



Talenthouse AG

10.5.2022

PRESS RELEASE

Ad hoc Announcement pursuant to Art. 53 LR

Talenthouse announces Financial Results Q1/2022

Continued business growth, increasing cost efficiency and number of community members: Announcement of Equity Research Report

Talenthouse AG (SIX:THAG or the “Company”), the leading technology platform connecting creatives and brands globally, today announces its operational and financial results for the three months ended 31st March 2022 (“Q1” or “the period”). This is the first formal earnings announcement since the listing of shares on SIX Swiss Exchange (“SIX”) on 29th March 2022.

Q1 2022 Operational

- Forty-five (45) bespoke productions completed on behalf of our clients
- Over 1,900 assets produced including video, bespoke photography shoots and interactive comic strips for Snapchat
- Almost 3 million assets added to the market place
- Increased headcount by 16%

Q1 2022 Financial

- Successful flotation of 418.3m shares on SIX
- Pro-forma revenue¹ of \$4.9m (reported \$1.5m Q1 2021)
- Pro-forma gross profit¹ of \$3.1m (reported \$1.0m Q1 2021)
- Cost base reduced by \$260,000 through modernisation and efficiency gains

Q1 2022 Review

The Company experienced continued growth in its key metrics across its three operational pillars throughout the period. Content Monetization accounted for 53% of reported revenue with the balance (47%) reported by Content Creation. This split reflects a shift in Q1 growth from Monetization to Creation, notwithstanding the impact of seasonal

¹ Unaudited combined figures Q1 2022, including Coolabi as if it was 100% owned during Q1 2022; we currently own 33% of Coolabi and intend to complete the acquisition in Q2 2022.

licensing revenue. Community Empowerment is nascent in revenue terms but the development of ElloU, Elloworks, and Media Foundry should see this strand contribute to the top line through 2022 with a consequent benefit to earnings given the relatively low level of on-boarding costs.

Pro-forma revenue growth in the period of 2.3x reflects the pace of organic and acquisition development year-on-year. Given this pace, like-for-like comparisons are less informative but do reflect the difficult macro-economic background to the Company's initiatives and actions through the last 12 months. Talenthouse remains intent on both organic growth and further acquisitions in its fast-moving market place which is estimated to comprise addressable economics of \$700bn per annum. Linear growth at efficient cost is a core objective for the Company but this is best reviewed on an annual, rather than quarterly, basis.

Year-on-year overhead cost was reduced by \$536,000, including efficiencies within the technology department which will provide annualized savings of \$260,000. Overall, operating costs fell by over 10% to \$3.5m during the period. While Talenthouse's model is operationally geared, costs of sales are likely to move in tandem with revenue over time and, in the short term, grow at a faster pace due to the costs of building out particular initiatives. Talenthouse completed two acquisitions this year with further acquisitions already planned for Q2.

The period saw Talenthouse secure key clients who have confirmed ongoing partnerships with the Company throughout 2022. Of note are the commitment from Snap, which will double its revenue with Talenthouse in Q2, and debut transactions for Media Foundry with, amongst others, Snowcastle and Directive Games. In total, these transactions are expected to result in a minimum of \$500,000 of additional revenue in Q2.

Existing partners extended their relationships with the Company into 2022, including Warner Media (now including Warner Games), Activision (with a focus on *Call of Duty*), Henkel, BCG, and EY. These extensions underpin the Company's visibility of future revenue and allow it to further optimize its operational and financial structures.

Clare McKeeve, CEO, comments: *"Talenthouse was created, and is run, for the Creator Economy. Our ethos, and that of our market, is 'can do'. The Company's first results as a listed entity are a testament to that ethos and a demonstration of our continued drive to establish the leading platform in a significant market place. There is more work to be done but we are confident that Talenthouse is sufficiently well placed, resourced, and regarded for the task ahead."*

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Notes to Editors

A comprehensive equity research report about the Company is due to be published shortly by Alster Research on the platform www.research-hub.de. After publication of the research report, the Company will hold a roundtable discussion in a virtual format. To take part in this roundtable discussion, please visit www.research-hub.de/events, where details of the upcoming event will be shown, once finalized.

The auditors of Talenthouse AG, BDO AG Zurich, informed the Board of Directors that they would no longer stand for election at the 2022 Annual General Meeting. Due to the decision of the Board of Directors to extend the financial year of Talenthouse AG until 31 December 2022 (see press release dated 31 March 2022), BDO AG has decided to resign from its mandate.

Details of the Financial Results Q1/ Q2022 are [here](#)
(<https://biz.talenthouse.com/invest/reports-and-presentations>)

Presentation for analysts Q1/2022 results on 10.5.2022 at 9.30am CET.

Dial In Details here :

<https://talenthouse.zoom.us/j/84390998314?pwd=K3phUEhFdlpWZEdST0VhSm0vMzFydz09>

Passcode 943 718

Details of Alster Equity Research Report [here](#) (www.research-hub.de)

Analyst roundtable will take place on 19th of May at 9.30am CET

About Talenthouse AG

Talenthouse AG is a technology platform company, working with the world's largest creative community of over 14m members, to produce the highest quality digital content for many of the largest companies globally, including Netflix and Snap. Talenthouse AG, which unites the creative platforms of Talenthouse, EyeEm, Ello, Zooppa and Jovoto, is leading a structural shift in the way that creative content is produced, employing a platform business model to source content at the scale and quality required to keep pace with consumer demand in the digital age. In doing so, it is also opening up opportunities for a much larger pool of creative talent. The company is registered in Switzerland and operationally headquartered in London with offices in LA, NYC, Berlin, Venice and Philadelphia. For more information visit: www.business.talenthouse.com

Stock exchange listing:	SIX Swiss Exchange (www.six-swiss-exchange.com)
Ticker symbol:	THAG (CH)
Security number:	1 081 986
ISIN:	CH0010819867
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This media release contains forward-looking statements such as projections, forecasts, and estimates. Such forward-looking statements are subject to certain risks and uncertainties which may cause actual results, performance, or events to differ materially from those anticipated in this media release. Readers should therefore not rely on these forward-looking statements. The forward-looking statements contained in this media release are based on the views and assumptions of Talenthouse AG as of this date and Talenthouse AG does not assume any obligation to update or revise this media release.