

Q3 2022

I N T E R I M R E P O R T

ACROUD

Another piece
in Acroud's
transformation



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Another piece in Acroud's transformation

Financial highlights

Third quarter 2022

- Revenue amounted to EUR 6 683 (6 448) thousand, corresponding to a growth of 4% and an organic growth of 2.1%.
- EBITDA amounted to EUR 1 496 (1 258) thousand, increasing by 19% year-on-year.
- Profit after tax was EUR -589 (593) thousand. Adjusted profit after tax (before items affecting comparability and currency effects) was EUR -188 (482) thousand.
- Earnings per share after dilution amounted to EUR -0.005 (0.005). Adjusted earnings per share (before items affecting comparability and currency effects) was EUR -0.001 (0.004).
- New Depositing Customers (NDC) amounted to 33 792 (39 632) decreasing by -15% (646%).
- Cash flow from operating activities amounted to EUR 1 082 (664) thousand.

First nine months 2022

- Revenue amounted to EUR 20 886 (18 227) thousand, corresponding to a growth of 15% and an organic growth of 10.6%.
- EBITDA amounted to EUR 5 547 (3 857) thousand, increasing by 44% year-on-year. Adjusted EBITDA (before items affecting comparability) was EUR 5 080 (4 332) thousand, increasing by 17% year-on-year.
- Profit after tax was EUR 1 843 (1 073) thousand. Adjusted profit after tax (before items affecting comparability and currency effects) was EUR 951 (1 326) thousand.
- Earnings per share after dilution amounted to EUR 0.014 (0.009). Adjusted earnings per share (before items affecting comparability and currency effects) was EUR 0.007 (0.011).
- New Depositing Customers (NDC) amounted to 102 464 (100 867) increasing by 2% (303%).
- Cash flow from operating activities amounted to EUR 4 057 (EUR 3 592 excluding one-off tax payment relating to acquisitions) thousand.

Financial highlights after the quarter

- EBITDA in October 2022 amounted to EUR 1.1 million.

Important events in the quarter

In July 2022 Acroud issued senior secured bonds 2022/2025 in the total amount of SEK 225,000,000 (ISIN SE0017562481). In August 2022, in accordance with the terms and conditions, Acroud bonds were admitted for trading on the corporate bond list at Nasdaq Stockholm, and the first day of trading at Nasdaq Stockholm was on 23 August 2022.

On 18 July 2022, Acroud has redeemed early its existing bonds of SEK 300 million. As at the date of redemption, Acroud owned SEK 112 million from its own bond. The redemption amount was paid to each person who was registered as an owner of Existing Bonds in the debt register maintained by Euroclear Sweden at the end of business day on 11 July 2022.

Important events after the quarter

Acroud completed the acquisition of 60% shareholding in Acroud Media Ltd for a total consideration of approximately GBP 5.1million. The newly-acquired company owns assets and technology operating within the affiliation and media space and it is expected to contribute over EUR 9 million to the Company's revenues and over EUR 4 million to the Company's EBITDA annually. The purchase consideration is payable GBP 1 million in shares (issued on 18 October 2022) and GBP 4.1 million in cash (GBP 2.0 million already settled, with the rest payable over the next 18 months). Acroud has also secured a combination of call and put options for the remaining 40% of the business expiring in 2028. Both options are based on financial performance for 12 months ending 30 September 2028 with an EBITDA multiple of 5.5x. The acquisition of the remaining 40% will be settled in cash from existing reserves (40%) and via own shares (60%).

Key Figures	JUL-SEP			JAN-SEP			LTM	
EUR thousands	2022	2021	Y/Y%	2022	2021	Y/Y%	Sep-22	Y/Y%
Revenue	6 683	6 448	4%	20 886	18 227	15%	27 426	32%
Revenue Growth, %	4%	172%	-168pp	15%	100%	-85pp	32%	-35pp
Organic Growth, %	2.1%	0.3%	1.8pp	10.6%	-13.2%	23.8pp	7.9%	23.9pp
EBITDA	1 496	1 258	19%	5 547	3 857	44%	6 364	24%
EBITDA margin, %	22%	20%	2pp	27%	21%	6pp	23%	-2pp
Adjusted EBITDA	1 496	1 258	20%	5 080	4 332	17%	6 142	15%
Adjusted EBITDA margin, %	22%	20%	2pp	24%	24%	-pp	22%	-3pp
Profit after tax	(589)	593	-199%	1 843	1 073	72%	1 486	282%
Earnings per share (after dilution)	(0.005)	0.005	-199%	0.014	0.009	67%	0.011	245%
Adjusted Profit after tax	(188)	482	-139%	951	1 326	-28%	686	-52%
Adjusted Earnings per share (after dilution)	(0.001)	0.004	-139%	0.007	0.011	-30%	0.005	-56%
Net Debts / Adjusted EBITDA rolling 12 months)	3.1	3.3	-6%	3.1	3.3	-6%	3.1	-6%
New Depositing Customers (NDCs)	33 792	39 632	-15%	102 464	100 867	2%	134 792	20%

pp = percentage points

CEO Comments

Another piece in Acroud's transformation

Quarter 3 2022 marks the start of a “new version” of our Company. With the completed acquisition our Company's KPIs will look completely different.

Summer has been upon us, during which we have experienced seasonal volatility with August revenues on the low side, only to bounce back up in September making the latter one of our best months in 2022. Despite historically being the weakest quarter, Q3 delivered EUR 6 683 thousand in revenues and EUR 1 496 thousand in EBITDA. These results represent a year-on-year growth of 4% in revenues and 19% in EBITDA. Although costs are not down quarter-on-quarter, this is because we have seen the opportunity and necessity to continue to invest in certain areas. This however means we are now using our funds in a more effective way than before.

During the quarter we have had one-off items which has affected the Company's profitability. In July the Company paid a one-off redemption fee of 3% to old bond holders, impacting the Company's profit before tax by EUR 534 thousand. Similar cost under the bond is now being accrued for throughout the term of the bond, which impacted Q3-22 results by EUR 175 thousand. The Company also adjusted its tax accrual by EUR 261 thousand to reflect the redomiciliation of one of its subsidiaries. This items in aggregate explains the loss of EUR 589 thousand incurred during the quarter.

Introducing Acroud Media Ltd

During the third quarter we also worked diligently to close the acquisition of Acroud Media Ltd. Earlier this year, Acroud Media Ltd acquired assets which have been established by previous owners in the iGaming affiliation and paid media sphere since 2016.

