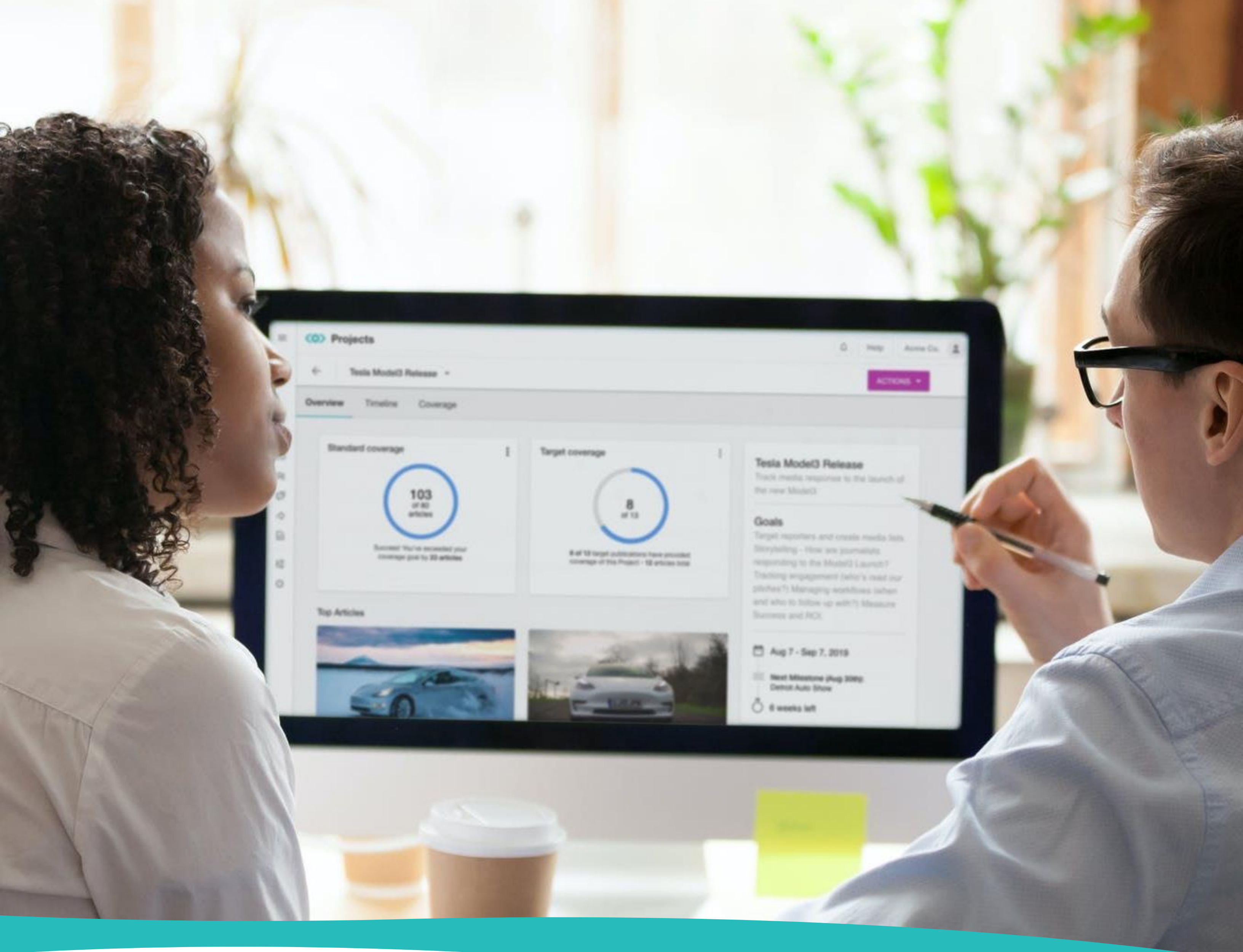

Financial Report

Q3 2022

Meltwater

Meltwater reports Q3 2022 Revenue of $109m, and Adjusted EBITDA margin 8.6%

OSLO, 30 NOVEMBER 2022

Meltwater (ticker: MWTR) has announced financial results for the third quarter ended 30 September 2022.

