

A CROUD

A challenger on a quest

Q2 2020

Intense Change Management

during the quarter

Agenda

- ACROUD & Overall Reflections
- What is ACROUD?
- Highlights
- Financials Q2 2020
- Summary & Outlook
- Q&A

Presenters



Robert Andersson
CEO



Gustav Vadenbring
CFO

A photograph of a train on an elevated track in a city at sunset. The train is moving towards the viewer, and the city skyline is visible in the background. The sky is a mix of orange and blue. The train has a red diamond-shaped logo on its front. The text "OVERALL REFLECTIONS" is overlaid in the center of the image.

OVERALL REFLECTIONS

ACROUD

Overall reflections

A challenger on a Quest moving fast in Q220

A New Company



Q2 has been characterized by high development pace, entrepreneurial spirit, name change and restructuring to prepare the company for long-term future growth.

The Assets



Acroud posses a portfolio of very strong domains such as Pokerlistings.com, CasinoTop10.net and CasinoGuide.com.

The foundation for organic growth for these assets being built in Q220



COVID-19



We have seen a significant increase in traffic within poker and casino in Mar-May.

Since June we see more "normalized" traffic levels.

Future Growth



We see increase in traffic and opportunities in North America.

Intensified operational focus on less brands and on key markets leading to organic growth



We are moving fast and adapting the Company for long term future growth

Ongoing operative initiatives

Initiatives set to fully capitalize on already developed internal resources

Operational efficiency	✓ New Key Employees signed. Increased focus on execution and “doer mentality”. Allocating more resources to a smaller number of focus areas.	<p>Stronger growth</p> <p>Improved efficiency</p> <p>Better utilisation of resources</p> <p>Increased profitability</p>
Roll-out North America	✓ Strengthened US team with key employees. Accelerated roll out of brands. 7-8 licences in North America being processed.	
New partners and KAM team	✓ Strengthened Key Account Team. Increased pace on adding new partners and deals. Thereby strengthening our product offering to our users.	
Continued development of Pokerlistings	✓ Launch and development of Sportsbetting and casino section on Pokerlistings. Upgrades on focus markets to increase traffic.	
Development of Sportsbetting offering	✓ Continued development of MaxFreeBets. Strengthening the product offering.	



Several initiatives across verticals set to improve performance in 2020 & onwards

WHAT IS ACROUD?

ACROUD

MANIFESTO

We are a challenger on a quest.

We are adapting and we are here to disrupt and claim what hasn't been claimed.

We are here for the challenge, for the joy, for the pride of giving people guidance in their everyday life and people and brands. supporting brands building their crowds.

We are here for the challenge because that's our motto on how to enable synergies between people and brands.

We are here for the joy because that's our motto on how to attract and nurture existing and future talent.

We are here for the pride because that's our motto on how to build confidence and long-lasting relationships.

We are a challenger on a quest, and our journey has just begun.

We are a crowd. Join the ride.

We've always been PROUD.
We think of ourselves as A PROUD CROWD.

We are:

A CROWD

Now we reinvigorate our brand with an invitation:

JOIN THE RIDE



JOIN THE RIDE

2343T
2343 T
2343 MT, LB RECT
2243 TT

7565



HIGHLIGHTS

Q2 2020

ACROUD

Q2 2020

Highlights

EUR '000	Q2 2020	Q2 2019
Revenues	3,567	3,497
Organic growth	2%	-27%
EBITDA	1,499	2,024
EBITDA margin	42%	58%
Adjusted EBITDA	2,058	2,024
Adjusted EBITDA margin	58%	58%
Adj. EPS (EUR)	0.017	0.009
Cash conversion	106%	91%

Key Milestones

- **Strong quarter** reaching 2% organic growth and 12% sequential organic growth towards Q120.
- **Visits and leads increased** between March and mid June within poker and casino mainly driven by COVID-19 situation.
- **Restructuring finalized in Q220** impacting cost base by app. 550 kEUR. Adj. EBITDA reaching 2,058 kEUR in-line with last year
- **Refinancing successful** and secured until September 2022 with unchanged interest.
- **Cash generation continued high** enabling addition repurchase of bonds.

Q2 2020

Significant events

- ✓ **Intensified Change Management** including a number of quick and long-term adjustments to generate long-term growth (restructuring in Q220)
- ✓ **Accelerated focus on North America** including setting operational team, social gaming & license applications
- ✓ **Refinancing secured** until September 2022 with a retained interest rate of 7,25%
- ✓ **Continued improvement of capital structure** - additional repurchase of bonds to strengthening capital structure

MaxFreeBets

casino
spelen

Casino
Guide

PokerListings

CNJ CASINO
GUIDE.NJ.COM

After Q2

Significant events

- ✓ Launch of new name Acroud. Part of the extensive change work initiated.

