

Q3  
2021

Investor Presentation  
Q3 2021



**STRONG  
NDC GROWTH**  
AND AN OUTLOOK ON

**THE DUTCH MARKET**

# Agenda

1. Summary
2. Overview
3. Financial Details
4. Closing comments



**Robert Andersson** CEO



**Ruben Gräve** COO AFFILIATE

A photograph of a modern bridge at dusk. The bridge's steel truss structure is illuminated with warm yellow lights, and the sky is a deep blue. A teal rectangular box is overlaid on the left side of the image, containing white and orange text. The bridge deck is visible in the foreground, with a red light strip running along its edge.

Quick Overview

**Strong QoQ NDC growth**  
Re-opening of Dutch market

# Third Quarter

## Key Figures

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

REVENUE

**6 448 kEUR (2 376)**

EBITDA

**1 258 kEUR (961)**

PROFIT

**593 kEUR (327)**

NDC

**39 632 (5 312)**

CASH FLOW

**1 230 kEUR (738)**

# January - September

## Key Figures 9 months

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

REVENUE

**18 227 kEUR** (9 133)

EBITDA

**3 857 kEUR** (4 199)

PROFIT

**1 073 kEUR** (1 941)

NDC

**100 867** (25 013)

CASH FLOW

**3 592 kEUR** (4 806)

# Overview

During and After Q3

✓ **RETURNING TO THE LIVE EVENTS SCENE**

The Festival Series in Bratislava

✓ **DUTCH MARKET RE-OPENED**

1 October 2021

✓ **NEW CFO & CTO AFFILIATE SEGMENT**

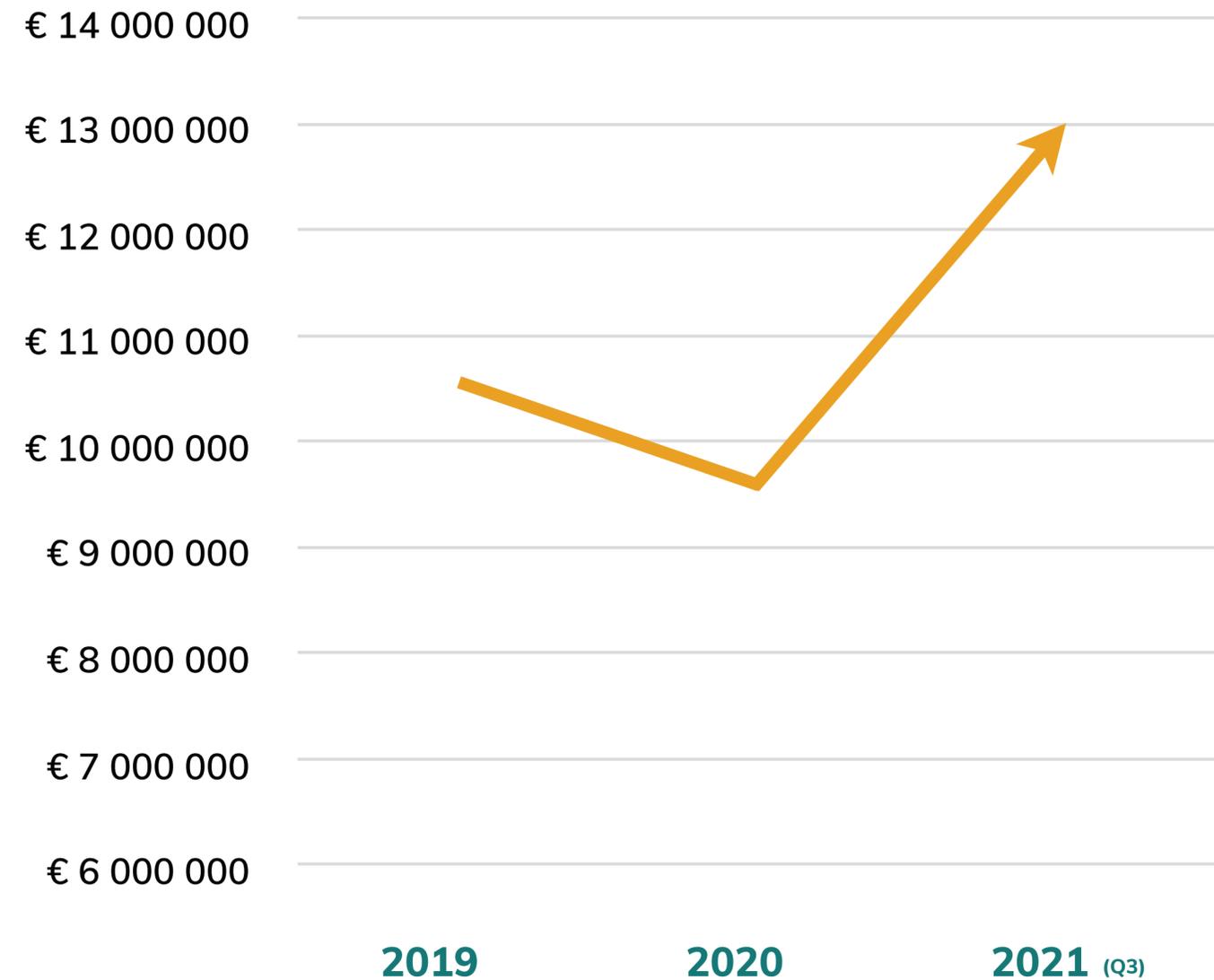
CFO - Roderick Attard, CTO - Aksel Olsen



# SaaS & Baas is now **SaaS** Segment

## SaaS segment revenue

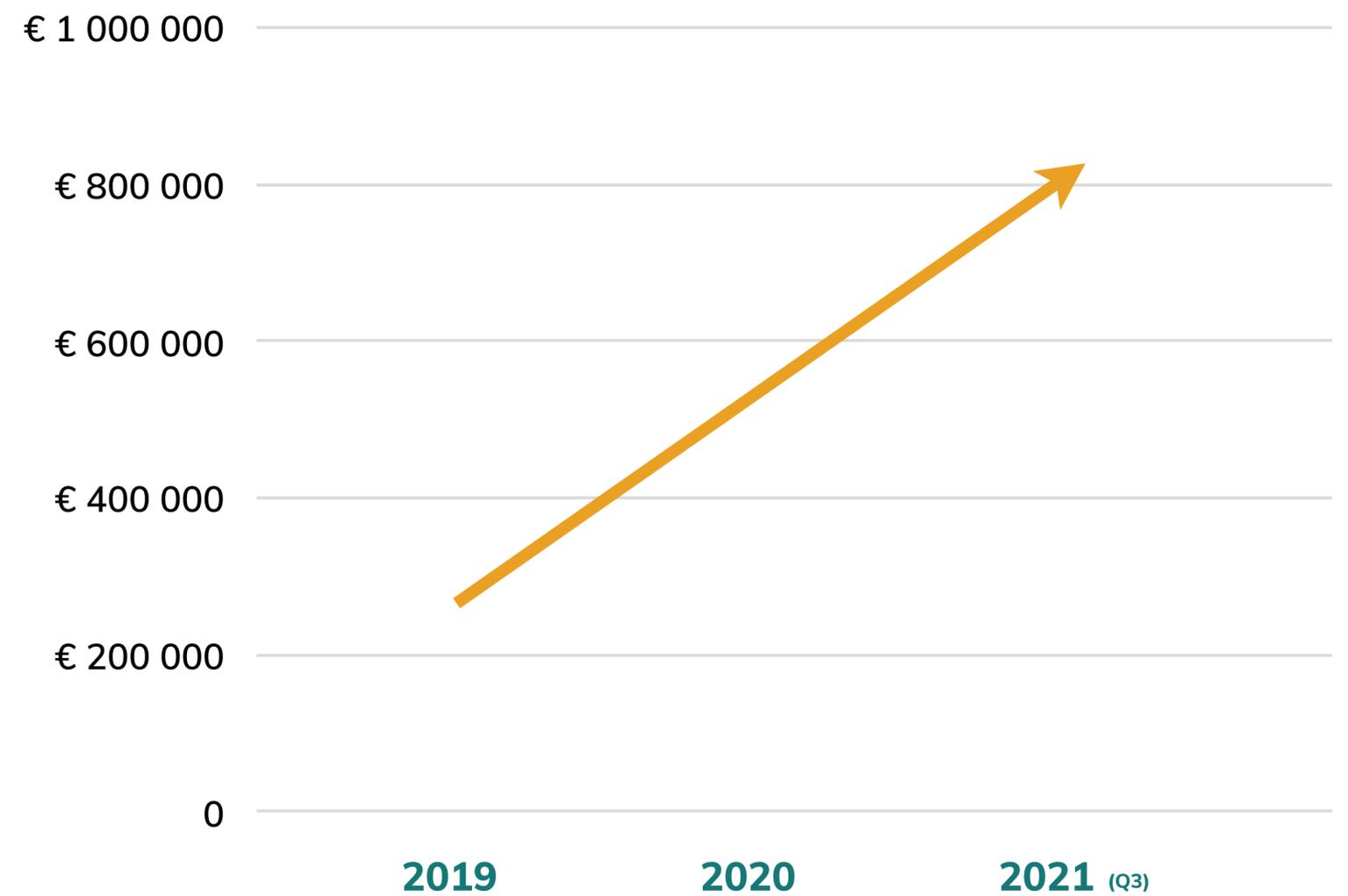
The SaaS segment as a whole is expected to grow with 34% YoY in revenue in 2021 to a total of €12,900,000