- **Q3 2022 revenue of $109m, within the guidance range**
- **Revenue of $117m and revenue growth of 13% in constant currency for Q3**
- **Adjusted EBITDA margin of 8.6% for Q3**

Third Quarter 2022 Financial Summary Results

- Q3 2022 total revenue was $109m, representing growth of 6% year-over-year. Adjusting for constant currency, revenue was $117m, representing growth of 13% year-over-year
- Nine months ended 30 September 2022 revenue was $328m, up 11% year-over-year, consistent at 11% growth compared to the same period last year. In constant currency revenue growth was 17%
- Total ARR grew in Q3 to $472m, up 10% year-over-year
- Adjusted EBITDA for the third quarter 2022 was $9.4m, or 8.6% of revenue
- Nine months ended 30 September 2022, adjusted EBITDA margin was 7%+, as the company continued to focus on margin expansion and profitable growth
- Third quarter 2022 generated $6.5m positive cash flow from operations, compared to negative $2.5m in the prior year period
- Nine months ended 30 September 2022 operating cash flow generated was $18.3m, compared to $3.8m in the same period of 2021

“We delivered strong bottom line performance in the third quarter driven by gross margin increasing to 76% and cost savings initiatives. Our focus through the remainder of the year is on the strategic priorities supporting revenue growth, while executing on margin expansion initiatives in response to the current macroeconomic climate,” said John Box, Meltwater CEO.

Conference Call and Earnings Presentation

Given the ongoing review of strategic alternatives, announced to the market on 15 September 2022, the Company will not host an earnings conference call, issue a shareholder letter, or provide financial guidance in conjunction with our third quarter 2022 earnings release. The strategic review is progressing well, and the aim is to communicate an update to the market in due course.

Please find enclosed the interim report for the third quarter.

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[1] Using Alternative Performance Measures (APMs). Unaudited

Q3 2022 Key Financials[1]

Income Statement

Q3 2022 revenue of $109.0m, up 6% year-over-year (YoY). On a constant currency basis, Q3 revenue was $116.5m, up 13% year-over-year. Nine months ending 30 September 2022 year-to-date (YTD) revenue was $327.9m, up 11% year-over-year. On a constant currency basis, year-to-date revenue was $344.4m, up 17% year-over-year.

Q3 total Opex increased YoY by $5.3m and 8%. The increase is due to an increase in Sales & Marketing of $4.3m, increase in General & Administrative of $0.7m, and increase in R&D of $0.3m. Increase in total Opex is primarily related to the higher employee headcount YoY (including the acquisitions).

Adjusted EBITDA in Q3 was $9.4m or 8.6% margin compared to 8.5% in Q3 2021. The primary driver was improved gross margin from 74% to 76% YoY. The Company benefitted from lower hosting and content costs in the quarter. In addition, operational savings were recognized as a result of the cost initiatives. Facilities, travel & entertainment, lower than planned headcount, and expenses such as marketing, recruitment costs and outside services were all part of the cost savings realized in Q3.

Q3 one-time expenses were $4.8m, which was primarily due to one-time investments in internal controls, strategic optimization and CRM system implementation, as well as lease early termination fees related to the reduction of facilities footprint. One-time expenses YTD were $5.6m, compared to $9.1m in the same period of 2021.

Balance Sheet

As of 30 September 2022, Meltwater had total assets of $354.0m. Current assets such as cash, receivables, and other current assets represented $142.4m of the total assets. Noncurrent assets represented $211.6m. As of 30 September 2022, Meltwater had total liabilities of $415.8m, and shareholders' deficit of ($61.8m).

Meltwater net debt balance was ($45.2m) at the end of 30 September 2022. Interest-bearing debt at quarter-end was $50.0m. $100.0m of the credit revolver was available to draw down as of 30 September 2022.

Statement of Cash Flows

Q3 2022 cash flow from operations was $6.5m, compared to a decrease of $2.5m in Q3 2021. The $9.0m increase was primarily related to a $7.6m improvement in working capital, with the remaining difference from strong operating results due to cost savings initiatives.

YTD operating cash flow generated was $18.3m, compared to $3.8m in the same period of 2021. The $14.5m increase was primarily related to $11.0m in improved operating results, and $3.5m in working capital improvement.

