



# Q1 2022

Investor Presentation  
Q1 2022



## Strong **organic growth**

WITH THE RIGHT FORWARD MOMENTUM



# Agenda

1. Summary
2. Acroud Described
3. Key Markets
4. Financial Details
5. Closing comments



**Robert Andersson** CEO



**Roderick Attard** CFO

# Q1

## Key Figures

- Revenue amounted to ..... **7 003 kEUR (5 579)**
- EBITDA amounted to ..... **2 248 kEUR (1 441)**
- Profit after tax was ..... **1 184 kEUR (748)**
- New Depositing Customers ..... **33 538 (31 787)**
- Cash flow from operating activities ..... **1 484 kEUR (11)**

REVENUE

**7 003 kEUR (5 579)**

EBITDA

**2 248 kEUR (1 441)**

PROFIT

**1 184 kEUR (748)**

NDC

**33 538 (31 787)**

CASH FLOW

**1 484 kEUR (11)**



# Overview

## Recent Activities

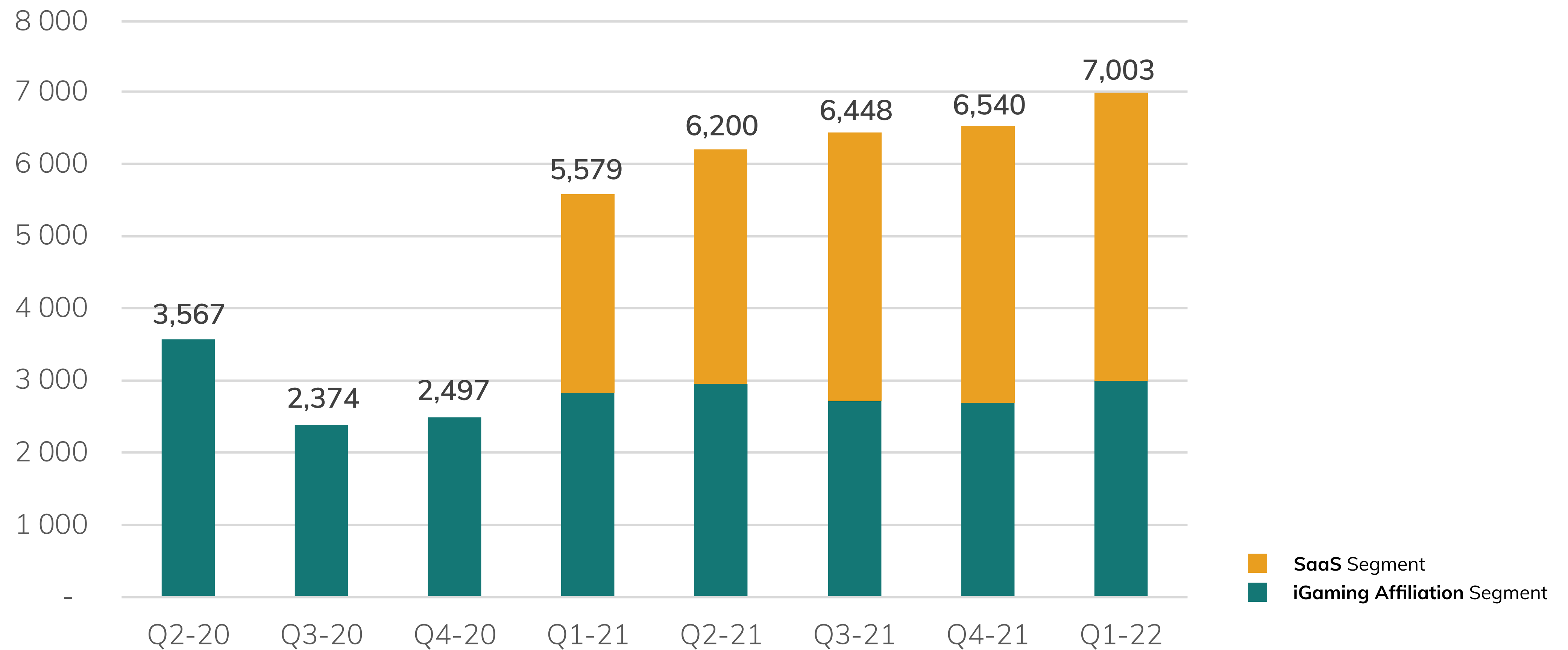
✓ **FIRST QUARTER WITH FULL EFFECT**  
OF THE NEW EFFICIENCY PROGRAM

✓ **THE GAMBLING CABIN HOLLAND**  
LAUNCHED IN APRIL 2022

✓ **NEW FINANCIAL TARGETS**  
Accelerating revenue growth



# GROUP - Revenue Development





# New Financial Targets and Forecast

**Grow EBITA 20% annually**  
during financial years 2023-2025

**Decrease net interest-bearing debt to 2.5x**  
or lower by December 2025.

In May 2022, the board of directors communicated to the market that

Acroud is expected to reach between EUR 8 million and EUR 10 million in

EBITDA during FY2022. The board of directors has also set new financial

targets: (i) To grow EBITDA organically by, on average, 20% annually

during financial years 2023-2025, and (ii) To decrease the net interest-

bearing debt/adjusted EBITDA to 2.5x or lower by December 2025.







# Refinancing update

We are currently evaluating several options to refinance outstanding debt.

The current bond matures in September with an outstanding debt of around 20 mEuro



# Acroud Described

**Investor Presentation**

Q1 2022





a  
**diversified**  
and  
**intelligent**  
approach  
to our **Business**



## Innovative SEO

Continued development in our  
SEO strategy is paying off



## Advertising Networks

Building strong relationships with our  
partners via large network partnerships



## PPC + Media in house

tier 1, 2 and 3 GEOs  
at CPA/Hybrid models



## Media House Partnerships

contact us for more info  
(licensed operators only)

Software & Technology (Voonix+CAS)





# Portfolio of Brands

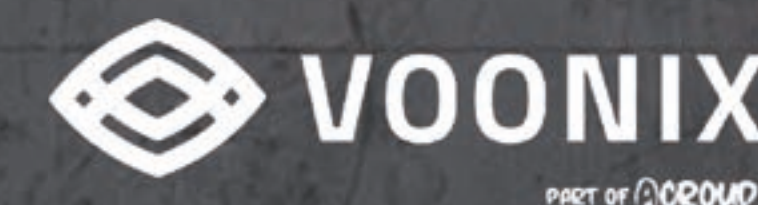
## Affiliate Segment

Strong digital brands with quality content in traditional verticals.



## SaaS Segment

Industry leading technology, data collection tools and powerful access to better deals.







# Key Markets

**Investor Presentation**

Q1 2022





# Acroud in the **Dutch Market**



One of Europe's larger markets

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

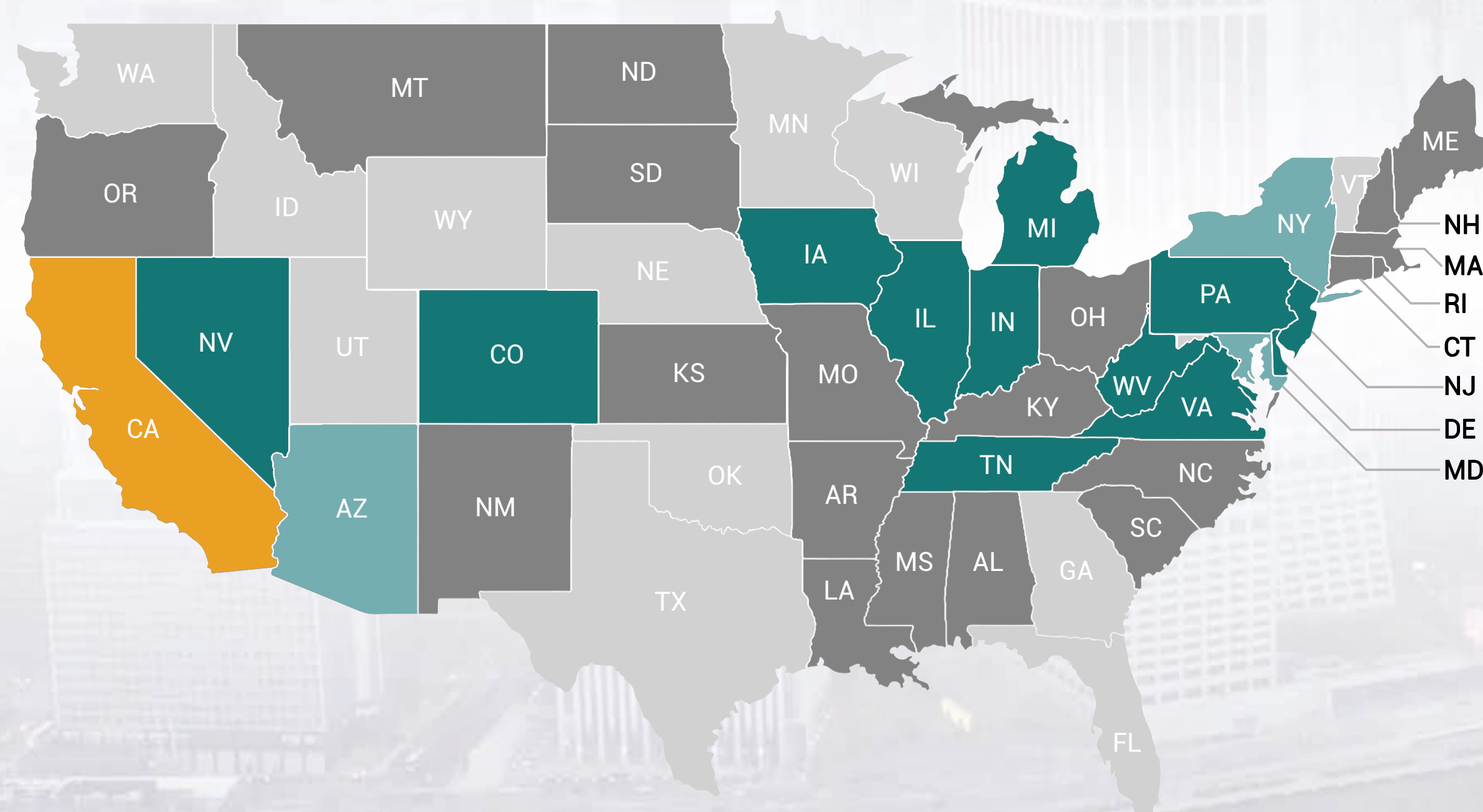
Adapted our **product offering** to the **new legal framework**

Taking off a bit slower than expected.



