

# Q1 2021

The Bridge to the Future



# Agenda

1. Quick overview
2. The Journey Ahead
3. Financial Details
4. Closing comments



Robert Andersson CEO



Gustav Vadenbring CFO

An aerial photograph of a city street intersection. The street has a crosswalk and a large 'STOP' sign painted on the pavement. Several cars are visible, including a yellow taxi and a white car. A large teal rectangle is overlaid on the center of the image, containing white and orange text.

Quick Overview

Rapid transformation towards  
**The Media House of the Future**

# First Quarter

## Key Figures

- Revenue amounted to .....
- EBITDA amounted to .....
- Profit after tax was .....
- Change in New Depositing Customers .....
- Cash flow from operating activities .....

REVENUE

**5 579 kEUR** (3 191)

EBITDA

**1 441 kEUR** (1 742)

PROFIT

**748 kEUR** (2 759)

NDC

**230%**

CASH FLOW

**388 kEUR** (1 625)

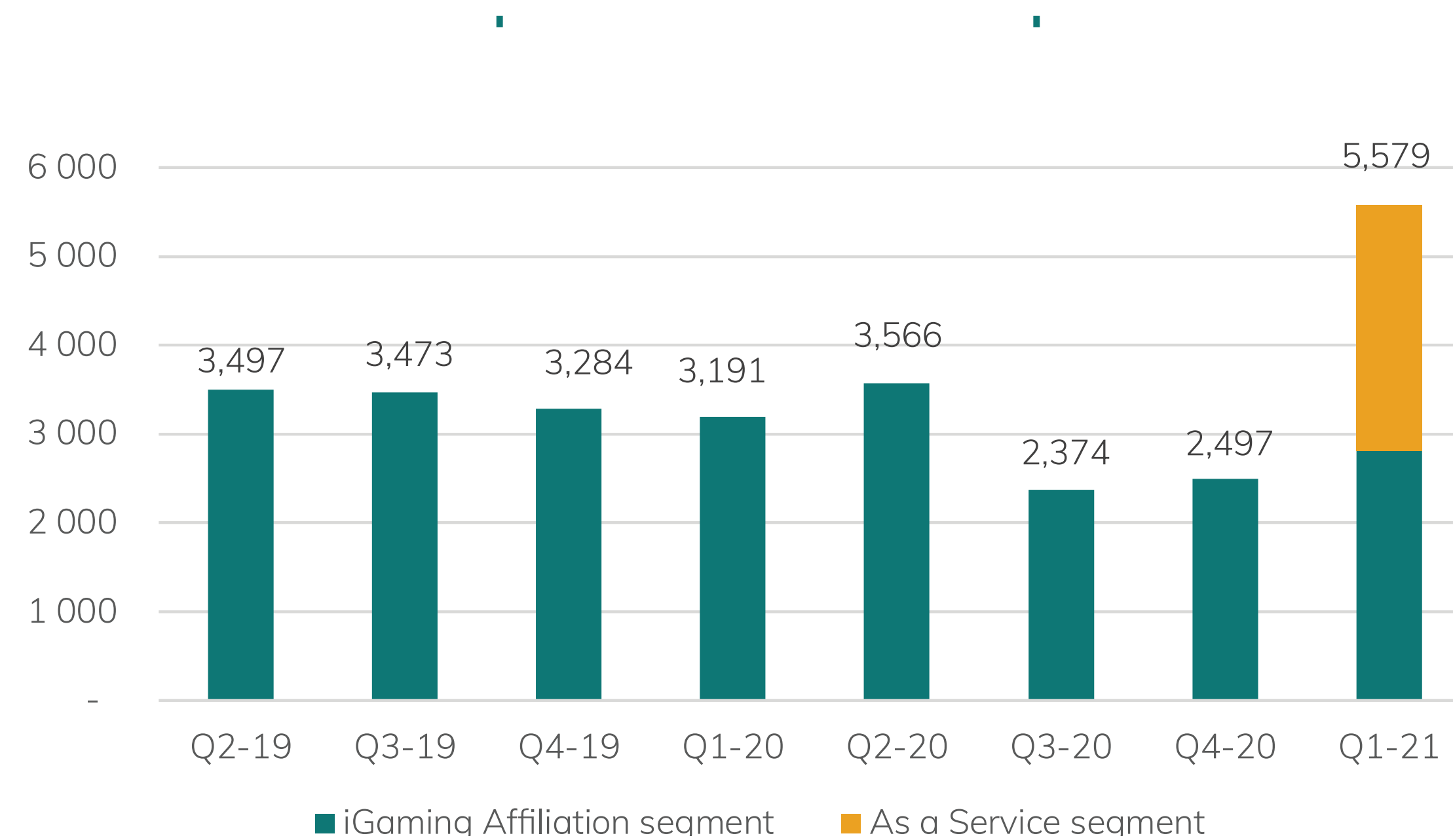
# Key Events

During and After Q1

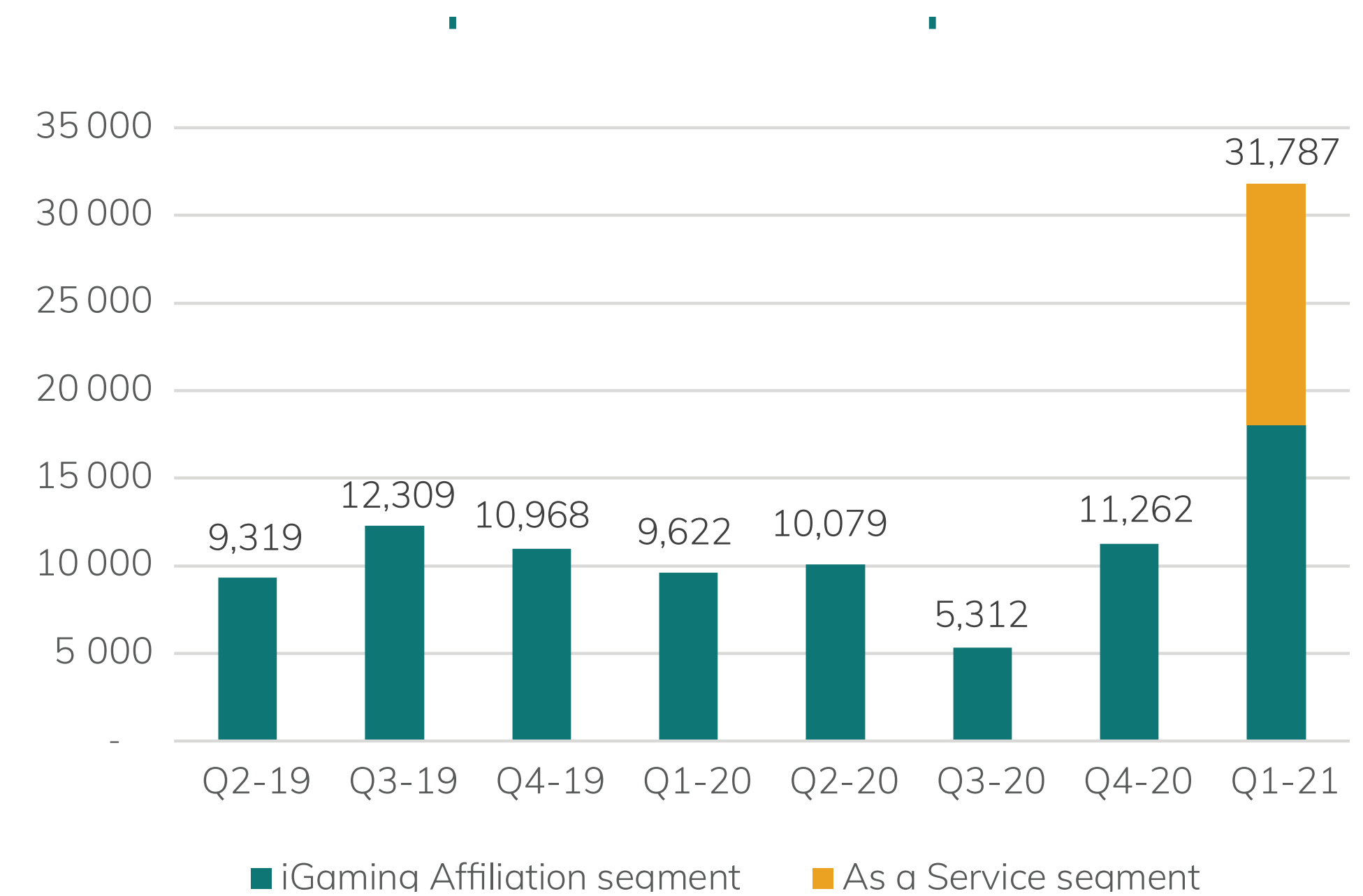
- ✓ **ACQUIRED THE ASSETS OF POWER MEDIA GROUP**  
Voonix, Matching Visions and Traffic Grid
- ✓ **NEW STRUCTURE WITH TWO OPERATIONAL SEGMENTS**  
iGaming Affiliation and ...As a Service segment
- ✓ **OBTAINED A LICENSE IN PENNSYLVANIA**  
Sports Betting, Casino and Poker affiliate operations
- ✓ **UPDATE ON US STRATEGY**  
Withdraw from the process of a potential acquisition
- ✓ **ACQUIRED THEGAMBLINGCABIN**  
Strengthened the position within Streaming and SaaS