One of the acquired business' strengths is its agility to move from one opportunity to another, depending on market, regulatory and other macro developments. Also, the acquired business is almost exclusive based on sportsbook revenues, with some of the world's largest operators such as Bet 365 and Betway. Approximately 80% of total revenues comes from revenue-share deals, implying that there is an incredible potential in the recurring revenue and, as the player base keeps growing, this stable revenue stream keeps growing.

Another strength of the acquired business is that revenue is not dependent on SEO and search algorithms' results. Search engines like Google are updated from time to time, impacting sites' performance driven by SEO: sometimes the effect is negligible, sometimes positive, sometimes negative. This is one of the biggest operational risks in SEO affiliation business. This acquisition complimented by the last year's transformation, Acroud has transformed itself from 100% driven by SEO to a diversified business model including community-based and social media affiliation (The Gambling Cabin), paid media affiliation (Acroud Media) and SaaS Products.



Entering a new era in Acroud's transformation

With this new entity in place, Acroud has executed another step in its transformation. Besides continuing to diversify its business risks and investing on future growth, Acroud has managed to close an accretive acquisition which will boost its profitability and cash position. Best proof is Acroud's October 2022's results, where total EBITDA has increased to EUR 1.1million. This has put us in the right track to generate between EUR 8-9 million in Group EBITDA for 2022, in line with our financial target and guidance. Amount of NDCs referred to our partners is expected to almost double going forward, which in turn is expected to spark further long-term and sustainable growth.

Developments in Affiliation and SaaS businesses

Acroud Media will form part of the Affiliation business. During Q3-22 the affiliation business generated EUR3.0million in revenues, representing a year-on-year increase of 12%. Such growth was the result of the investments in growth initiatives particularly in regulated and strategic markets, which has intensified during this quarter. This also explains the year-on-year decline of 8% in the affiliation EBITDA, reaching EUR1.1million during the quarter.

A key event in Q4 will definitely be the World Cup championships, and we are getting ready for this worldwide event – in both Acroud Media and The Gambling Cabin teams. The Gambling Cabin team has some special treats in stores for its fans. Broadcasting from "The Gambling Villa" where the whole team will be gathered to provide comprehensive coverage of the event with sponsors and partners lined up.

The SaaS business continues to deliver year-on-year growth in EBITDA figures, reaching EUR 539 (271) thousand in Q3-22. This growth is driven by both Network model (represented mainly by Matching Visions and DreamStream brands) and Subscription model (represented by Voonix). Our Voonix software is turning out to be true hidden gem and our aim going forward is naturally to both expose and realize the true value of this software.

Refining our strategy

When reflecting on the past few years, I could not be more satisfied with our successful acquisition strategy as well as the subsequent integration into Acroud Group. All acquired entities are performing in line with, or better than our initial expectations.

We knew then, and it's evident today, that our integration strategy was right. We rejected the classic method of "buy assets and roll up" and instead built a house of brands. We supported and enhanced each business rather than forcing alignment with pre-existing ideas and methods. This strategy has allowed our companies to maintain autonomy and growth while diversifying business risks, achieving synergies and sharing knowledge within the Group.

More than anything, I am equally pleased as I am proud of the current "vibe" in the company. Everyone is positive and energized about the direction. We are not yet there but everyone is working towards that shared goal. With an entrepreneurial and positive mindset, we will continue to develop our strategies, examine our operations, and eliminate any inefficiencies.

Enjoy The Ride!



Robert Andersson
10 November 2022

Group development

Revenue

Revenue for the third quarter increased by 4% year-on-year to EUR 6 683 (6 448) thousand. This growth is driven by organic growth, netted off with favourable currency conversion (2%). Revenues in the iGaming Affiliation business amounted to EUR 3 029 (2 715) thousand, while revenue from the SaaS segment amounted to EUR 3 654 (3 733) thousand.

Acroud kept delivering a high number of New Depositing Customers (NDCs) to its clients, reaching 33 792 NDCs during the third quarter. The decrease by 15% in NDCs when compared to Q3 2021 is mainly a result of a decrease in the SaaS business (Network model, -42%) partly outweighed by an increase in iGaming Affiliation segment (18%).

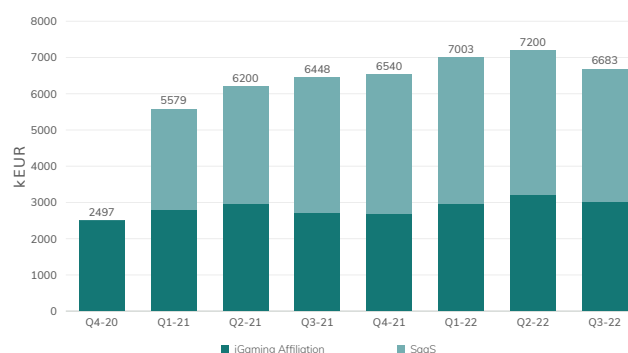
Costs

Total operating expenses in Q3 2022 remained in line when compared to last year. Personnel expenses in Q3 2022, excluding items affecting comparability, have decreased by 19% year-on-year and 9% quarter-on-quarter to EUR 820 thousand. This is mainly a result of the efficiency program implemented in November 2021. Other external expenses (EUR 4 502 thousand) have decreased by 0.8% year-on-year, driven mainly by the decrease in Payouts to sub-affiliates within the Network Model (caused by the decrease in Network-model's revenue) netted-off by increase in growth initiatives investments. Capitalised own work has also decreased year-on-year by EUR 223 thousand, setting-off the decreases in personnel expenses and other external expenses. Other external expenses have decreased by 49% when compared to Q2-22 mainly due to a positive foreign exchange gains in the third quarter. We will continue to focus on cost control in order to run operations with a high margin.

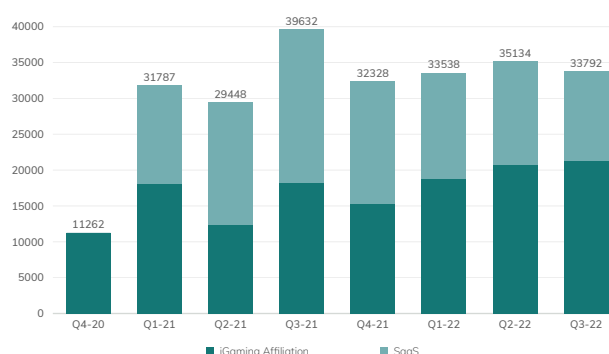
Profitability

Operating profit before depreciation (EBITDA) at group level amounted to EUR 1 496 (1 258) thousand. Excluding items affecting comparability, Group EBITDA (EUR 1 496 thousand) has increased by 19% year-on-year and decreased by 17% when compared to Q2-22. Profit after tax in Q3 2022 amounted to EUR -589 (593) thousand and the period's earnings per share after dilution amounted to EUR -0.005 (0.005). Profit after tax, adjusted for one-off income and costs, and currency effects related to the bond loan, amounted to EUR -188 (482) thousand. During Q3 2022, a tax exercise on the permanent establishment of one of the subsidiaries within the group was concluded and the tax expense of the said company was adjusted accordingly. The Group operates with an effective tax rate of approximately 12-13%.