KEY FIGURES

$109.0m
Q3 Revenue, up 6% YoY and up 13% in constant currency

$327.9m
YTD Revenue, up 11% YoY and up 17% in constant currency

76%
Gross margin

$9.4m
Adjusted EBITDA

8.6%
Adjusted EBITDA margin

$6.5m
Q3 Cash flow from operations, up $9.0m YoY

$18.3m
YTD Cash flow from operations, up $14.5m YoY

[1] Using Alternative Performance Measures (APMs). Unaudited

Q3 2022 Balance Sheet

(figures in $ in thousands)	30 September 2022	31 December 2021
Non-current assets		
Goodwill	80,071	80,427
Other intangible assets	64,329	60,633
Property, plant and equipment	3,312	3,656
Right-of-use assets	18,779	25,615
Financial assets at fair value through profit and loss	1,119	1,292
Financial assets at amortized cost	9,458	10,891
Contract costs	27,383	25,690
Deferred tax asset	7,127	8,586
Employee benefit asset	40	-
Total non-current assets	**211,618**	**216,790**
Current Assets		
Trade receivables	61,203	88,152
Other current assets	24,692	23,854
Contract costs	29,935	32,491
Cash and cash equivalents	26,564	44,387
Total Current Assets	**142,394**	**188,884**
Total ASSETS	**354,012**	**405,674**
Liabilities		
Non-current liabilities		
Borrowings	50,027	25,046
Lease liabilities	12,466	19,969
Contract liabilities	9,475	10,585
Other non-current liabilities	5,124	13,576
Deferred tax liability	13,300	13,825
Employee benefit obligation	-	423
Total non-current liabilities	**90,392**	**83,424**
Current Liabilities		
Borrowings	11	13
Trade and other payables	99,971	122,901
Contract liabilities	214,192	234,821
Lease liabilities	9,241	9,928
Current tax liabilities	1,897	1,588
Employee benefit obligation	135	104
Total Current Liabilities	**325,447**	**369,355**
Total liabilities	**415,839**	**452,779**
Equity		
Share capital	3,361	3,421
Share premium	422,808	417,255
Accumulated Deficit	(479,718)	(464,233)
Other reserves	(8,278)	(3,548)
Total equity	**(61,827)**	**(47,105)**
Total equity and liabilities	**354,012**	**405,674**

Q3 2022 Income Statement

(figures in $ in thousands)	Q3 2022	Q3 2021	Nine months to 30 September 2022	Nine months to 30 September 2021
Revenue from contracts with customers	109,023	103,029	327,862	295,291
Cost of sales	(31,697)	(31,709)	(94,037)	(87,410)
Gross profit	**77,326**	**71,320**	**233,825**	**207,881**
Sales and marketing expenses	(54,312)	(68,199)	(162,409)	(161,466)
General and administrative expenses	(17,561)	(19,053)	(53,254)	(51,012)
Research and development expenses	(13,079)	(20,038)	(43,130)	(41,381)
Other income	2,858	-	2,868	16
Operating profit/(loss)	**(4,768)**	**(35,970)**	**(22,100)**	**(45,962)**
Finance costs	(1,093)	(1,320)	(2,970)	(3,646)
Foreign exchange gain/(loss)	5,998	1,954	13,509	2,538
Finance income	545	391	620	752
Profit/(loss) before tax	**682**	**(34,945)**	**(10,941)**	**(46,318)**
Income tax expense	(1,737)	88	(4,544)	(1,518)
Profit/(loss) for the year	**(1,055)**	**(34,857)**	**(15,485)**	**(47,836)**
Profit/(loss) attributable to:				
Shareholders	(1,055)	(34,857)	(15,485)	(47,836)
Earnings/(loss) per share for profit attributable to the ordinary equity holders of the company				
Basic earnings/(loss) per share	(0.00)	(0.12)	(0.05)	(0.16)
Diluted earnings/(loss) per share	(0.00)	(0.12)	(0.05)	(0.16)
Other comprehensive income				
Items that may be reclassified to profit and loss, net of tax				
Exchange difference on translation of foreign operations	(2,724)	(1,101)	(4,947)	(267)
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit obligation	43	-	217	19
Total other comprehensive income/(loss)	**(2,681)**	**(1,101)**	**(4,730)**	**(248)**
Total comprehensive income/(loss)	**(3,736)**	**(35,958)**	**(20,215)**	**(48,084)**
Attributable to:				
Shareholders	(3,736)	(35,958)	(20,215)	(48,084)