# Group Development

## Revenue Development Group

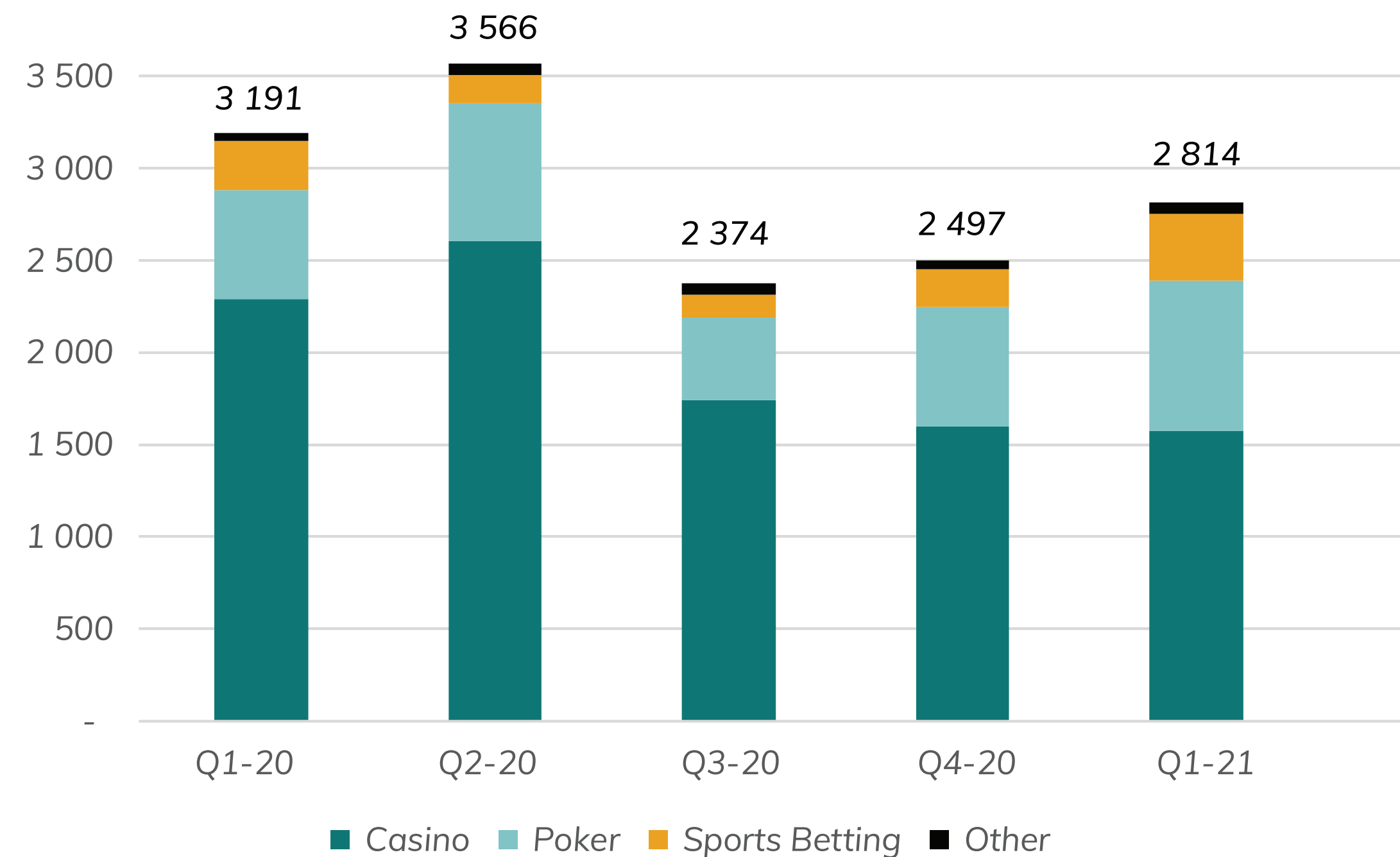


## NDCs Development Group

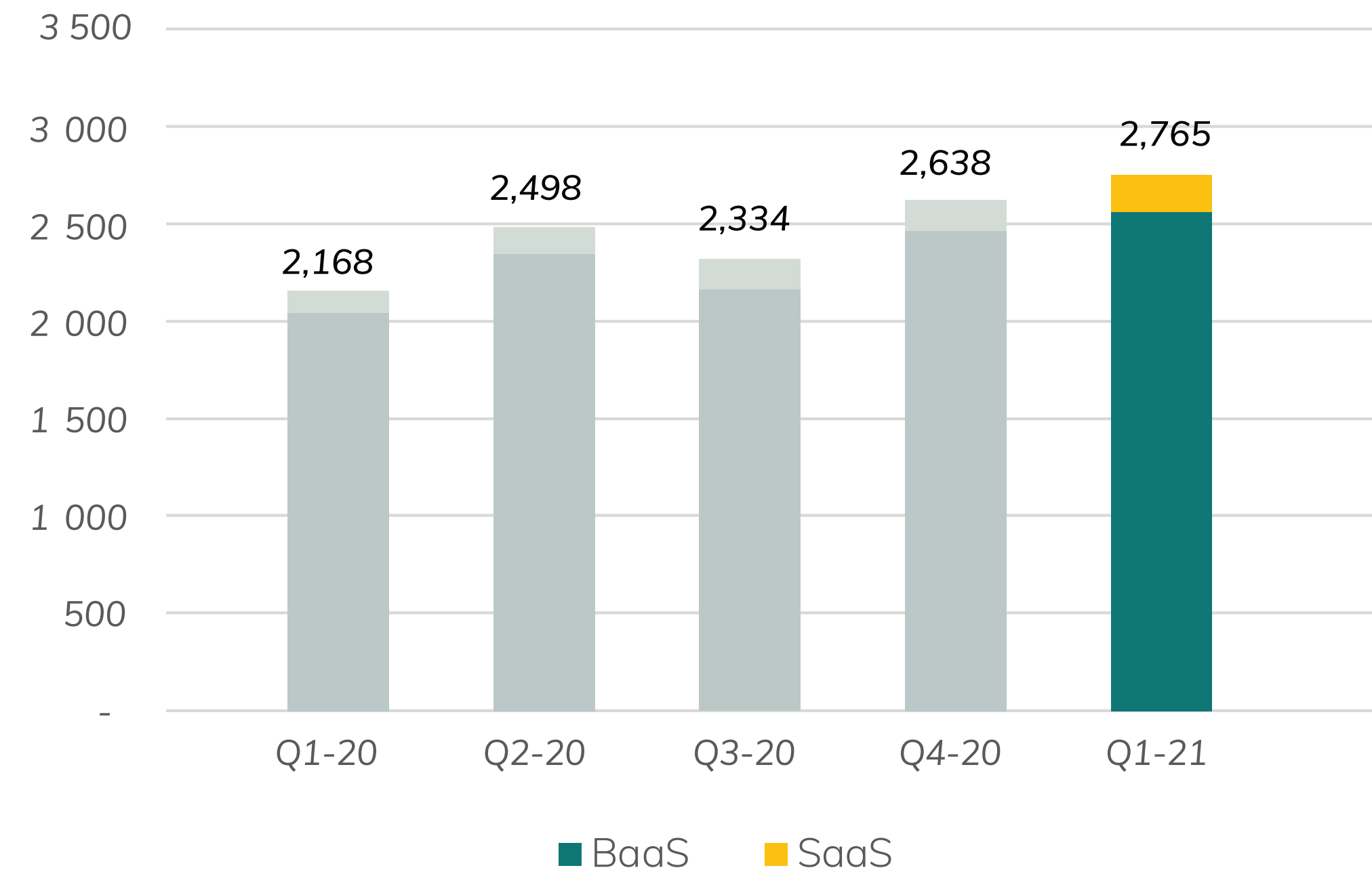


# Diversified product offering across the value chain.

## Revenue Development iGaming Affiliation Segment



## Revenue Development ...As a Service



# The Media House of the Future

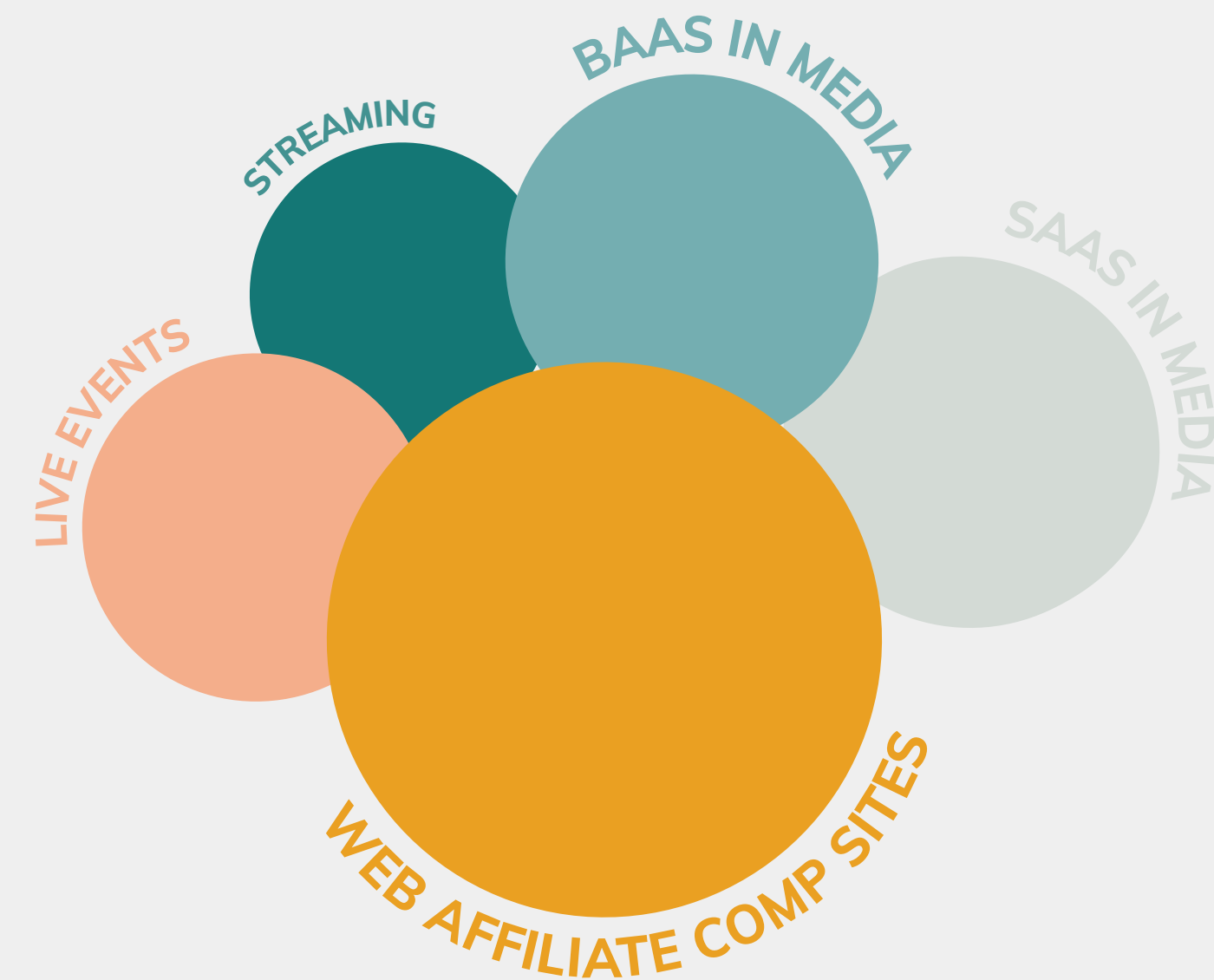
A complete ecosystem of synergies.

A mindset staying in touch with today.

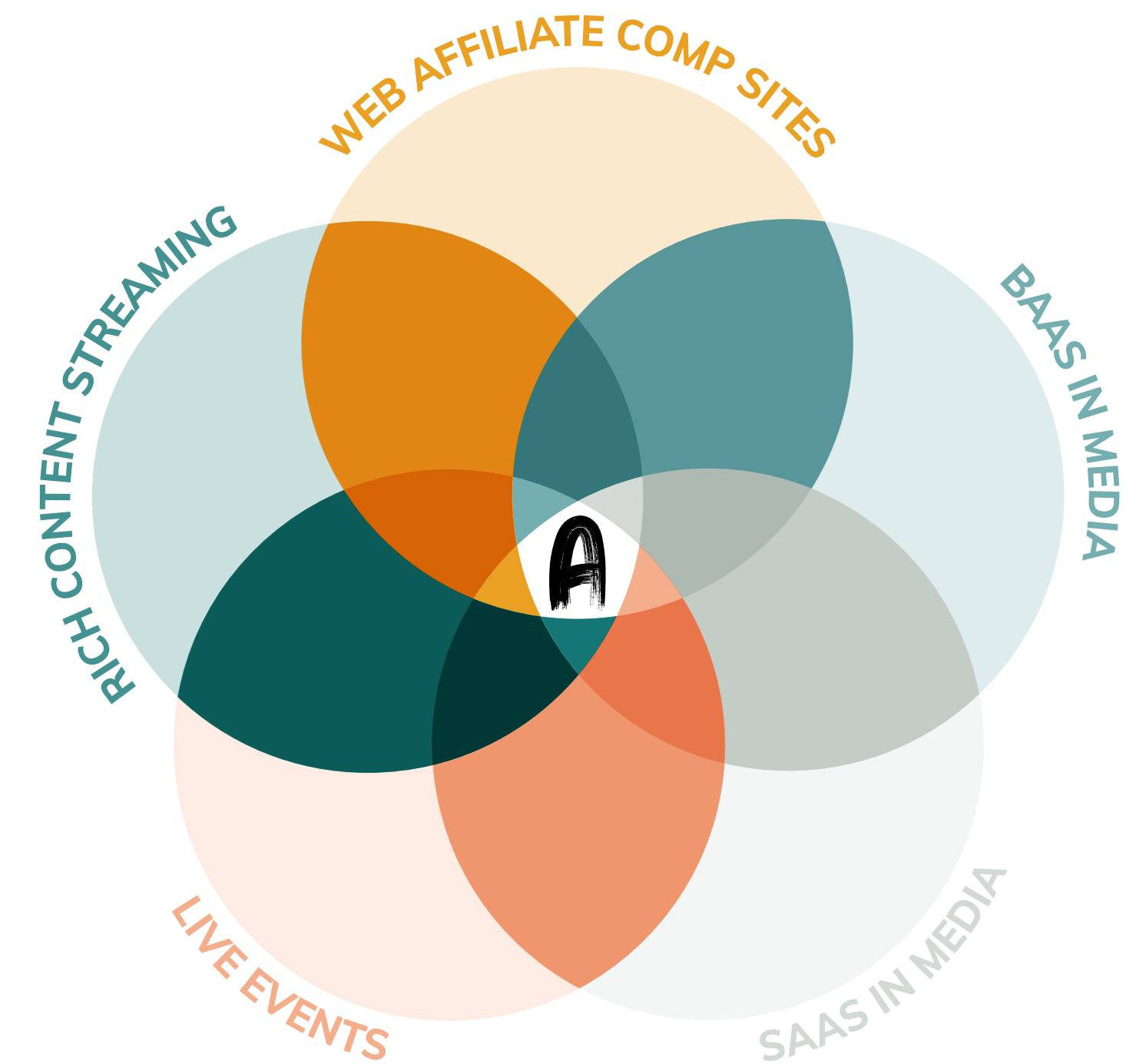
YESTERDAY



TODAY



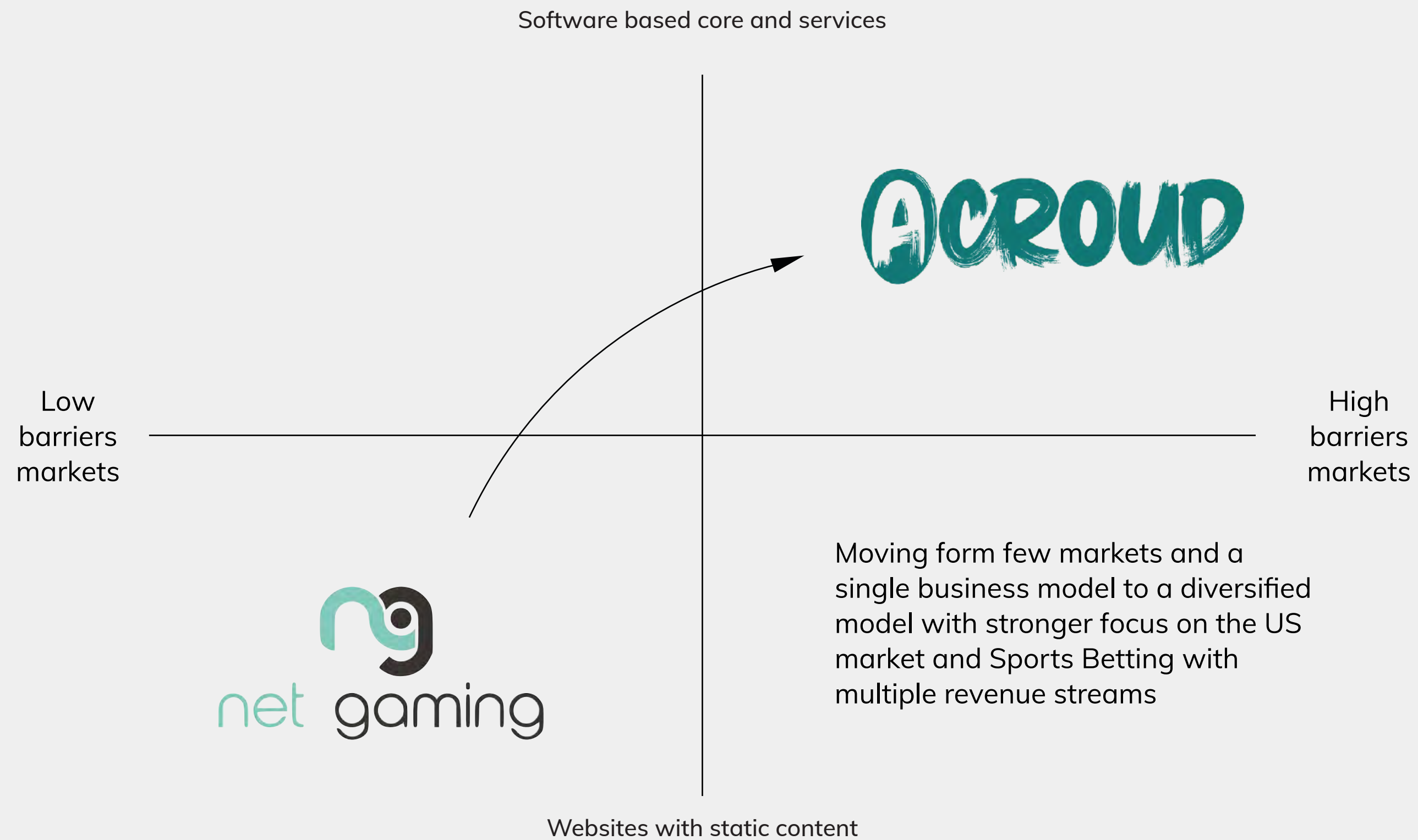
TOMORROW



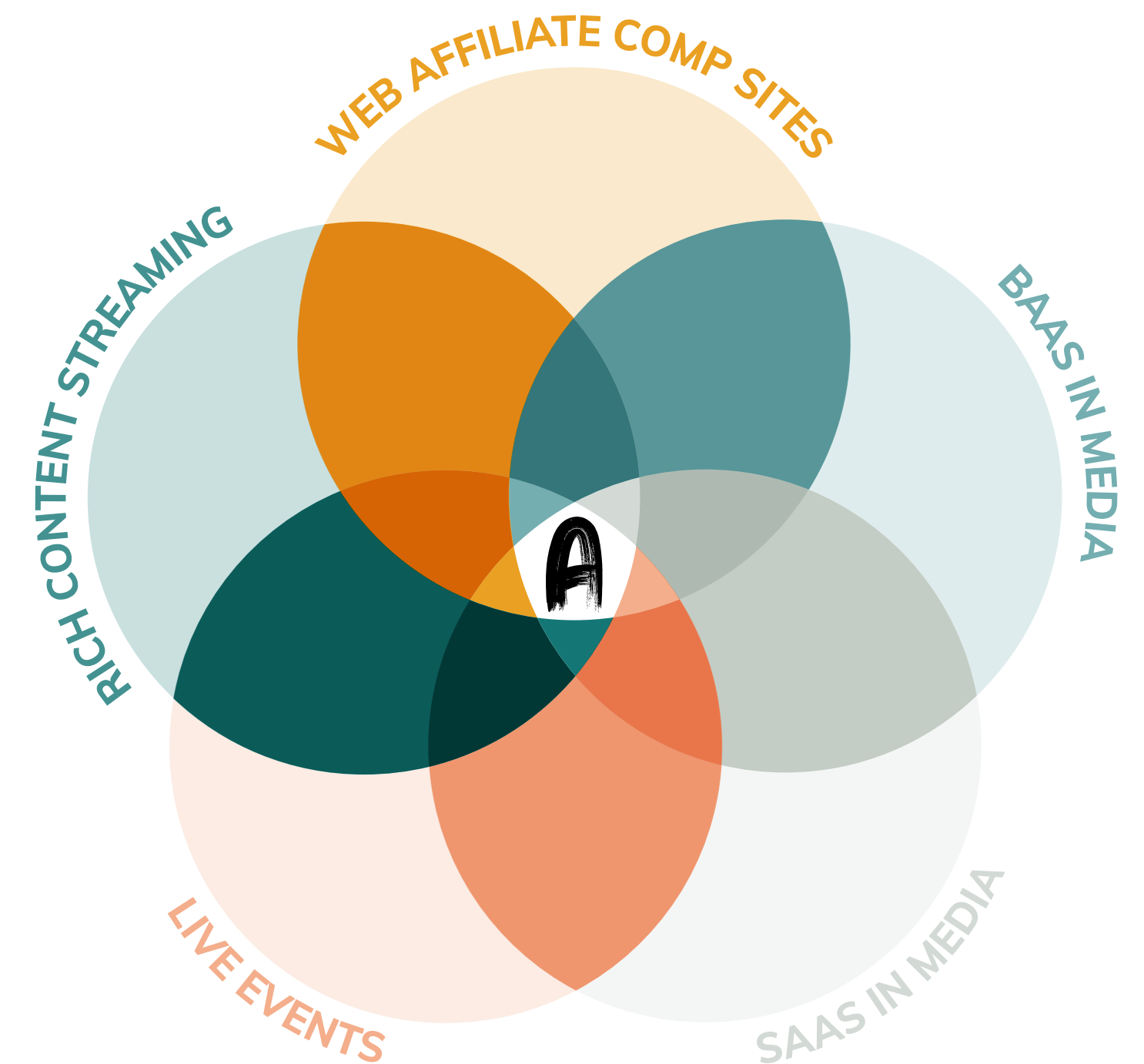
# The Media House of the Future

A complete ecosystem of synergies.