# U.S. Sports Betting

## Legalization Map & Acroud Engagement



- 1 Ongoing regulation. Ongoing process.
- 3 Acroud Application filed / pending.
- 11 Acroud License / Business Certificate
- 35 Already have a legal, regulated sports betting industry  
Or have passed legal sports betting bills, not yet launched.



# Acroud in **United Kingdom**

UK is Europe's **biggest** market.

Acroud's **fastest growing** market.

Acroud is **outperforming competitors** in growth.







# Financial Details

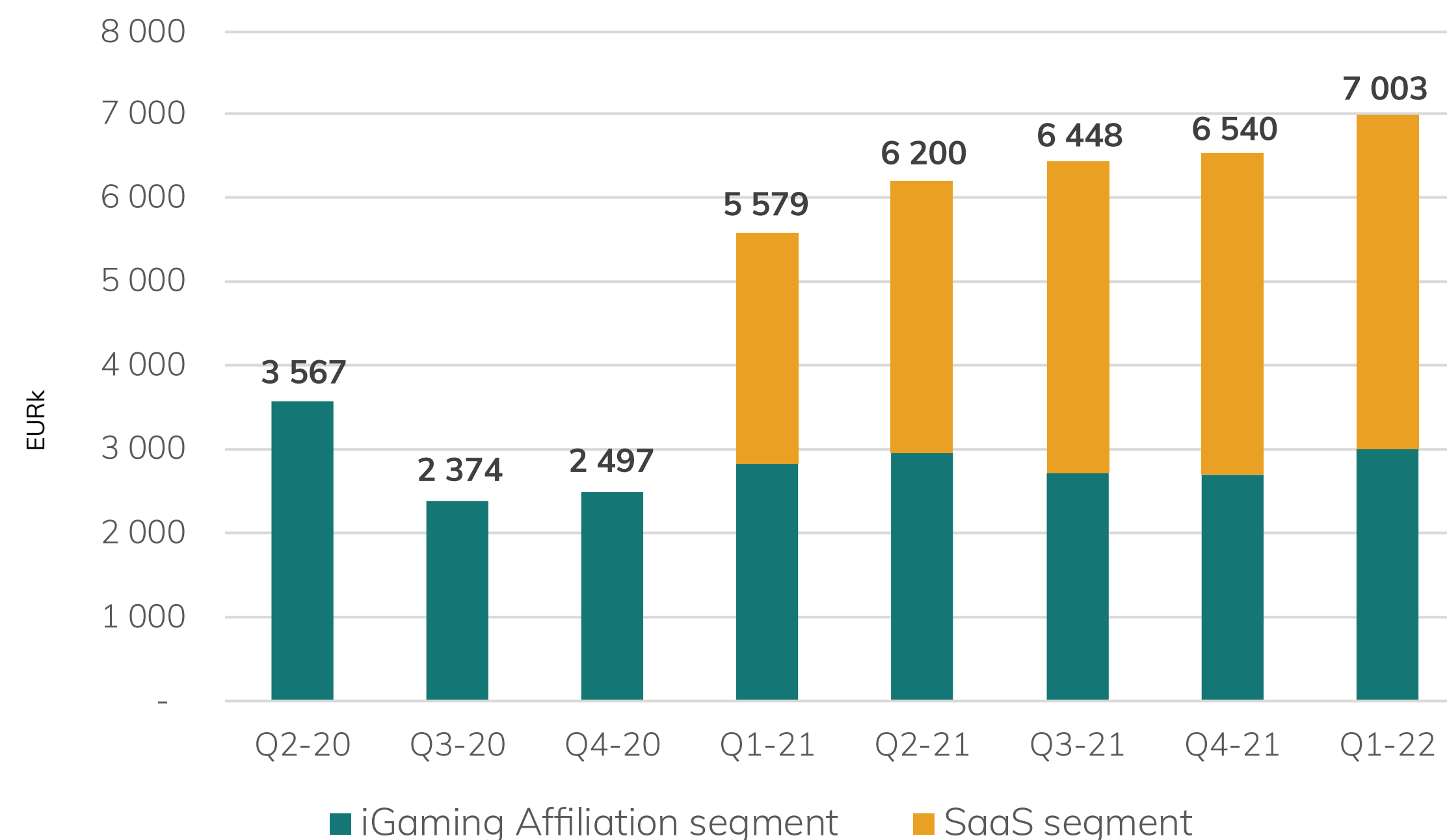
**Investor Presentation**

Q1 2022



# Group

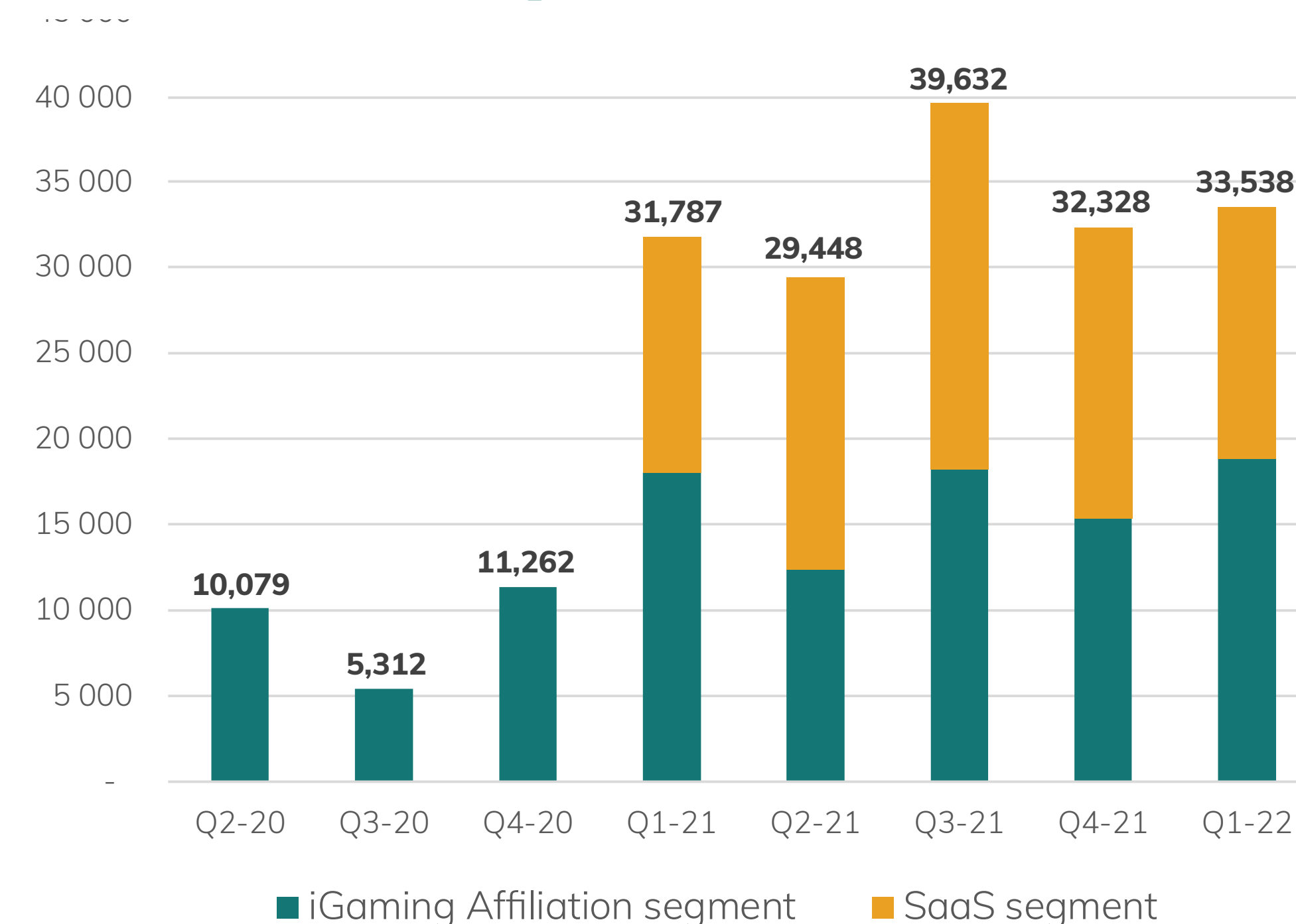
## Revenue development



Revenue continuing to grow steadily, increasing during the first quarter (EUR 7 003 thousand) by 26% compared to Q1-2021 (EUR 5 579 thousand) and by 7% compared to Q4-2021 (EUR 6 540). Organic growth amounted to 15.5%.