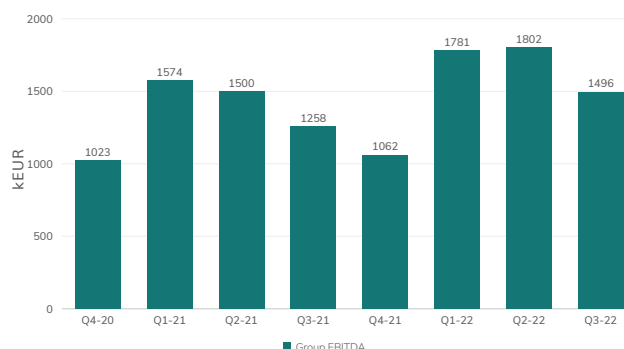
Group Revenue Development



Group NDC Development



Group EBITDA Development



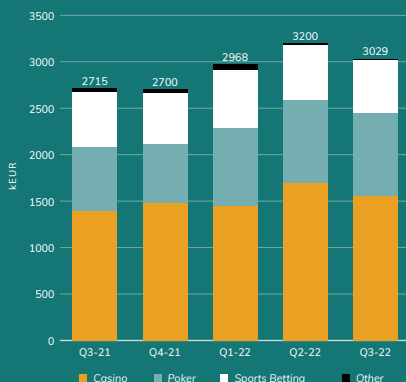
iGaming Affiliation

iGaming Affiliation revenues during Q3 2022 amounted to EUR 3 029 (2 715), representing an increase of 12% year-on-year and a decrease of 5% quarter-on-quarter. Revenue growth is coming from organic initiatives, particularly in our Poker (growing by 29% year-on-year) and Casino products (growing by 12% year-on-year). The growth in certain Casino brands in regulated markets has now reversed the impact of the Company's adjustments to the Dutch regulations. Although the Dutch market has re-opened in October 2021, only few operators were granted a license by the end of the quarter – thus limiting the size of the market for the time-being until more operators are granted a license to operate. Sports betting revenues have had a decline of -4% when compared to Q2 2022 due to seasonality of sports events.

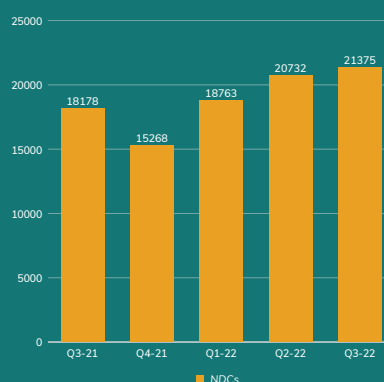
Revenue growth is happening as we continue diversifying our revenue streams and risk profile. One way how we are diversifying our risk profile within the iGaming affiliation business is by moving away from being dependent 100% on Search Engine Optimization (SEO) and introducing other affiliation revenue sources. One initiative executed so far is the strategic move to Social- and Community-based Affiliation via the acquisition and expansion of The Gambling Cabin. Gaming players are slowly moving away from Google's and other search engines' results and look more for what trusted and reputable influencers, like The Gambling Cabin's ambassadors, recommend. Social- and Community-based Affiliation generated 13% of Q3-2022 Affiliation revenues.

Another way how we have diversified our risk profile within the iGaming affiliation business is through the introduction of paid media business via the acquisition announced on 13 October 2022. The latter is expected to increase iGaming affiliation revenues and EBITDA by over EUR 9 million and EUR 4 million annually respectively.

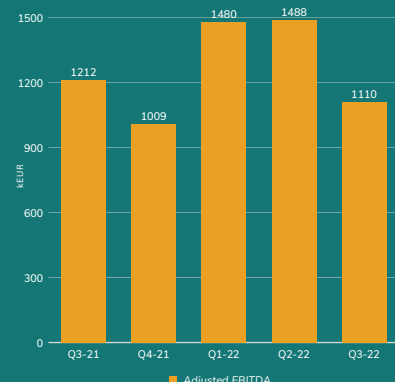
Revenue Development
iGaming Affiliation Segment



NDCs Development
iGaming Affiliation Segment



EBITDA Development
iGaming Affiliation Segment



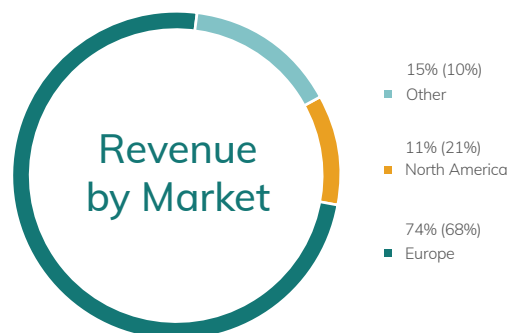
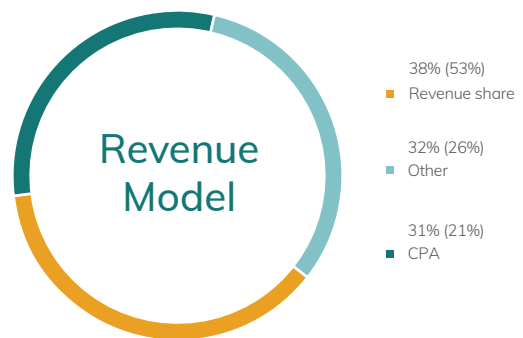
The number of New Depositing Customers (NDCs) in Q3-2022 delivered to our partners continued to increase, reaching 21 375 NDCs. This is again the highest number of NDCs delivered by our Affiliation products. We see continued high NDC numbers and expect to continue growing as the underlying KPIs on our sites show positive trends.

European markets continue to be our strongest market, contributing to 74% (68%) of the iGaming affiliation revenues. We see growth in regulated markets, which guarantees stability in the long run. We will focus on replicating this success story in other regulated markets during 2022 and beyond. North American revenues in Q3-2022 (11%) decreased compared with Q3-2021 (21%).