A mindset staying in touch with today.



TOMORROW





PILLAR THREE

## SaaS Business

Industry leading  
data collection tool



PILLAR TWO

## BaaS Business

Unique service bringing  
businesses together



PILLAR ONE

## Affiliate Business

Poker, Sports betting  
and Casino verticals



PokerListings



# Building a strong Portfolio of Brands

by focusing on existing assets

BaaS Business

SaaS Business

DREAM  STREAM

TRAFFIC  
GRID 

 VOONIX  
PART OF ACROUD



 matching visions  
PART OF ACROUD

 AFFHUT  
Build your own affiliate network

# Building a strong **Portfolio of Brands**

by focusing on existing assets

**Affiliate Business**



PokerListings

**MAX**  
FREEBETS



**Casino**  
Top10.net

**Casino**  
Chancen

**GAMEOASIS**  
CASINO & SPORTWETTEN BLOG



**SBG**  
SPORTS BETTING GUIDE



**THE**  
FESTIVAL  
IN TALLINN

**Casino**  
Toplists

## Mission

Why we exist

**Connecting  
People,  
Content  
Creators and  
Businesses.**

## Vision

Our ideal state.

**To be the  
Media House  
of the Future**

## Goal

The target

**To create the  
Best Ecosystem  
within Media and  
the Affiliation  
Industry**

VALUE | MIND

# Business First

*Efficient  
Focus*

VALUE | SENSE

# Fearless Thinking

*Courageous  
Challenger*

VALUE | ACT

# Leap Forward

*Determined  
Leader*

# Geographical Expansion

The same success principals that Acroud has deployed in European markets have now been aimed at emerging markets and North America. We aim to deliver high quality brands within a relatively short throughput time, via our innovative delivery method. By doing so, we position our brands and software early on which ensures the success of our strategic plan.

## STRATEGIC

# Verticals Core and Beyond

Acroud's core assets include strong positioned affiliate brands which will benefit from the acceleration of trends through the pandemic, i.e. decline of retail and increase of online. Acroud is positioned to capitalise on such trends with a strong operational team which delivers high quality content, search engine optimisation and cutting-edge technology improvements. In addition, our product offering expanded to new and exciting verticals which will accelerate our strategic growth plan more rapidly.

# Diversification of Revenue Streams

To build up a long term diversification of revenue sources and model will make the company less sensitive to changes in any industry or any regulation. Building a strategic stability and sustainability in our revenue which reduces the overall risk

# ....As a Service Company

Acroud has diversified its business at the beginning of 2021 as part of the acquisition of PMG Group. The SaaS contracts generate a longterm sustainable revenue stream. Our aim is to solidify this new position and find the ultimate synergies between our new and core assets And become the leading service company in the industry.

## NL and US Roll-out

Ramping up our expansion into the US with the hiring of key personnel. Following a cost-efficient and innovative delivery method for new US facing products, we aim to have sites live in all regulated states and verticals by end of Q1'21. This, in conjunction with our 9 approved licenses in the US, enables us to achieve the desired growth in the US.

TACTICAL

## Rich content Streaming

Acroud will have an opportunistic approach and mindset to invest and build new streams of revenue. Such new ways include live streaming and social media influence. The goal is to diversify the acquisition and organic conversion of FTDs. Execution of this strategy will be done by M&A and creation of our own high value content.

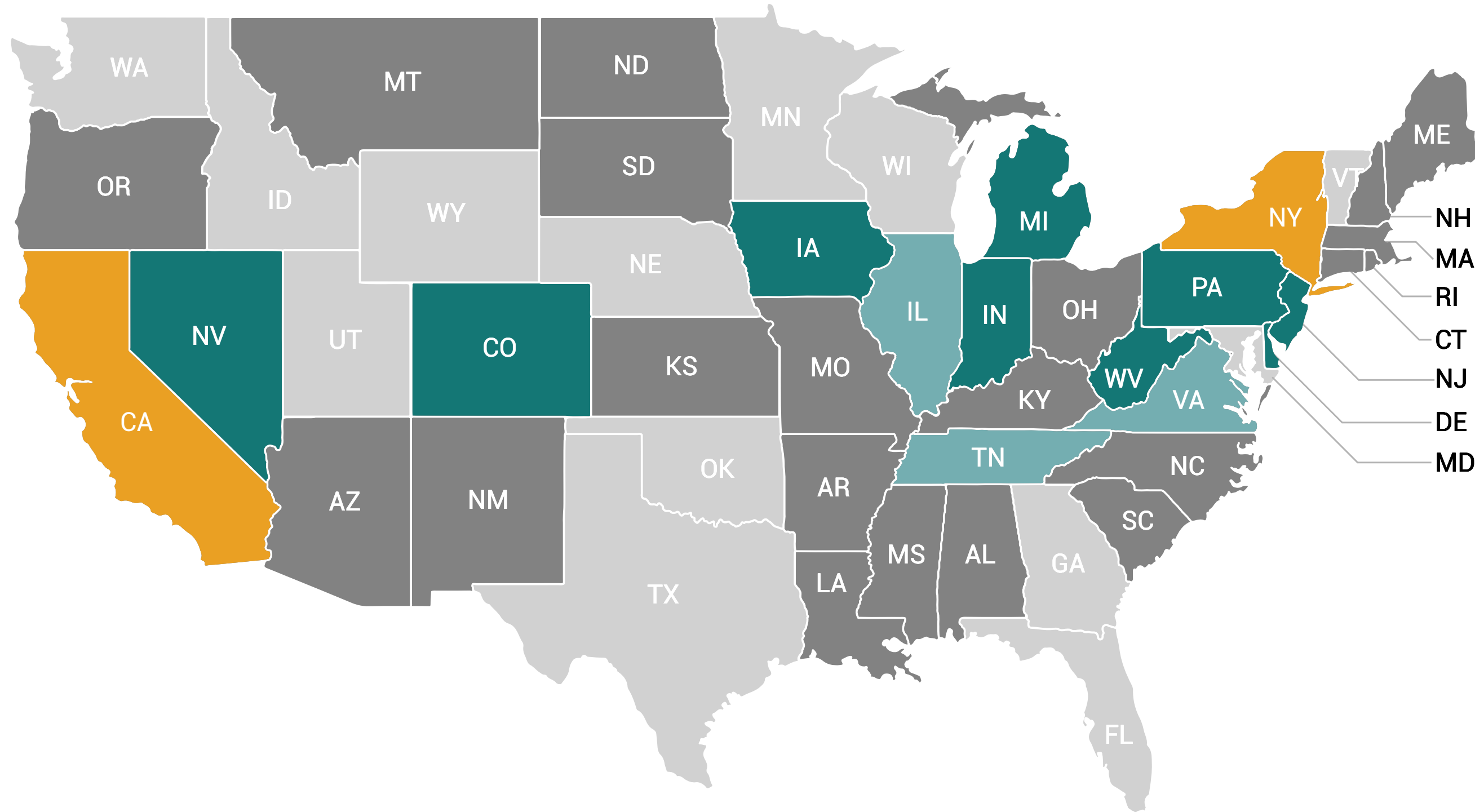
## Systematic M&A

We will keep having an opportunistic approach to M&A and continue to evaluate cases, however we will not be as aggressive as before and focus on growth of our base portfolio and the already executed/ announced

## Operational Excellence

Restructuring operational team to ensure high-pace delivery and a sound cost base. Embodying a “doer” mentality across the organisation to ensure our key focus and efficiency. Reducing our scope to improve the quality of our output on existing brands. Discontinuing work on underperforming brands or putting our exit strategy in action.

# U.S. Legalization Map



- 2 Ongoing regulation. Ongoing process likely 2022-23
- 3 Acroud Application filed / pending. Likely March 2021
- 9 Acroud Licence / Business Certificate
- 35 Already have a legal, regulated sports betting industry  
Or have passed legal sports betting bills, not yet launched.

# DUTCH MARKET UPDATE



## Current Situation

- 1 Historically, Acroud has been always been a **key player** in the Dutch market
- 2 Acroud is **fully KSA compliant**
- 3 Acroud owns **5 trusted** Dutch brands within Poker and Casino, waiting for the market to open

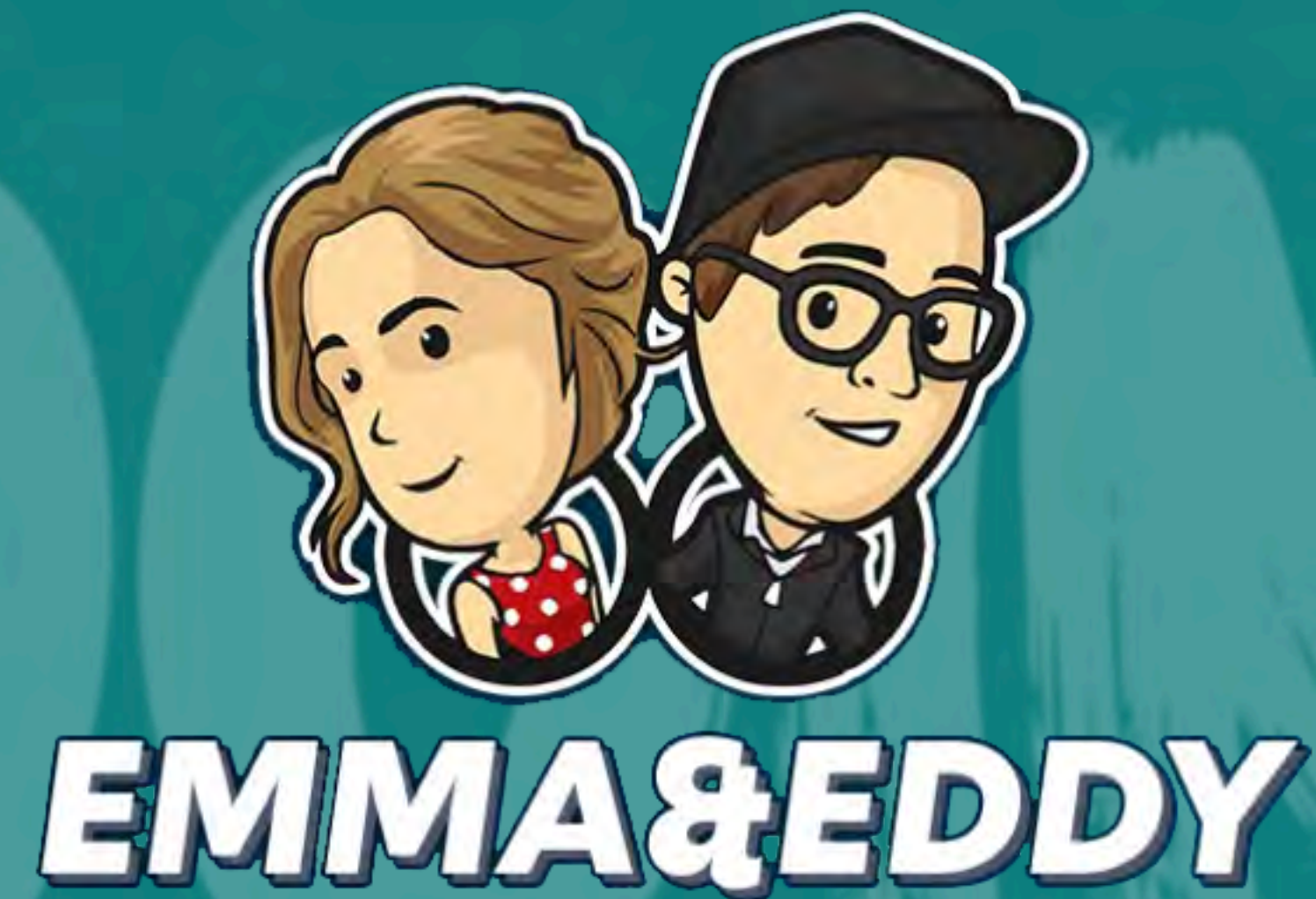
## Re-Entry - October 2021

- 1 Dutch market has an expected annual growth rate of **18.6%** in 2021-23
- 2 Acroud's geared up with strong rankings to become a key player after regulation
- 3 Acroud will add **Sport brands** to its portfolio starting October