The FTD generation amongst Matching Visions and Traffic Grid has experienced an uptick of 88% for Q3-21 compared to Q3-20

 **VOONIX**  
is part of  
**SaaS**  
Segment

## Revenue growth Voonix





## **A one-of-a-kind software.**

A monopolist within its niche as it is the only SaaS solution that can extract and compile revenue share earnings steadily establishing the product as a must-have amongst affiliates.

## **Solving a central problem that all affiliates face.**

A data aggregation allowing affiliates to monitor all revenue metrics within one centralized software solution.

## **Growing the subscriber base at a high and steady pace.**

The software gains maturity and recognition in the market as being the only solution that is able to solve a very central problem that all iGaming affiliates face.

# Acroud in the **Dutch Market**

One of Europe's larger markets

Acroud has a **strong presence** and **local knowledge**

Adapted our **product offering** to the **new legal framework**





# Acroud in the **Dutch Market**

Continued to build onto  
our **strong positioned** Dutch sites

**Partnering** with the largest  
mediahouse in Netherlands

Creating a large **Dutch Affiliate Network**  
with Matching Vision



OUR FOUR  
**STRATEGIC  
PILLARS**



## SOFTWARE- BASED AFFILIATION SERVICES IN TRADITIONAL AND NEW VERTICALS.

Delivering high quality content, search engine optimisation and cutting-edge technology to affiliate assets to maintain strong keyword rankings. Complementing this with utilisation of our Saas solutions to increase the underlying growth and profitability in the affiliate business.

GAMEOASIS  
CASINO & SPORTWETTEN BLOG

Casino  
Guide

SBG  
SPORTS BETTING GUIDE

Bet  
Football

THE  
FESTIVAL  
SERIES

Casino  
Toplists

GAMBLING  
CABIN

casino  
spier.nl

PokerListings

COMPARE  
CASINO

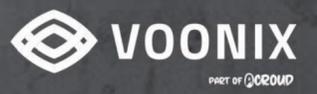
Casino  
Top10.net

Casino  
Chansen



**INDUSTRY LEADING  
DATA COLLECTION AND  
BUSINESS INTELLIGENCE  
SERVICES.**

Our software technology is providing growth and profitability to content creators as well as access to a larger client base otherwise out of their reach.





## EVENTS

Live and physical events to bridge between land-based gaming and affiliation. The Festival Series drives our online presence significantly.

THE FESTIVAL  
S E R I E S





## DIVERSIFICATION OF OUR TRAFFIC SOURCES WITH **RICH CONTENT**

Through the acquisition of the Gambling Cabin and project Dream Stream, Acroud has placed itself at the forefront of new media. Acroud has set a new standard in streaming and podcasts within the iGaming industry. Loyal customer base follows our gambling experts for daily tips and insights on different platforms.



# Financial Details

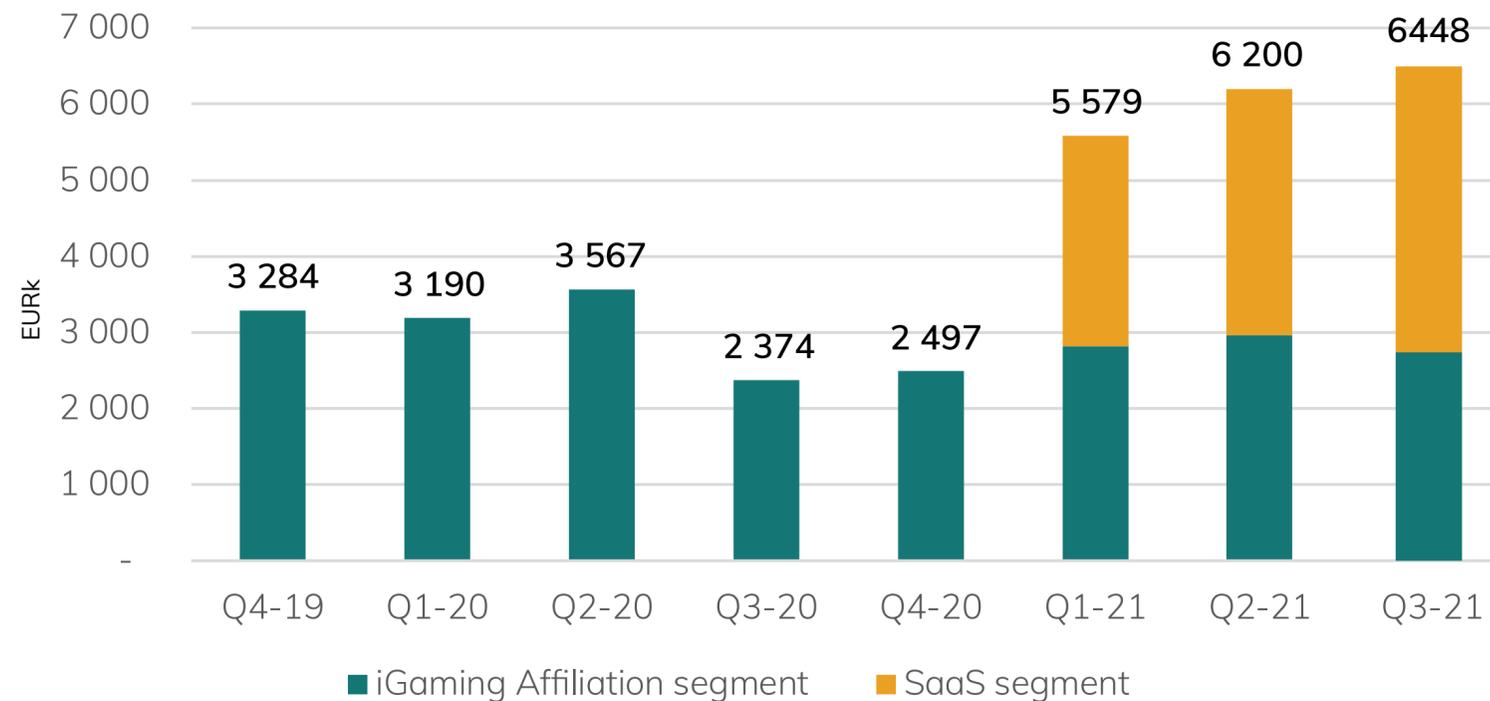
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Q3 2021