Revenues for the new SaaS segment amounted to EUR 4 035 thousand while revenues for the iGaming Affiliation segment amounted to EUR 2 968 thousand.

## NDC development



Acroud keeps delivering high number of NDCs to our partners via both iGaming Affiliation and SaaS businesses. During Q1-22 NDCs levels grew by 6% year-on-year, driven by both the iGaming Affiliation (+4%) and SaaS (+7) segments.



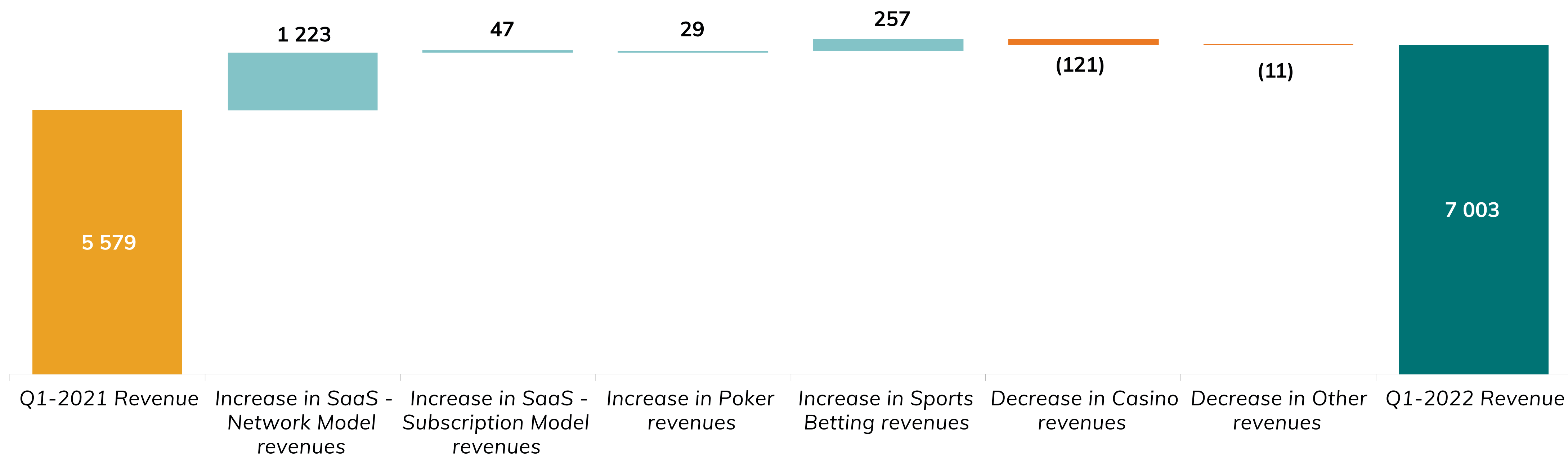
# Group

## Revenue Bridge

### vs Q1-2021

Strategic decisions taken during 2021 to diversify the Company's revenues and risk profile is bearing fruit as the Company shows revenue growth in absolute and organic terms.

Year-on-year growth in revenue in Q1-22 of 26% is explained below, where Betting and SaaS Network-model revenues being the main drivers. Decline in Casino revenues is attributable to the Company's adjustments in its product offering in the Dutch market; the latter is decreasing over time, also via organic growth from casino assets in other regulated markets.





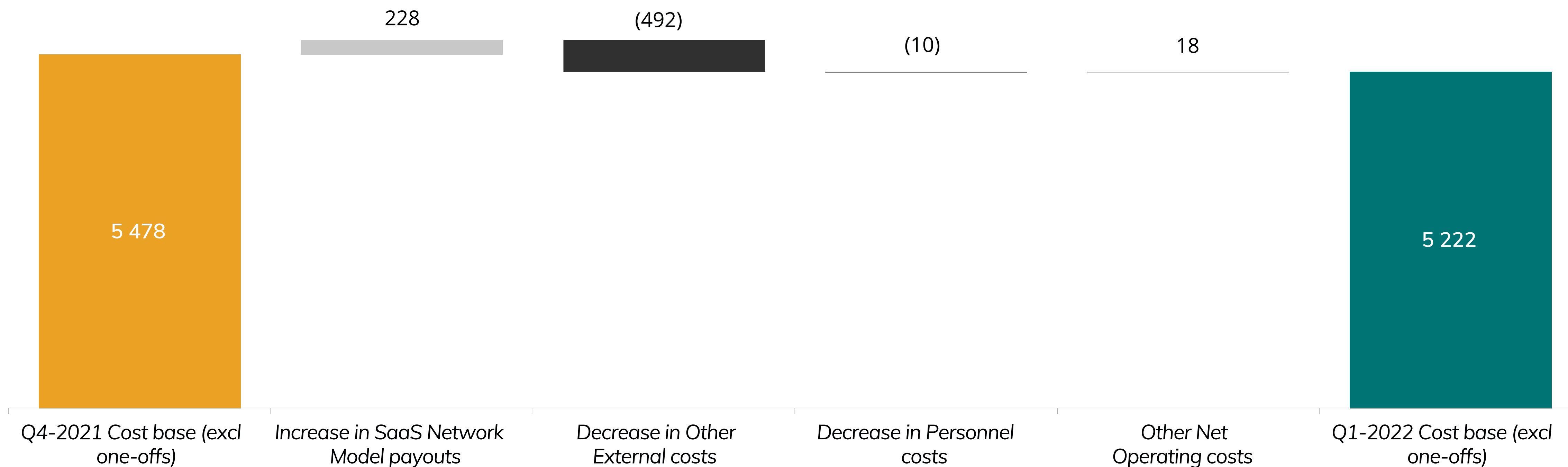
# Group

## Cost Bridge

### vs Q4-2021

Q1-2022 operating expenses have decreased compared to Q4-2021. The cost of payouts to sub-affiliates in SaaS Network model has increased, in line with revenues. This increase was set-off by decrease of EUR 492 thousand in Other external costs and EUR10 thousand in personnel costs, which shows partly the effect of the Efficiency plan (launched in mid Q4-2021).

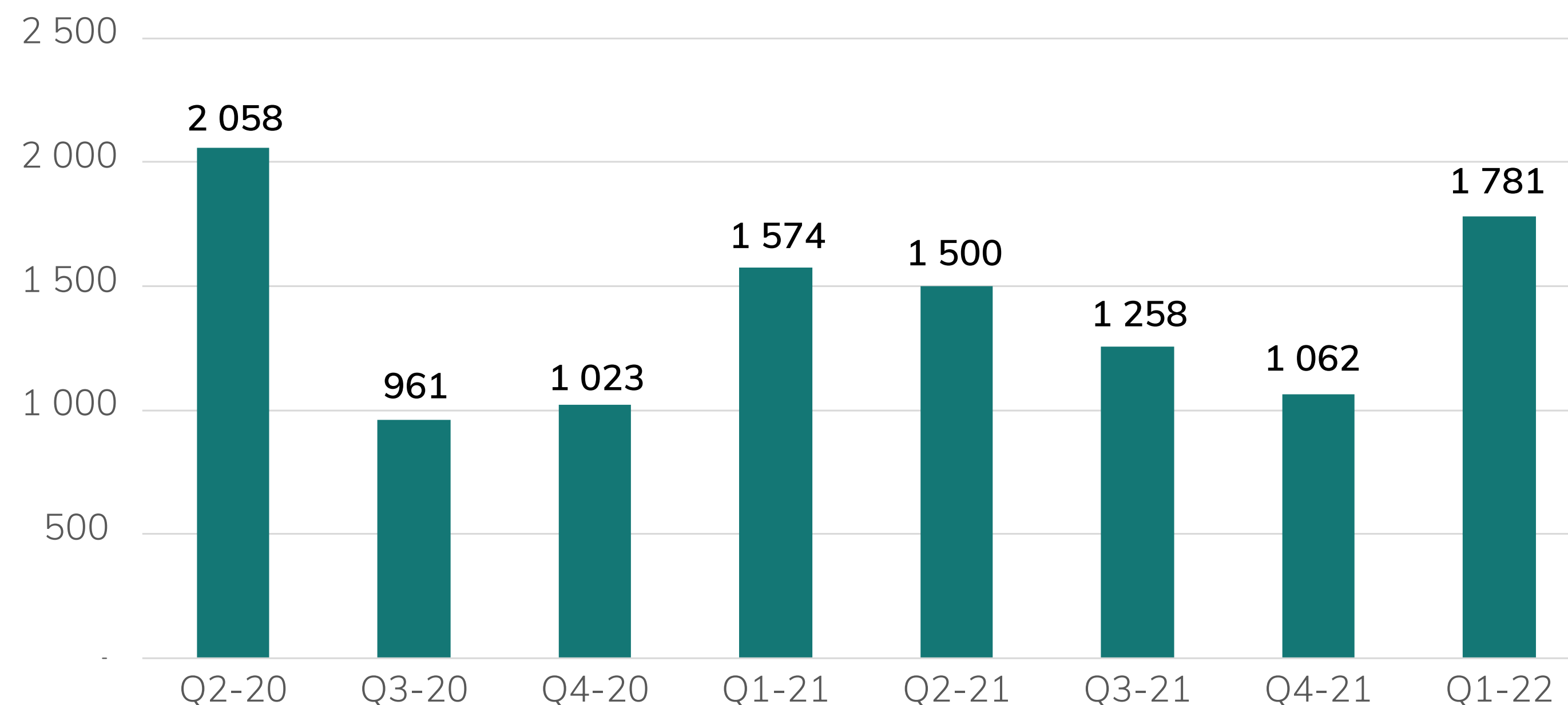
We will continue to focus on cost control in order to run operations with a high margin.





