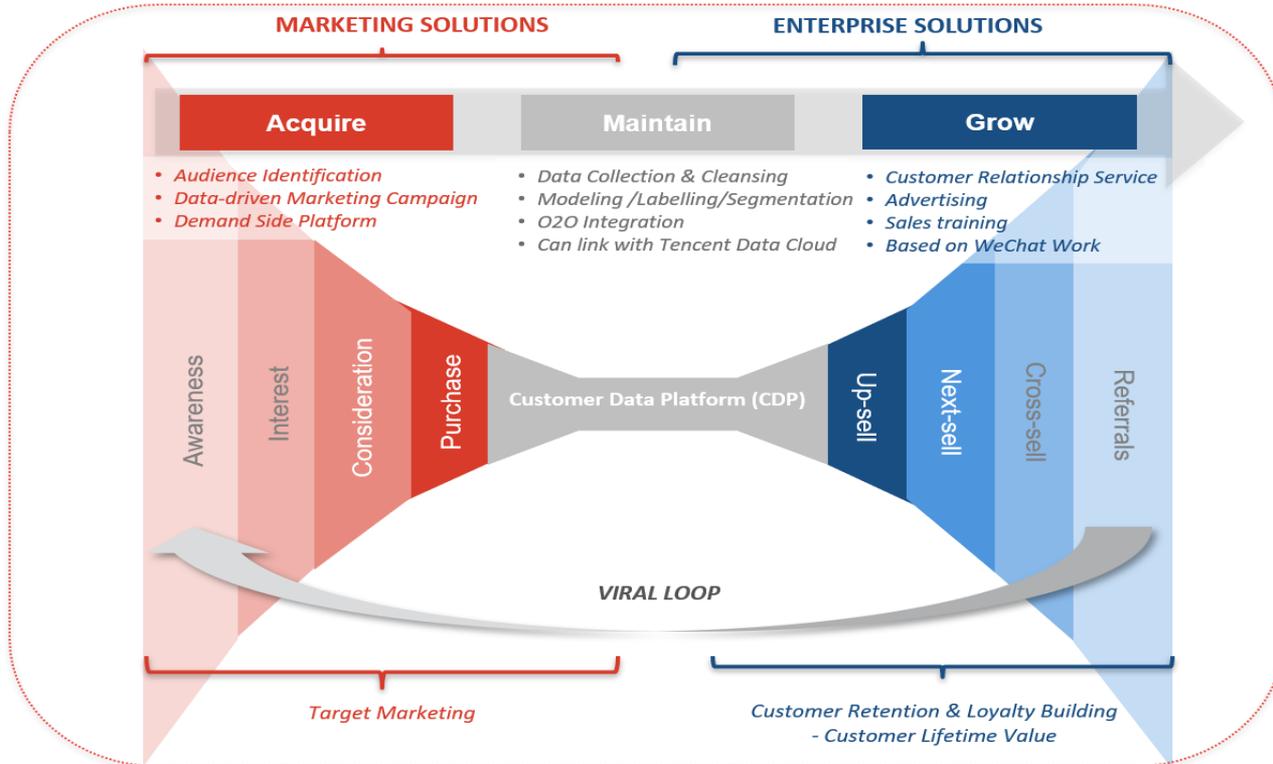
**OFFLINE PURCHASE
BEHAVIOR**

Note: These data were as of March 31, 2019.