Q3 2022 Statement of Cash Flows

(figures in $ in thousands)	Q3 2022	Q3 2021	Nine months to 30 September 2022	Nine months to 30 September 2021
Cash flows from operating activities				
Net profit/(loss) before tax	682	(34,945)	(10,941)	(46,318)
Adjustments for:				
Depreciation of right-of-use-assets	2,421	1,320	8,908	6,676
Depreciation of property, plant and equipment	446	373	1,366	1,263
Amortization of other intangible assets	1,248	2,088	4,715	8,065
Amortization of capitalized software costs	2,774	3,007	7,513	8,401
Impairment of capitalized software costs	-	874	-	1,100
Amortization of debt discount and financing cost	87	105	233	129
Share-based compensation expense	5,525	33,800	25,212	35,413
Remeasurement of contingent consideration	76	-	(1,499)	
Interest paid	(728)	(3,261)	(2,548)	(3,261)
Interest expense accrued	1,002	3,288	2,724	3,288
Share-based compensation expense related to post combination services	390	-	1,414	-
Tax (paid)/received	(184)	621	(3,175)	(2,202)
Unrealized FX (gains)/losses relating to working capital items	(6,064)	(997)	(13,996)	(3,644)
Changes in working capital items:				
Decrease/ (increase) in trade receivables	(113)	1,156	21,856	22,274
Decrease/ (increase) in other assets	(5,382)	(1,184)	(5,963)	(2,703)
Decrease/(increase) in contract costs	(1,392)	(2,285)	(3,483)	(4,775)
(Decrease)/increase in contract liabilities	(4,544)	(5,719)	(4,799)	(5,719)
(Decrease)/increase in trade and other payables	9,809	(1,178)	(9,261)	(14,136)
(Decrease)/increase in employee benefit obligation	413	405	67	(33)
Cash generated from/(used in) operating activities	**6,466**	**(2,532)**	**18,343**	**3,818**
Cash flows from investing activities				
Proceeds from sale of minority interest investments	-	33	-	60
Payments for acquisition of property and equipment	(279)	(219)	(1,461)	(899)
Payments of contingent consideration	(2,850)	-	(2,850)	-
Capitalized software development costs and other intangible assets	(7,415)	(3,324)	(17,773)	(8,491)
Amounts paid for business combinations, net of cash acquired	-	179	1,155	(48,945)
Cash generated from/(used in) investing activities	**(10,544)**	**(3,331)**	**(20,929)**	**(58,275)**
Cash flows from financing activities				
Proceeds from borrowings	-	-	25,000	25,000
Payments of debt issuance cost	-	-	-	(475)
Repayment of non-convertible borrowings	(3)	-	(12)	-
Proceeds from issuance of common shares	27	1,274	702	4,198
(Payments)/ Proceeds from Euronext Growth (Merkur) Oslo Bors offering, net of issuance costs	-	-	-	(10,674)
Purchase of equity shares	-	-	(28,907)	(6,927)
Payment of principal portion on lease liability	(2,348)	(792)	(9,146)	(5,843)
Cash generated from/(used in) financing activities	**(2,324)**	**482**	**(12,363)**	**5,279**
Net increase in cash and cash equivalents	**(6,402)**	**(5,381)**	**(14,949)**	**(49,178)**
Effects of foreign exchange rates	(1,000)	(649)	(2,874)	(981)
Cash and cash equivalents at the beginning of the year	33,966	55,798	44,387	99,927
Cash and cash equivalents at the end of the period	**26,564**	**49,768**	**26,564**	**49,768**

Q3 2022 Income Statement Using APMs[1]

(figures in $ in millions)	Q3 2022	Q3 2021	Nine months to 30 September 2022	Nine months to 30 September 2021
Revenue	109.0	103.0	327.9	295.3
Cost of revenue	26.4	26.3	82.4	72.5
Adjusted Gross profit	**82.6**	**76.7**	**245.4**	**222.8**
Adjusted Gross profit %	***75.8%***	***74.5%***	***74.9%***	***75.4%***
Adjusted Operating expenses				
Sales and marketing	49.2	44.9	145.7	125.9
General and administrative	13.0	12.3	40.5	35.4
Research and development	11.1	10.7	36.0	28.5
Adjusted Opex	**73.2**	**67.9**	**222.2**	**189.8**
Adjusted Opex %	***67.2%***	***65.9%***	***67.8%***	***64.3%***
Adjusted EBITDA	**9.4**	**8.8**	**23.2**	**32.9**
Adjusted EBITDA %	***8.6%***	***8.5%***	***7.1%***	***11.2%***
Add Back				
Stock based compensation (run rate)	5.5	3.4	16.3	5.0
Stock based compensation (one-time)	0.0	30.4	8.9	30.4
Stock Buyback	0.0	0.0	0.0	13.4
One-time expenses	4.8	4.2	5.6	9.1
Charitable contribution	0.5	0.4	2.0	2.2
Foreign exchange gain	(6.0)	(2.0)	(13.5)	(2.5)
Other profit, net	(1.7)	(0.4)	(1.8)	(0.8)
Add Back Totals	**3.1**	**36.1**	**17.6**	**56.8**
EBITDA	**6.2**	**(27.3)**	**5.6**	**(23.8)**
EBITDA %	***5.7%***	***-26.5%***	***1.7%***	***-8.1%***
Depreciation and amortization	4.5	6.3	13.6	18.8
EBIT	**1.8**	**(33.6)**	**(8.0)**	**(42.7)**
EBIT %	***1.6%***	***-32.6%***	***-2.4%***	***-14.5%***
Net Interest Expense	1.1	1.3	3.0	3.6
Provision for income taxes	1.7	(0.1)	4.5	1.5
Net Inc/(loss)	**(1.1)**	**(34.9)**	**(15.5)**	**(47.8)**
Net Inc/(loss) %	***-1.0%***	***-33.8%***	***-4.7%***	***-16.2%***