The revenue share ratio out of total iGaming affiliation's revenue amounted to 38% (53% in Q3 2021). The increase in CPA revenues from 21% in Q3 2021 to 31% in Q3 2022 is the result of hybrid deals and increasing number of NDCs. We also rethought our marketing deals and the ways how we increase value to our partners, thus increasing Other revenues. The transition to the right balance between revenue share, CPA and Other revenue deals strengthens our growth over time and gives the Company long-term stability.

iGaming affiliation EBITDA in Q3-22 amounted to EUR 1 110 thousand, representing a decline of 8% year-on-year and a decline of 25% when compared to Q2-22 EBITDA. EBITDA margin during the quarter amounted to 37%.

These declines are mainly attributable to an increase in the cost base as we invested in growth initiatives to keep building on the positive growth momentum and also a decrease in revenues particularly in sports betting which is mainly a result of seasonality. We will continue to focus on cost control in order to run operations with a high margin.



SaaS

In 2021, Acroud has introduced two SaaS products as part of its offering: Subscription-model and Network-model.

- The Subscription model offers pure SaaS products built specifically for other affiliates and content creators to track their operational KPIs performance with the goal of increasing their growth and profit potential.
- The Network model provides to affiliates and content creators a similar product as the Subscription model, plus access to a large pool of clients, deals and campaigns that would otherwise be out of their reach.

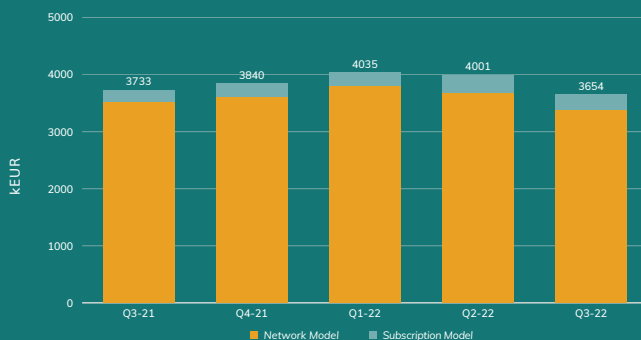
SaaS revenues amounted to EUR 3 654 thousand in Q3 2022, representing a decline of -2% year-on-year. Subscription-model revenues in Q3-22 grew organically by 36% compared to Q3-21, reaching EUR 275 (202) thousand. We expect such growth to continue developing organically in coming quarters as more initiatives are being developed to improve Voonix in terms of features as well as product offerings.

Network-model revenues in Q3 2022 amounted to EUR 3 379 (3 531) thousand, representing a year-on-year drop of -4%. New Depositing Customers (NDCs) delivered to operators via the Network-model decreased when compared to same period last year by -42% to 12 417. This drop had small effect on revenue, proving our switch to better quality and higher value NDCs delivered to our partners.

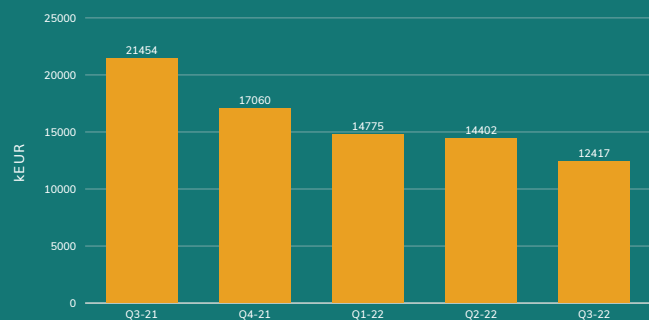
The number of Revenue Generating Units (RGUs), which measures the amount of entities serviced and billed by our SaaS segment during the third quarter amounted to 395 (393). RGUs keep increasing quarter-by-quarter in Subscription-model, set-off by the decline in Network-Model's RGUs.

Q3-22 EBITDA in SaaS business amounted to EUR 539 (271) thousand, resulting in an EBITDA margin of 15% (7%). SaaS EBITDA has increased by 99% year-on-year and in line with previous quarter, driven by the investments in growth initiatives implemented in both Subscription- and Network-models since the third quarter of last year.

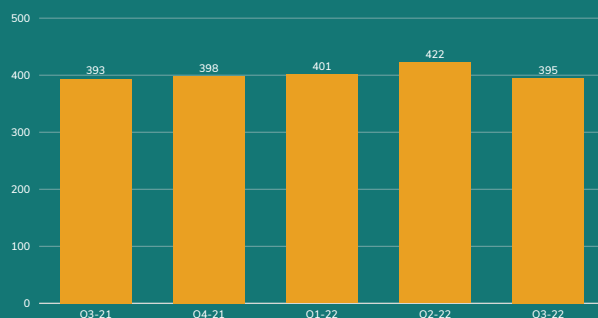
Revenue Development SaaS Segment



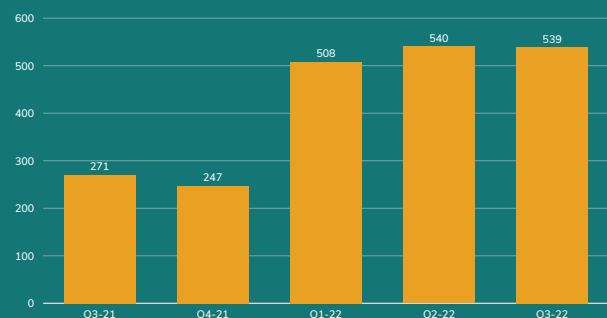
NDCs Development SaaS Segment



RGUs Development SaaS Segment



EBITDA Development SaaS Segment



Financial position

Cash flow and investments

Cash flow from operating activities during Q3 2022 amounted to EUR 1 132 (EUR 1 230) thousand, out of which EUR 50 (566) thousand were used to pay income tax. The decrease is mainly related to a higher negative working capital when compared to Q3 2021. The Company continues to have a very low level of credit losses.

Cash flow from investing activities, apart from acquisition activities, is limited as the Company's business model is not capital-intensive, amounted to EUR -177 thousand in the third quarter of 2022, compared with EUR -351 thousand in Q3 2021. The lower amount in Q3 2022 is attributable to a decrease in the acquisitions of intangible assets as less development work was required during Q3-22, particularly in the iGaming business. Moreover a temporary loan was advanced to a third party which amounted to EUR 1 101 (-) thousand which has been settled against a part-payment of the acquisition announced on 13 October 2022.

Cash flow from financing activities amounted to EUR 707 (-972) thousand in Q3 2022, which consisted primarily of bond interest payments of EUR -89 thousand compared to EUR -387 thousand in Q3 2021 (decrease is related to a change in bond interest payment date which was due for payment on 5th October 2022), dividend payments of EUR -147 (-) thousand and payments on lease liabilities of EUR -69 (-) thousand. Moreover, as a result of the new re-financing which was placed in Q3 2022, cash flow from financing activities also included EUR 12 092 (-) thousand proceeds from bond issue, EUR -10 333 (-579) payments on bond liabilities and EUR -751 (-6) thousand issue expenses.