# Group

## Adjusted EBITDA development



Investments in growth initiatives and the execution of the Efficiency plan delivering results as Group's EBITDA in Q1-2022 increasing to EUR 1 781 thousand, driven by revenue growth and a leaner cost-base.

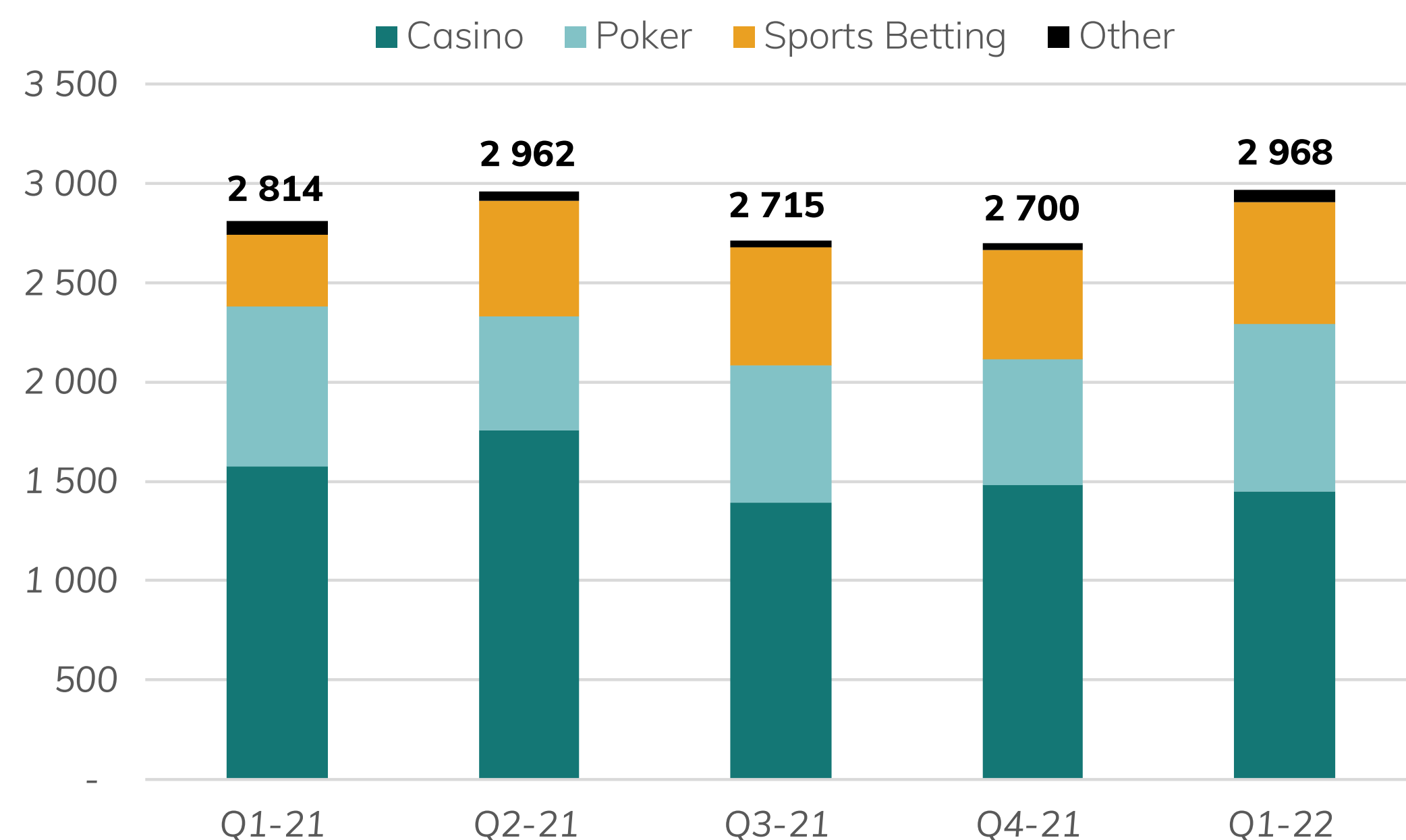
During Q1-2022 the Affiliation business operated at an EBITDA margin (excluding one-offs) of 50% while the SaaS business operated at an EBITDA margin of 13%, resulting in a blended Group EBITDA margin (excluding one-off costs) of 25%.

During Q1-2022, Acroud had a one-off income of EUR467 thousand, representing profit on disposal of finance assets. Taking the latter into account, EBITDA would increase to EUR2 248 thousand.



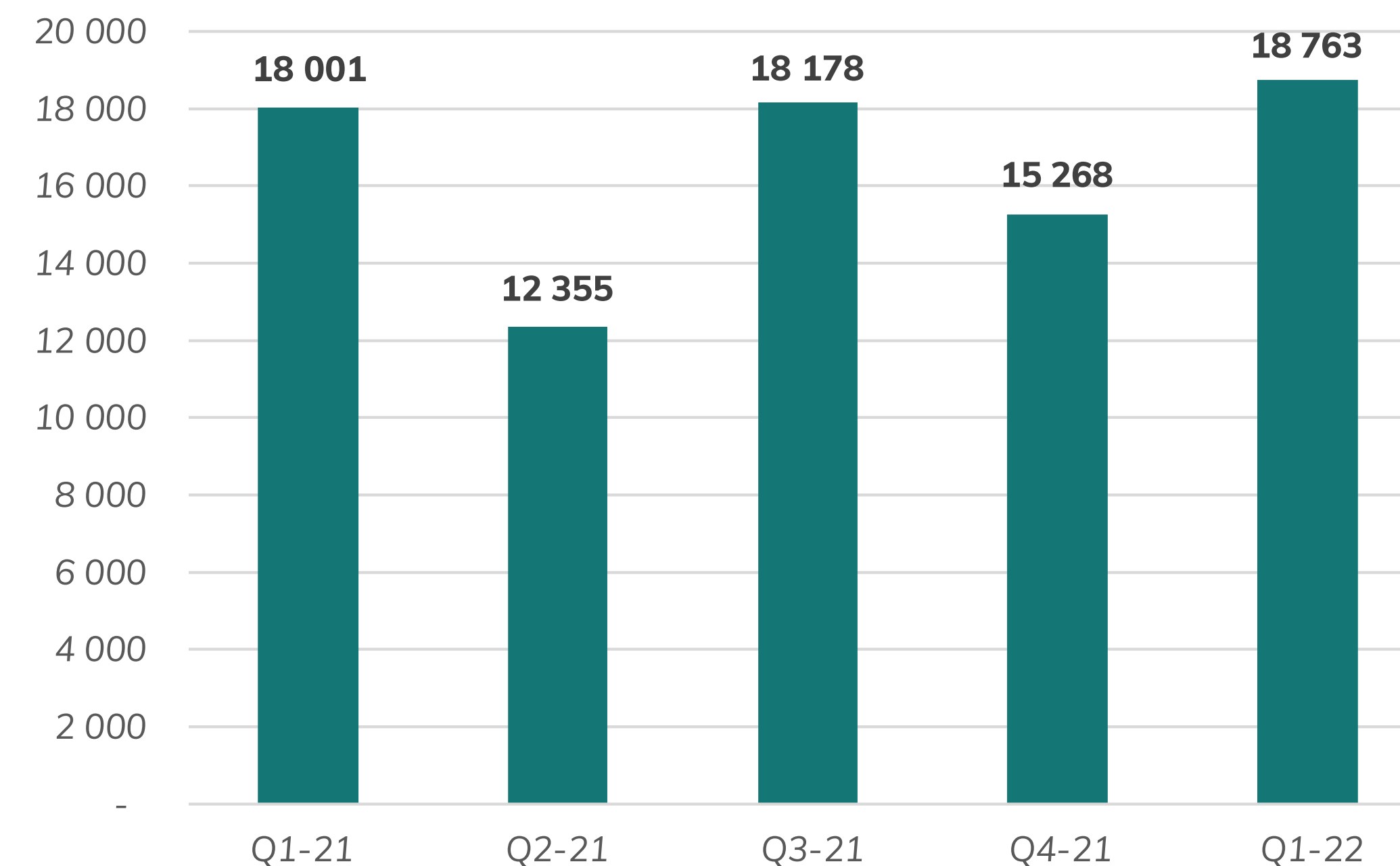
# iGaming Affiliation

## Revenue development



iGaming Affiliation revenue in Q1 increased YoY by 5% to EUR 2 968 (2 814) thousand, driven mainly by the acquisition of The Gambling Cabin. iGaming affiliation revenues have been impacted by the Company's adjustment of 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.