## BaaS Business example

# DREAM STREAM

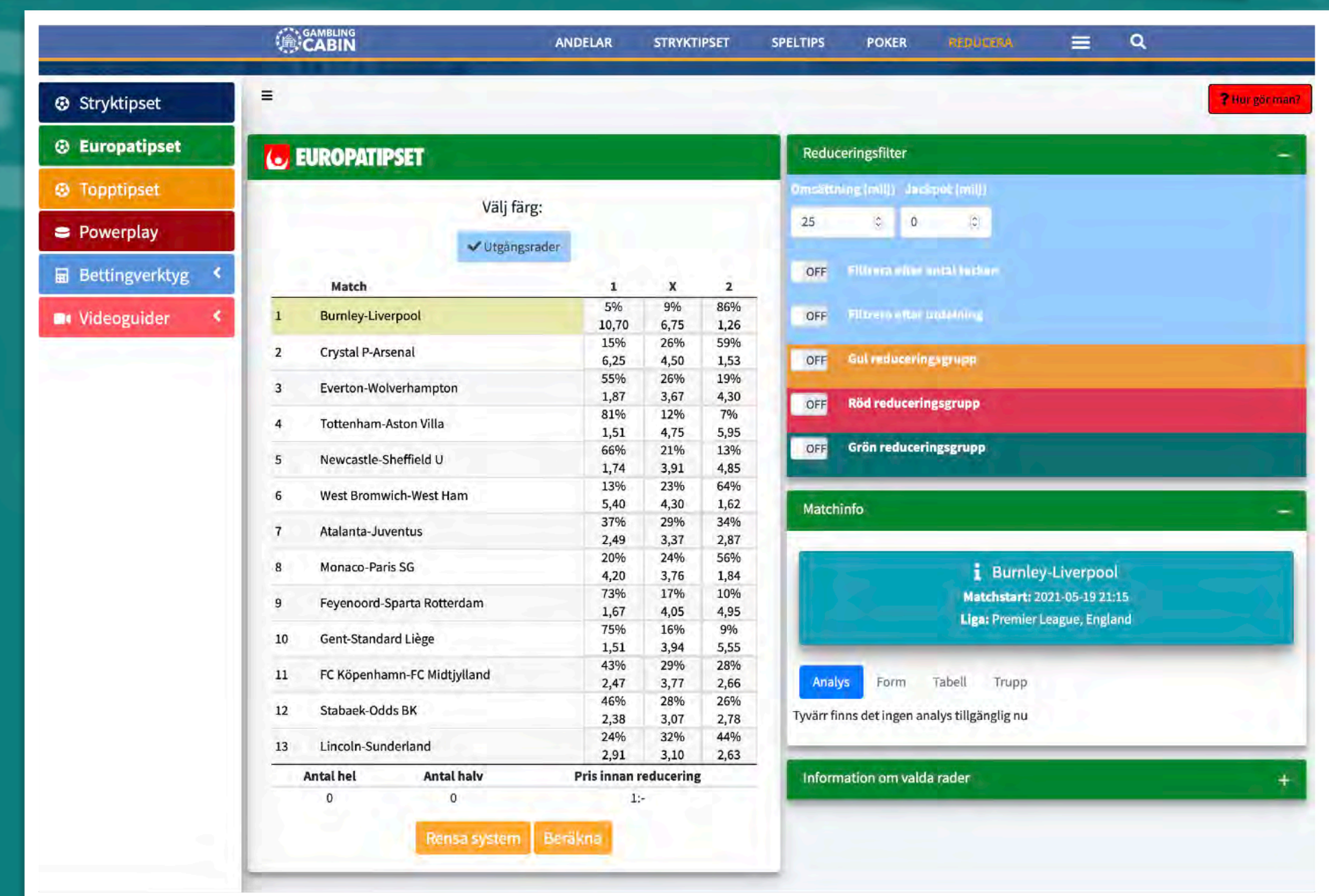
- +1000 number of NDC generated in March
- Live content directly to new generation players
- Direct engagement with users and communities.
- Acroud is live with its dream.stream project and will scale
- A complete new source of revenue
- Lower margin, but higher NDC potential 7-10% Margin





# GAMBLING CABIN

- Strong streaming content
- SaaS offering with a tool called “reduction tool”
- Strong synergies across all other portfolios
- Lagrets customer is Svenska spel
- Diversified revenue model
- Fast growing company



# The Festival Series

- Is a competitive Sports Betting, Casino and Poker Experience at different destinations in Europe.
- A true media rich content generator not only by Acroud resources but also UGC (User Generated Content)
- A branding exercise for Acroud through it's presence IRL
- Direct Synergies - An example; The Festival Series and The Gambling Cabin partnership for extended reach and a richer end user experience
- Indirect Synergies - A door opener to new verticals for Acroud.

The logo for 'The Festival Series' is displayed on a dark background. The words 'THE FESTIVAL' are in a large, bold, white, blocky font. To the right of 'THE' is a grid of 16 small white squares arranged in 4 rows and 4 columns. Below 'THE FESTIVAL' is a solid red horizontal bar. Inside this bar, the word 'SERIES' is written in a bold, white, sans-serif font, with each letter separated by a small gap.

THE FESTIVAL  
SERIES



## OUR THREE GROWTH PILLARS

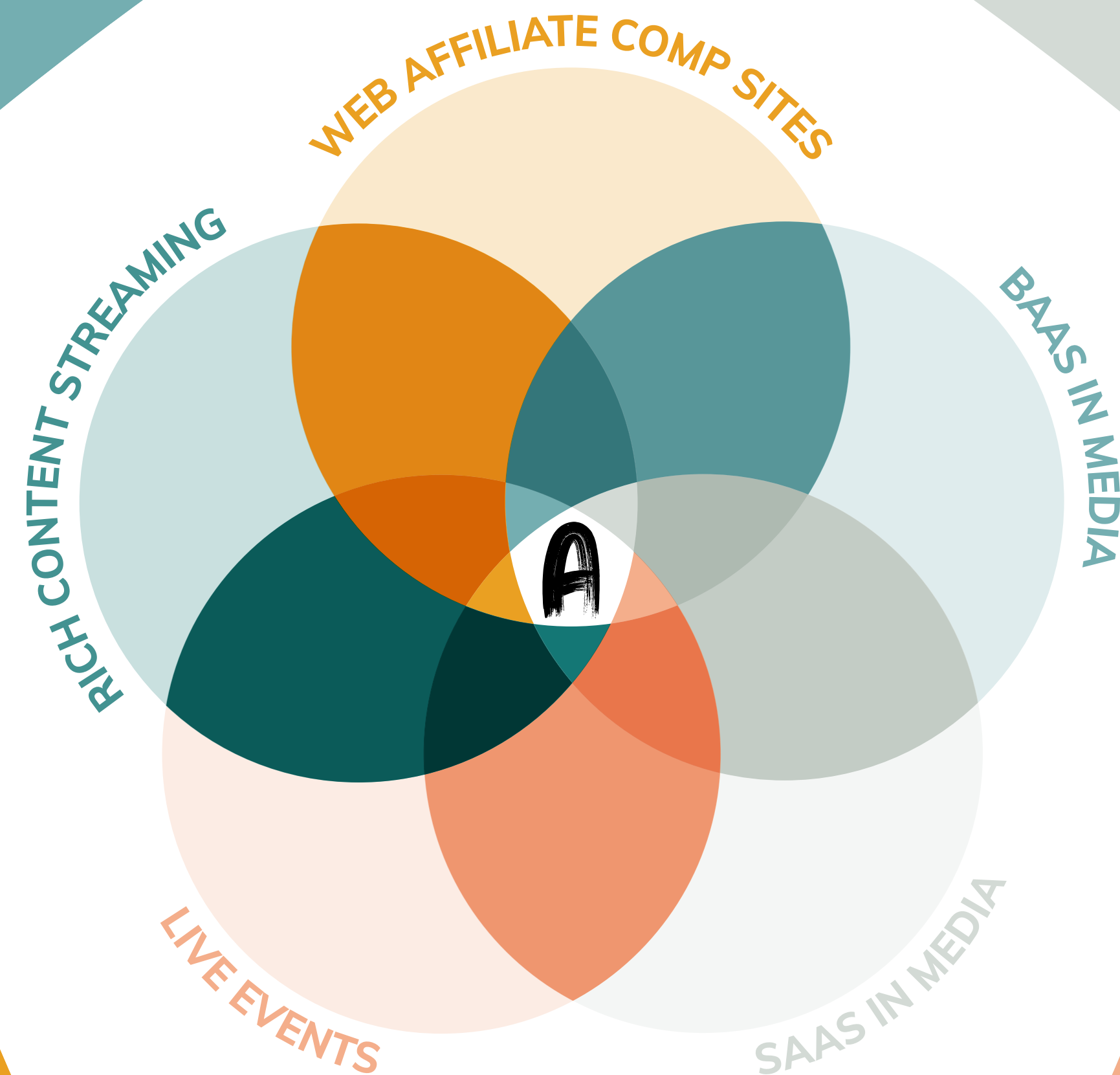
Affiliate | SaaS | BaaS

### “MOVING UP AND TO THE RIGHT”

- Software based core and services
- High Barriers Markets



**STRONG QUARTER**  
CREATING SHAREHOLDER VALUE





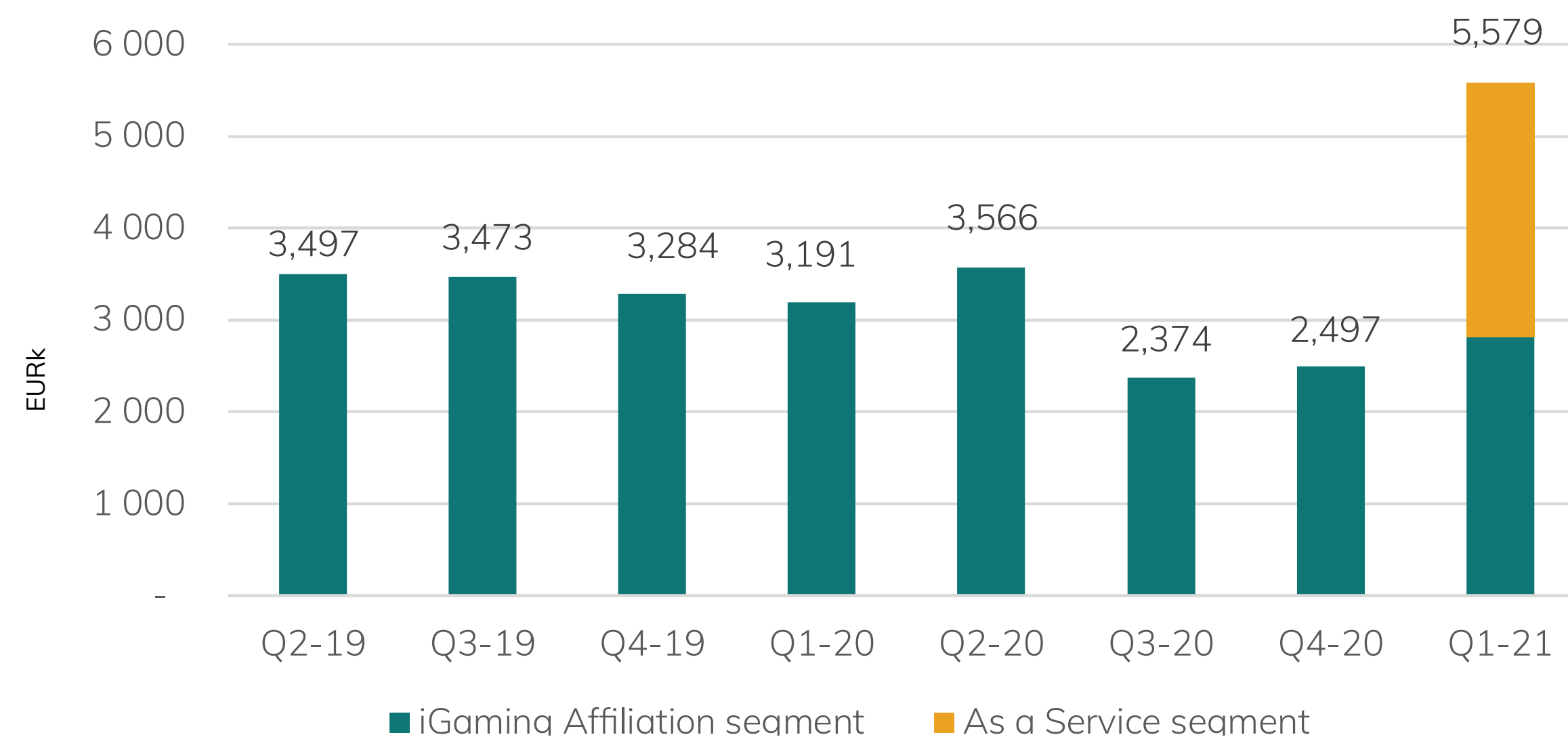
# Financial Details

Investor Presentation

Q1 2021

# Group

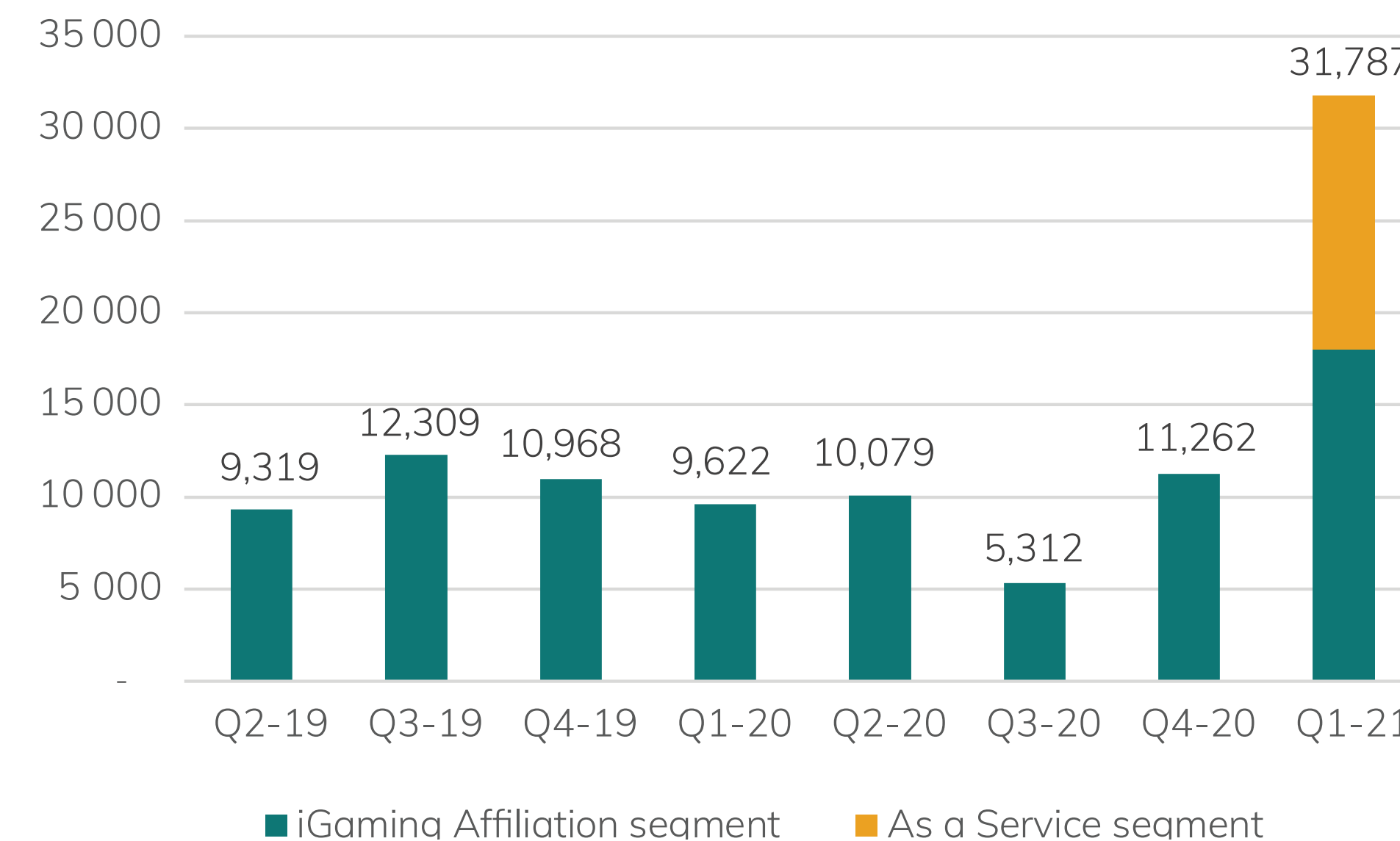
## Revenue development



Revenue increase by 123% sequentially. Revenue for the first quarter increased by 75% to EUR 5,579 (3,191) thousand compared to first quarter 2020.

Revenues for the new ...As a Service segment amounted to EUR 2,765 (-) thousand while revenues for the iGaming Affiliation segment amounted to EUR 2,814 (3,191) thousand.