# Group

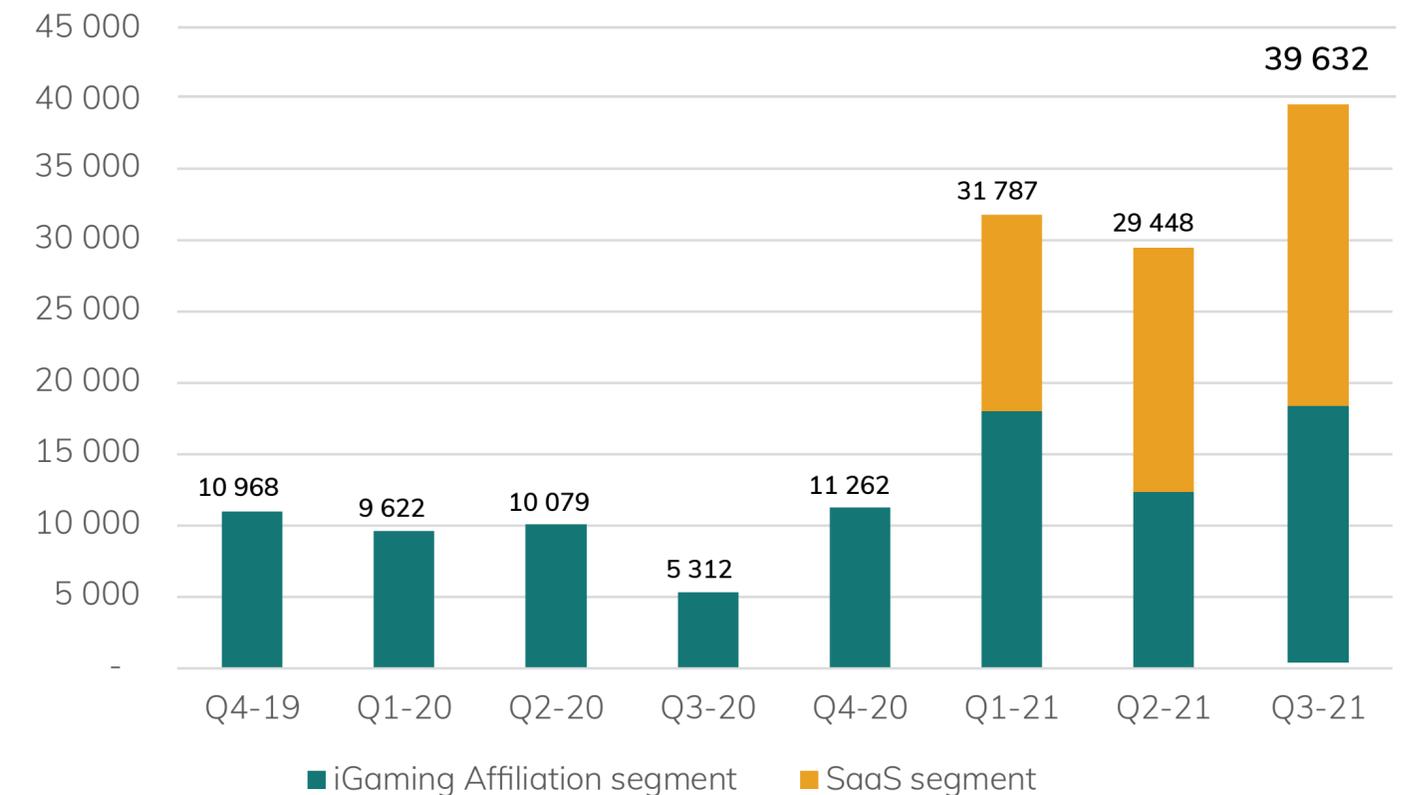
## Revenue development



Revenue increased by 4% sequentially. Revenue for the third quarter increased by 172% to EUR 6 448 (2 374) thousand compared to third quarter 2020.

Revenues for the new SaaS segment amounted to EUR 3 733 (-) thousand while revenues for the iGaming Affiliation segment amounted to EUR 2 715 (2 376) thousand.

## NDC development



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

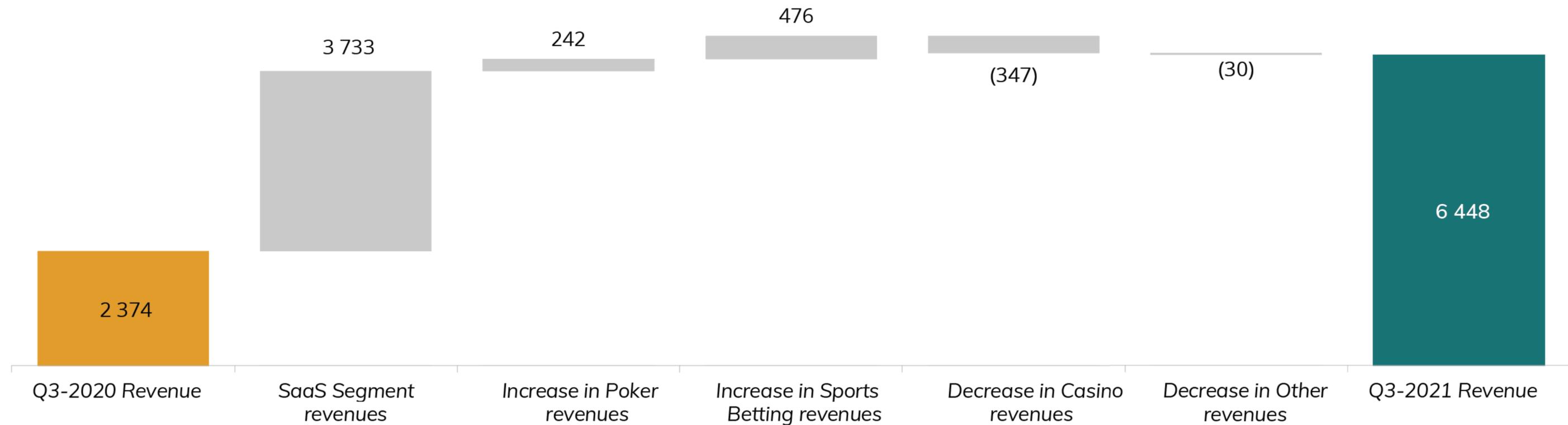
# Group

## Revenue Bridge

### vs Q3-2020

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 the fact 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 started to re-open: 10 operators were granted a license in October 2021 with more licenses expected to be issued in March 2022.



# Group

## Cost Bridge

### vs Q1-2021

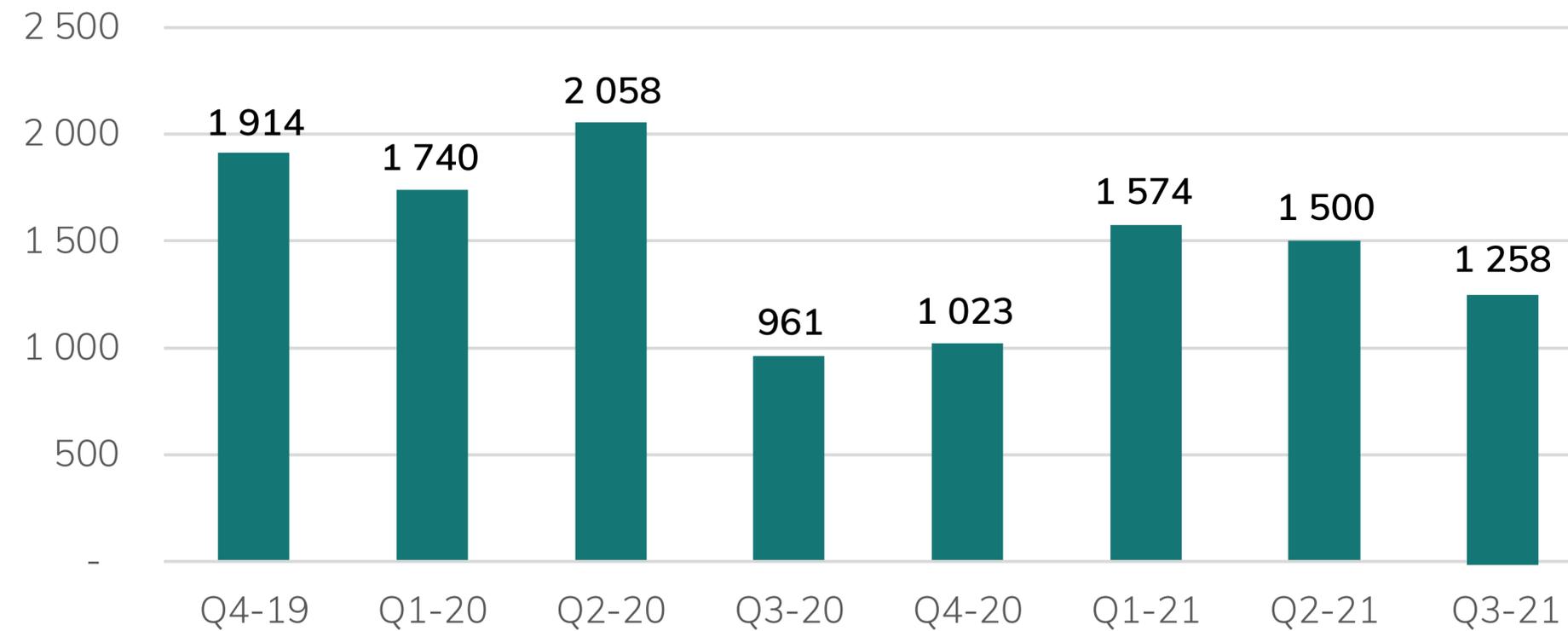
Operating expenses for Q3 2021 increased compared to last year mainly related to the addition of the cost base in the acquired Power Media Group (SaaS segment).

Q3-21 operating expenses excluding SaaS segment and the TGC have increased slightly compared to Q2 2021. Other external costs have increased somewhat related to growth initiatives, partly off-set by drop in Personnel costs and increase in Capitalised costs.