## NDC development

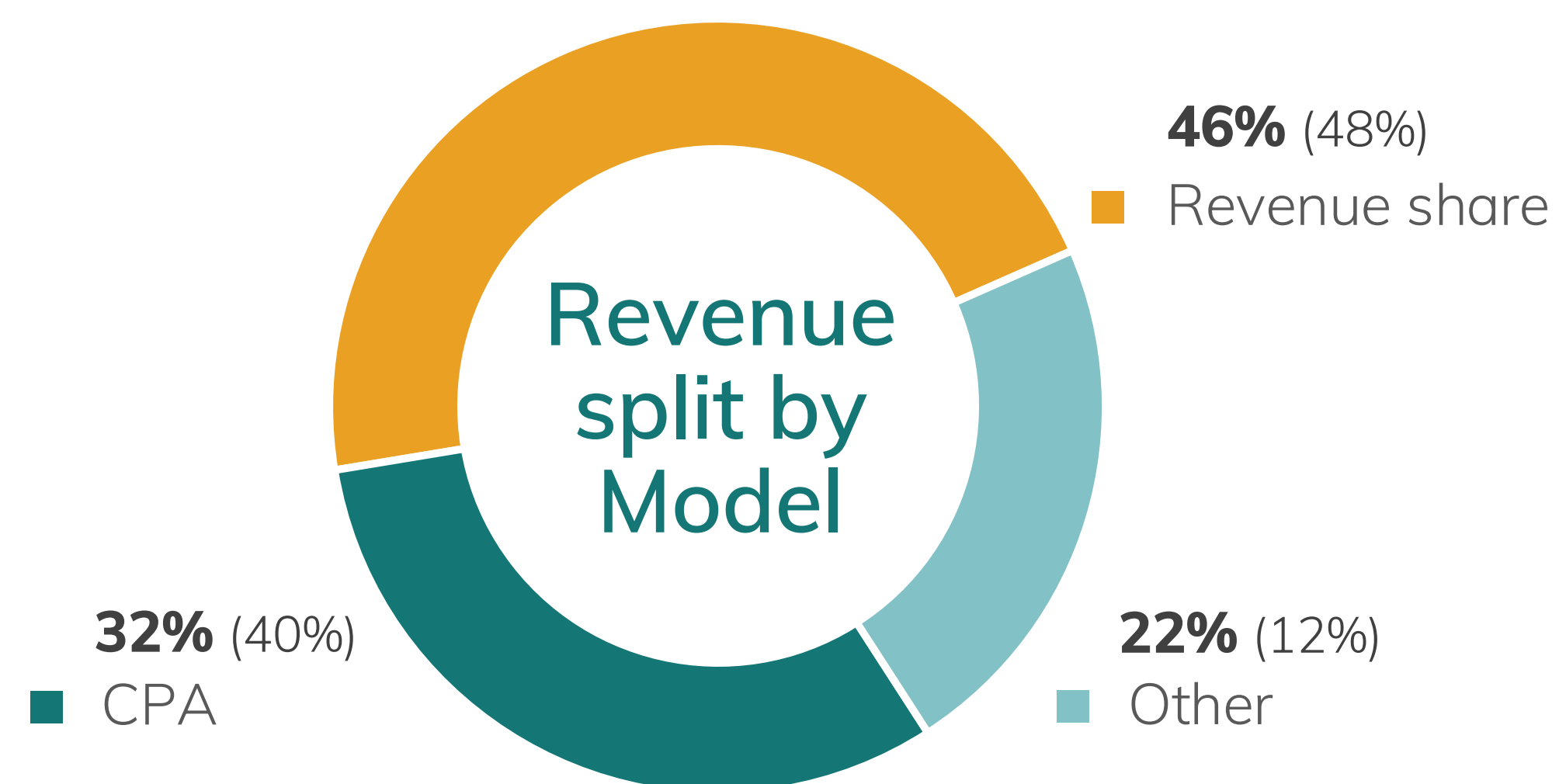


New Depositing Customers (NDC) continued to show strong growth reaching 18 763 NDCs in the first quarter compared with 18 001 the corresponding period the previous year. NDC levels within the iGaming Affiliation is growing driven by Sports Betting and Casino.



# iGaming Affiliation

## Revenue Splits



The revenue share ratio represented 46% of total affiliation revenues (or 59% of affiliation revenues if excluding Other fees). The accelerated growth in Other revenues relates to up- sales (e.g. Flat fees and banner fees).

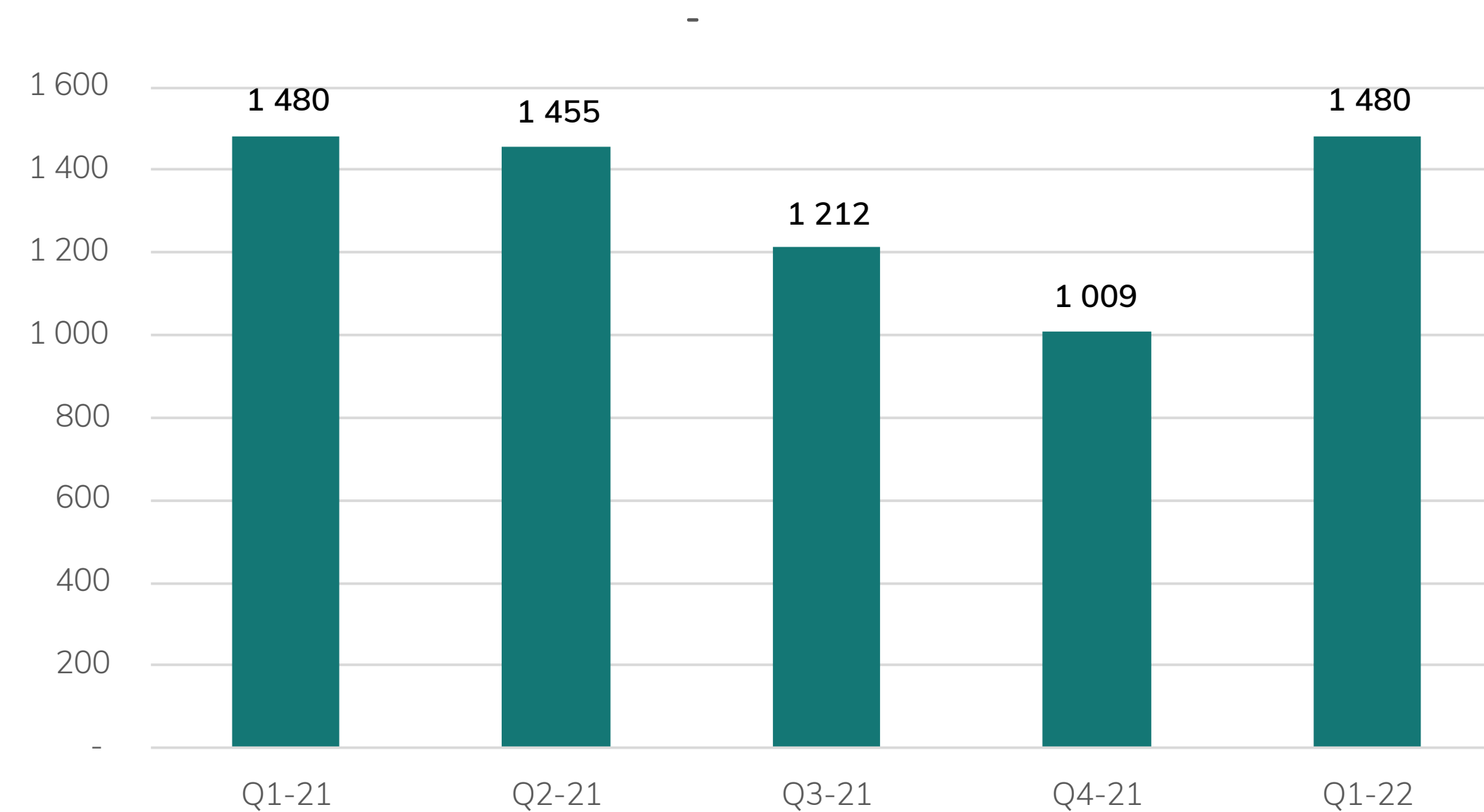


The traffic on our sites is increasing and our position with strong domains in the European and North American market is strengthening as more US states are regulated.



# iGaming Affiliation

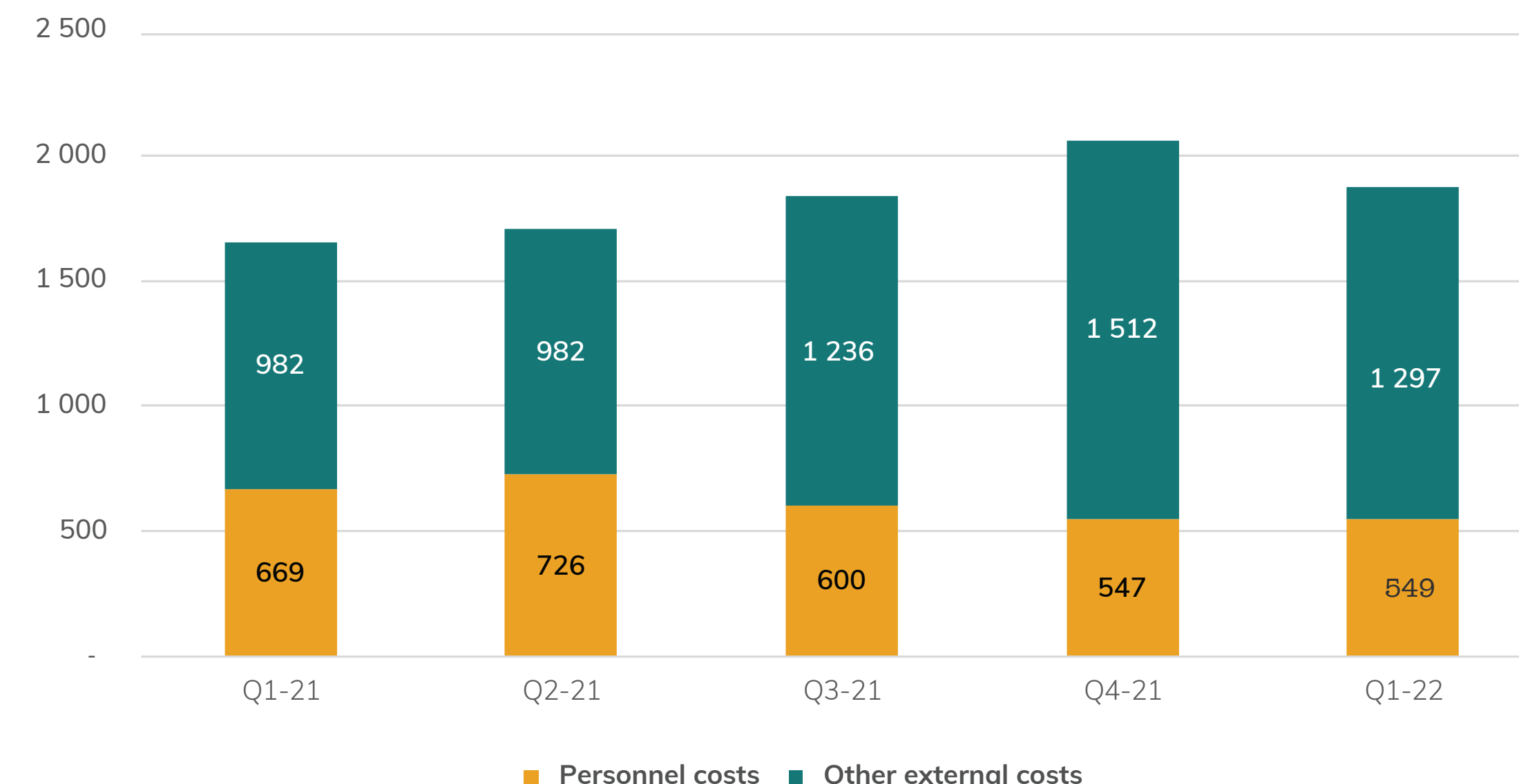
## Adjusted EBITDA develop.