Liquidity and financial position

At the end of the period, the Group's interest-bearing net debt was EUR 19 151 thousand, compared with EUR 17 631 thousand at the end of Q3 2021. The year-on-year increase in the interest-bearing net debt is mainly attributable to decrease in idle cash reserves. Acroud's current gross debt amounts to SEK 228 million, of which the bond amounts to SEK 216 million. Converted using the closing rate, the bond loan amounts to EUR 19 102 thousand.

As of 30 September 2022, the net debt/adjusted EBITDA ratio is 3.1x. Acroud's long-term target is a maximum net interest bearing debt/ adjusted EBITDA ratio of 2.5x over time. During 2022 and beyond, the Company will continue its efforts to reduce the net debt/ EBITDA ratio.

As at end of Q3 2022, the Company had total provisions of EUR 9 853 (9 329) thousand for potential additional consideration payments in relation to past acquisitions.

The bond loan outstanding at the end of the reporting period is due for payment in July 2025; it is therefore reported under non-current liabilities in the balance sheet in this interim report.

During the second quarter of 2022, Acroud has successfully placed SEK 225 million of senior secured floating rate bonds to investors in the Nordic and continental Europe and has also successfully completed early redemption of the old bond during July 2022. The translation effect of converting the bond loan and certain cash proceeds from SEK to EUR at the end of Q3 was EUR 308 (111) thousand, which positively impacted net financial items. The Company's cash and cash equivalents at the end of Q3 2022 amounted to EUR 1 798 (3 216) thousand.

The equity ratio was 56 (55) percent, and equity was EUR 43 482 (42 265) thousand on 30 September 2022. The Company conducts quarterly impairment testing to assess whether there is any goodwill impairment. Impairment testing at the end of September 2022 did not identify any goodwill impairment.

Financial forecast and targets

In May 2022, the Board of Acroud has set the following 2022 financial forecast and new financial objectives for financial years 2023 - 2025:

Forecasted EBITDA for 2022

Acroud is expected to reach between EUR 8 million and EUR 10 million in EBITDA during financial year 2022.

Organic EBITDA growth for 2023 - 2025

Acroud's target is to continue growing EBITDA organically by, on average, 20% annually during the financial years 2023 to 2025. Acroud aims to grow its revenue organically at an efficient cost base to ensure consistent and sustainable EBITDA growth.

Capital structure

Organic EBITDA growth is to be achieved at low financial risks. Acroud's financial target is to decrease the net-interest bearing debt/adjusted EBITDA to 2.5x or lower by December 2025.

Dividend policy

Over the next four years, Acroud will prioritise growth through organic growth initiatives and will make optimisation of the capital structure rather than dividends its priority.

Overview of outcomes of financial targets

The table below shows the outcomes of the defined financial targets:

Period	% achieved of EUR 8m-10m EBITDA (excluding items affecting comparability) Forecast up to reporting date	Capital structure
Jan-Sep 2022	51% - 64%	3.1

Other information

Parent Company

Acroud AB is the ultimate holding company in the Group (hereinafter referred to as the "the Company" or "the Parent Company") and was registered in Sweden on 14 December 2005. The Company's shares have been listed on Nasdaq First North Growth Market since June 2018. The Group's financing is arranged in the Parent Company via a bond, which is registered on Nasdaq Stockholm's Corporate Bond list. In Q3-22, the Parent Company received dividends from subsidiaries amounting to EUR 0.7 (2.6) million.

Relevant risks and uncertainties

Acroud is exposed to a number of business and financial risks. Risk management within Acroud Group is aimed at identifying, controlling and reducing risks. This is achieved based on a probability and impact assessment. The risk assessment is unchanged from the risk profile presented on pages 18, 32-33 and 71-73 of the 2021 annual report.

Seasonality

Acroud is affected by seasonal variations particularly in the iGaming Affiliation segment, with Q1 (Jan-Mar) and Q4 (Oct-Dec) revenue being somewhat stronger, while Q2 (Apr-Jun) and Q3 (Jul-Sep) are relatively weaker. The revenue seasonality follows the normal pattern for the iGaming industry.

Share Capital

Share capital on 30 September 2022 amounted to EUR 3,280 thousand divided into 129,659,355 shares, distributed as shown below. The Company has one class of shares – A shares. Each share entitles the holder to (1) vote at the shareholders' meeting. The number of shareholders on 30 September 2022 was 1 819.

An employee share option program was launched in March 2021. See note 5 for additional information.

Name	No. of shares	Ownership, %
Trottholmen AB	57,390,981	44.26%
Strategic Investment A/S (JPM Chase)	24,005,000	18.51%
Swedishsantas Media AB	5,298,860	4.09%
RIAE Media	4,086,143	3.15%
Six Sis AG	3,645,000	2.81%
Byggnadsaktiebolaget Westnia	3,104,407	2.39%
Flise Invest APS	2,799,788	2.16%
Saxo Bank	1,850,459	1.43%
ES Aktiehandel AB	1,700,000	1.31%
Avanza Pension	1,675,241	1.29%
Clearstream Banking S.A.	1,518,582	1.17%
Strunge Invest APS	1,430,308	1.10%
Trading House Scandinavia	1,176,400	0.91%
Bank Julius Baer & Co Ltd	1,111,111	0.86%
Nordnet Pensionsförsäkring AB	1,078,177	0.83%
Other shareholders	17,788,898	13.72%
TOTAL	129,659,355	100.00%

Supplementary information

The Board of Directors and the CEO hereby certify that this report provides a true and fair view of the Parent Company's and the Group's operations, financial position and financial performance for the current period, and describes material risks and uncertainties faced by the Parent Company and other Group companies.

Stockholm, 10 November 2022

BOARD AND CEO

Henrik Kvick
Chairman

Kim Mikkelsen
Director

Peter Åström
Director

Jonas Strömberg
Director

Maria Andersson Grimaldi
Director

Robert Andersson
President and CEO

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Roderick Attard, CFO
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E-mail: roderick.attard@acroud.com

Forthcoming report dates

Year-end report January-December 2022: 16 February 2023
Interim report January-March 2023: 18 May 2023
Interim report April-June 2023: 10 August 2023
Interim report July-September 2023: 9 November 2023
2023 AGM: 18 May 2023

Presentation for investors, analysts and media

A live webcast will be held on 10th November 2022 at 10.00 a.m. Swedish time.
CEO Robert Andersson and CFO Roderick Attard will present the report in English.
You can follow the presentation here: <https://tv.streamfabriken.com/acroud-q3-2022>.