# Group

## Adjusted EBITDA development



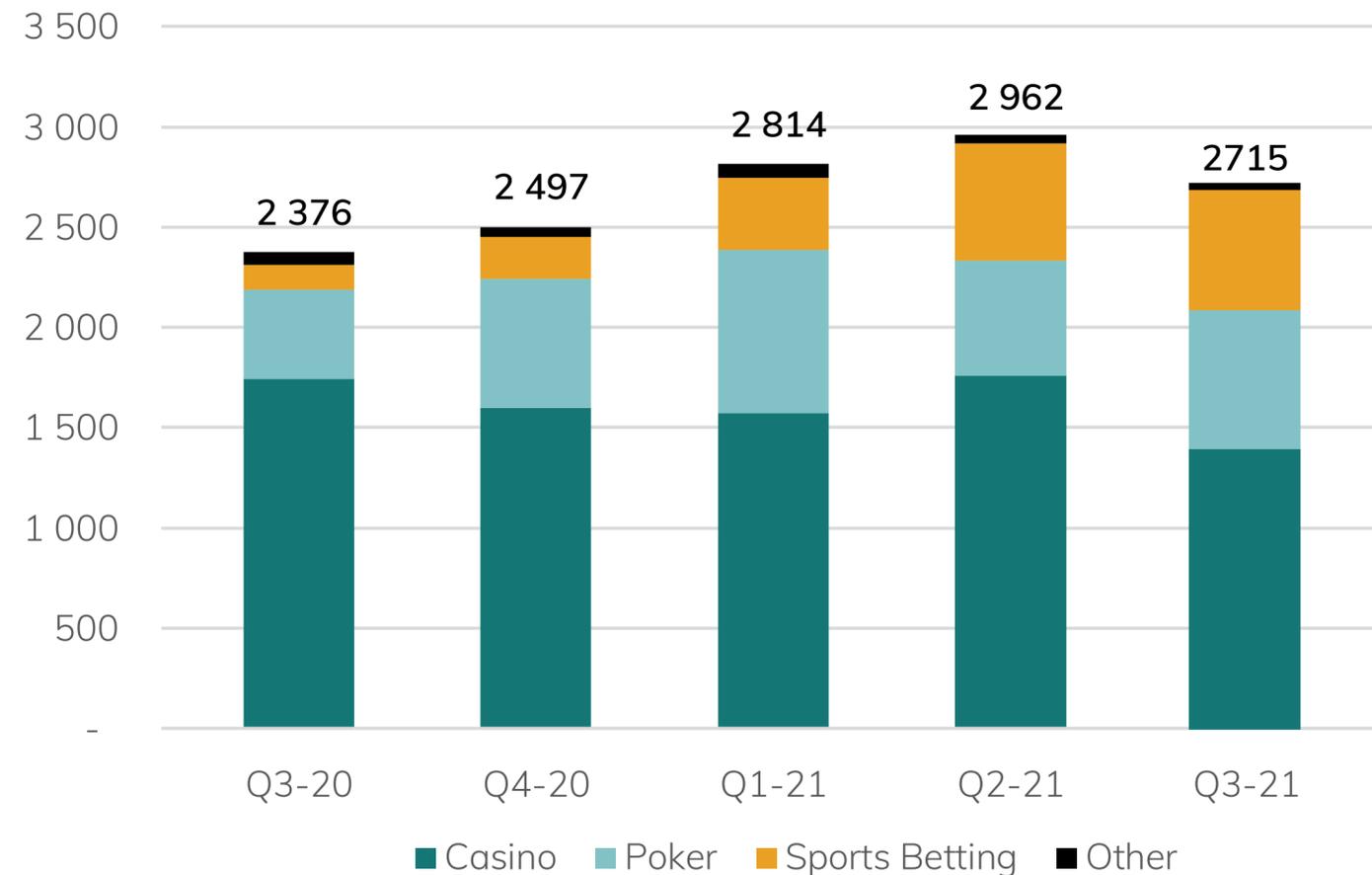
Adjusted EBITDA on group level in Q3-21 amounted to EUR 1 258 thousand.

The increase from Q3/Q4 2020 is driven by acquisitions but also Poker and Sports Betting within iGaming Affiliation.

