

OSLO, April 29th, 2021 – Meltwater Trading Update Q1 2021

Meltwater reports accelerated growth in key strategic areas of Premium Clients (\$171m ARR, up 18% YoY) and its Social Business (\$123m ARR, up 26% YoY)

Meltwater delivers a strong first quarter of 2021 with accelerated growth across many areas including Premium Client ARR (up 18% YoY), Social ARR (up 26% YoY), number of \$100k+ clients (up 19% YoY), and average ARR per client (up 12% YoY).

Total ARR at the end of Q1 was \$381 million, up 5% YoY and up 2.6% quarter over quarter. The full Q1 2021 report is scheduled for release on May 20th, 2021.

An update from the CEO of Meltwater, John Box

I am proud of the hardworking Meltwater team and in Q1 2021 our efforts were rewarded with good results. We see accelerated growth rates, primarily driven by improved retention rates and good traction in both the attractive Premium Client segment and the fast-growing Social business.

The results in Q1 are a testament to the competitiveness of our integrated product suite across news and social, and it is encouraging to see that investments we made in sales and marketing in Q4 2020 already are starting to pay off.

Since the previous financial report, we have announced our first two acquisitions as a public company. Acquisitions are an integrated part of our growth strategy and is something we will continue to consider as a complement to in-house product development.

Linkfluence, the AI-powered Consumer Insights company and Influencer Marketing Platform Klear are both product leaders in their respective field and bring new and exciting functionality to the Meltwater platform, strengthening our positions in the fast-growing markets of market research and influencer marketing estimated at \$73 billion and \$10 billion respectively. The products from Linkfluence and Klear have clearly defined buyers and use cases that will unlock large opportunities in Meltwater's global client base of 27,000 companies. We are proud and excited to welcome Linkfluence and Klear to the Meltwater family.

Encouraged by our results in Q1 2021, we will continue to execute on our strategic focus on Premium Clients and the Social business. We will continue to ramp up our investments in sales and marketing with the aim to take advantage of the strong demand we see from the market and the improved economic situation expected globally as vaccines are being rolled out.

Financial highlights¹

- **Accelerated growth of Premium Clients (>\$25k ARR)** – Premium customers grew in Q1 2021 to \$171m, up 18% YoY, an increase from 8% YoY growth in Q1 2020. Trailing twelve-month net retention rate in Q1 was 104%, up 5pp compared to same period prior year.
- **Number of Meltwater clients > \$100k ARR grew in Q1 to 252, up 19% YoY** – The integrated offering across news and social has been a key contributor to this development. Notable Companies entering 6-figure engagements with Meltwater in Q1 were new clients such as NVIDIA, Wayfair, Warner Music, Pernod Ricard, Tiffany & Co, GE Healthcare, and existing clients such as Mundipharma, Capgemini, Calvin Klein and Deutsche Post moving up from lower client tiers.
- **The Premium Client segment now represents 45% of all ARR, up from 40% in Q1 2020** – Growing the Premium Client segment is a strategic focus as customers in this tier have higher retention rates and are more profitable. Driving a larger part of the business to the Premium Client segment will accelerate both growth and profitability. Lower client tiers are valuable as entry points for new clients that take an initial step into the offering before committing to bigger investments
- **Accelerated growth of the Social Business** – The Social Business now accounts for \$123m of Meltwater’s ARR, up 26% YoY, an increase from 19% YoY growth in Q1 2020. Social products are sold to all client tiers, usually as an upsell to an existing client or part of an integrated offering to a new client.
- **Total ARR grew in Q1 2021 to \$381m, up 5% YoY and up 2.6% quarter over quarter** – This growth is driven by improved retention rates and accelerated growth in Premium Clients and Social Business.
- **Average Customer ARR** – grew to \$14.4k in Q1 2021 in line with the company’s strategic focus upmarket. This is up from \$12.9k in Q1 2020 and up 12% YoY.

¹ According to company practice, ARR numbers are reported in constant currency and according to exchange rates as of December 31st in the preceding year. Accordingly, all ARR numbers in Q4 2020 reports were reported in constant currency exchange rates as of December 31st 2019, while ARR in Q1-Q4 2021 reports are reported in currency rates as of December 31st 2020. Comparison of stated ARR numbers in respective exchange rates can be found in the IR section on www.meltwater.com.