## NDC development indexed



The NDC development is driven partly by the new ...As a Service segment, but NDC levels within the iGaming Affiliation is also growing driven by Sports Betting and Poker.

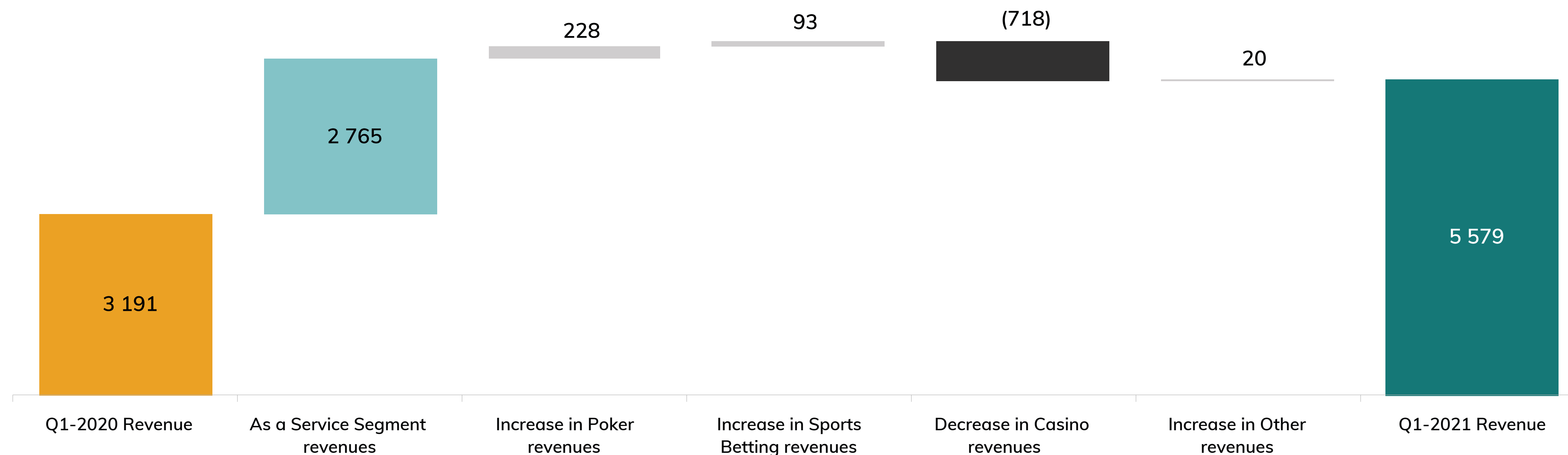
# Group

## Revenue Bridge

### vs Q1-2020

We can see that the revenue diversification work is bearing fruit and the risk profile of the business is improving simultaneously as the company shows revenue growth.

Revenue development during 2020 was impacted by that the Company adjusted its product offering to ensure compatibility with the rules in the Dutch market in July 2020 impacting Casino revenues. The Dutch market is expected to re-open in October 2021.



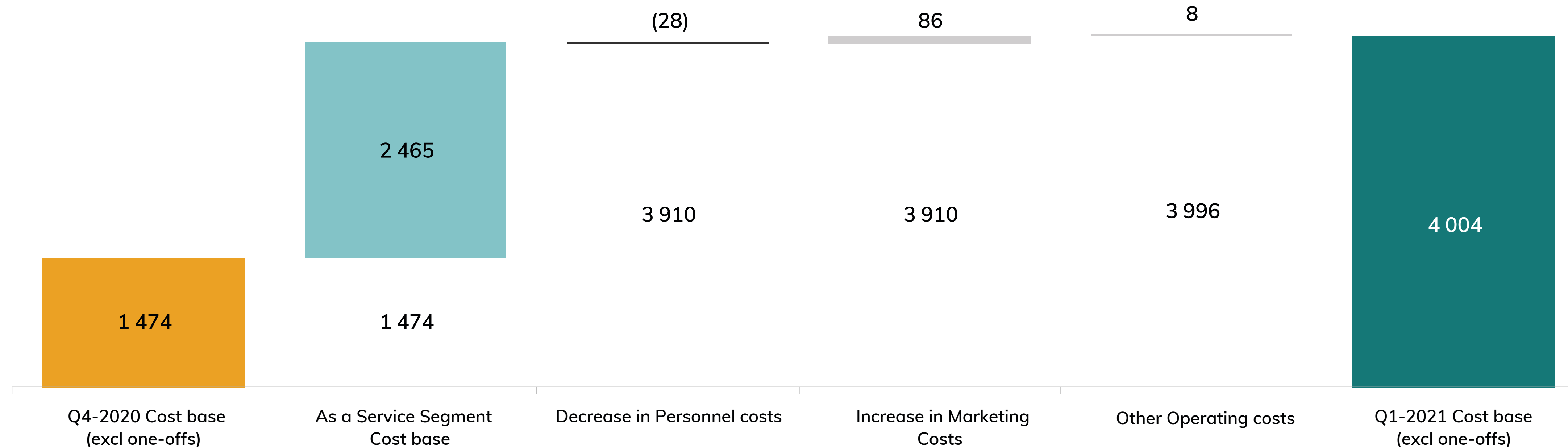
# Group

## Cost Bridge

### vs Q4-2020

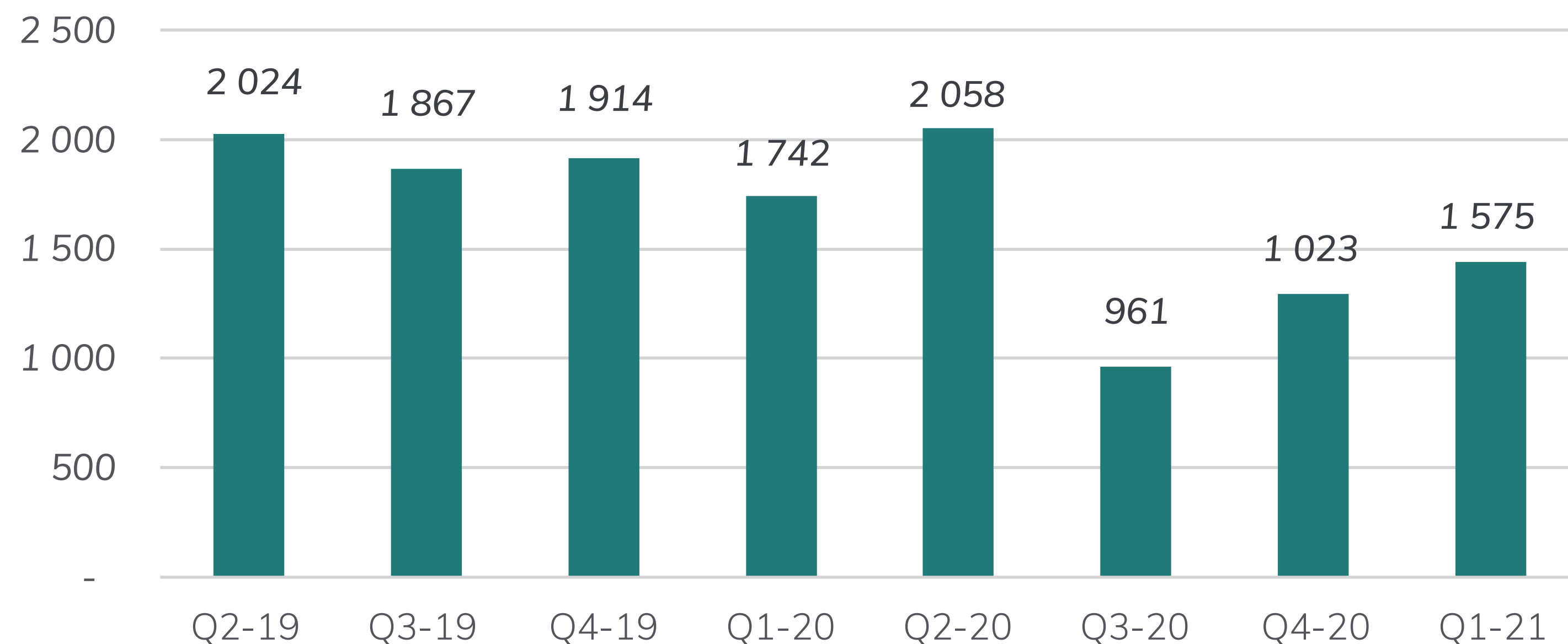
Operating expenses for Q1 2021 increased compared to last year mainly related to the addition of the cost base in the acquired Power Media Group (...As a Service segment).

The operating expenses excluding ...As a Service segment and items affecting comparability have increased slightly from Q1 2020 driven by marketing expenses



# Group

## Adjusted EBITDA development



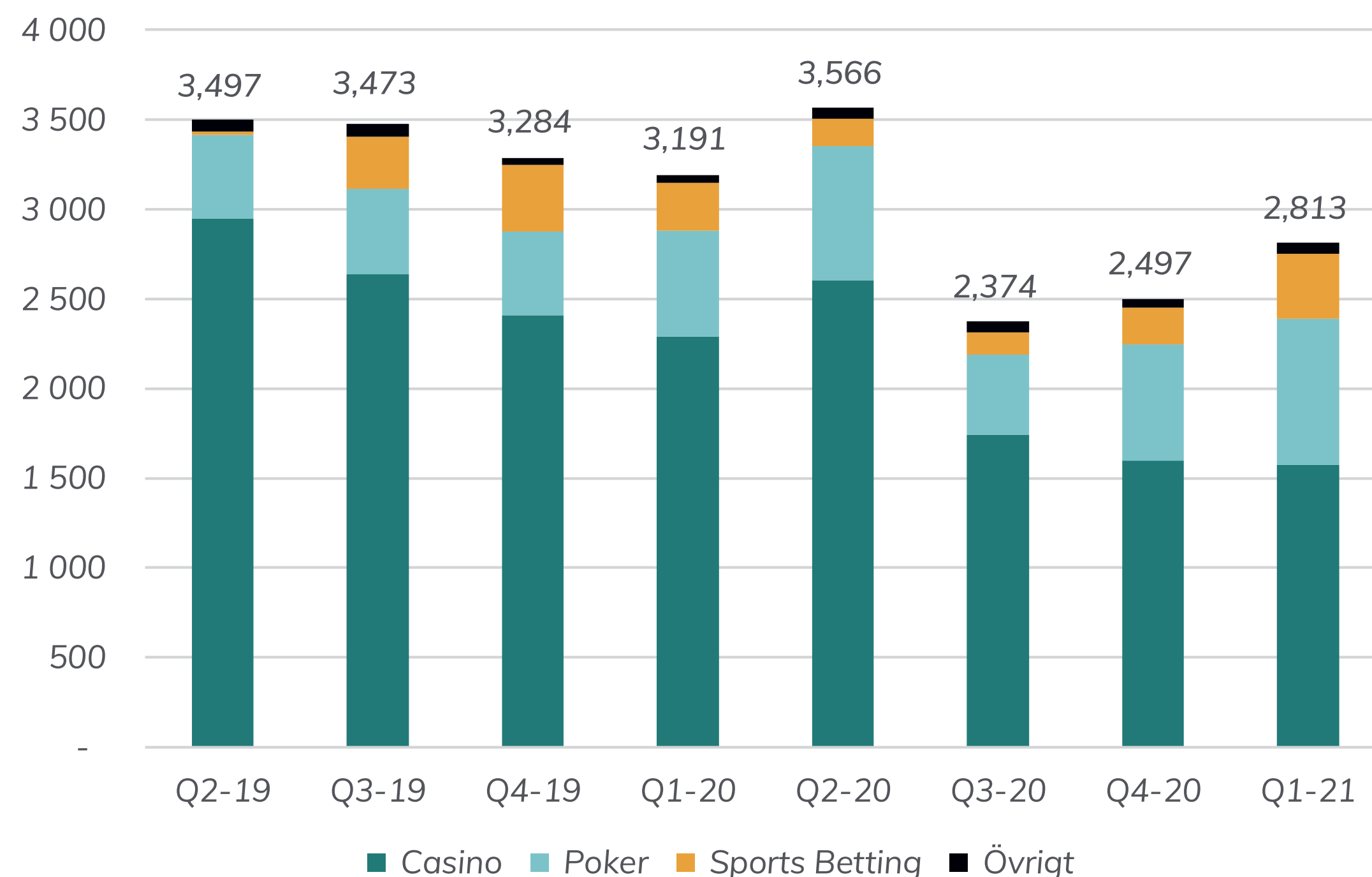
Adjusted EBITDA on group level increased sequentially to EUR 1,575 (1,023) thousand, driven by acquisitions but also Poker and Sports Betting within iGaming Affiliation.

EBITDA development during 2020 was impacted by that the Company adjusted its product offering to ensure compatibility with the rules in the Dutch market in July 2020 re-open in October 2021.

Both iGaming Affiliation and ..:As a Service segments are showing EBITDA growth sequentially.

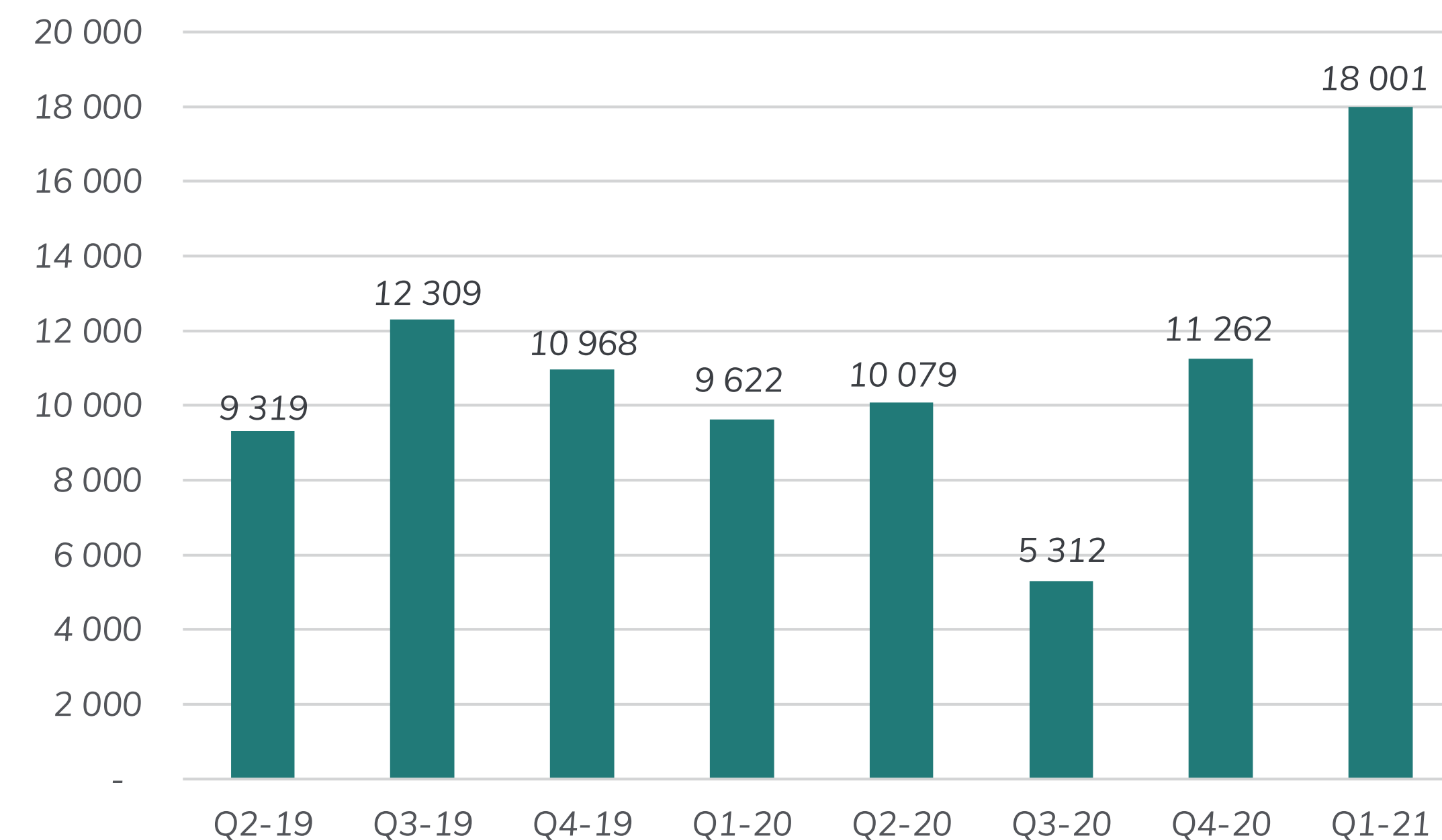
# iGaming Affiliation

## Revenue development



Revenues for the iGaming Affiliation has sequentially increased from Q4 2020 by 13% from EUR 2,497 thousand to EUR 2,814 thousand driven by Poker and Sports Betting verticals.