To join the conference call, ring:

Sweden: +46 8 566 42 692
UK: +44 33 33 00 92 71
US: +1 646 722 49 57

The appointed Certified Adviser is FNCA Sweden AB, info@fnca.se.

Auditor's review report

ACROUD AB (publ) reg. no. 556693-7255

Introduction

We have reviewed the condensed interim financial information (the interim report) for Acroud AB (publ) at 30 September 2022 and for the nine months then ended. The Board of Directors and CEO are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express an opinion on this interim report based on our review.

Scope of the review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified during an audit. Consequently, conclusions based on a review do not have the level of assurance of those based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report has not been prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act for the Group and the Swedish Annual Accounts Act for the Parent Company.

Stockholm 10 November 2022

PricewaterhouseCoopers AB

Aleksander Lyckow
Authorised Public Accountant



Q3 2022

Financial

Statements

Financial Report

Consolidated Statement of Comprehensive Income

Amounts in kEUR	01/07/2022 30/09/2022	01/07/2021 30/09/2021	01/01/2022 30/09/2022	01/01/2021 30/09/2021
Revenue (notes 2, 3)	6 683	6 448	20 886	18 227
Total revenue	6 683	6 448	20 886	18 227
Capitalised work for own account	111	334	828	820
Other external expenses	(4 502)	(4 537)	(13 892)	(11 957)
Personnel expenses	(820)	(1 018)	(2 670)	(3 343)
Other operating income	24	31	466	110
Other operating expenses	-	-	(71)	-
EBITDA	1 496	1 258	5 547	3 857
Depreciation/amortisation	(571)	(520)	(1 755)	(1 377)
Operating profit (EBIT)	925	738	3 792	2 480
Interest and similar income	4	-	12	-
Interest and similar expenses	(1 493)	(633)	(2 658)	(1 871)
Other financial items	317	111	1 186	218
Profit/(loss) from financial items	(1 172)	(522)	(1 460)	(1 653)
Profit/(loss) before tax	(247)	216	2 332	827
Tax on profit for the period	(342)	377	(489)	246
Profit/(loss) for the period	(589)	593	1 843	1 073
Earnings per share (EUR)	(0.005)	0.005	0.014	0.009
Earnings per share after dilution (EUR)	(0.005)	0.005	0.014	0.009
Other comprehensive income, income and expenses recognised directly in equity				
Exchange differences on translation of foreign operations	(30)	-	(45)	9
Other comprehensive income for the period	(30)	-	(45)	9
Total comprehensive income for the period	(619)	593	1 798	1 082

Consolidated Statement of Financial Position

Amounts in kEUR	30/09/2022	30/09/2021	31/12/2021
Assets			
Non-current assets			
Goodwill	51 080	50 793	51 080
Other intangible assets	16 879	17 637	17 668
Right-of-use assets	306	100	62
Property, plant and equipment	195	137	135
Investment in associate	1	1	1
Other non-current receivables	86	98	95
Deferred tax assets	275	289	293
Total non-current assets	68 822	69 055	69 334
Current assets			
Trade receivables	2 421	2 617	1 716
Other receivables	3 139	1 809	685
Prepayments and accrued income	1 971	691	2 303
Cash and cash equivalents	1 798	3 216	2 202
Total current assets	9 329	8 333	6 906
Total assets	78 151	77 388	76 240
Equity and liabilities			
Equity (note 5)	43 482	42 265	41 947
Non-current liabilities			
Loans and borrowings (note 6)	19 102	-	-
Deferred tax liabilities	1 415	1 481	1 531
Liabilities to Shareholder	382	-	-
Other liabilities	7043	9 329	9 460
Lease liabilities	172	-	-
Total non-current liabilities	28 114	10 810	10 991
Current liabilities			
Loans and borrowings (note 6)	-	19 884	19 247
Liabilities to Shareholder	-	393	394
Trade Payables	419	728	942
Tax liabilities	675	245	299
Other liabilities	3 376	664	590
Lease liabilities	126	167	62
Accruals and deferred income	1 959	2 232	1 768
Total current liabilities	6 555	24 313	23 302
Total equity and liabilities	78 151	77 388	76 240

Consolidated Statement of Changes in Equity

Amounts in kEUR	Share capital	Other paid-in capital	Reserves	Retained earnings, incl. period's earnings	Total equity
Opening equity, 1 Jan 2021	2 883	20 590	2 664	10 285	36 422
New issue of own shares	397	-	-	-	397
New issue of own shares as consideration for acquisitions	-	4 333	-	-	4 333
Share issue costs	-	(32)	-	-	(32)
Share-based payments	-	90	-	-	90
Comprehensive income for the period	-	-	19	718	737
Closing equity, 31 Dec 2021	3 280	24 981	2 683	11 003	41 947
Opening equity, 1 Jan 2022	3 280	24 981	2 683	11 003	41 947
Share-based payments	-	27	-	-	27
Dividends paid	-	-	-	(196)	(196)
Comprehensive income for the period	-	-	16	1 184	1 200
Closing equity, 31 Mar 2022	3 280	25 008	2 699	11 991	42 978
Opening equity, 1 Apr 2022	3 280	25 008	2 699	11 991	42 978
Share-based payments	-	27	-	-	27
Comprehensive income for the period	-	-	(32)	1 248	1 216
Closing equity, 30 Jun 2022	3 280	25 035	2 667	13 239	44 221
Opening equity, 1 Jul 2022	3 280	25 035	2 667	13 239	44 221
Share-based payments	-	27	-	-	27
Dividends paid	-	-	-	(147)	(147)
Comprehensive income for the period	-	-	(30)	(589)	(619)
Closing equity, 30 Sep 2022	3 280	25 062	2 637	12 503	43 482