Product highlights Q1 2021

In Q1 2021, Meltwater released 219 new features and product updates targeting multinational clients and the premium segment.

- Two new languages were added to Meltwater's natural language processing capabilities, bringing the total number of supported languages in the Meltwater platform to 21
- Improved permission models enabling customers to manage larger number of social profiles and larger groups of users with increased control and precision in assigning user privileges
- Overhauled APIs giving enterprise customers better and richer capabilities across content types, search capabilities, and advanced analytics
- New custom scoring algorithms enable customers to design advanced and highly tailored performance indicators integrating company specific objectives and preferences into Meltwater's objective and automated calculations
- A robust upgrade of Meltwater's social media management capabilities including a wide range of new capabilities targeting needs across content marketing, community management, and customer care

Meltwater announced the launch of Meltwater Academy, a new client certification program for all customers. The program is designed to help customers make the most of their Meltwater investments and become experts in both the Meltwater products, as well as the industry at large. The program officially launched on April 26th and will first focus on Meltwater's integrated Social Media Management platform, before expanding into Influencer Marketing, Social Listening and Media Intelligence.

Team highlights Q1 2021

- Meltwater ranked #1 in the Spring 2021 G2 rankings in the category of 'Media Monitoring' as well as a Leader in many other categories.
- The company received 3 new awards from Comparably - Best Global Culture, Best Sales Team and Best Product & Design Team. Meltwater ranked #5 on "Best Sales Teams", in the top 25 of "Best Global Culture" and Top 50 of "Best Product & Design Teams".
- A brand-new virtual speaker series called Meltwater Voices was launched on March 18th with great early success. The virtual conferences include guest speakers from many different fields and industries with lessons that are directly relatable to PR,

Communications and Marketing. The first event was centred around Crisis Communication and featured the first African American female 3-star Army General and a former FBI hostage negotiator, with close to 4,000 registrants for the conference.

Forward looking statements

- Meltwater will continue to invest in sales and marketing and maintains an ambition to accelerate organic growth to around 20% annually for the longer term
- Positive ongoing conversations with multiple targets in the M&A pipeline as we continue to see a 'target rich environment'
- As previously communicated, the company is preparing for a main listing at Oslo Børs. Subject to filing, review and publication of a listing prospectus and other relevant documentation, as well as ultimate approval by Oslo Børs, the listing could be completed as early as mid-year 2021

KPI's

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Premium Client ARR (\$m)	145	149	156	163	171
YoY	8 %	9 %	10 %	12 %	18 %
Average ARR per Premium Client (\$k)	55.0	55.4	55.7	55.0	55.0
Premium Client % of total ARR	40 %	41 %	42 %	44 %	45 %
Social ARR (\$m)	98	102	109	115	123
YoY	19 %	20 %	23 %	22 %	26 %
Total ARR (\$m)	362	363	369	372	381
YoY	3 %	2 %	2 %	2 %	5 %
Average ARR per Client (\$k)	12.9	13.2	13.6	14.0	14.4

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Cautionary Note Regarding Forward-Looking Statements

This communication may contain certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates, including those statements regarding ramp-up in sales personnel, return of topline growth in 2H 2021, our M&A pipeline, and targeted organic long-term growth of 20% annually and with 20% EBITDA margin made under the heading “Forward-Looking Statements” above. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words “believes”, “expects”, “predicts”, “intends”, “projects”, “plans”, “estimates”, “aims”, “foresees”, “anticipates”, “targets”, and similar expressions. Any such forward-looking statements are solely opinions and forecasts reflecting views as of the date set out on the cover of these materials, which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development, including the risk factors set forth in the Information Document prepared by the Company in connection with the Listing, available at <https://newsweb.oslobors.no/message/519564> under the heading “Vedlegg”. No liability for such statements, or any obligation to update any such statements or to conform such statements to actual results, is assumed. Furthermore, information about past performance given in this communication is given for illustrative purposes only and should not be relied upon as, and is not, an indication of future performance.

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About Meltwater

Meltwater provides social and media intelligence. By examining millions of posts each day from social media platforms, blogs and news sites, Meltwater helps companies make better, more informed decisions based on insight from the outside. The company was founded in Oslo, Norway, in 2001 and is headquartered in San Francisco, California, with 50 offices across six continents. The company has 1,700 employees and 27,000 corporate customers, including industry leaders in several sectors. Learn more at meltwater.com.