



Spark Networks Raised Revenue Guidance for Fiscal Year 2020

November 10, 2020

BERLIN, Nov. 10, 2020 /PRNewswire/ -- Spark Networks (NYSE: [LOV](#)), the global leader in premium and community-based dating, today updated its financial guidance for the current fiscal year.



The Company anticipates total revenue for the 2020 fiscal year to be \$230 to \$232 million vs. prior guidance of \$224 to \$228 million. Management expects that 2020 Adjusted EBITDA will remain between \$34 to \$36 million. Adjusted EBITDA remained unchanged vs prior guidance.

"I am pleased with our 2020 topline guidance increase and the reiteration of our prior EBITDA guidance," said Eric Eichmann, Chief Executive Officer. "We continue to make good progress in delivering our 2020 plan, setting a strong foundation for future growth. We will continue to work on driving key product enhancements, improving our balance sheet and becoming a domestic filer in 2021."

***Adjusted EBITDA:**

Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization ("Adjusted EBITDA") is not a measure defined by International Financial Reporting Standards ("IFRS"). The most directly comparable IFRS measure for Adjusted EBITDA is our net (loss)/profit for the relevant period. This measure is one of the primary metrics by which we evaluate the performance of our businesses, budget, forecast and compensate management. We believe this measure provides management and investors with a consistent view, period to period, of the core earnings generated from ongoing operations and excludes the impact of items that we do not consider representative of our ongoing operating performance. This includes: (i) items such as share-based compensation, asset impairments, gains or losses on foreign currency transactions and interest expense, and (ii) items related to acquisitions or other costs that are non-recurring, infrequent, or unusual in nature including contract liabilities write-offs, gains realized upon sublease commencement, transaction and advisory fees, merger integration costs, other employee payments, and severance. Adjusted EBITDA should not be construed as a substitute for net (loss) / profit (as determined in accordance with IFRS) for the purpose of analyzing our operating performance or financial position, as Adjusted EBITDA is not defined by IFRS. Statements regarding our anticipation of 2020 Adjusted EBITDA do not include certain charges and costs. The adjustments to EBITDA in future periods are generally expected to be similar to the kinds of charges and costs excluded from Adjusted EBITDA in prior periods, including (i) items such as share-based compensation, asset impairments, gains or losses on foreign currency transactions and interest expense, and (ii) items related to acquisitions or other costs that are non-recurring, infrequent, or unusual in nature including contract liabilities write-offs, gains realized upon sublease commencement, transaction and advisory fees, merger integration costs, other employee payments, and severance. The exclusion of these charges and costs in future periods will have a significant impact on our Adjusted EBITDA. We are not able to provide a reconciliation of our non-IFRS financial guidance to the corresponding IFRS measures without unreasonable effort because of the uncertainty and variability of the nature and amount of these future charges and costs.

Safe Harbor Statement:

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, statements involving known and unknown risks, uncertainties, and other factors that may cause Spark Networks' performance or achievements to be materially different from those of any expected future results, performance, or achievements. These statements include remarks regarding Spark Networks' financial outlook and guidance for the full year 2020, including with respect to revenue and Adjusted EBITDA, the impact of Covid-19 on Spark Networks' business, Spark Networks' significant progress in key areas, Spark Networks' foundation for future growth, key product enhancements and new products, improving Spark Networks' balance sheet and improving the overall growth trajectory of the company.

Any statements in this press release that are not statements of historical fact may be considered to be forward-looking statements. Written words, such as "believes," "hopes," "intends," "estimates," "expects," "projects," "plans," "anticipates," and variations thereof, or the use of future tense, identify forward-looking statements. By their nature, forward-looking statements and forecasts involve risks and uncertainties because they relate to events and depend on circumstances that will occur in the near future. There are a number of factors that could cause actual results and developments to differ materially, including, but not limited to, those discussed under the heading "Risk Factors" in Spark Networks' Annual Report on Form 20-F and in other sections of Spark Networks' filings with the Securities and Exchange Commission ("SEC"), and in Spark Networks' other

current and periodic reports filed or furnished from time to time with the SEC. All forward-looking statements in this press release are made as of the date hereof, based on information available to the Company as of the date hereof, and the Company assumes no obligation to update any forward-looking statement except as required by law.

About Spark Networks SE:

Spark Networks SE is America's second largest dating company, listed on the New York Stock Exchange American under the ticker symbol "LOV," with headquarters in Berlin, Germany, and offices in New York and Utah. The Company's widening portfolio of premium and freemium dating apps include [Zoosk](#), [EliteSingles](#), [Christian Mingle](#), [Jdate](#), [JSwipe](#), [SilverSingles](#) and [eDarling](#), among others. Spark Networks SE in its current form is the result of the merger between Affinitas GmbH and Spark Networks, Inc. in 2017 and the addition of Zoosk, Inc. in 2019. Spark Networks has approximately one million monthly paying subscribers globally.

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