Consolidated Cash Flow Statement

Amounts in kEUR	01/07/2022 30/09/2022	01/07/2021 30/09/2021	01/01/2022 30/09/2022	01/01/2021 30/09/2021
Operating activities				
Profit/(loss) before tax	(247)	216	2 332	827
Adjustments for non-cash items not included in operating activities				
Depreciation and amortisation of assets	571	520	1 755	1 377
Exchange (gains)/losses on financial receivables and liabilities	(346)	(105)	(1 230)	(212)
Costs for share-based programmes	27	18	80	62
(Gain)/loss on sale of other assets	-	3	(446)	(100)
Provisions for restructuring	-	-	-	90
Interest and similar expenses	1 493	633	2 658	1 871
Interest and similar income	(4)	-	(12)	-
Tax paid	(50)	(566)	(211)	(951)
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in operating receivables	(271)	(389)	(484)	(963)
Increase (+)/Decrease (-) in operating liabilities	(91)	334	(385)	640
Cash flow from operating activities	1 082	664	4 057	2 641
Investing activities				
Acquisition of shares in Group companies, net of cash acquired	-	-	-	(3 665)
Acquisition of shares in associates	-	-	-	1
Acquisition of property, plant and equipment	(65)	(14)	(151)	(31)
Acquisition of intangible assets	(402)	(337)	(1 619)	(1 472)
Payment of borrowings	(1 101)	-	(2 375)	-
Sale of other assets	290	-	1302	602
Cash flow from investing activities	(1 278)	(351)	(2 843)	(4 565)
Financing activities				
Proceeds from issue of bond	12 092	-	12 092	-
Issue expenses	(751)	(6)	(751)	(32)
Repayment of borrowings	(10 333)	(579)	(11 443)	(1 738)
Dividends paid	(147)	-	(343)	-
Interest paid	(89)	(387)	(773)	(1 184)
Interest received	4	-	9	-
Repayment of lease liabilities	(69)	-	(450)	-
Cash flow from financing activities	707	(972)	(1 659)	(2 954)
Cash flow for period	511	(659)	(445)	(4 878)
Cash & cash equivalents at beginning of period	1 240	3 870	2 202	8 114
Exchange differences	62	(4)	35	(75)
Reclassification from cash & cash equivalents to other current financial assets	(15)	9	6	55
Cash & cash equivalents at end of period	1 798	3 216	1 798	3 216

Income Statement – Parent Company

Amounts in kEUR	01/07/2022 30/09/2022	01/07/2021 30/09/2021	01/01/2022 30/09/2022	01/01/2021 30/09/2021
Revenue	5	16	36	48
Total Revenue	5	16	36	48
Operating expenses				
Other external expenses	(97)	(105)	(272)	(581)
Personnel expenses	(29)	(31)	(89)	(88)
Other operating income	52	1	17	1
EBITDA	(69)	(119)	(308)	(620)
Depreciation/amortisation	-	-	-	-
Operating profit/(loss)	(69)	(119)	(308)	(620)
Profit/loss from financial items				
Profit from investments in Group companies	653	400	2 662	2 640
Interest and similar expenses	(1 483)	(612)	(2 600)	(1 813)
Other financial items	320	112	1 186	227
Profit after financial items	(579)	(219)	940	434
Tax on profit/(loss) for the period	-	-	-	-
Profit/(loss) for the period	(579)	(219)	940	434

Balance Sheet – Parent Company

Amounts in kEUR	30/09/2022	30/09/2021	31/12/2021
Assets			
Total non-current assets	52 730	52 535	52 730
Total current assets	3 858	1 115	1 225
Total assets	56 588	53 650	53 955
Equity and liabilities			
Equity	25 306	23 697	24 287
Total non-current liabilities	7 043	9 329	9 460
Total current liabilities	24 239	20 624	20 208
Total equity and liabilities	56 588	53 650	53 955

Notes to the Group's interim report

1. Accounting policies

This interim report has been prepared in accordance with IAS 34. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, IFRS. For detailed information about the Group's accounting policies, see the notes section of the Company's Annual Report 2021 (particularly pages 43-48).

Fair value of financial instruments

When determining the fair value of an asset or liability, the Group uses observable data as far as possible in accordance with IFRS 13. Fair value measurement is based on the fair value hierarchy, which categorises inputs into different levels. For further detailed information, refer to page 47 of the 2021 annual report.

The following items are measured at amortised cost, with their carrying amounts being a reasonable approximation of their fair values due to their short-term nature: trade receivables, other receivables, cash and cash equivalents, trade payables and other liabilities. In addition, the Company has a bond loan of SEK 216 million (EUR 19 786 thousand based on 30 September 2022 closing rate). The bond is measured at amortised cost and is categorised in level 2 of the fair value hierarchy, based on listings with brokers. Similar contracts are traded in an active market, and the rates reflect actual transactions for comparable instruments.

At 30 September 2022, the Company did not have any other financial instruments categorised in level 2 of the fair value hierarchy. There were no transfers between levels during 2022 or 2021.

Critical Accounting Estimates

In Q3 2022, management has continued to conduct goodwill and intangibles impairment assessments, broken down into three separate tests/CGUs. The recoverable amount of the iGaming Affiliation is sensitive to reasonably ambitious growth assumptions and deviations from growth plan could result in an impairment.

2. Organic revenue growth

Acroud will continuously invest in the core business and new internal growth initiatives to ensure strong and sustainable organic growth.

Acroud's definition of organic growth is based on net sales compared with the previous period, excluding acquisitions in accordance with IFRS 3 (in the last 12 months), divestments and exchange rate movements.

Organic revenue growth - bridge Q3 2022

Amounts in kEUR

	01/07/2022 30/09/2022 Growth, %	01/07/2022 30/09/2022 Absolute Figures	01/07/2021 30/09/2021 Absolute Figures	Deviation Absolute Figures
Total Growth, EUR	3.6%	6 683	6 448	235
Adjustment for acquired and divested/discontinued operations	0.6%	-	(33)	33
Total Growth in EUR, excluding acquired and divested/discontinued operations	4.2%	6 683	6 415	268
Adjustment for constant currency	(2.1)%	-	130	(130)
Total organic revenue growth	2.1%	6 683	6 545	138

Organic revenue growth - bridge Q3 2021

Amounts in kEUR

	01/07/2021 30/09/2021 Growth, %	01/07/2021 30/09/2021 Absolute Figures	01/07/2020 30/09/2020 Absolute Figures	Deviation Absolute Figures
Total Growth, EUR	171.5%	6 448	2 376	4 072
Adjustment for acquired and divested/discontinued operations	(171)%	(4 063)	-	(4 063)
Total Growth in EUR, excluding acquired and divested/discontinued operations	0.5%	2 385	2 376	9
Adjustment for constant currency	(0.2)%	-	4	(4)
Total organic revenue growth	0.3%	2 385	2 380	5

3. Revenue

The Group's revenue for Q3 2022 and 2021 was distributed as follows:

Amounts in kEUR	01/07/2022 30/09/2022	01/07/2021 30/09/2021	01/01/2022 30/09/2022	01/01/2021 30/09/2021
Revenue by vertical within iGaming Affiliate Segment				
Casino	1 555	1 395	4 704	4 726
Poker	891	691	2 625	2 082
Sports Betting	577	598	1 791	1 540
Other affiliation verticals	6	31	77	143
Total revenue in iGaming Affiliate Segment	3 029	2 715	9 197	8 491
Revenue by vertical within SaaS				
Network model	3 379	3 531	10 863	9 143
Subscription model	275	202	826	593
Total revenue in SaaS	3 654	3 733	11 689	9 736
Total Group revenue	6 683	6 448	20 886	18 227

Revenue attributable to Sweden in Q3 2022 amounted to 7% (7%). The corresponding amount for the full year 2022 was 7% (5%).