EBITDA in the iGaming Affiliation segment (excluding one-offs) in Q1-2022 amounted to EUR1 480, representing 47% sequential growth.

The iGaming affiliation segment is operating with an EBITDA margin of approximately 45-55%. EBITDA margin in Q1 2022 amounted to 50%, compared to 53% in Q1-2021 and 37% in Q4-21.

## Adjusted Cost Base develop.



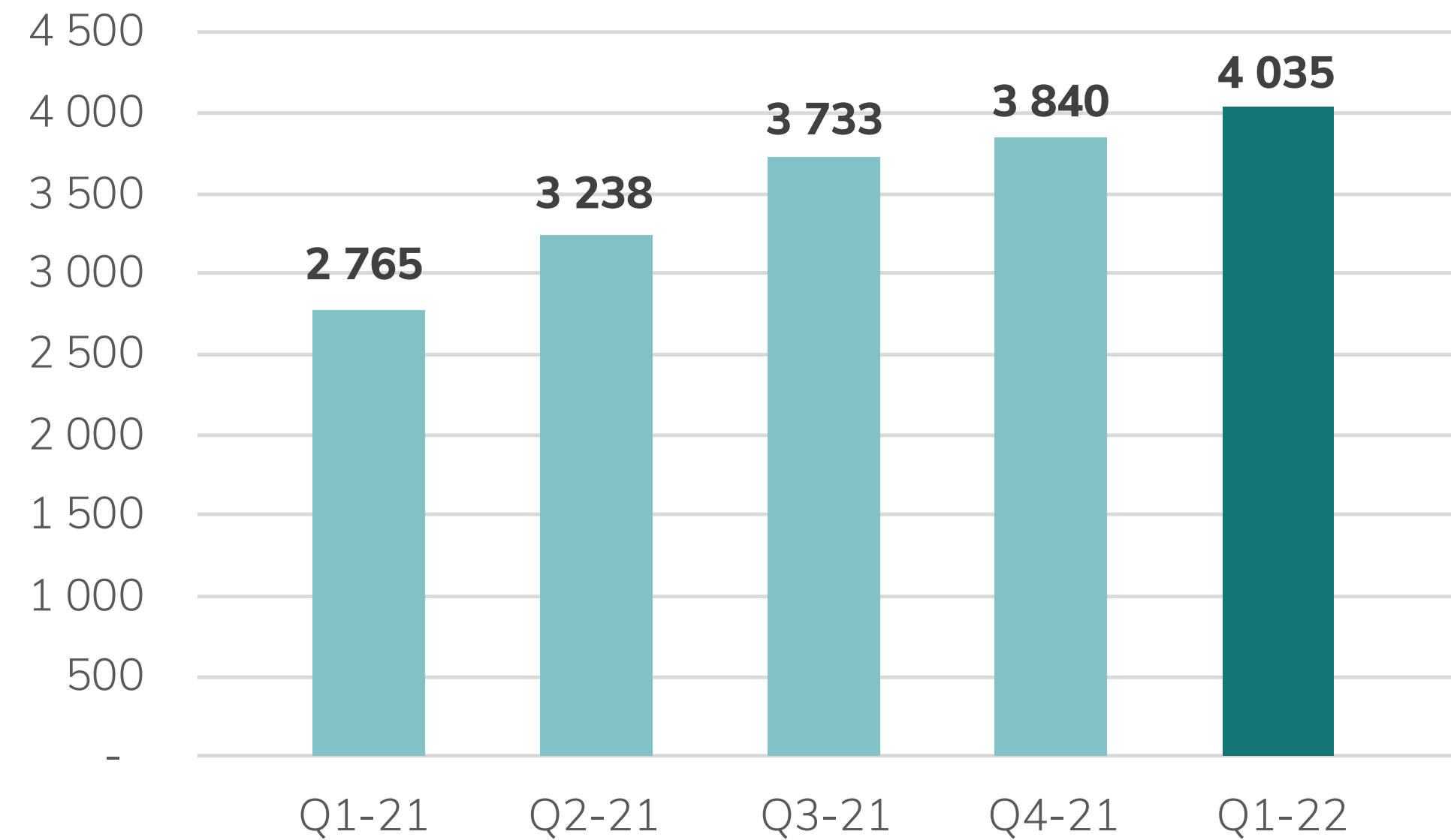
The Efficiency plan launched in November 2021 is bearing its fruit, where we see the cost base with the affiliation segment has decreased quarter-on-quarter by 12%.

Personnel costs in iGaming affiliation has decreased by 18% year-on-year and remained stable when compared to Q4-21. Other external costs have increased year-on-year (+32%, driven mainly by acquisition of TGC) but decreased quarter-on-quarter (-14%).



# SaaS

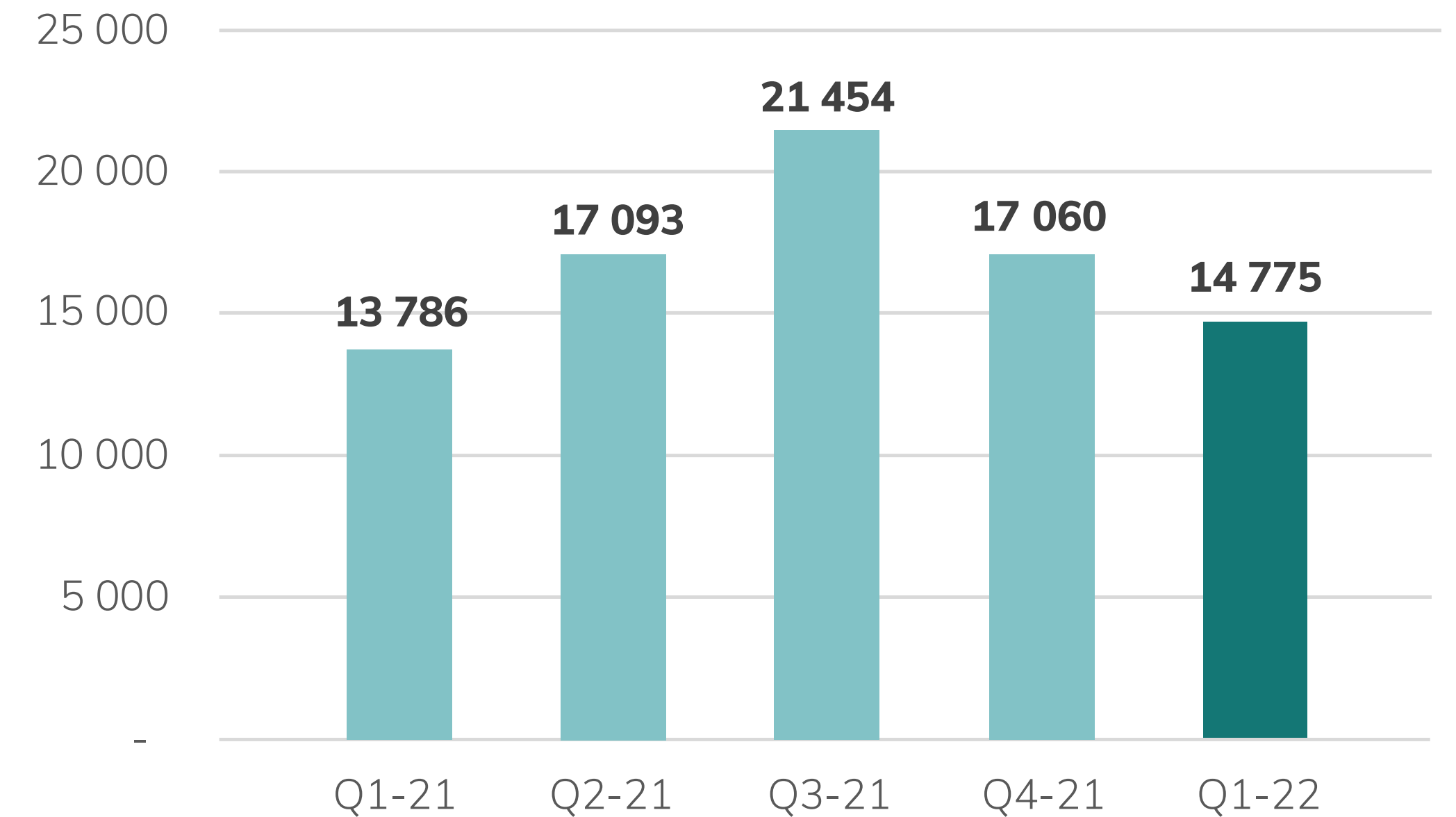
## Revenue development



SaaS segment revenues increased to EUR 4 035 (2 765) thousand in the first quarter driven by strong growth in Network Model. Revenue from high-margin Subscription model has also delivered steady year-on-year growth of 25% in revenue, reaching EUR 238 thousand.

