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OSLO, January 27, 2021 – Meltwater (MWTR) Trading Update Q4 2020

Meltwater Drives strong ARR growth in key strategic areas of Premium Client Segment (\$154m ARR, up 12%) and in Social (\$112m, up 21%)

Meltwater finished the year with a strong Q4 which reflected the focused execution of the company's two-pronged growth strategy: increasing the attractive Premium Client segment which is marked by higher net retention levels and margins and consists of clients spending at least \$25k in ARR, as well as doubling down on the fast-growing social space across all segments. The full Q4 2020 report is scheduled for release on February 25th 2021.

On December 3rd, 2020, Meltwater successfully listed on Euronext Growth (the "Listing"). In connection with the Listing, Meltwater raised gross proceeds of NOK 2,295 million (equivalent of \$260 million) of new primary capital from high quality long-term investors including The Government Pension Fund of Norway, Handelsbanken Fonder, and TIN fonder.

Meltwater enters 2021 with a healthy balance sheet, a strong, cash generating business with operations on six continents, the only integrated product suite with both news intelligence and social listening in our industry, and a clear plan for profitable organic and inorganic growth.

An update from the CEO of Meltwater, John Box: Fourth Quarter 2020

The word 'unprecedented' has become synonymous at this point with 2020, and for good reason. That said, I am very proud with how our company has been able to handle all of the challenges that the year has thrown at us, while continuing to deliver strong results.

The year 2020 was shaped by a global pandemic and working from home. In its early days, facing all the uncertainty we saw in all our markets at that time, Meltwater changed its priority for the year from top line growth to profitability and took out \$40 million in annualized cost savings, much of which was in sales and marketing. It was unclear to us how severely the global economy would be hit and how long this would last.

Fortunately, Meltwater's value proposition has proven to be resilient throughout it all. Although we have seen higher than normal churn from smaller clients and segments such as hospitality and travel, the overall demand for Meltwater's products have been very healthy.

In a world where everyone experiences risk and uncertainty, the value of insights from the outside about customers and competitors becomes more important than ever. The world

has become more digital and increasingly more business is done online, which drives the demand for digital performance metrics offered by Meltwater.

An advantage Meltwater also has is that our product is very configurable and can be used to address many needs in many departments, as opposed to for example a CRM software, which only caters to a specific need in sales. Meltwater's product can be used by salespeople to find leads, help marketers track efficiency of their marketing campaigns, keep product people up to date on changing consumer behaviours, and help C-suite to track the latest moves by competition.

With Meltwater's global outbound oriented go-to-market organization, we have taken full advantage of the versatility of our product and successfully found the pockets of companies and people that were investing in their digital capabilities.

Over the course of 2020, and in large part due to the previous acquisition of the Canadian social analytics company Sysomos, our product has developed into the only truly global integrated platform on the market to cater for buyers across PR, Communications and Marketing. This integrated offering is a competitive advantage which has helped us secure many of the significant wins in the latter part of 2020. We will double down on our innovation lead on the product side through in-house R&D and strategic M&A and expect a number of exciting new announcement in 2021.

Financial highlights Q4 2020

- **Successful execution of move to Premium Client segment (>\$25k ARR)** – Gold and Platinum customers grew to \$154m, up 12% year over year, and with a trailing twelve-month net retention rate of 100%, down 1% compared to same period prior year.
- **Number of Meltwater clients > \$100k ARR grew in Q4 to 219, up 10% 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 Q4 were new clients such as Uber, Samsung, Uniqlo, DLA Piper and Goodyear, and existing clients such as Tencent, Decathlon and Orion Pharma moving up from lower client tiers.
- **The Premium Client segment now represents 43% of all ARR, up from 39% Q4 2019** – Growing the Premium Client segment is a strategic focus as they 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
- **Social ARR continued to grow well** – Social products now accounts for \$112m of Meltwater's ARR and grew 21% year over year. 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 to \$359m, 2% yoy** – In 2020, Meltwater shifted its priority from top line growth to profitability due to the uncertainty of the global pandemic. In spite of a large reduction in 2020 sales and marketing spend, the company has successfully compensated for pandemic related churn and maintained its top line by growing the Premium Client segment and moved the company to a healthier and more profitable customer mix.
- **Average Customer ARR** – has increased throughout 2020 and reached \$13.5k in Q4 2020 in line with the company's move upmarket strategy. This is up from \$12.4k in 2019, a 9% increase.