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

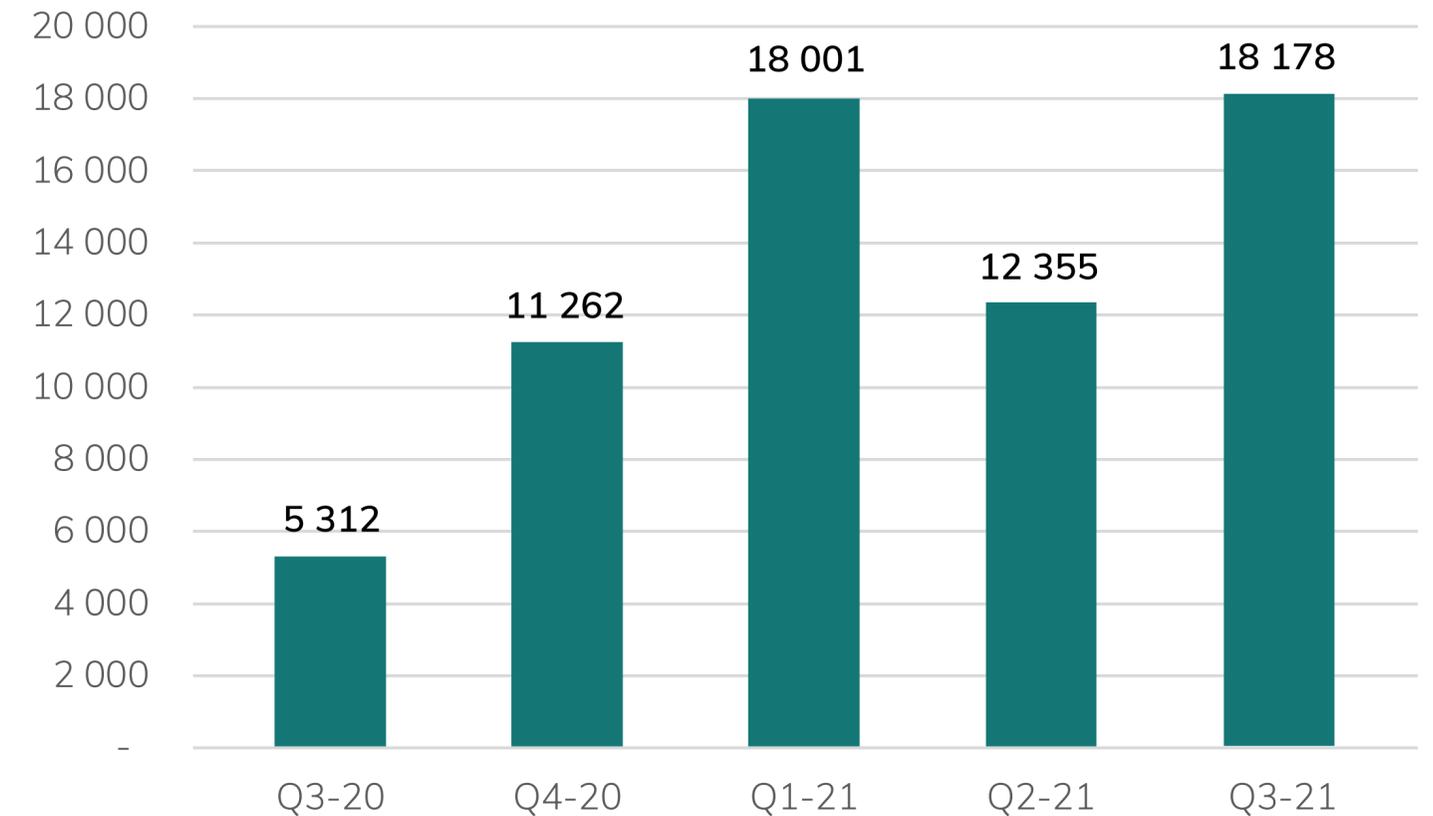
# iGaming Affiliation

## Revenue development



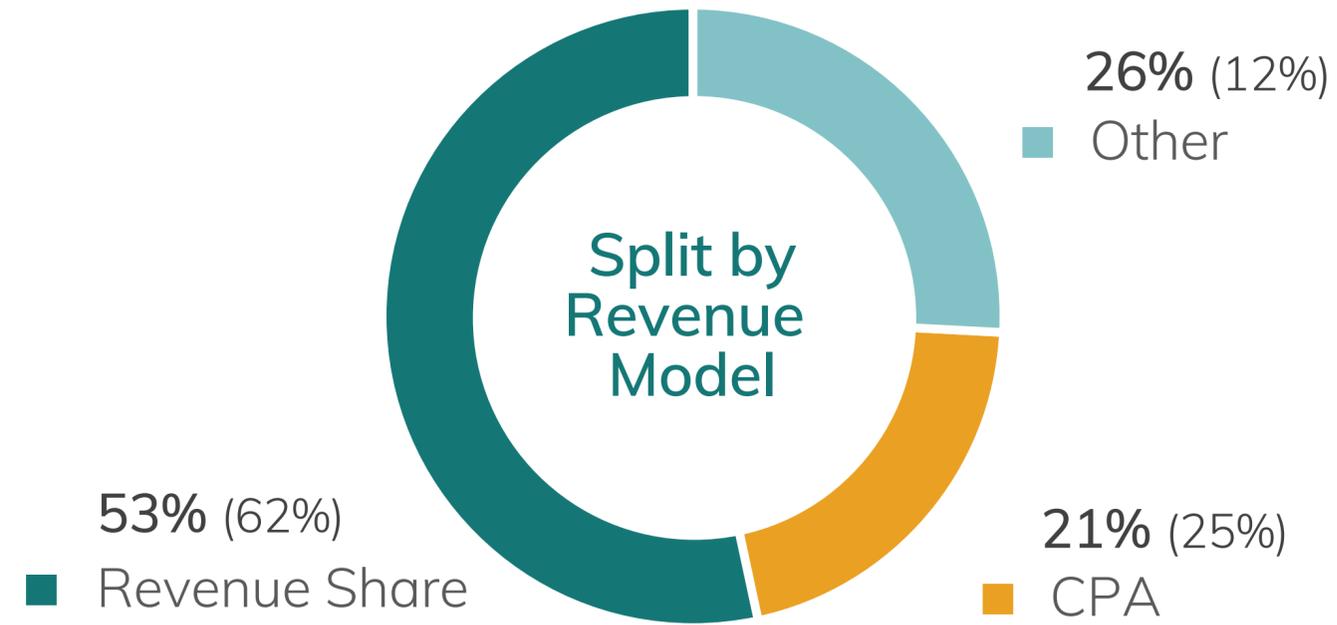
Revenue in Q3 increased YoY by 14% to EUR 2 715 (2 376) thousand, driven by growth in Poker (by 54%) and Sports Betting (by 392%), partly set off by the decline in Casino revenues (-20%). Revenues for the iGaming Affiliation has sequentially decreased from Q2 2021 by 8% to EUR 2 715 thousand driven by drop in Casino Revenues.

## NDC development

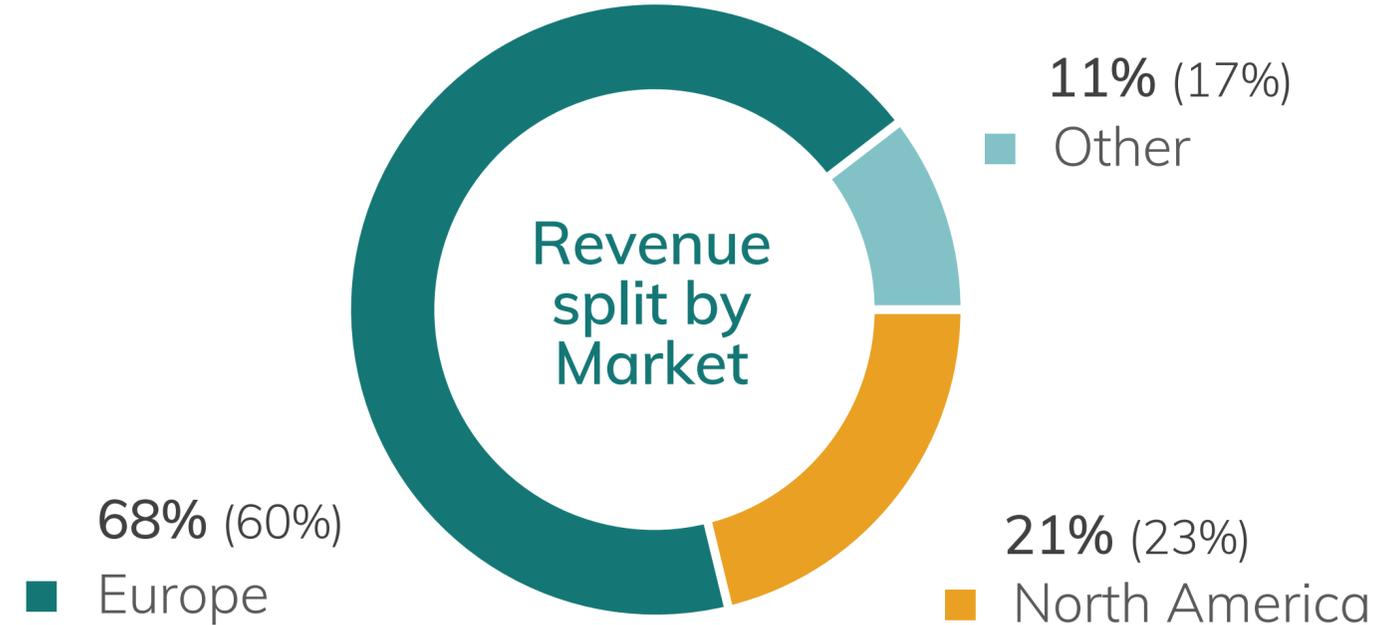


New Depositing Customers (NDC) continued to show strong growth reaching 18 178 NDCs in the third quarter compared with 5 312 the corresponding period the previous year. NDC levels within the iGaming Affiliation is growing driven by Sports Betting and Poker.

# iGaming Affiliation Revenue Splits



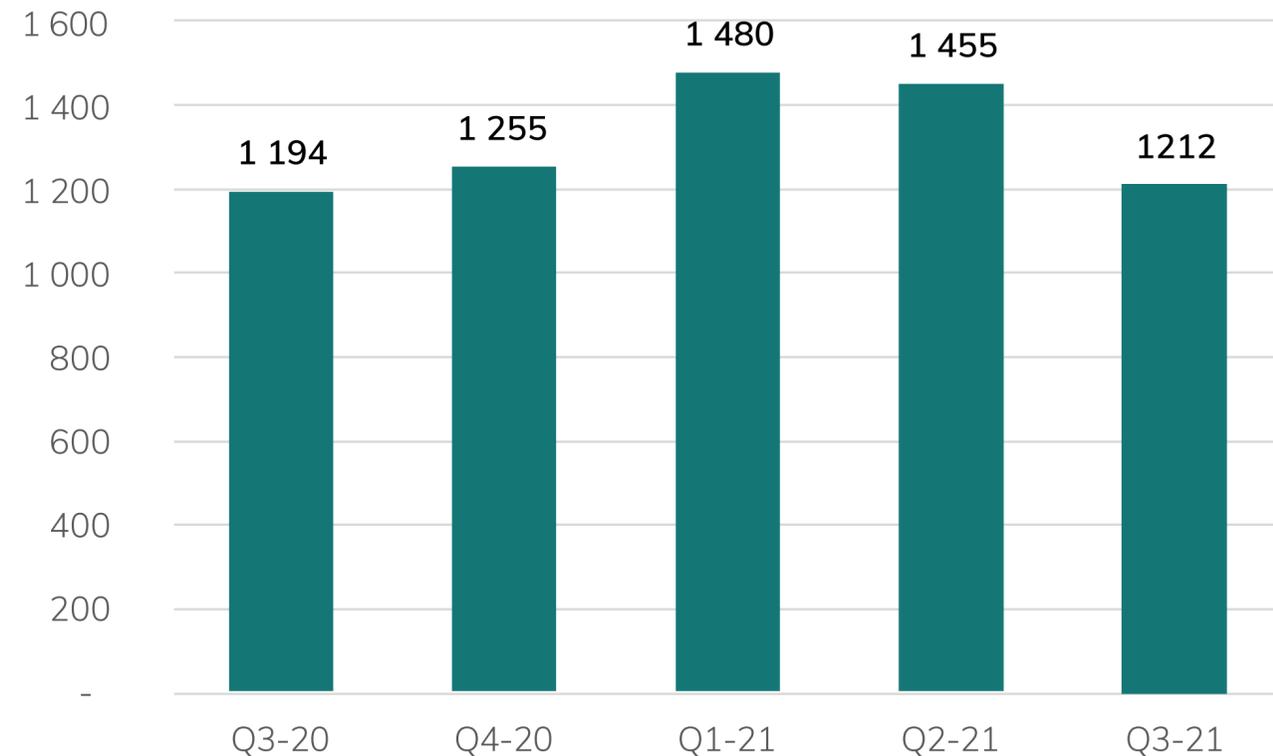
The revenue share ratio of total revenue iGaming affiliation amounts to app 50% - 60% in 2021. The accelerated growth in Other revenues relates to up-sales (e.g. Flat fees and banner fees).