\* Representing pro-forma figures

## NDC development

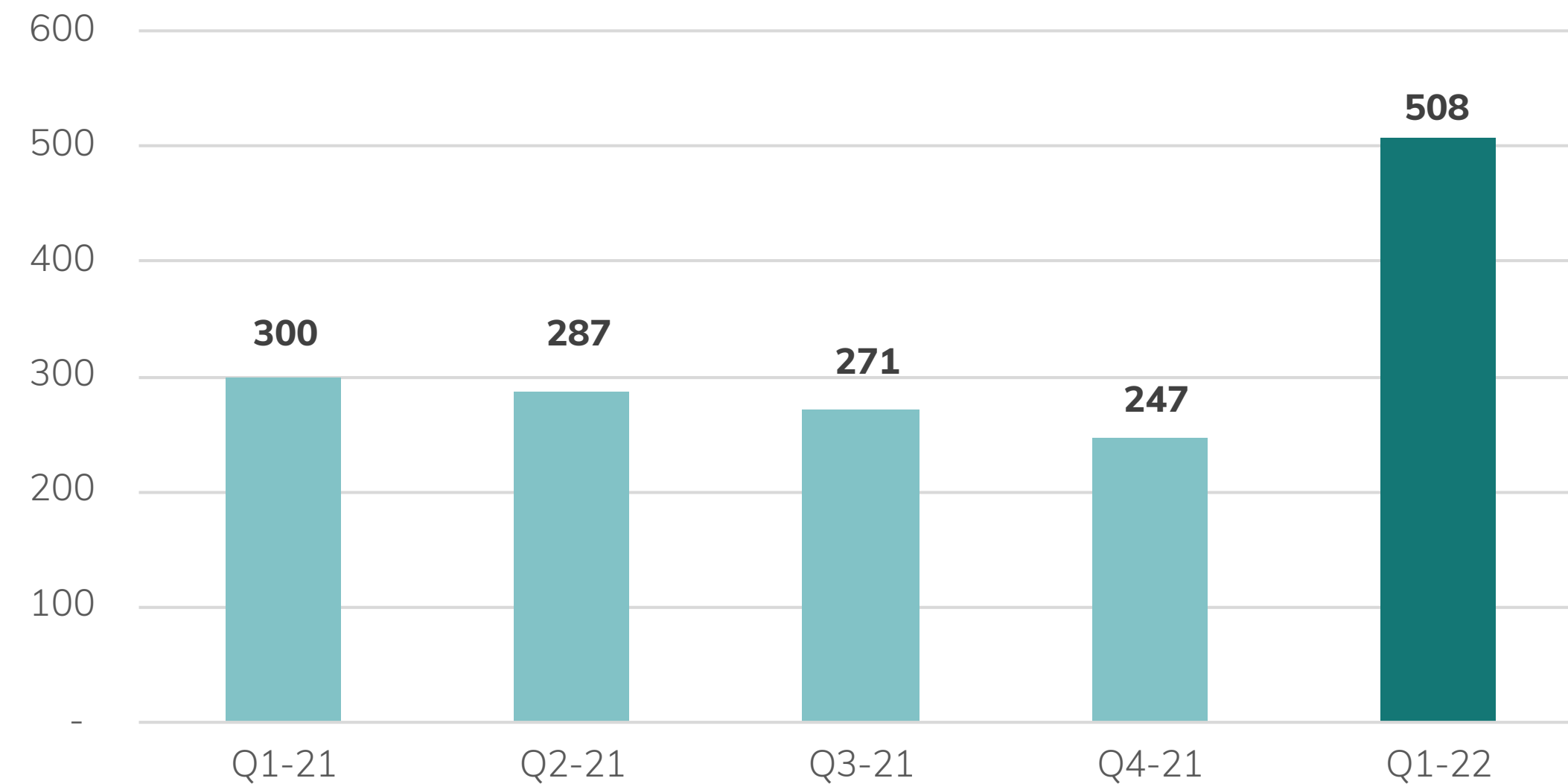


SaaS business delivers NDCs to our partners via the Network-model. The number of NDCs have increased year-on-year by 7%, reaching 14 775. The sequential drop in NDCs has had no effect on revenue, testifying the improved quality and value of NDCs delivered to our partners.



# SaaS

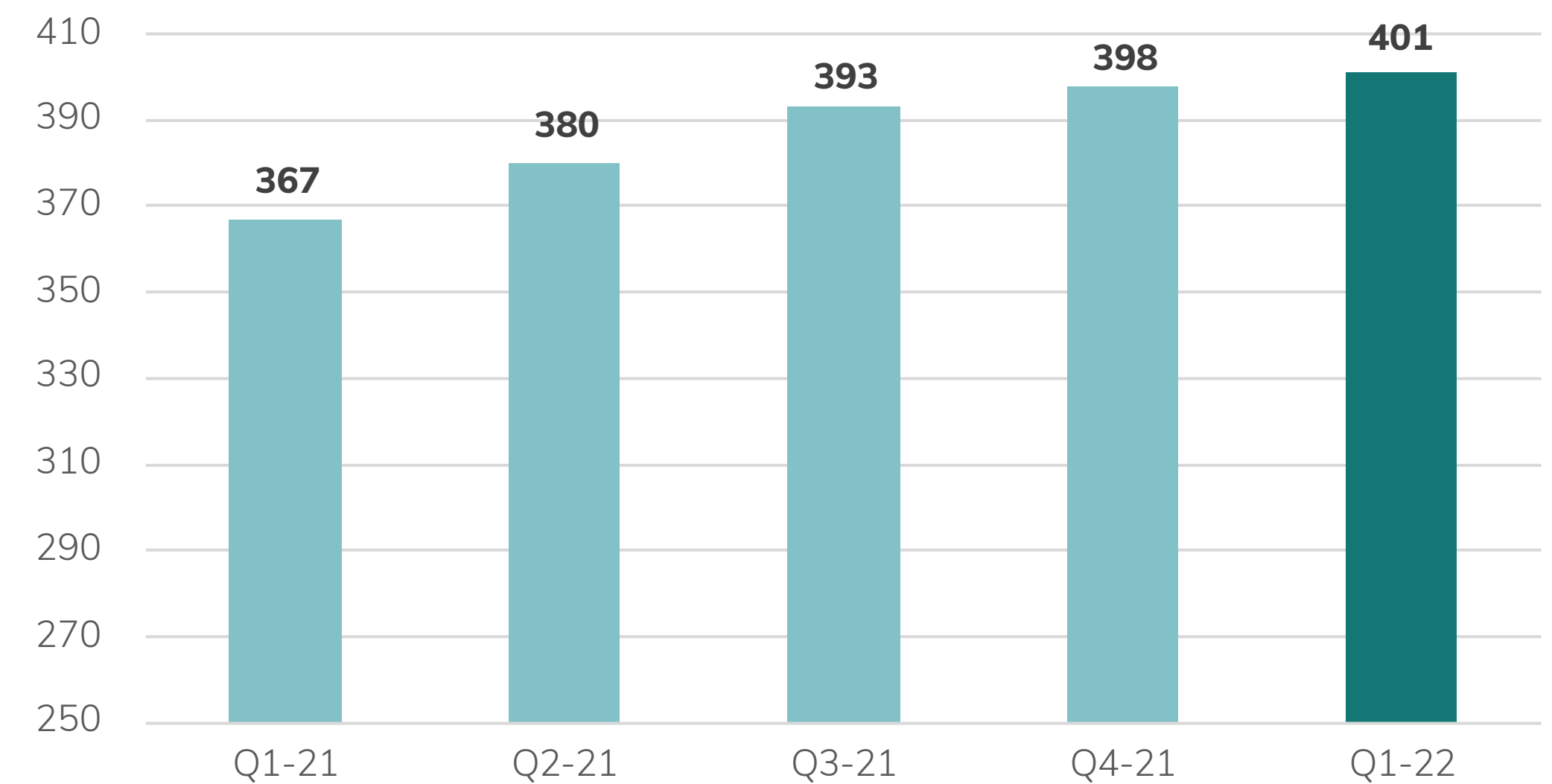
## Adjusted EBITDA development



The SaaS segment is showing a strong EBITDA result in Q1-2022, increasing by 69% year-on-year and 106% quarter-on-quarter. EBITDA margin has also improved, to 13% in Q1-2022. This improvement is driven by investments and growth initiatives implemented in both Subscription- and Network- models since third quarter of last year.