[1] Using Alternative Performance Measures (APMs). Unaudited

Definitions:
Alternative Performance Measures (APMs)

Definitions: Alternative Performance Measures (APMs)

Alternative performance measures or "APMs": non-IFRS performance measures used by Meltwater N.V. (the "Company") as guidance parameters for both internal and external reporting to stakeholders. The Company's APMs may differ from similar measurement parameters used in other companies. APMs should not be viewed as a substitute for any IFRS financial measure, but rather as a compliment.

Customer or client: is a unique account (or multiple accounts governed by a single agreement) with an active, paid subscription contract.

Total addressable market or "TAM": the overall revenue opportunity available to a product or portfolio of products and / or services, if 100% market share was achieved. TAM is not a measure of actual future revenue, but it helps determine the level of effort and investment warranted for the Company product and / or service offering.

Annual recurring revenue or "ARR": the Company's yearly recurring revenue expectation at a given point in time. It is calculated as the annualized dollar sum of all contracts that have an active subscription in that period. ARR is a forward-looking measure that stakeholders can use to assess revenue momentum and expectations over the next 12 months. ARR is reported in USD. Non-USD denominated contracts are converted at constant currency exchange rates, which are updated annually.

Constant currency exchange rates: the Company presents constant currency information for ARR to provide a framework for assessing how the underlying business performed excluding the effects of foreign exchange rate fluctuations. To present constant currency ARR, current and prior period ARR for contracts in currencies other than USD are converted into USD. During 2021 financial year the constant rate was average December 2020 exchange rates. In order to normalize ARR fluctuation, going forward the Company will report ARR in constant currency, using weighted average exchange rate of the prior year, for the results being compared to for growth rate calculations presented.

ARR per customer or client spend: the total ARR in a given period, divided by total customer count in that period.

New ARR: ARR from new customers within a given period.

Recurring revenue: revenue that is expected to continue in the future from subscription-based contracts, excluding any non-recurring services such as single delivery reports.

Organic: the pre-existing or standalone operations and performance of the Company, including 2021 acquired business (Klear, Linkfluence and Owler) from Q2 2022 onwards. DeepReason.ai is excluded as the revenue generates from the acquisition are considered immaterial.

Segment or portfolio: refers to a sub-section of the total customers or total ARR, depending on the context presented. "Total portfolio" refers to the sum of all customers or ARR. "Product portfolio" refers to the suite of products the Company sells.

Portfolio concentration and penetration: portfolio concentration is the proportionate amount of ARR represented relative to the total portfolio. Portfolio penetration measures the proportionate number of customer relative to the total portfolio. Both measures are expressed as a percentage.

Premium customers: customers with ARR >$25.5k are considered premium customers. "Premium portfolio" or "premium segment" refers to the sum of all premium customers. Customers with ARR of $100k or more are also included in the "$100k+" category. These customer categories are used to measure the Company's ability to move upmarket: expanding within existing customer base and attracting the largest organizations as new business.

Social portfolio or segment: the sum of ARR of all social product subscriptions. "Social products" refers to Company products than harness information and create insights from social media sources, and are grouped into Social Listening and Analytics, Social Media Management and Social Influencer Marketing. "Core Social products" are a smaller subset of key social products, (including Explore, Engage and Klear) that have been identified as aligning the closest with our key Social use-case. Measuring the growth of our social portfolio allows us to track the effectiveness of our strategy and proficiency to tap into the growing market opportunity.