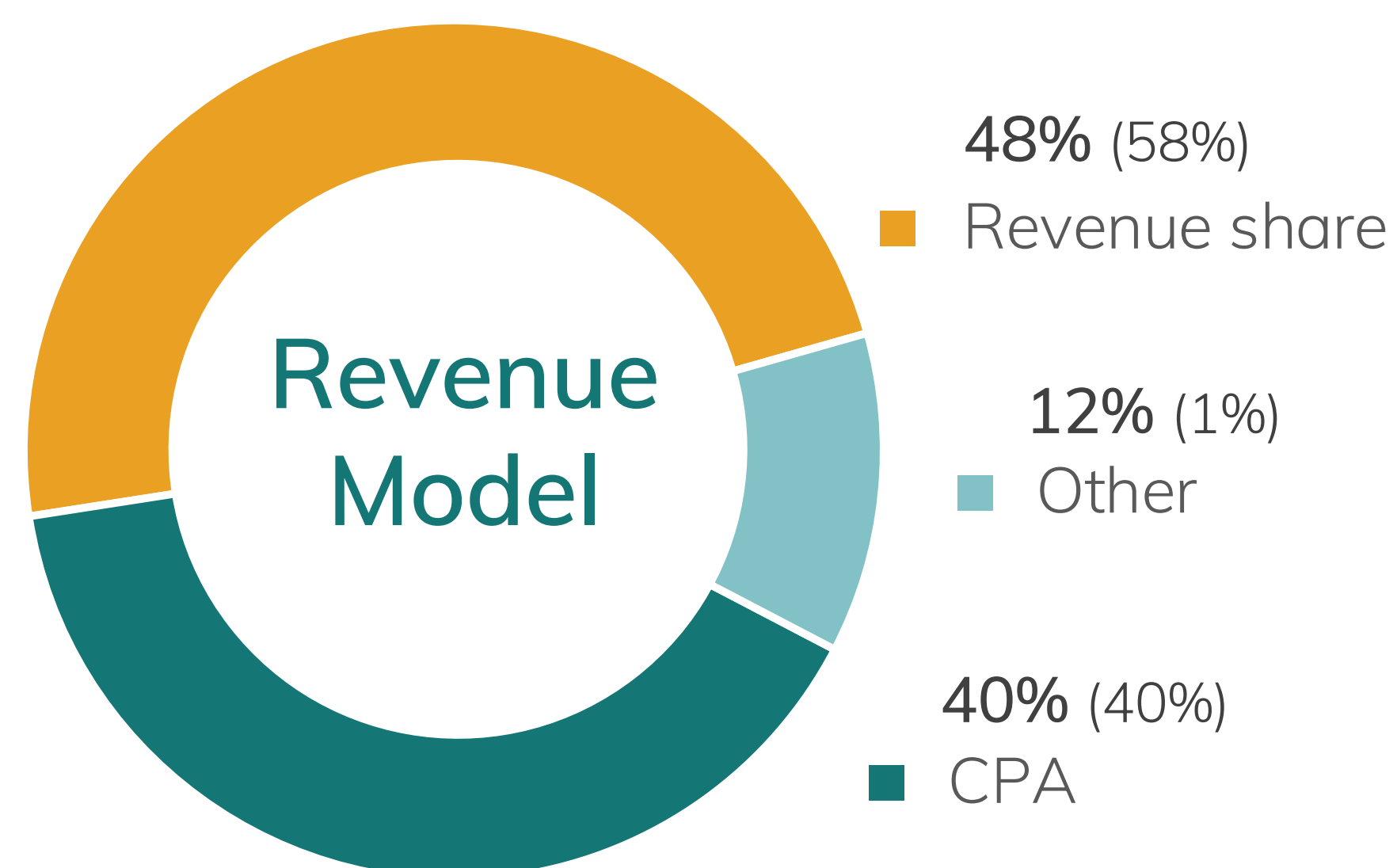
## NDC development indexed



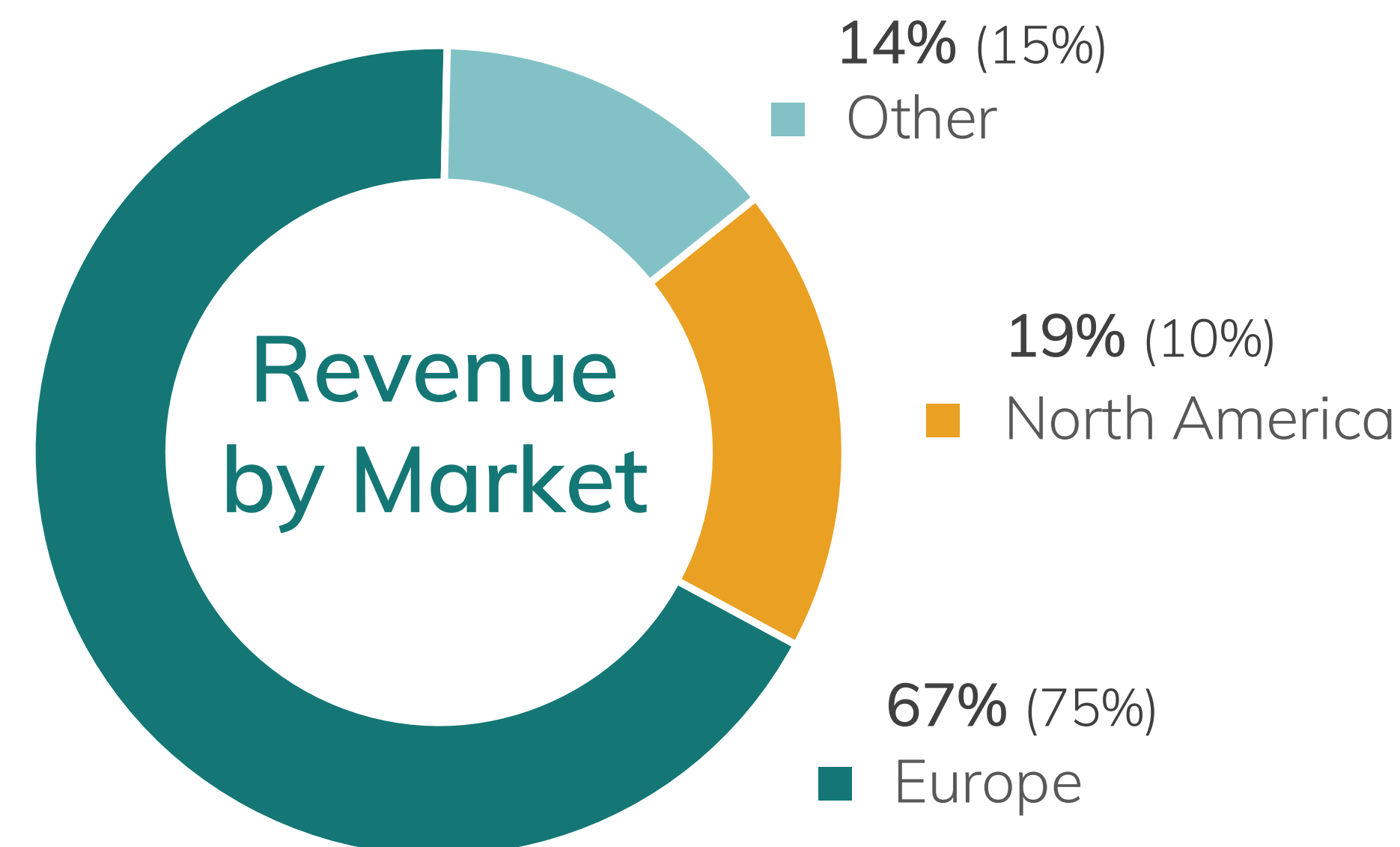
New Depositing Customers (NDC) showed strong growth reaching 18,001 NDCs in the first quarter compared with 9,622 the corresponding period the previous year. NDC levels within the iGaming Affiliation is growing driven by Sports Betting and Poker.

# iGaming Affiliation

## Revenue Splits



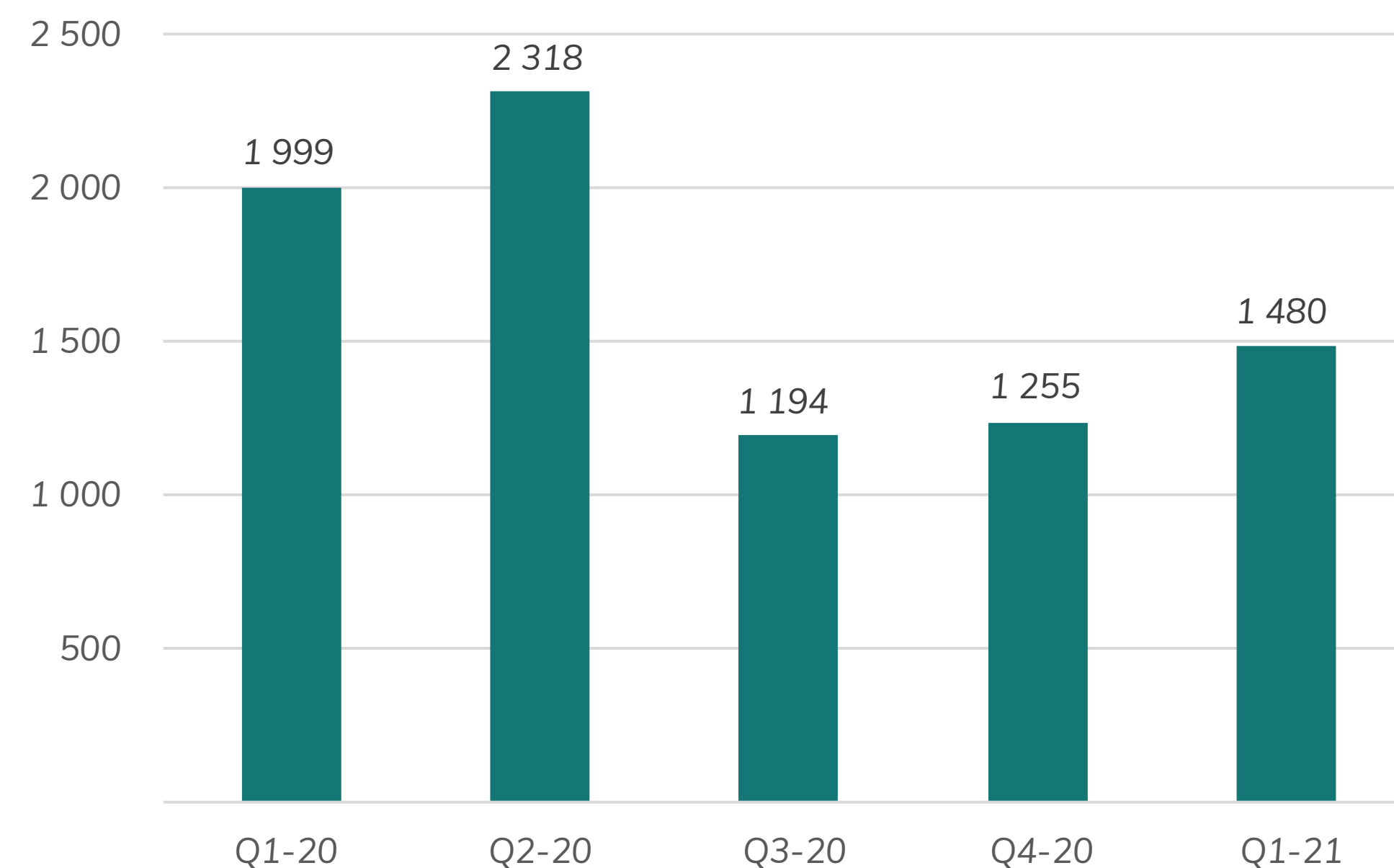
The revenue share ratio of total revenue iGaming affiliation has decreased to app 50% in Q1 2021, mainly due to accelerated growth in Other revenues (e.g. Flat fees and banner fees) and in Poker vertical which is traditionally CPA based..



The traffic on our sites is increasing and our position with strong domains in the North American market is strengthening as more states are regulated.

# iGaming Affiliation

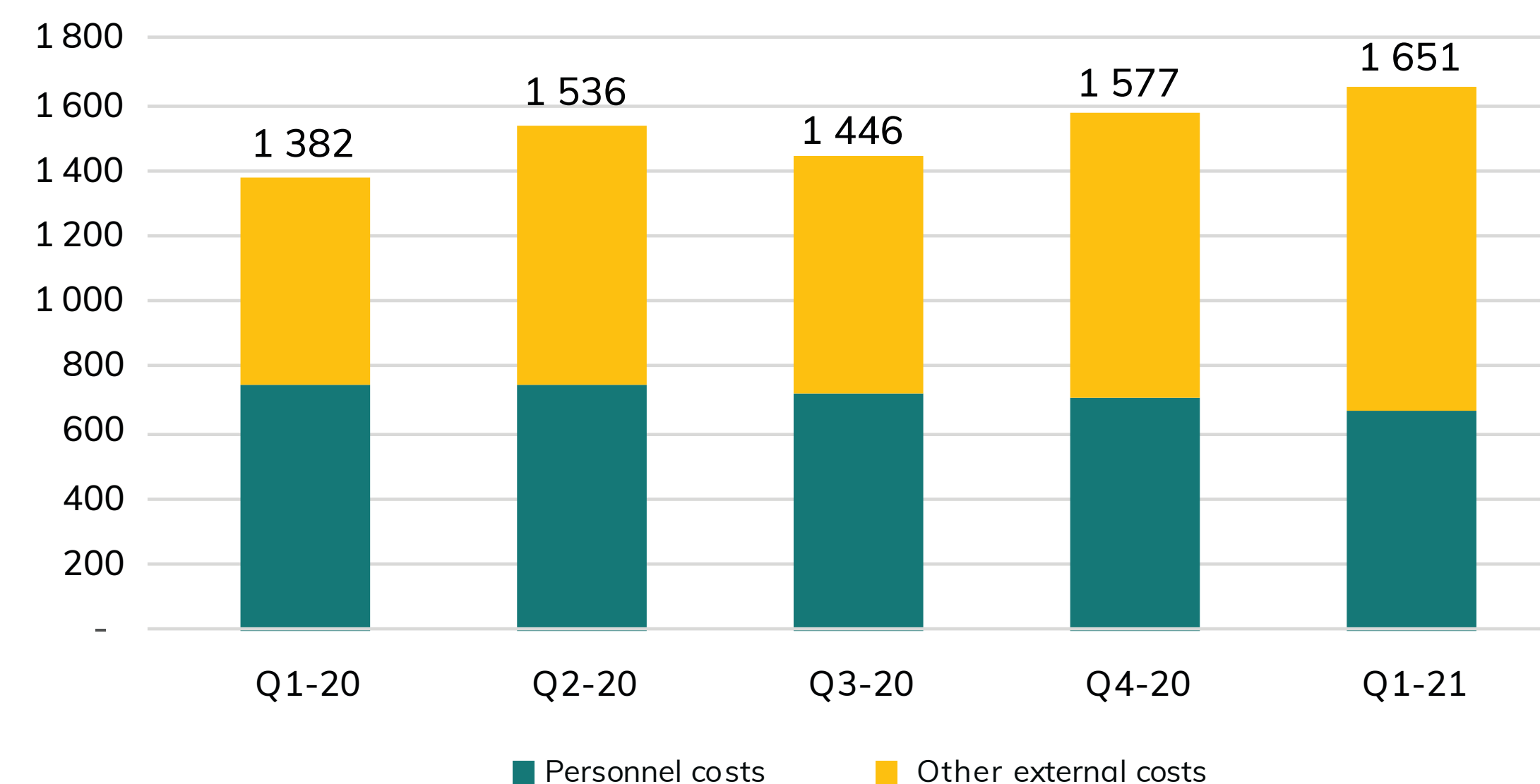
## Adjusted EBITDA develop.