Business previously conducted under several names, creating a lack of clarity and inefficiency both internally and externally.

A real fresh start.

- ✓ We adapted and took measures to create a strong long-term position in the Dutch market when opening Q1 2021

Adjustment of the product offering to ensure compatibility with rules in the Dutch market

The adjustment will have a negative impact on revenue in the short term.

The measures is a long-term investment to ensure a strong and sustainable position over time on soon to be regulated Dutch market



MaxFreeBets



casino
spelen



Casino
Guide



PokerListings



CNJ CASINO
GUIDE.NL.COM

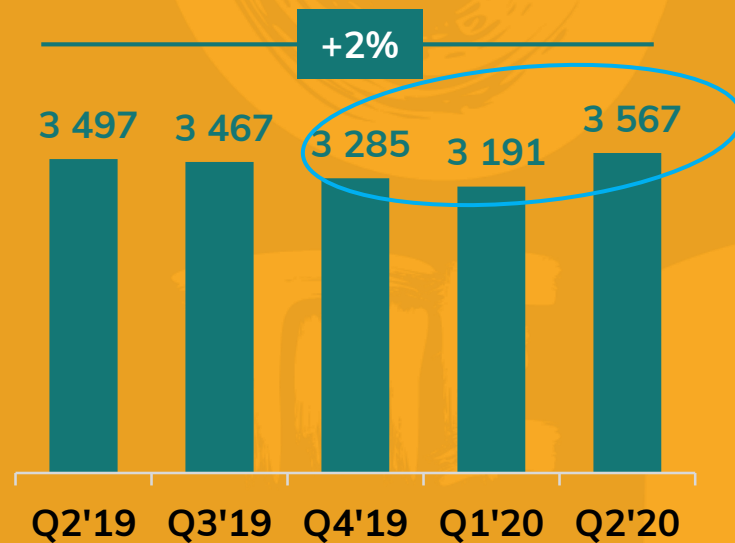
FINANCIALS

Q2 2020

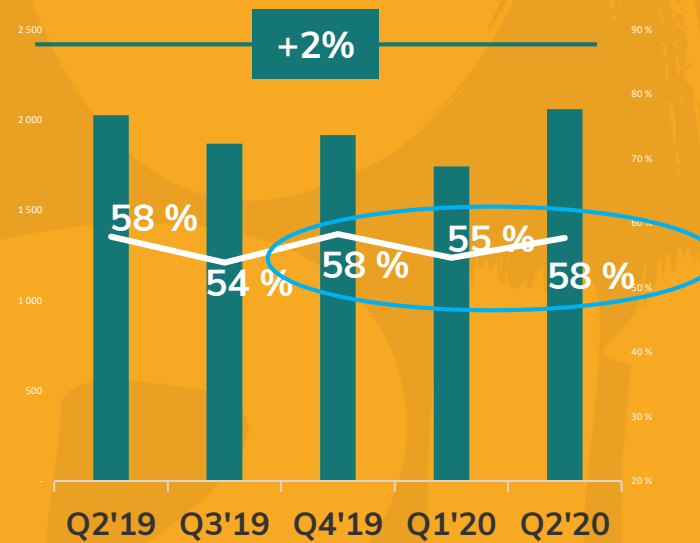
ACROUD

Revenue & earnings development

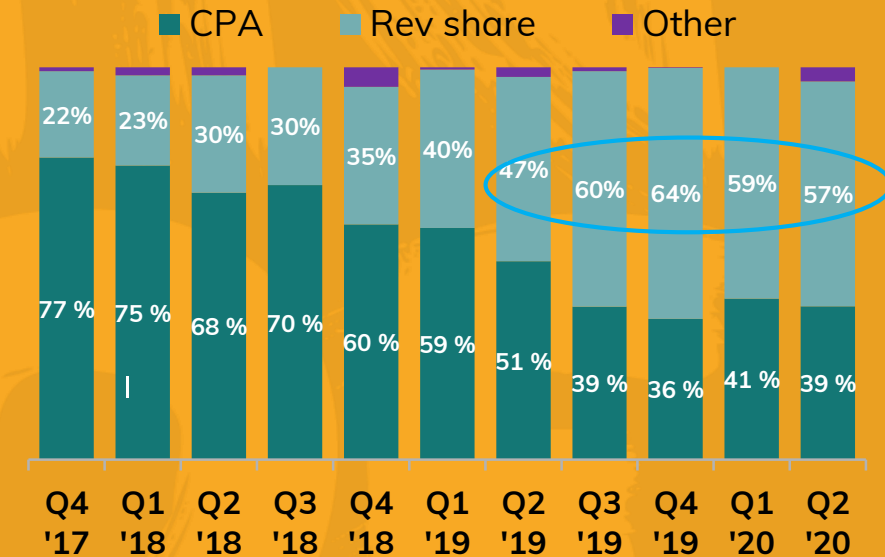
Net revenue
(in thousands €)