Product and Company highlights Q4 2020

- Launch of **Meltwater Smart Alerts**. This is the first wave of next generation of AI enabled capabilities in the Meltwater product suite building on the significant long-term investment Meltwater is making in AI and machine learning. The Meltwater Smart Alerts finds unusual spikes in news and social media and is able to automatically classify those into types of common events such as executive appointments, product launches, and awards. **Meltwater Smart Alerts was adopted by more than 1,100 customers** within the first month of launch enabling them to stay on top of breaking news by receiving tailored insights via web, email or the Meltwater iOS and Android mobile app. To further leverage the power of Meltwater Smart Alerts we plan to integrate with Slack and Microsoft Teams within the first Quarter of 2021.
- New and improved capabilities in **Meltwater's Competitive Benchmarking Analytics**. Competitive Intelligence is an important and growing area which historically has been primarily focused on brand analytics. As more company activities move to online other aspects of a company's tactics and competitive strength can also be measured and compared. Meltwater's new capabilities enable companies to receive a rigorous understanding of their presence in social media and how this benchmarks with their key competitors. Customers can also do detailed comparisons of content strategies and how user engagement compares to that of competitors and industry leaders. Meltwater will continue to grow the capabilities within Competitive Intelligence throughout 2021.
- New and improved capabilities in **Meltwater Audience analytics**. An online brand is a living and breathing organism and receives oxygen from the engagement of its audience. Within this audience one can often find a small set of very influential key opinion leaders (KOL). Meltwater's improved Audience Analytics provides new and improved capabilities to identify and track such key opinion leaders. By focusing their listening efforts on KOLs, marketers can cut through the noise and better understand how to design successful marketing campaigns that will resonate with its audience.

- In October, Meltwater launched a **Virtual Social Media Festival** series with great success. The multi-day event saw in excess of 7,000 registrants and featured many great speakers from companies such as **IBM, GlaxoSmithKline, Twitter, Facebook and Cisco**.

Team highlights Q4 2020

- Meltwater won the **Comparably award for 'Happiest Employees'** - we ranked #36 (out of 60,000 US companies) alongside companies including Apple, LinkedIn and Zoom
- In December 2020, Meltwater was also awarded by Comparably as a **'Best Company for Women 2020'** - Based on 5,224 ratings and 187 employee participants
- G2 named Meltwater as a **Leader in the category of Media Monitoring**, with the joint highest score of 92/100 across all vendors in the space globally.

Forward looking statements

- Enter 2021 with a lot of conviction and with a strong tail wind created by the successful Listing on Euronext Growth and a strong finish to the year from a commercial standpoint
- Will continue to pursue the upmarket opportunity and the Premium Client segment. We started to ramp up additional sales people in Q4 2020 and will continue to invest in sales in the first three quarters of 2021.
- Good line of sight into the 2021 plan and expect top line growth to start returning to the business in H2 2021
- Positive ongoing conversations with multiple targets in the M&A pipeline as we continue to see a 'target rich environment'
- Maintaining an ambition for the longer term to grow business organically around 20% annually and with 20% EBITDA margin

KPI's

	2020	2019	YoY
Premium Client ARR (\$m)	154	138	12%
Average ARR per Premium Client (\$k)	54.9	55.5	-1%
Premium Client % of total ARR (\$m)	43%	39%	12%
Social ARR (\$m)	112	92	21%
Total ARR (\$m)	359	353	2%
Average ARR per Client (\$k)	13.5	12.4	9%

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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.

For further information, please contact:

Geir Arne Drangeid
 Investor Relations and Media Contact
gad@meltwater.com

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 28,000 corporate customers, including industry leaders in several sectors. Learn more at meltwater.com.