The iGaming Affiliation segment is showing an EBITDA increase in Q1 2021

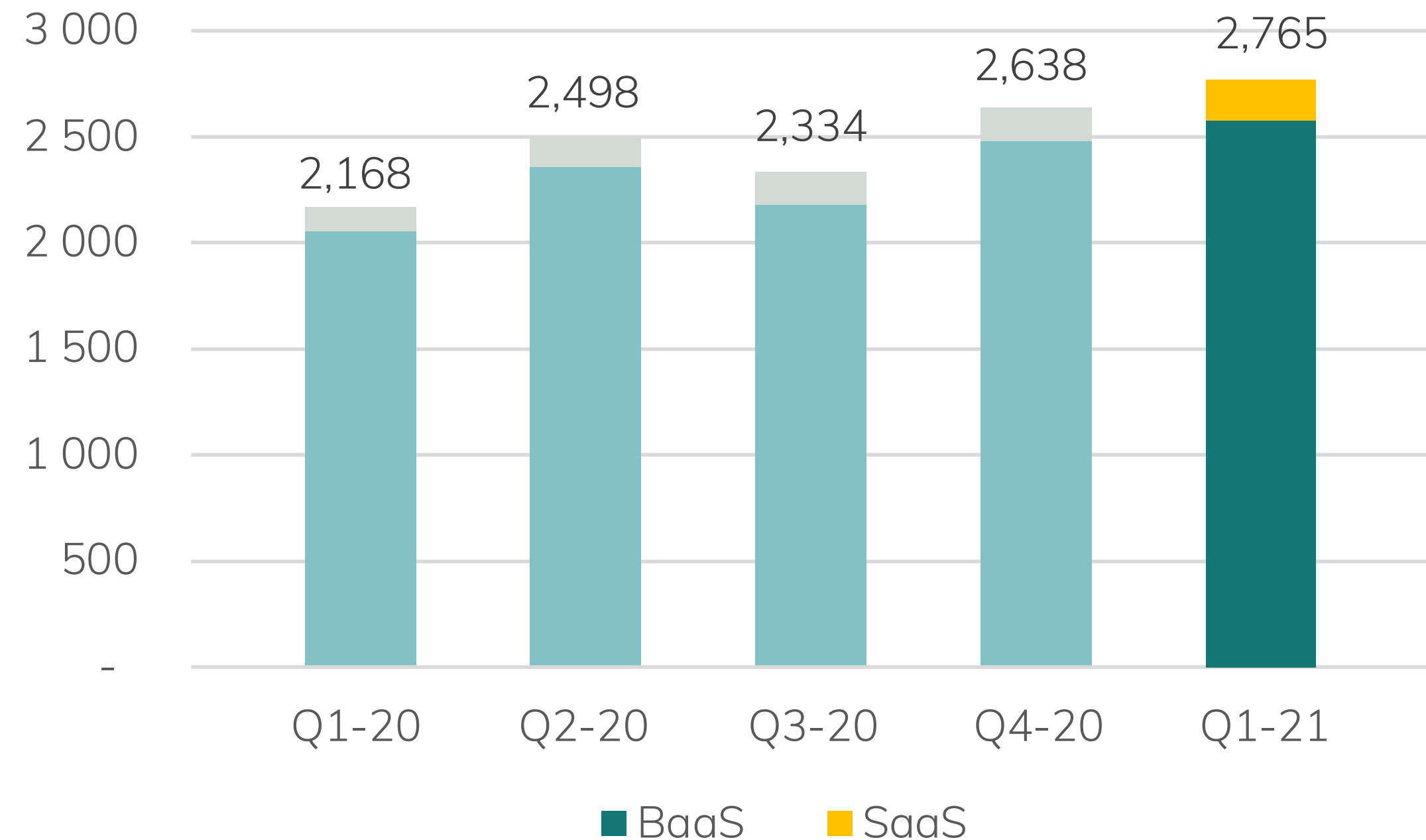
The iGaming affiliation segment is operating with an EBITDA margin of approximately 45-55% where Q1 2021 reached 53%.

## Cost Base development



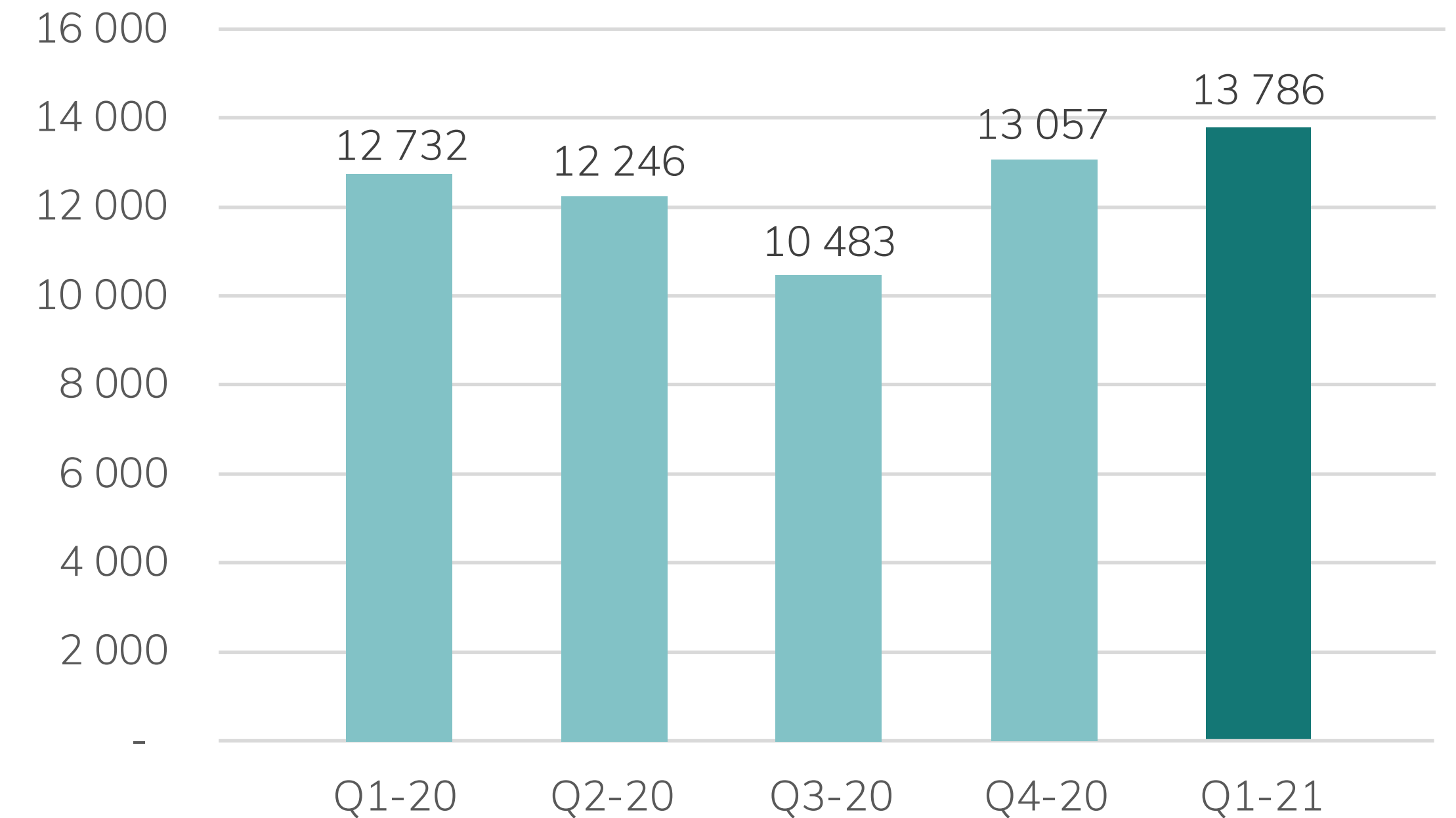
Acroud cost has been relatively flat the last quarters. The operating expenses for the iGaming Affiliation segment have increased slightly from Q4 2020 driven by marketing costs.

## ...As a Service Revenue development



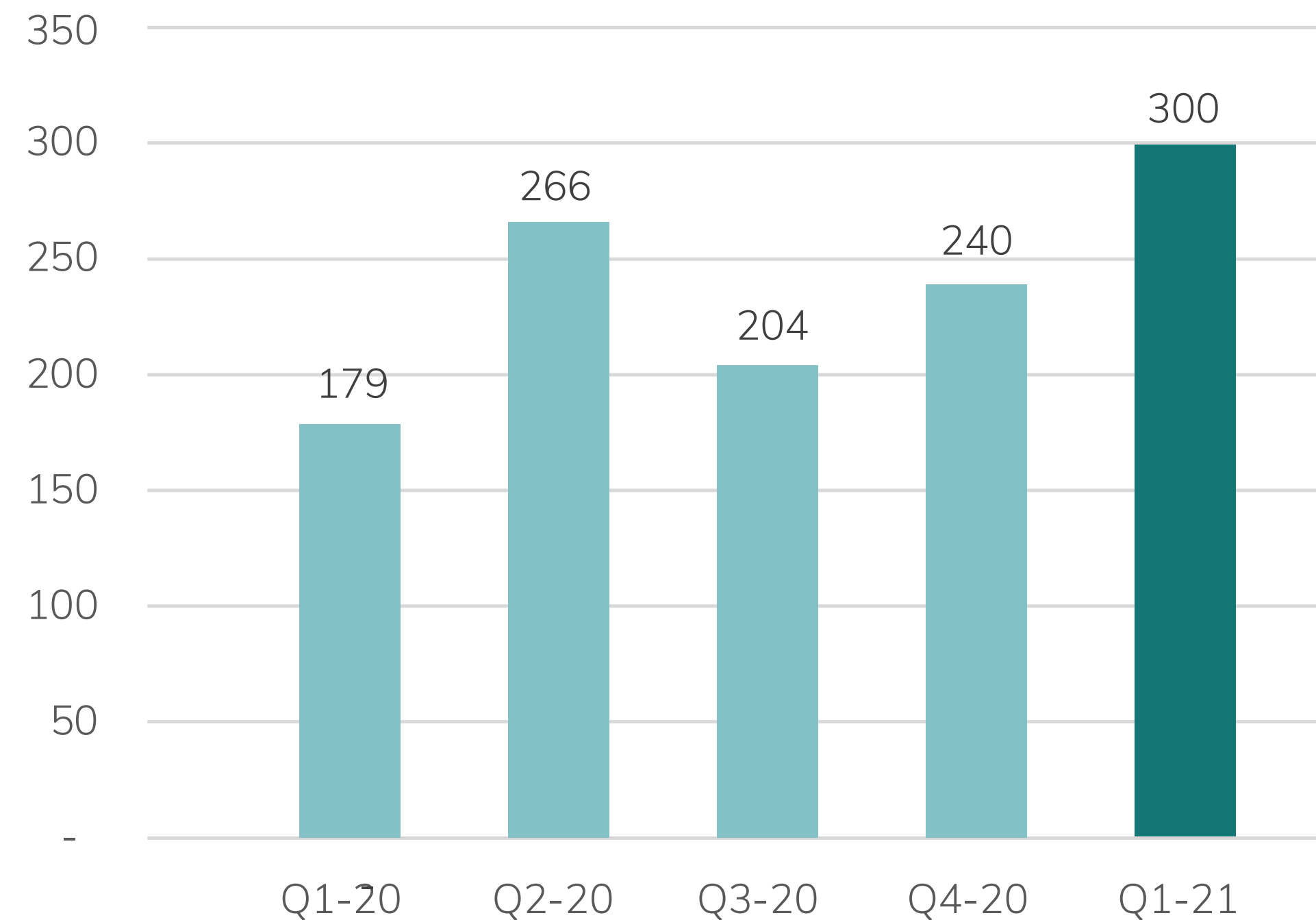
As a Service segment revenues increased to EUR 2,765 (2,635) thousand in the first quarter where BaaS solutions amounted to EUR 2,574 thousand and the high margin subscriber based SaaS solutions amounted to EUR 191 thousand.