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

# iGaming Affiliation

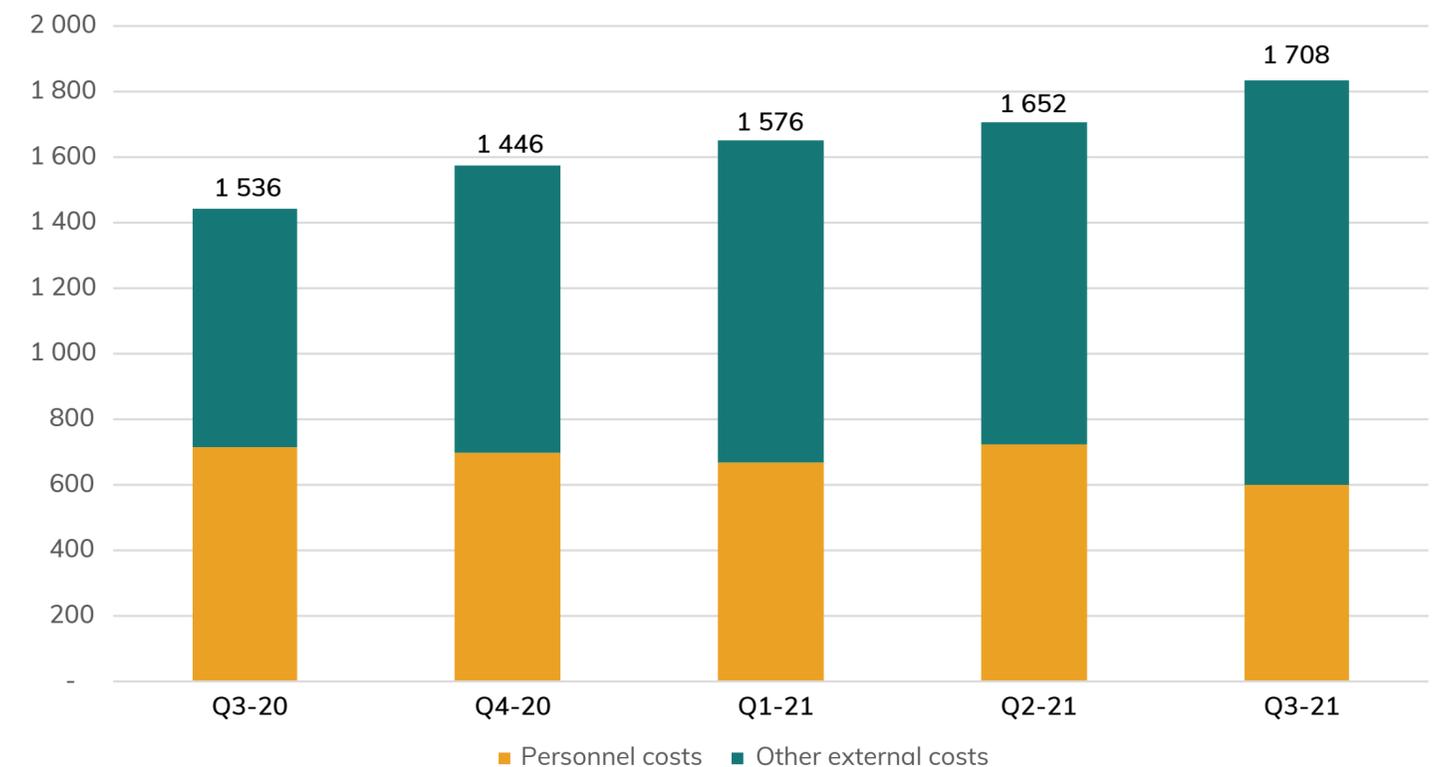
## Adjusted EBITDA develop.



The iGaming Affiliation segment is showing a sequential EBITDA decrease in Q3 2021, driven by continued investment in new growth initiatives for the future at the expense of short-term profitability. Q3-21 iGaming affiliation EBITDA is slightly higher than Q3-20 affiliation EBITDA (+2%).

The iGaming affiliation segment is operating with an EBITDA margin of approximately 45-55% where Q3 2021 reached 45%.

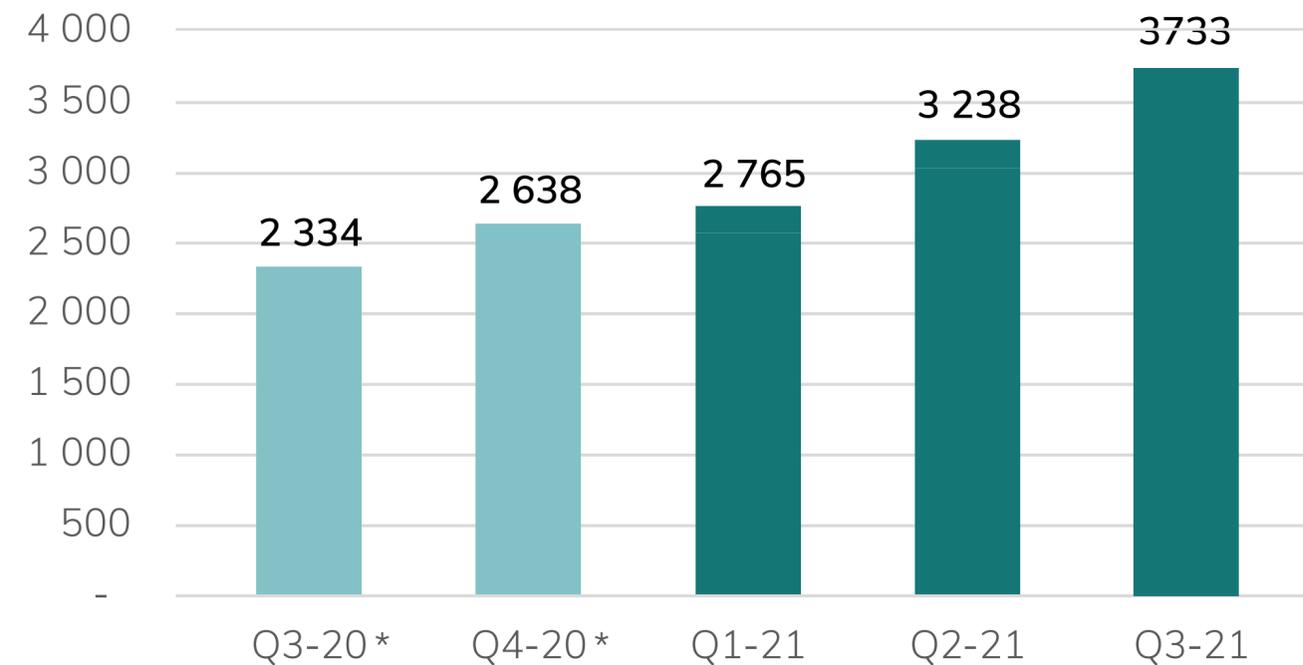
## Cost Base development



Personnel costs in iGaming affiliation has been relatively flat during the last quarters. Other external costs have increased somewhat from Q3/Q4 2020 mainly driven by acquisition of TGC and investments in growth initiatives.

