

## Caybon Interim Report Third Quarter (July-Sept) 2022

### July – September 2022

- Net Sales increased by 2% to 232,435 (226,977) TSEK, of which 17% is negative organic growth, 3% is exchange rate related and 16% is acquired growth.
- EBITDA decreased with 59% to 13,947 (34,075) TSEK, adjusted\* EBITDA decreased 48% to 10,569 (30,771) TSEK
- EBITA decreased with 79% to 6,218 (29,395) TSEK, adjusted\* EBITA decreased 66% to 10,569 (30,771) TSEK
- EBITA-margin amounted to 2.7% (13.0), adjusted\* EBITA-margin amounted to 4.5% (13.6)
- Cash Flow from operations was -4,986 (10,209) TSEK
- Net Profit for the period amounted to -6,965 (13,226) TSEK

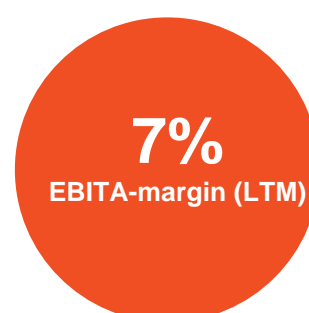
### January – September 2022

- Net Sales increased by 5% to 700,012 (669,099) TSEK, of which -13 % is organic growth, 4% is exchange rate related and 14% acquired growth.
- EBITDA decreased with 34% to 63,595 (96,271) TSEK, adjusted\* EBITDA decreased 24% to 75,025 (98,512) TSEK
- EBITA decreased with 44% to 45,743 (82,220) TSEK, adjusted\* EBITA decreased 32% to 57,173 (84,462) TSEK
- EBITA-margin decreased to 6.5% (12.3), adjusted\* EBITA-margin decreased to 8.2% (12.6)
- Cash Flow from operations was 3,259 (57,037) TSEK
- Net Profit for the period amounted to 5,630 (36,025) TSEK
- It should be noted that Splay One was not part of the Caybon Group in the first quarter 2021 and that FMG Group is part of Caybon Group as of the third quarter 2022.

\*Adjusted amounts exclude non-recurring items and aim to give a picture of the underlying development.

### Significant events in the third quarter

- Caybon communicated the acquisition of Future Media Group on July 16th. Future Media Group is consolidated as part of Caybon and the Campaign segment from July 2022.



TSEK	2022		Chg, %	2021		Chg, %	LTM	2021 Full year
	Jul-Sep	Jul-Sep		Jan-Sep	Jan-Sep			
Net Sales	232 435	226 977	2%	700 012	669 099	5%	955 904	924 991
Gross profit	124 704	120 303	4%	372 513	356 410	5%	513 392	497 788
Gross profit margin, %	53,7%	53,0%	1%	53,2%	53,3%	0%	53,7%	53,8%
EBITDA	13 947	34 075	-59%	63 595	96 271	-34%	92 766	125 441
EBITDA-margin, %	6,0%	15,0%	-60%	9,1%	14,4%	-37%	9,7%	13,6%
Adjusted EBITA	10 569	30 771	-66%	57 173	84 462	-32%	85 624	112 913
Adjusted EBITA-margin, %	4,5%	13,6%	-66%	8,2%	12,6%	-35%	9,0%	12,2%
Net Profit	-6 965	13 226	-153%	5 630	36 025	-84%	17 029	47 424
Cash flow from operations	-4 986	10 209	-149%	3 259	57 037	-94%	47 112	100 890

Affecting EBITDA, EBITA and Net Profit are non-recurring items amounting to 4,351 (1,376) TSEK for the period Jul-Sep and 11,430 (2,242) TSEK for the period Jan-Sep.

## Overall a challenging third quarter

**Summarizing the third quarter we experienced a continued slow down in the market affecting all our brands, except for Newsner which continued to perform strongly.**

After a good start to 2022, with stable revenues in both business segments and record performance in Newsner, which gave us an all-time-high in EBITA for the first quarter, we have had two consecutive quarters with lower sales and earnings.

### Lower financial performance in the third quarter

The third quarter, with summer vacation period in many markets and less media spend, is seasonally and in general the weakest of quarters for all brands and also for the group as a whole.

Caybon reports net sales of 232,435 (226,977) TSEK in the third quarter which represents a growth of 2% and an adjusted EBITA (excluding non recurring items) of 10,569 TSEK which is down 66% from 30,771 TSEK for the third quarter last year.

The decline in sales and EBITA is mainly related to the Campaign segment and more specifically the Mediaplanet business area.

### Campaign segment

In the Campaign segment we experience continued challenging market conditions in general due to the various uncertainties that our clients are facing. This affects the demand for marketing investments in general and therefore the purchase of products and services offered by us in Caybon and primarily Mediaplanet and N365.

As a result of the Future Media Group (FMG) acquisition, Net Sales increased and amounted to 175,539 (150,462) TSEK, representing an increase of 17%. EBITA, however declined to 8,532 (23,967). The main reason derives from Business area Mediaplanet which saw a decrease in profit across most markets, with US and UK having the most impact. In the US we made management changes and in the UK, all the planned September campaigns were, due to the tragic death of the Queen, postponed into October instead.

### Network segment

In the network segment Net Sales declined 24% to 57,853 (76,454) TSEK, also EBITA declined to 7,231 (9,901) TSEK, the main reason being that Splay One had lower revenues and lower EBITA on the back of continued restructuring and organisational changes. I appreciate that it will take some time for these changes to bear fruit but I am confident that Splay One soon will be well equipped for the future and show better performance.

Business area Newsner continues its very strong performance and delivers more or less unchanged

net sales and EBITA for the third quarter compared to last year.

### Acquisition of Future Media Group

Future Media Group ("FMG") is now, since July, part of the Caybon Group.

The acquisition itself and the following integration into the Caybon family has turned out even better than I could have anticipated. Already after summarizing the first few months together – it is clear that we share the same values, vision and love for the business. Culture wise we are a perfect match and we already see several examples of collaborations taking place with the rest of the group.



### Outlook

Despite now experiencing two slow quarters in a row I believe that Caybon is on the right track and getting stronger and stronger.

The advertising market is generally affected early on when a recession is on the horizon, and we have noted a gradually cooler market so far this year in several of our business areas. But with that said, we are well equipped with six leading media brands that operates on two continents.

At Caybon, we see an opportunity in these times to invest in our offerings and in our employees in order to gain market share for the future.

Richard Båge, CEO

**For more information please contact:**

Richard Båge, Chief Executive Officer

Email: [richard.bage@caybon.com](mailto:richard.bage@caybon.com)

Johan Janing, Chief Financial Officer

Email: [johan.janing@caybon.com](mailto:johan.janing@caybon.com)

Caybon Holding AB (publ) is required to disclose this information pursuant to EU Market Use Regulation 596/2014. The information was provided by the above contact persons for publication on 25 November 2022 at 08:00 CET.

## **About Caybon**

Caybon is a group of scalable, digitally focused marketing companies specialised in content and distribution. The purpose is to offer advertisers and organisations a way to communicate with their target group in an editorial and relevant context. The various offerings include a range of solutions from online media, videos, performance related advertising, events as well as printed products. Revenues in turn are derived from content production as well as various forms of advertising solutions. The clients range from small to medium sized companies all the way up to multinational groups. The client base is thus diversified in terms of both size, sector and geography. The six brands within the Group are grouped into two business segments: Campaign and Network.

Find out more at [www.caybon.com](http://www.caybon.com)