Growth Strategy –

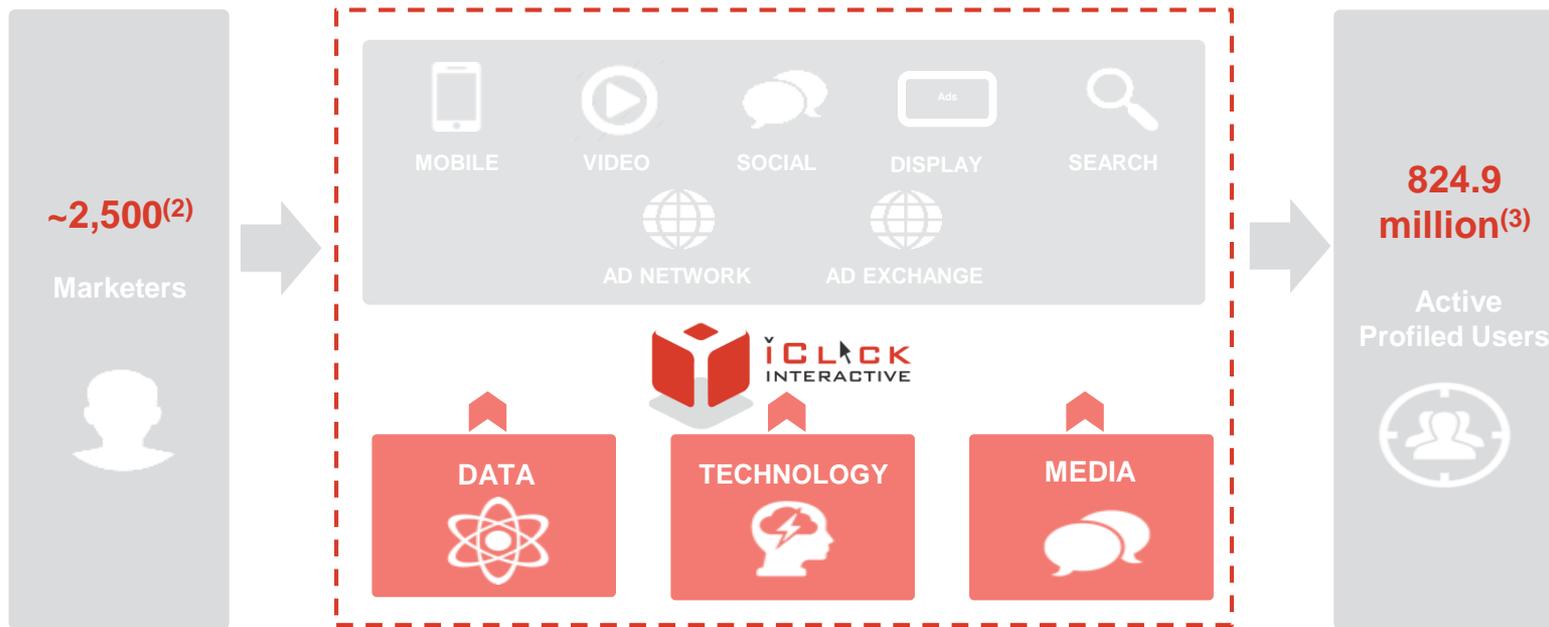
Completing the Consumer Full-Cycle Solution

Transitioning to an **Integrated Enterprise 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 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, unaudited)</i>	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2019	2018	2019	2018
Net loss	(5,999)	(8,139)	(10,849)	(32,611)
Add/(less):				
Depreciation and amortization	1,641	1,342	6,656	5,226
Interest expense	902	239	1,915	773
Interest income	(213)	(160)	(537)	(421)
Income tax expense/(benefit)	60	(1,015)	47	655
EBITDA	(3,609)	(7,733)	(2,768)	(26,378)
Add/(less):				
Share-based compensation	458	6,396	2,115	19,679
Fair value losses/(gains) on convertible notes	813	(546)	(133)	4,837
Other gains, net (net of government grant)	(697)	(925)	(1,598)	(687)
Convertible notes issuance cost	4,556	-	4,556	2,190
Net loss attributable to noncontrolling interests	259	202	1,246	202
Share of losses from an equity investee	177	-	408	-
Cost related to new business setup or acquisitions	298	1,721	1,047	1,721
Cost related to filing of Form F-3	253	-	1,035	-
Adjusted EBITDA	2,508	(885)	5,908	1,564

Note: Adjusted EBITDA represents net loss before (i) depreciation and amortization, (ii) interest expense, (iii) interest income, (iv) income tax expense/(benefit), (v) share-based compensation, (vi) fair value losses/(gains) on convertible notes, (vii) other gains, net (net of government grant), (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 Income/ (Loss) to Net Loss

<i>(US\$'000, except share data and per share data, or otherwise noted, unaudited)</i>	Three Months Ended December 31,		Year Ended December 31,	
	2019	2018	2019	2018
Net loss	(5,999)	(8,139)	(10,849)	(32,611)
Add/(less):				
Share-based compensation	458	6,396	2,115	19,679
Fair value losses/(gains) on convertible notes	813	(546)	(133)	4,837
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Net loss attributable to noncontrolling interests	259	202	1,246	202
Share of losses from an equity investee	177	-	408	-
Cost related to new business setup or acquisitions	298	1,721	1,047	1,721
Cost related to filing of Form F-3	253	-	1,035	-
Adjusted net income/ (loss)	118	(1,291)	(2,173)	(4,669)
Net loss:	(5,999)	(8,139)	(10,849)	(32,611)
Add: Non-GAAP adjustments to net income/ (loss)	6,117	6,848	8,676	27,942
Adjusted net income/(loss)	118	(1,291)	(2,173)	(4,669)
Denominator for net loss per ADS				
- Weighted average ADS outstanding	57,240,609	54,556,147	56,950,785	52,904,817
Denominator for diluted adjusted net income/(loss) per ADS				
- Weighted average ADS outstanding	58,023,602	54,556,147	56,950,785	52,904,817
Diluted net loss per ADS	(0.1048)	(0.1492)	(0.1905)	(0.6164)
Add: Non-GAAP adjustments to net loss per ADS	0.1068	0.1255	0.1523	0.5281
Diluted adjusted net income/(loss) per ADS	0.0020	(0.0237)	(0.0382)	(0.0883)

Note: Adjusted net income/(loss) represents net loss before (i) share-based compensation, (ii) fair value losses /(gains) on convertible notes, (iii) other gains, net (net of government grant), (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.



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