Adj. EBITDA and margin
(in thousands €)



Revenue model split
(in %)



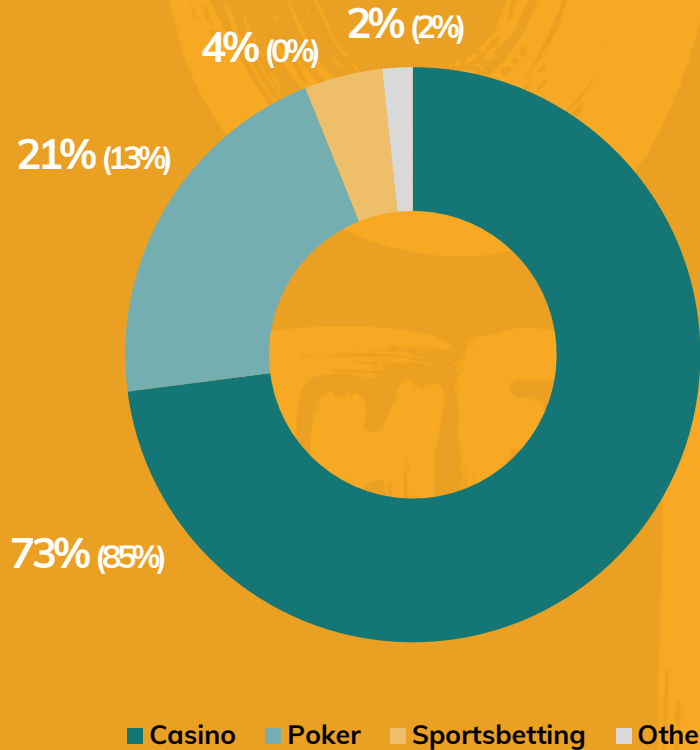
Revenue and EBITDA development have been stable last quarters
Increasing in Q2'20 driven by poker and casino traffic

Strategic shift from CPA to Rev Share
Stabilized around 55-60%. Up from 47% in Q2'19 to 57% in Q2'20.

Shift impacts top line negatively short term,
but positively long term (i.e. timing effect)