# SaaS

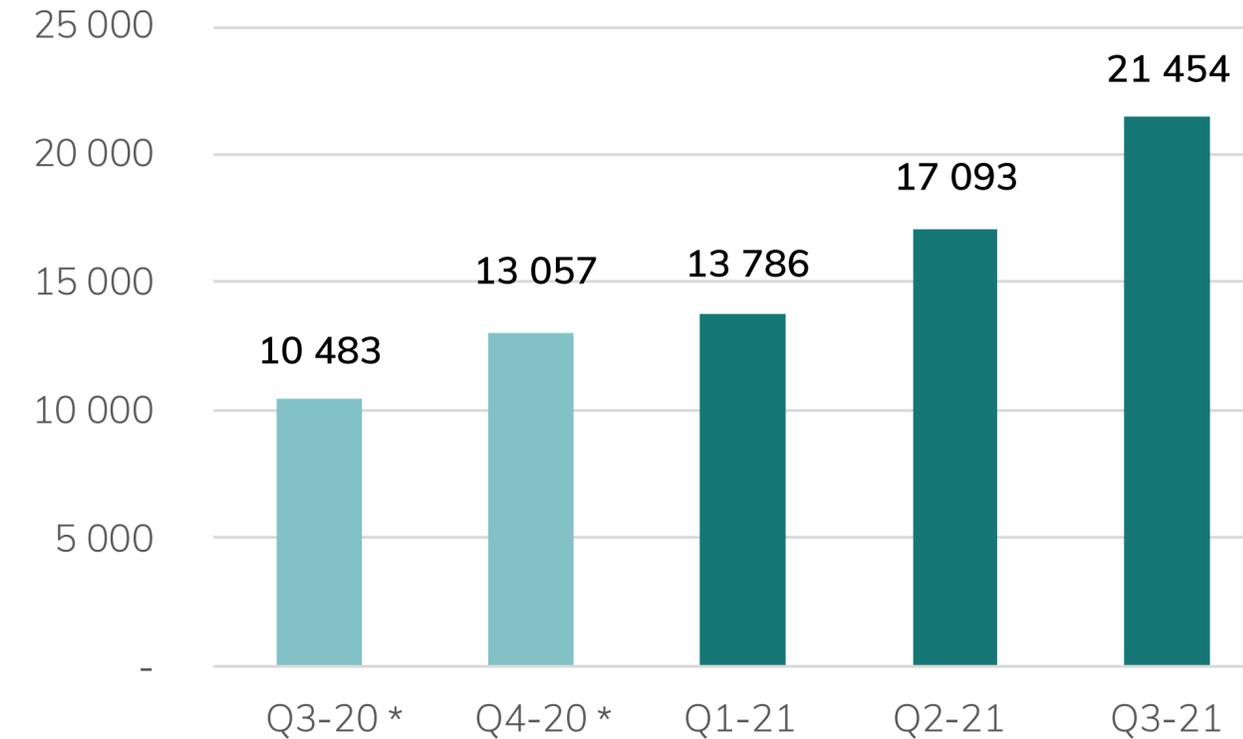
## Revenue development



SaaS segment revenues increased to EUR 3 733 (2 334\*) thousand in the third quarter driven by strong growth in Matching Visions. Revenue from the high-margin subscriber-based SaaS solutions remained stable at EUR 202 thousand and are expected to increase as more RGUs are being onboarded.

\* Representing pro-forma figures

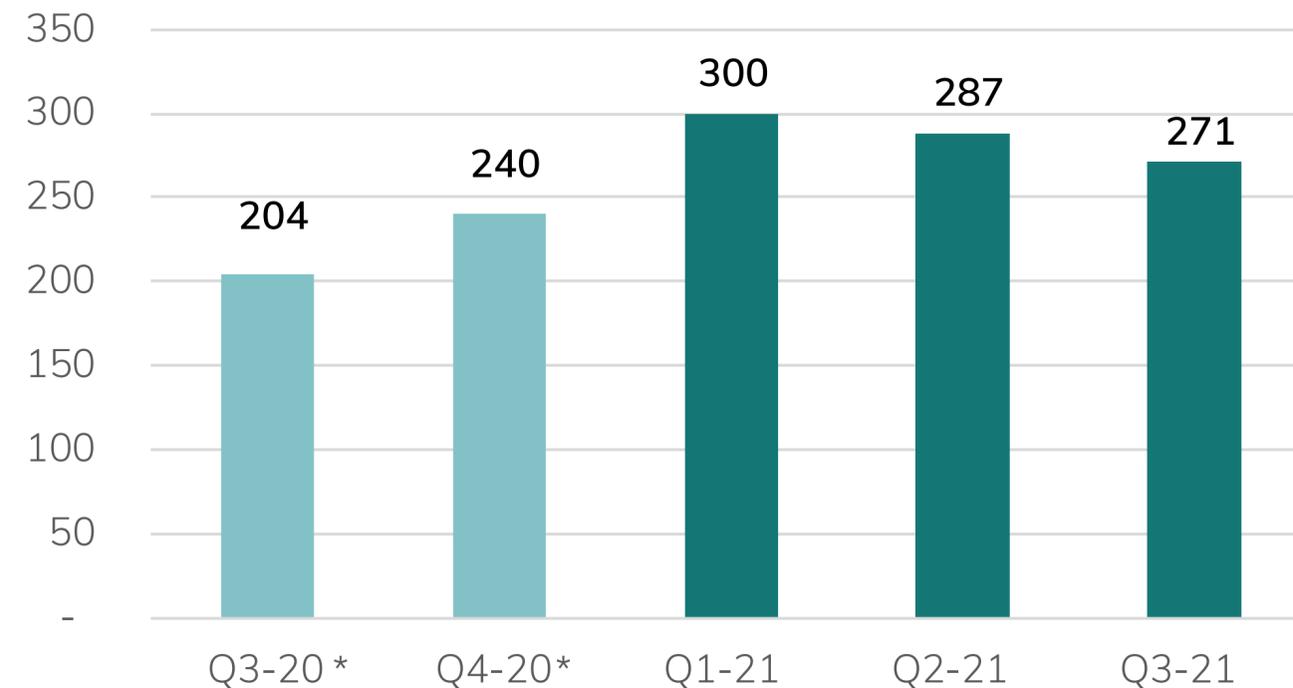
## NDC development



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

# SaaS

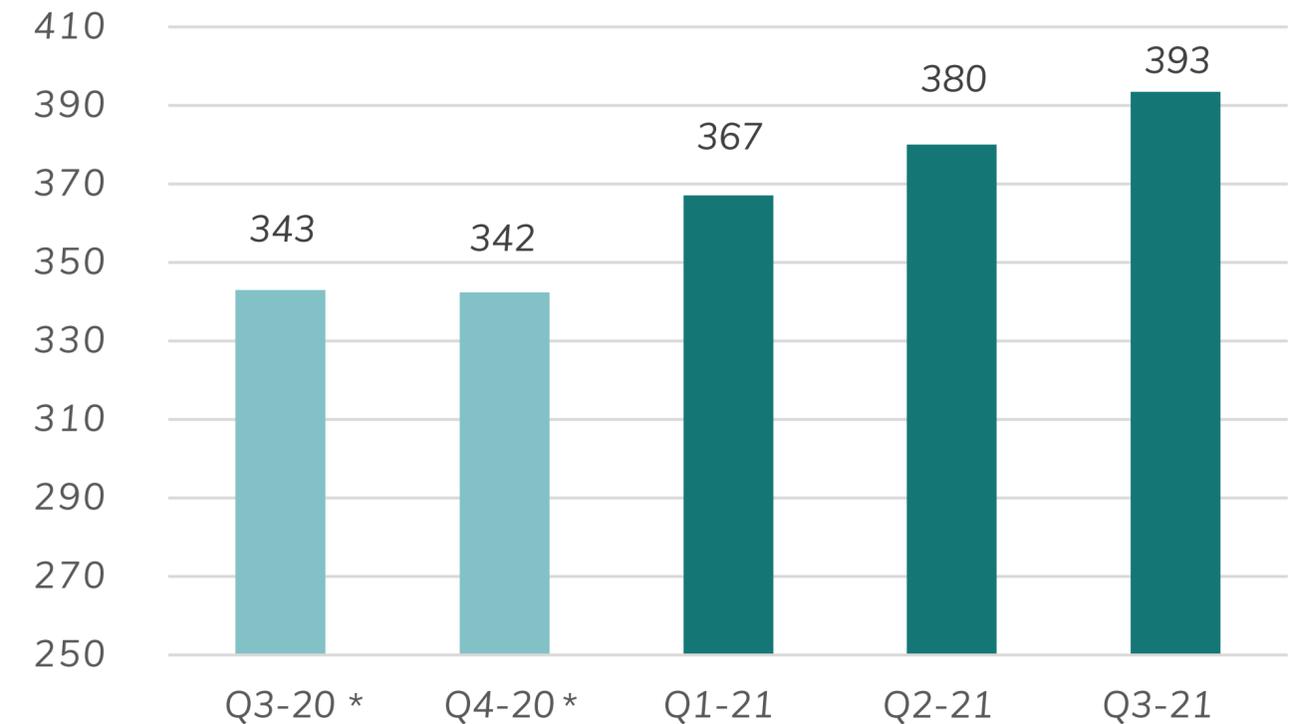
## Adjusted EBITDA development



The SaaS segment is showing an improved EBITDA generation compared to last year. In Q3-21 EBITDA decreased sequentially to EUR 271 thousand driven by growth initiatives. The SaaS segment is operating with an EBITDA margin of approximately 10%, where Q3 2021 reached 7%.