## NDC development indexed



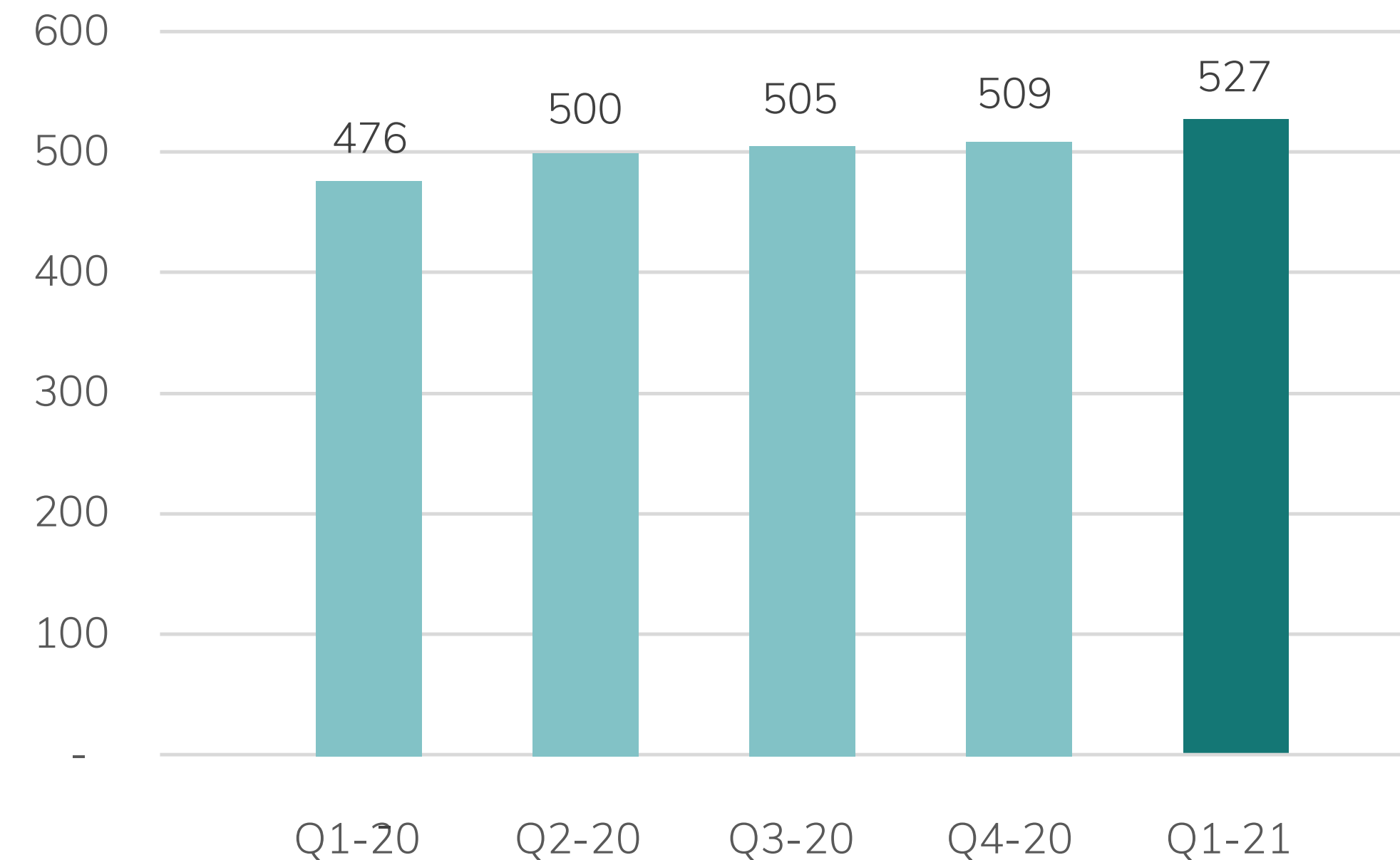
The NDC development is driven partly by new initiatives within the BaaS business where Matching Visions has launched several close cooperation with large Content Creators (Twitchers and Youtubers).

## ...As a Service Adjusted EBITDA development



The ...As a Service segment is showing an improved EBITDA generation in Q1 2021 amounting to EUR 300 thousand compared to EUR 240 thousand in Q4 2020. The ...As a Service segment is operating with an EBITDA margin of approximately 10-15% where Q1 2021 reached 11%.

## RGU development

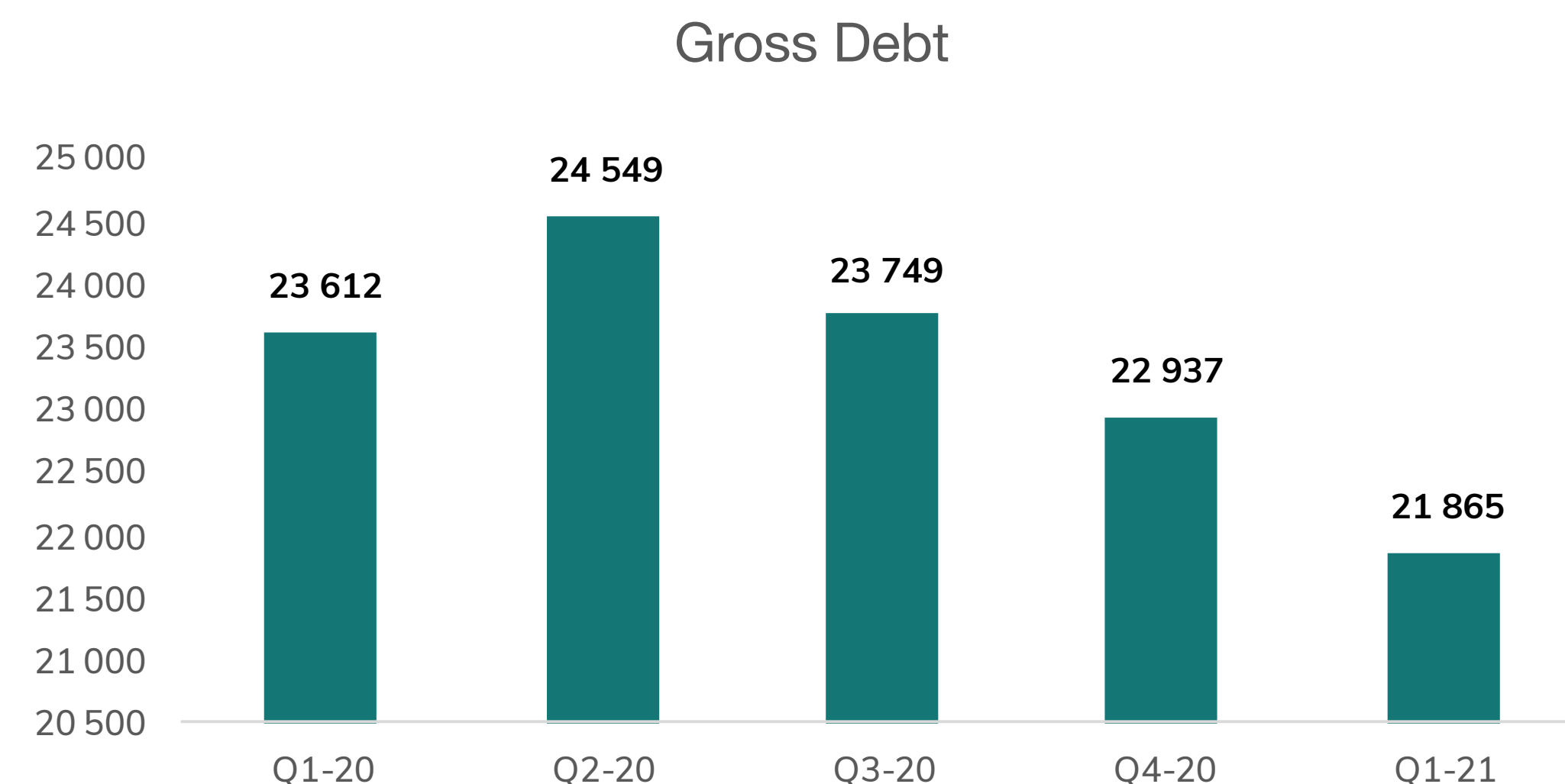


The number of RGUs (Revenue Generating Units) in ...As a Service in the first quarter amounted to 527 (476) and is increasing quarter by quarter.

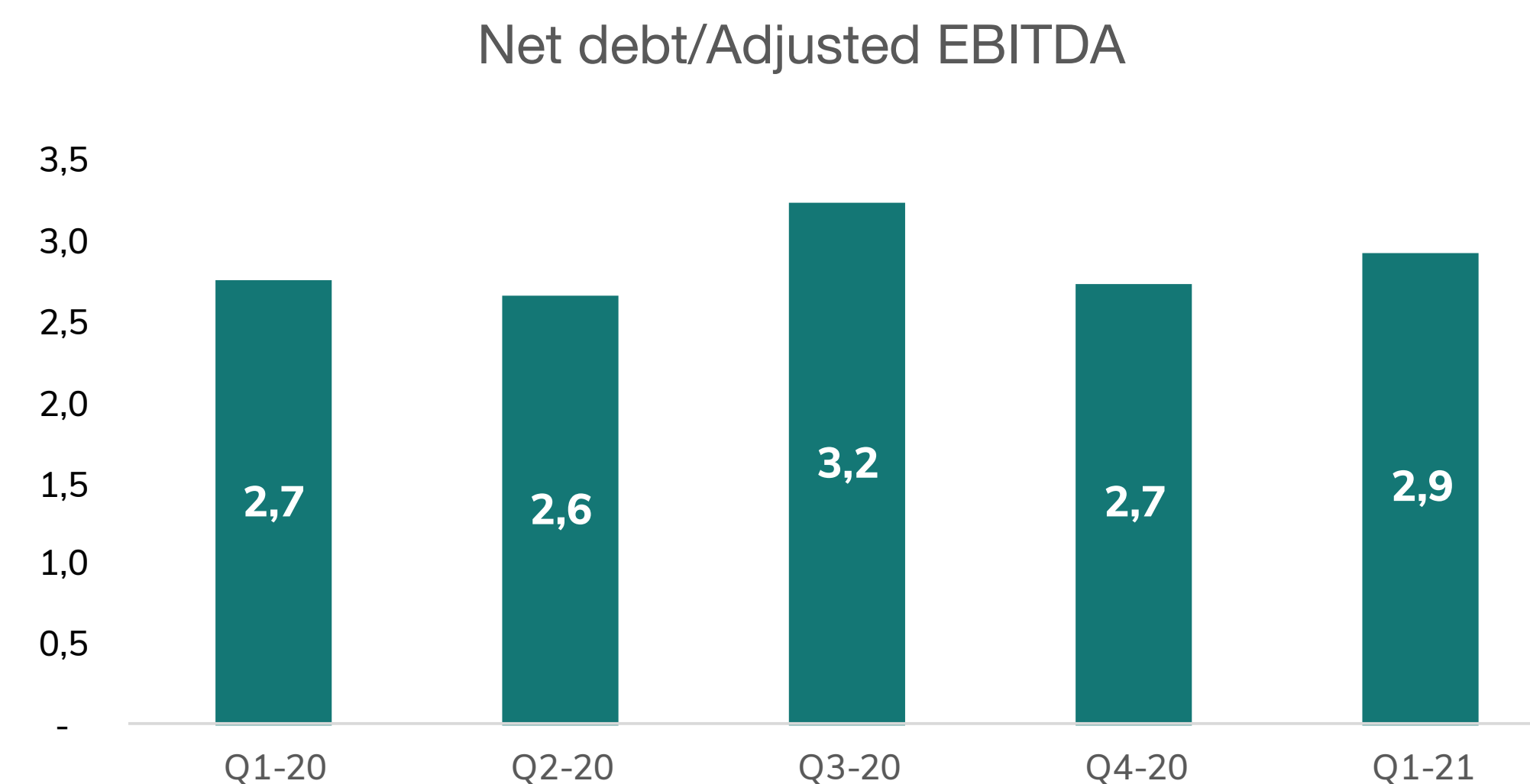
Focus coming quarters will be to increase number of customers within the SaaS business area which is a subscriber based business model

# Financing and Cash Flow

## Gross Debt



## Net Debt / Adjusted EBITDA



The business model enables fast deleveraging through strong margins and high cash conversion. Net Debt to EBITDA expected to decrease second half of 2021.

Repurchase of bonds in 2020 and quarterly amortization of bonds decreasing gross debt and interest costs.

# The financials

# Cash Flow Development

EUR '000	Q1'21	Q1'20	2020
EBITDA	1 441	1 742	5 492
Non cash items	(7)	(25)	125
Change in NWC	(1 044)	(92)	148
Tax paid	(377)	-	-
<b>Operating CF</b>	<b>11</b>	<b>1 625</b>	<b>5 765</b>
CF from investments	(1 680)	(214)	-2 294
CF from financing activities	(984)	(5 027)	-2 084
CF for the period	(2 653)	(3 616)	1 387
Cash conversion*	57 %	81 %	82 %
<b>Cash position</b>	<b>5 404</b>	<b>2 886</b>	<b>8 114</b>

**The Cash flow from operating activities during the first quarter of 2021 amounted to EUR 388 thousand, of which EUR 377 thousand was used to pay income tax. The decrease in NWC is mainly related to a one-time payment of tax and temporary effects on working capital related to acquisitions (due to an increase in accounts receivable and settlement of payables).**

CF from investments in Q121 mainly affected by settlement of purchase price consideration for the assets in Power Media Group.

CF from financing activities in Q121 is mainly related to amortization payments (app 570 kEUR) in Q121 and quarterly interest payments (app 400 kEUR)

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

# The financials

## Key Figures

Investor Presentation  
Q1 2021

Key Figures	JAN-MAR			JAN-DEC			LTM	
EUR thousands	2021	2020	Y/Y%	2020	2019	Y/Y%	Mar-21	Y/Y%
Revenue	5 579	3 191	75%	11 630	14 302	-19%	14 016	4%
Revenue Growth, %	75%	-21%	96%p	-19%	-23%	4%p	4%	31%p
Organic Growth, %	-10%	-21%	11%p	-18%	-25%	7%p	-16%	11%p
EBITDA	1 441	1 742	-17%	5 492	8 356	-34%	5 193	-31%
EBITDA margin, %	26%	55%	-29%p	47%	58%	-11%p	37%	-19%p
Adjusted EBITDA	1 575	1 742	-10%	5 782	8 356	-31%	5 617	-26%
Adjusted EBITDA margin, %	28%	55%	-26%p	50%	58%	-9%p	40%	-16%p
Profit after tax	748	2 759	-73%	1 256	4 934	-75%	( 754)	-113%
Earnings per share (after dilution)	0,006	0,036	-83%	0,016	0,065	-76%	-0,008	-111%
Adjusted Profit after tax	553	1 440	-62%	2 992	4 219	-29%	2 104	-49%
Adjusted Earnings per share (after dilution)	0,005	0,019	-76%	0,038	0,056	-32%	0,023	-58%
Net Debts / EBITDA (rolling 12 months)	2,9	2,7	7%	2,7	2,8	-4%	2,9	7%
Net Debts / Adjusted EBITDA (rolling 12 months)	2,9	2,7	7%	2,6	2,8	-9%	2,9	7%
New Depositing Customers (NDCs)	31 787	9 622	230%	36 275	44 088	-18%	58 440	38%

pp = procentenheter

# Closing Comments

**How do we get there?**



A photograph of a city street with tall buildings and a bridge. The buildings are multi-story and have many windows. A bridge is visible in the foreground, and a street sign for 'Gap' is visible on the left. The text 'How do we get there?' is overlaid on the image.

**How do we get there?**

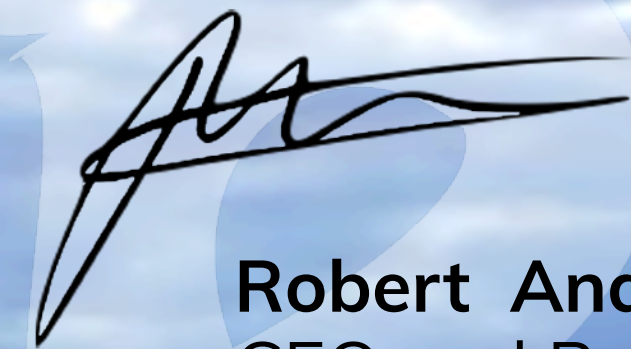
## **Closing** Comments

- **Moving towards Service company**
- **New revenue streams**
- **Lowered risk profile**
- **Strong M&A**
- **Shareholder value in focus**

We still have more pieces of the puzzle to put in place via additional acquisitions and continued development of the underlying businesses.

The Acroud puzzle is building The Media House of The Future and we are prepared for solid growth. You can expect us to continue to keep our rapid pace, invest wisely and challenge the status quo.

As we all know the only constant in life is Change.



**Robert Andersson**  
CEO and President