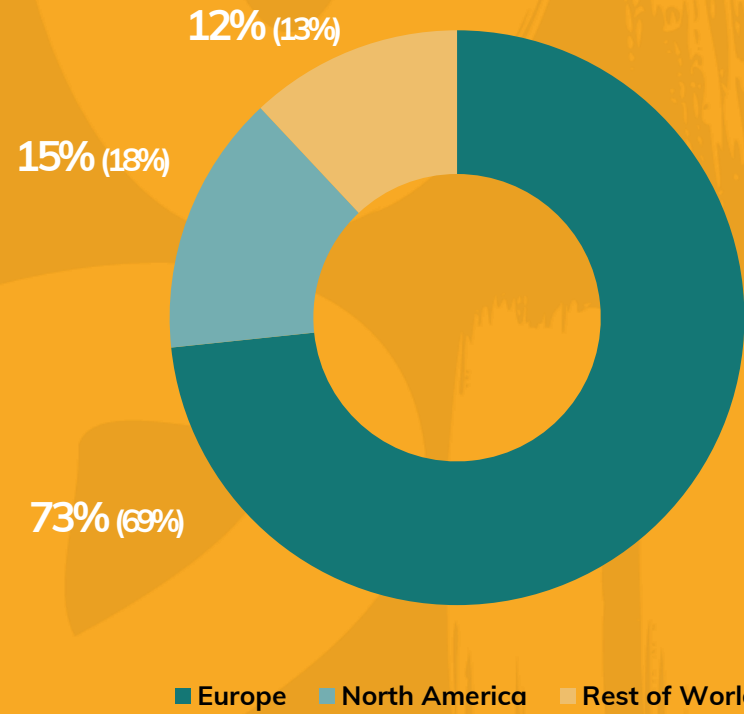
Revenue mix & NDCs

Vertical

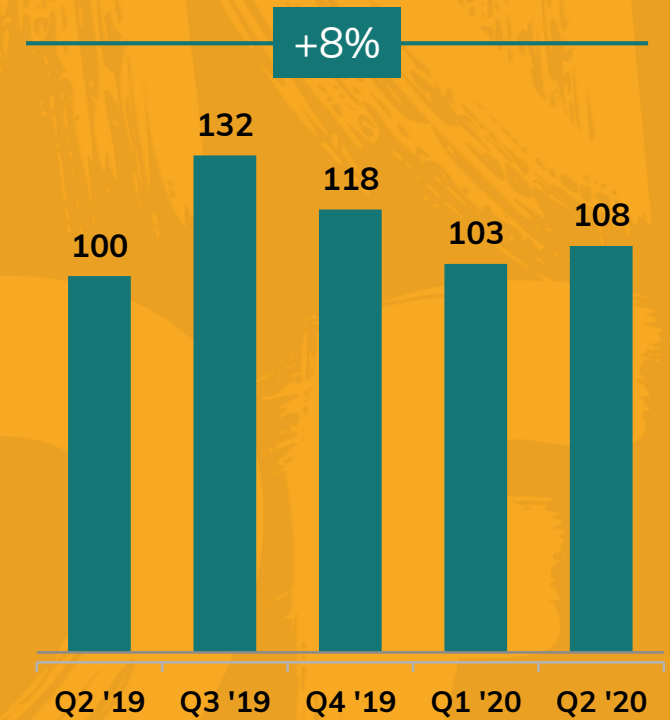


Poker picking up after re-launch of Pokerlistings, WSOP and COVID-19

Geography



Total NDC Indexed development



New Depositing Customers (NDC) increasing somewhat more than revenue trend

Profit & loss development

EUR '000	Q2 2020	Q2 2019	H1 2020	H1 2019
Net revenue	3,567	3,497	6,757	7,550
Operating costs	-2,068	-1,473	-3,518	-2,973
EBITDA	1,499	2,024	3,239	4,577
Depreciation	-658	-169	-809	-355
EBIT	841	1,855	2,430	4,222
Financial net	-1,929	-526	-677	-824
EBT	-1,088	-526	-677	-824
Tax	-56	-87	-139	-215
Net result	-1,144	1,242	1,614	3,183
EBITDA margin	42%	58%	48%	61%

- Revenue and EBITDA development have been stable last quarters. **Increasing in Q220 driven by poker and casino traffic.**
- P&L has been **impacted by restructuring initiatives and refinancing** resulting in items affecting comparability in Q220.
- **Restructuring initiatives** deemed to be **completed in Q220.**
- **Cost base in Q220 in-line with Q219.**
 - **Employee costs** decreasing due to less headcount.
 - **Other external cost** increase due to bad debt and consultancy costs for site development

Items impacting Comparability

Adjusted Financials

Adjusted:

EUR '000	Q2 2020	Q2 2019	H1 2020	H1 2019
Adj. EBITDA	2,058	2,024	3,799	4,577
Adj. EBITDA margin	58%	58%	56%	61%
Adj. Operative costs	1,509	1,473	2,959	2,973
Adj. Net Result	1,279	717	2,736	2,210

- Key **items affecting comparability** in Q220;
 - Operating cost base impacted by restructuring around 560 kEUR in Q220.
 - Depreciation and Amortization impacted by -503 kEUR due to write down of PokerLoco brand
 - Financial net Q2'20 negatively impacted by -240 kEUR related to consent fee related to refinancing and -1,139 due to translation effects related to revaluation of the bond (EUR/SEK).

Cash Flow development

Refinancing process finalized per 18th May 2020 and bond extended to Sep 2022

EUR '000	Q2'20	Q2'19	H120	H119
EBITDA	1,499	2,024	3,239	4,577
Non cash items	387	100	363	-94
Change in NWC	556	59	465	341
Operating CF	2,442	1,983	4,067	4,824
CF from investments	-258	34	-472	-202
CF from financing activities	-1,849	-676	-6,876	-1,379
CF for the period	335	1,341	-3,281	3,243
Cash conversion*	106%	95%	91%	97%
Cash position	3,291	12,816	3,291	12,816