\* Representing pro-forma figures

## RGU development



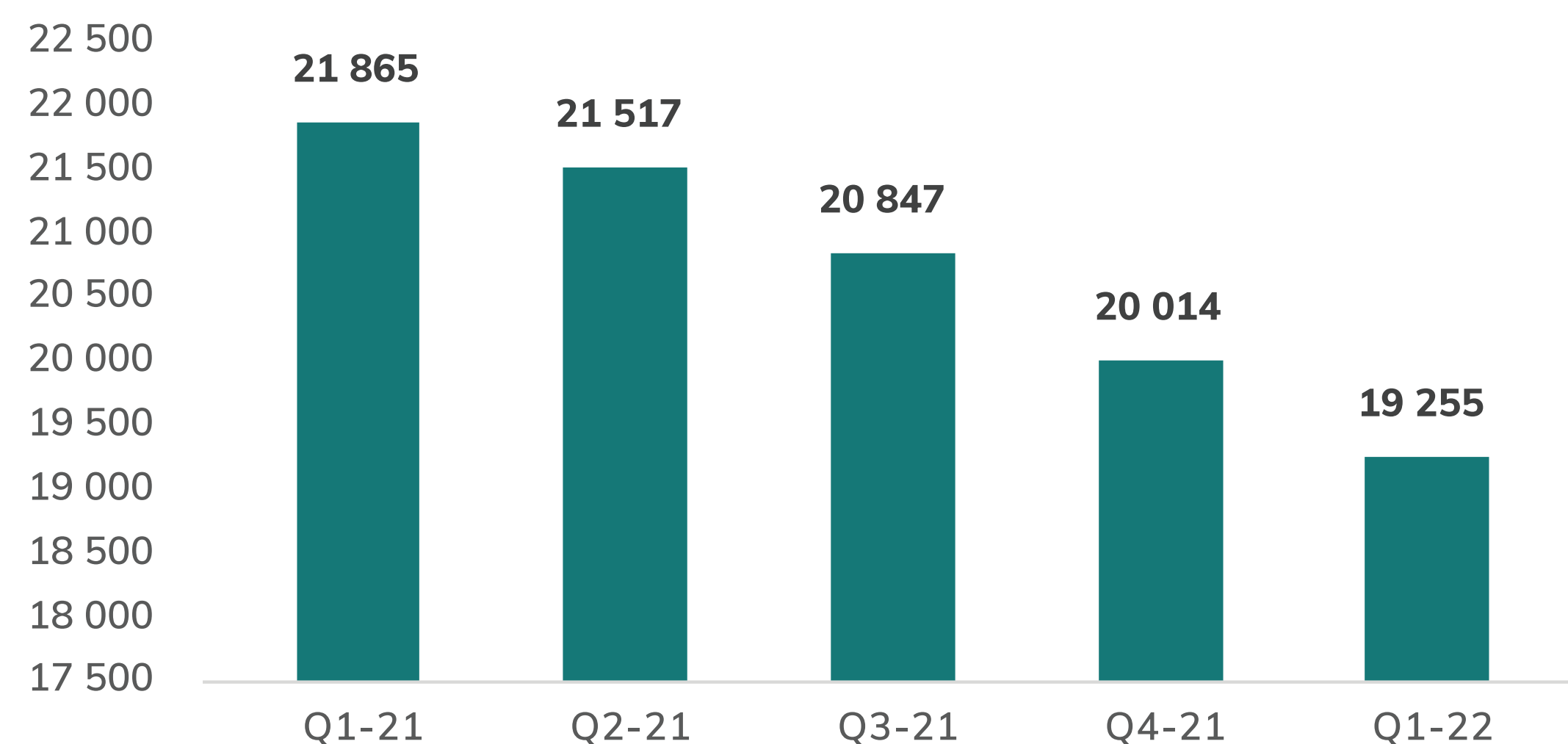
The number of RGUs (Revenue Generating Units) in SaaS in the first quarter amounted to 401 (367) and keeps increasing quarter by quarter.

Focus coming quarters will continue to be increasing the number of customers within the subscription-based business model such as Voonix and Affhut as well as broaden Matching Visions' network via partnerships.

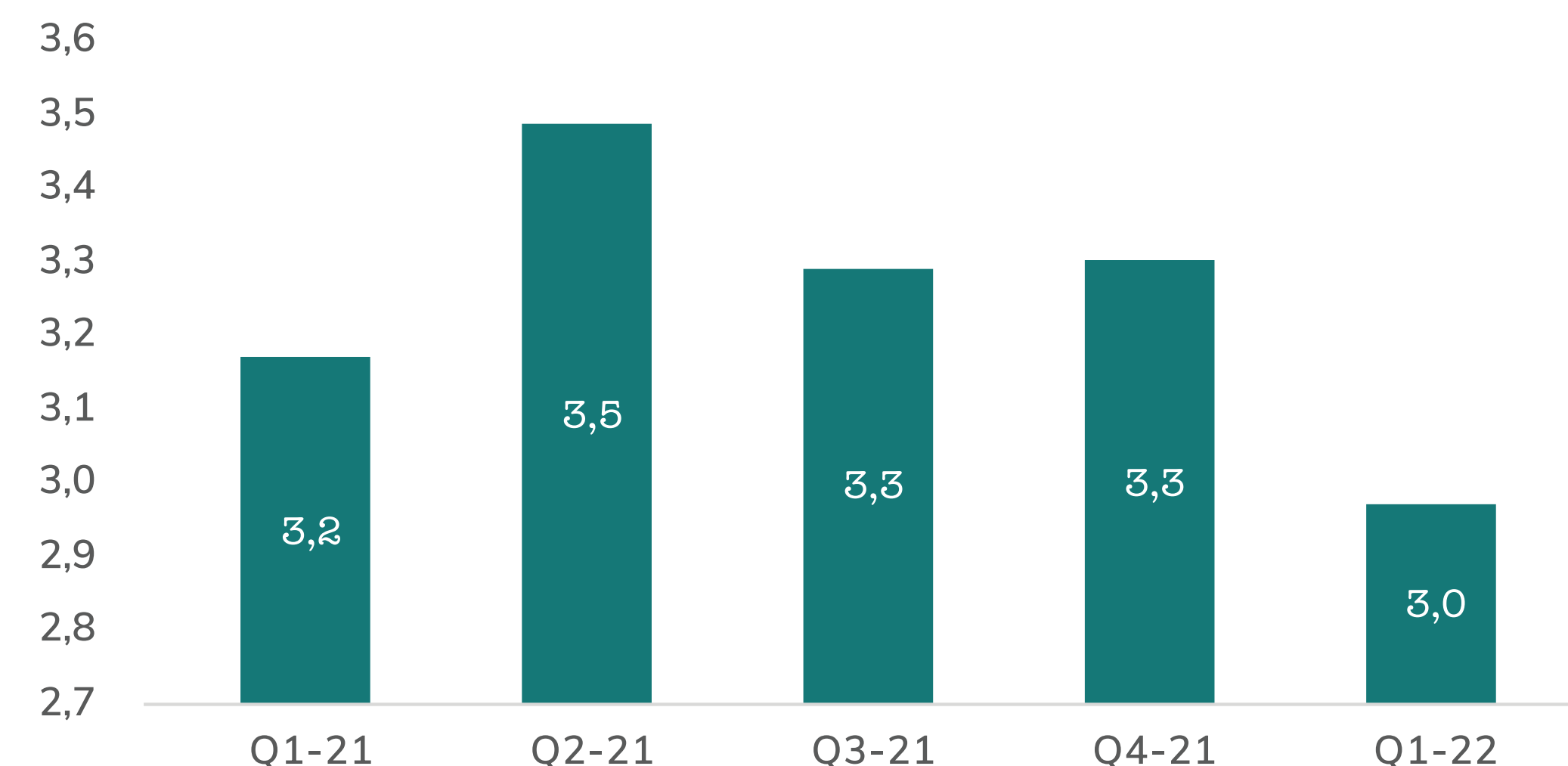


# Financing and Cash Flow

## Gross Debt



## Net Debt / Adjusted EBITDA



The business model enables fast deleveraging through strong margins and high cash conversion. Net Debt to EBITDA kept decreasing during Q1-2022, to 3.0x.

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	Q1'22	Q1'21	2021
EBITDA	2 248	1 441	4 686
Non cash items	(463)	(8)	3
Change in NWC	(208)	(1 045)	(308)
Tax paid	(111)	-	(1 092)
<b>Operating CF</b>	<b>1 467</b>	<b>388</b>	<b>3 289</b>
CF from investments	225	(1 680)	(5 264)
CF from financing activities	(1 236)	(984)	(3 893)
CF for the period	456	(2 276)	(5 868)
Cash conversion*	89 %	57 %	82 %
<b>Cash position</b>	<b>2 607</b>	<b>5 404</b>	<b>2 202</b>

**The Cash flow from operating activities during the first quarter of 2021 amounted to EUR 1 484 thousand. Cash conversion remaining strong in line with previous quarter at 89%.**

We have been working actively to improve working capital levels and decrease accounts receivable bearing fruit. Profit on disposal of EUR467 thousand is the reason behind high non-cash item figure.

CF from investments in Q1-22 mainly comprise continued investments in Acroud's products, set-off by the profit on disposal.

CF from financing activities in Q1-22 is mainly related to amortization payments (558 kEUR) and quarterly interest payments (app 344 kEUR).

Cash conversion represents operating cash flow reduced by capex/investments (excluding acquisitions/divestments) as a percentage of EBITDA (excluding one off items).



# Closing **Comments** and **Q&A**





# A group