\* Representing pro-forma figures

## RGU development

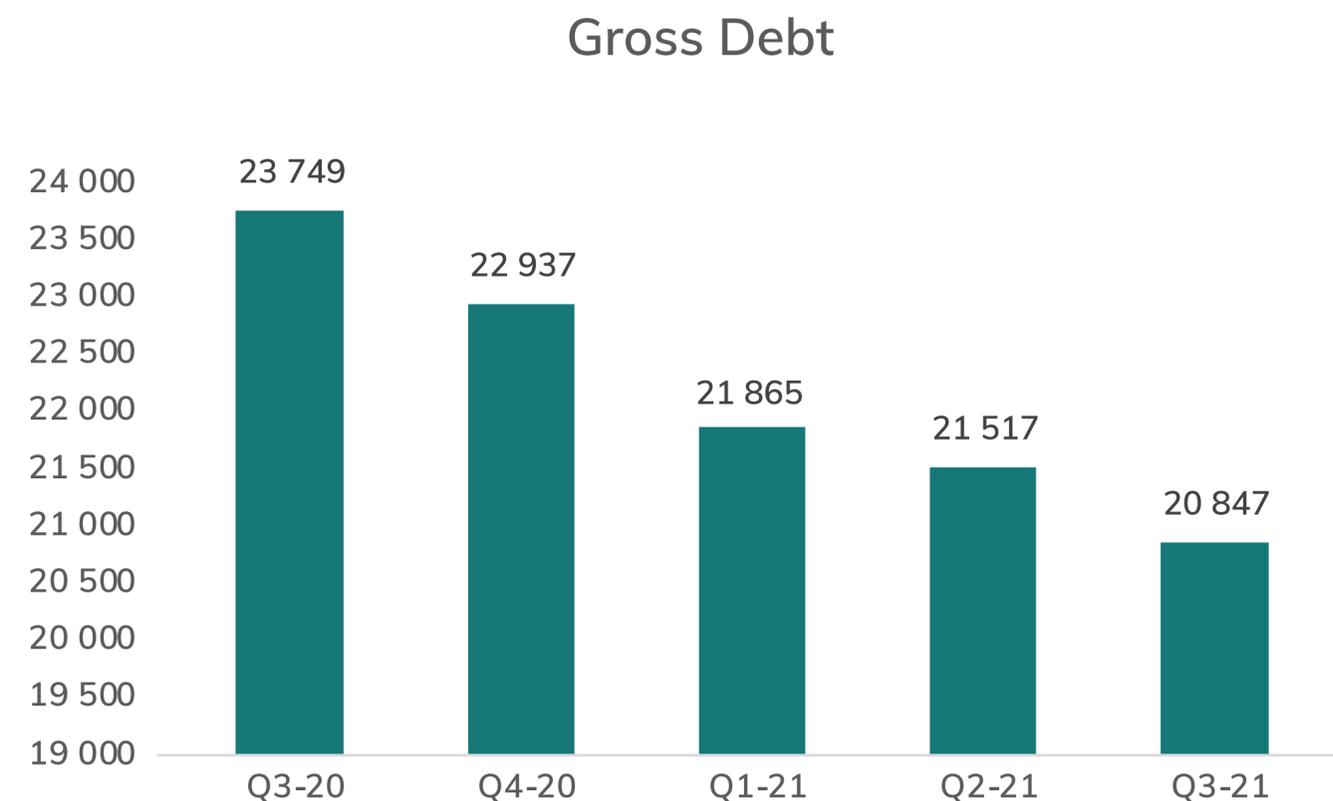


The number of RGUs (Revenue Generating Units) in SaaS in the third quarter amounted to 393 (343) and keeps increasing quarter by quarter.

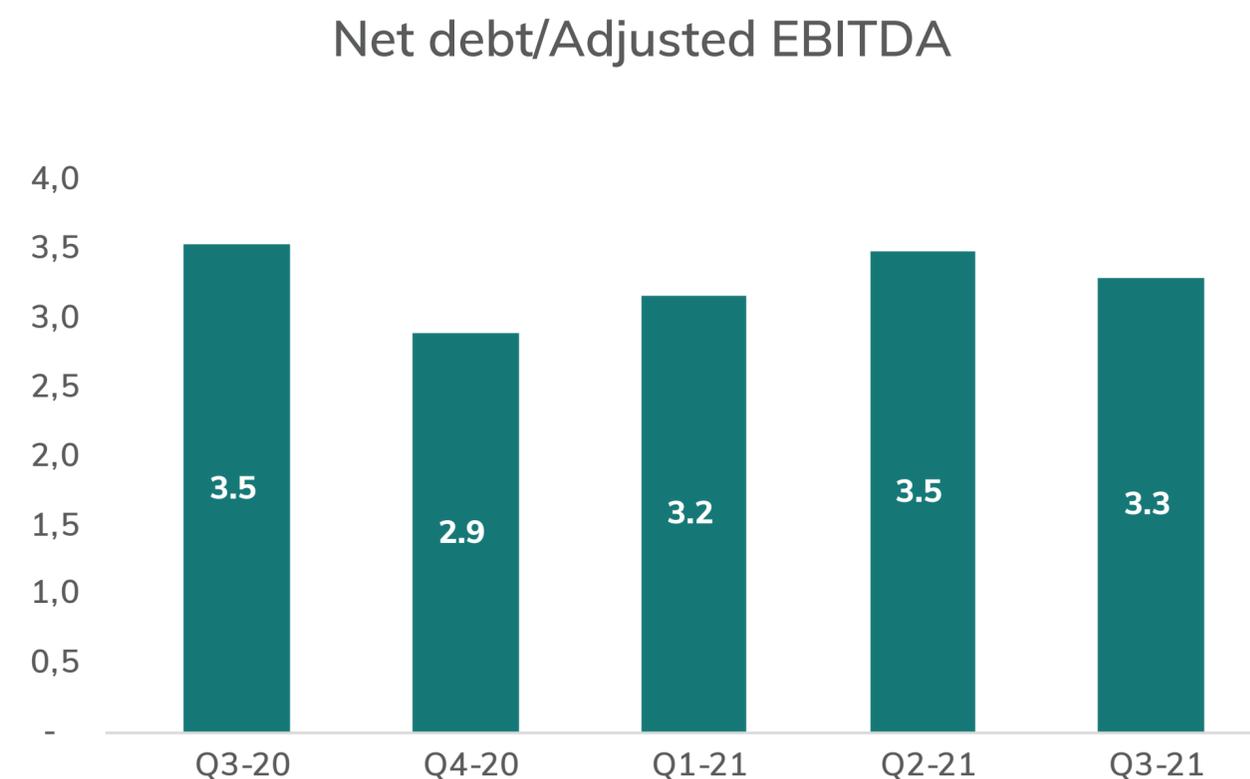
Focus coming quarters will be to continue increasing the number of customers within the subscription-based business model such as Voonix and Affhut.

# 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.

Net Debt/EBITDA increased in external reporting in 2021 due to the acquisitions of PMG and TGC. Net Debt/EBITDA in covenant reporting related to the bond lower as acquisitions are “pro formarized”

The financials

# Cash Flow Development

EUR '000	Q3'21	Q3'20	YTD21	YTD20
EBITDA	1 258	961	3 857	4 758
Non cash items	25	(239)	56	(436)
Change in NWC	(53)	16	(321)	484
Tax paid	(566)	-	(951)	-
<b>Operating CF</b>	<b>664</b>	<b>738</b>	<b>2 641</b>	<b>4 806</b>
CF from investments	(351)	(827)	(4 565)	(1 299)
CF from financing activities	(972)	(1 105)	(2 954)	(7 982)
CF for the period	(666)	(1 194)	(4 878)	(4 475)
Cash conversion*	93 %	53 %	87 %	86 %
<b>Cash position</b>	<b>3 216</b>	<b>2 110</b>	<b>3 216</b>	<b>2 110</b>

**The Cash flow from operating activities during the third quarter of 2021 has been strong amounting to EUR 1 230 thousand (EUR 566 thousand of which were used to pay tax) and with a cash conversion of 93%.**

We have been working actively to improve working capital levels and decrease accounts receivable bearing fruit.

CF from investments in Q321 mainly affected by investments in Acroud's products particularly in the iGaming Affiliation, as part of the new growth initiatives.

CF from financing activities in Q321 is mainly related to amortization payments (app 580 kEUR) and quarterly interest payments (app 390 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

# Closing Comments





## Closing Comments

- Moving towards a modern organisation with the new normal.
- Cost efficiency in focus
- Duplicate successes
- Integration works and synergies
- Shareholder value in focus with strong cost control

# A GROUP