- **Strong operative cash flow** last quarters. Q220 operative cash flow reaching 2,442 kEUR
- **Continued high cash conversion** enabling deleveraging.
- **Successful Cash Management initiatives** (receivable turn-over and tax refunds) improving working capital
- **CF from financing activities** mainly **affected by refinancing** and interest payments in Q220

* Cash conversion has been calculated as operating cash flow reduced by capex/investments excluding acquisitions/divestments in relation to EBITDA

Net Debt / EBITDA

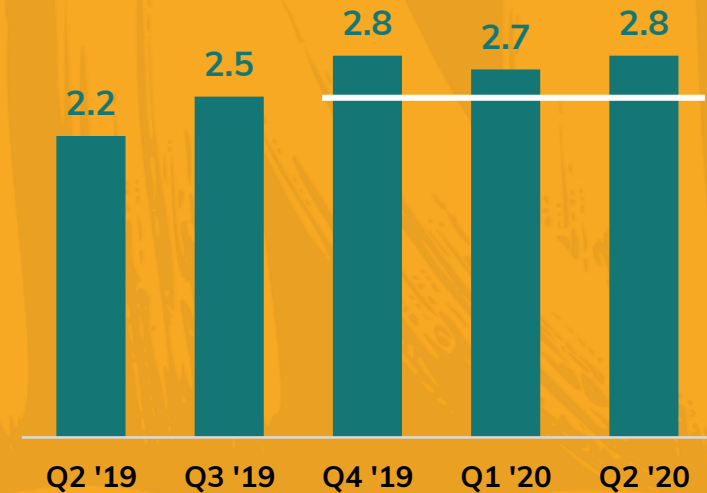
Refinancing process finalized per 18th May 2020 and bond extended to Sep 2022

- The **business model enables fast deleveraging** through strong margins and high cash conversion (+80%)
- **KPI trending flattening out** last quarters and Net Debt decreasing
- Repurchase of bonds in H1'20 **decreasing gross debt and interest costs**

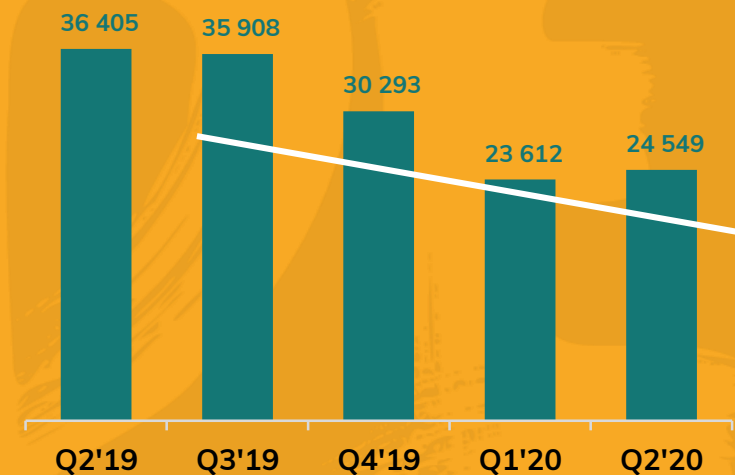
Debt financing:

- EUR 23,821 bond (other debt EUR 728k)
- Maturity: September 2022
- Coupon: STIBOR 3M + 7.25%
- Quarterly interest: ~EUR 430k
- Quarterly Amortization: ~EUR 590k (from Sep20)

Net Debt / Adj. EBITDA development



Gross Debt development



Financial Targets

Financial Targets should be reflected upon over time (2-3 years)

**Growth in
Earnings Per Share**

$\geq 20\%$

Q2 2020
+81%

**Organic
revenue growth**

15% - 25%

Q2 2020
+2%

**Capital structure
(Net Debt/Adj. EBITDA)**

≤ 2.0

Q2 2020
2.8

Dividend

Acroud will prioritise internal growth projects, capital structure and acquisitive growth above dividends during the next three years



SUMMARY & OUTLOOK

Outlook & Growth initiatives

- ✓ **More challenging H220.** Short-term regulative impact, back to normalized traffic levels. Sportsbetting slow recovery.

Growth initiatives

- ✓ **US growth focus** – 7-8 licenses coming months, US team strengthening and developing key brands
- ✓ **“Dig deeper” - increase market share** on existing markets
- ✓ **Increased focus on Key Brands** – less is more
- ✓ **Sportsbetting focus** – develop the Sportsbetting concept, strengthening organization and key brands
- ✓ **Continue to optimize capital structure** decreasing gross debt



Questions

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