Definitions: Alternative Performance Measures (APMs) *(cont.)*

Net retention: the change in ARR from customer churn offset by increases in value of existing customer subscriptions between end of period ARR and beginning of period ARR. Net retention is a dollar-based measure expressed as a percentage of total beginning of period ARR. Net retention measures the long-term value of the Company's customer relationships and shows our ability to retain and expand subscription revenue generated from existing customers.

Churn: a dollar-based measurement of customers that have not renewed their subscriptions.

Sales productivity: the amount of sales volume per headcount, and can be expressed in ARR.

Customer lifetime value to customer acquisition cost or "LTV:CAC": a measure (expressed as a ratio) that compares the value of a customer over their lifetime to the average cost of acquiring a new customer. LTV is the average ARR per customer over the course of their lifetime, calculated as gross margin multiplied by average ARR per customer multiplied by the inverse of customer count churn. CAC is the average cost to acquire a new customer, calculated as total new business sales and marketing Opex divided by the number of new customers acquired.

CAC payback: a sales efficiency metric that measures how long (in months) it will take to break even on the money spent to acquire a new customer. It is calculated as trailing three months sales and marketing expenses required to acquire a new customer divided by trailing three months new business ARR multiplied by gross margin.

One-time expenses: expenses deemed non-recurring in nature, such as costs associated with one-time projects or events, legal settlements and related fees, employee severance, M&A related expenses, and the like.

Adjusted COGS: cost of goods sold excluding depreciation, amortization, stock-based compensation and one-time expenses.

Adjusted gross profit margin: revenue less adjusted COGS. "Adjusted Gross Profit Margin" is defined as adjusted gross profit divided by revenue, expressed as a percentage. Adjusted gross profit margin provides stakeholder consistency and comparability across financial periods and between companies, as it eliminates the effect of non-cash and non-recurring one-time items which are unrelated to overall operating performance.

Adjusted Opex: operating expenses excluding depreciation, amortization, stock-based compensation, one-time expenses and charitable contributions. Adjusted Opex under IFRS (APMs) would include right of use (ROU) asset depreciation established by IFRS 16, since the Company acknowledges leases as rent expenses.

EBITDA: is the gain or loss for the year before net interest expense, income tax expense, depreciation and amortization. EBITDA is a supplemental measure to understand the overall profile of cash generation and efficiency of the Company's operating activities. Additionally, by excluding taxes, foreign exchange gain or loss and net interest expenses which cannot always be controlled by the Company, EBITDA provides an objective, and unlevered measure of the Company's profitability.

Adjusted EBITDA: EBITDA adjusted for stock based compensation, one-time expenses, charitable contributions, loss on extinguishment of debt, and foreign exchange gain or loss. Adjusted EBITDA is a measure that excludes non-recurring one-time items that are not part of the Company's ongoing day-to-day operating activities. By excluding these items, stakeholders have a better overall picture of profit generation in the Company's operating activities.

Adjusted EBITDA Margin: Adjusted EBITDA as a percentage of revenue. Adjusted EBITDA Margin is expressed in percentage and is easily comparable across financial periods and between companies. Adjusted EBITDA under IFRS (APM) does not benefit from the right-of-use (ROU) asset depreciation established by IFRS 16, since the Company acknowledges leases as rent expenses. Capitalized interest on leases is added back to adjusted EBITDA.

Available debt: a contractual available credit from debt facilities such as a revolving credit facility.

Interest-bearing debt: the amount drawn down from the available debt or other loan instruments.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This announcement may contain forward-looking statements. Forward-looking statements are statements that are not historical facts, including (but not limited to) statements expressing or implying Meltwater's beliefs, expectations, intentions, forecasts, estimates, targets, projections, or predictions (and the assumptions underlying them). Without limitation, any statements including words such as "intend", "expect", "anticipate", "target", "may", "believe", "plan", "estimate" and other expressions which imply indications or predictions of future development or trends, and which are not based on historical facts, are forward-looking statements. Forward-looking statements necessarily involve known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual future results and situations may therefore differ materially from those expressed or implied in any forward-looking statements. Such differences may be caused by various factors (including, but not limited to, developments in the technology and other sectors, cyber and data risks and unexpected operational setbacks). Any forward-looking statements contained in this announcement are based on information currently available to Meltwater's management. Meltwater assumes no obligation to in each case make a public announcement if there are changes in that information or if there are otherwise changes or developments in respect of the forward-looking statements in this announcement. Neither Meltwater nor any of its affiliates assumes any obligations to update any forward-looking statements.

Financial Report Q3 2022

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