4. Segment reporting

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer that are used to make strategic decisions. The Chief Executive Officer is also determined to be the Chief Operating Decision Maker (CODM) as defined in IFRS 8.

The Group's operations are segregated primarily into two segments, namely iGaming Affiliation and SaaS. The following summary describes the operations in each of the Group's reportable segments:

- iGaming Affiliation segment comprises Acroud AB's underlying affiliate business containing Casino, Poker and Betting verticals. Through this segment, Acroud delivers high quality content, search engine optimisation and cutting-edge technology improvements to its core affiliate assets to maintain strong keyword rankings.
- SaaS segment comprises Software as a Service (SaaS). Through SaaS, the Group provides a software solution enabling clients to better analyse and monetise their traffic sources. Acroud AB is also providing media creators (website affiliates, bloggers, Youtubers etc...) access to a large pool of gaming campaigns that would otherwise be out of their reach, unique software and a single payment/contact for all affiliation activities.

The Chief Executive Officer primarily uses a measure of adjusted earnings before interest, tax, depreciation, and amortisation (EBITDA) to assess the performance of the operating segments. However, they also receive information about the segment's revenue and assets on a monthly basis. Interest and similar income and expenses and other financial assets are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group. There were no intersegmental revenues during the year.

The amounts provided to the Chief Executive Officer with respect to total assets are measured in a manner consistent with that of the financial statements. Segment assets consist primarily of Goodwill, Other intangibles assets, Right-of-use Assets, Property, plant and equipment, other non-current receivables, trade and other receivables and cash and cash equivalents. Income tax is not considered to be a segment asset but is managed by the treasury function.

The amounts provided to the Chief Executive Officer with respect to total liabilities are measured in a manner consistent with that of the financial statements. Segment liabilities consist primarily of trade and other payables and lease liabilities. The Group's Income taxes and interest-bearing liabilities are not considered to be segment liabilities but are managed by the treasury function.

INTERIM REPORT

Q3 2022

Certain assets and liabilities relating to the parent entity of the Group, Acroud AB, are deemed to be managed by the group treasury function and are therefore classified under the unallocated category. Information to prepare segment reporting on a geographical basis is not available and the costs to develop such information in time for inclusion in the report is deemed excessive. The Group does not have any major customer, as it largely derives revenue from a significant number of iGaming operators.

Amounts in kEUR									
Jul - Sep 2022					Jul - Sep 2021				
	iGaming Affiliation	SaaS	Unallocated	Total		iGaming Affiliation	SaaS	Unallocated	Total
Revenue	3 029	3 654	-	6 683		2 715	3 733	-	6 448
Other external expenses	(1 575)	(2 859)	(68)	(4 502)		(1 238)	(3 203)	(96)	(4 537)
Personnel expenses	(430)	(254)	(136)	(820)		(600)	(290)	(128)	(1 018)
Other operating income /(expenses)	86	(2)	51	135		334	31	-	365
EBITDA	1 110	539	(153)	1 496		1 211	271	(224)	1 258
Depreciation/Amortisation	(431)	(140)	-	(571)		(383)	(137)	-	(520)
EBIT	679	399	(153)	925		828	134	(224)	738
Interest and similar income	-	-	4	4		-	-	-	-
Interest and similar expenses	-	-	(1 493)	(1 493)		-	-	(633)	(633)
Other financial assets	-	-	317	317		-	-	111	111
Profit/(loss) before tax	679	399	(1 325)	(247)		828	134	(746)	216
Tax on profit for the period	-	-	(342)	(342)		-	-	377	377
Profit/(loss) for the period	679	399	(1 667)	(589)		828	134	(369)	593
Material non-cash items									
Net foreign exchange gain/(loss)	(4)	-	321	317		(1)	-	112	111
Segment Assets	63 966	12 911	-	76 877		62 904	13 310	-	76 214
Unallocated Assets	-	-	1 274	1 274		-	-	1 174	1 174
Total assets	63 966	12 911	1 274	78 151		62 904	13 310	1 174	77 388
Segment Liabilities	(4 986)	(7 506)	-	(12 492)		(5 023)	(7 789)	-	(12 812)
Unallocated Liabilities	-	-	(22 177)	(22 177)		-	-	(22 311)	(22 311)
Total Liabilities	(4 986)	(7 506)	(22 177)	(34 669)		(5 023)	(7 789)	(22 311)	(35 123)

Amounts in kEUR					Jan - Sep 2022					Jan - Sep 2021				
	iGaming Affiliation	SaaS	Unallocated	Total		iGaming Affiliation	SaaS	Unallocated	Total					
Revenue	9 197	11 689	-	20 886		8 491	9 736	-	18 227					
Other external expenses	(4 372)	(9 329)	(191)	(13 892)		(3 231)	(8 151)	(575)	(11 957)					
Personnel expenses	(1 483)	(776)	(411)	(2 670)		(2 156)	(806)	(381)	(3 343)					
Other operating income /(expenses)	1 204	3	16	1 223		851	79	-	930					
EBITDA	4 546	1 587	(586)	5 547		3 955	858	(956)	3 857					
Depreciation/Amortisation	(1 323)	(432)	-	(1 755)		(965)	(412)	-	(1 377)					
EBIT	3 223	1 155	(586)	3 792		2 990	446	(956)	2 480					
Interest and similar income	-	-	12	12		-	-	-	-					
Interest and similar expenses	-	-	(2 658)	(2 658)		-	-	(1 871)	(1 871)					
Other financial assets	-	-	1 186	1 186		-	-	218	218					
Profit/(loss) before tax	3 223	1 155	(2 046)	2 332		2 990	446	(2 609)	827					
Tax on profit for the period	-	-	(489)	(489)		-	-	246	246					
Profit/(loss) for the period	3 223	1 155	(2 535)	1 843		2 990	446	(2 363)	1 073					
Material non-cash items														
Net foreign exchange gain/(loss)	-	-	1 186	1 186		(9)	-	227	218					
Segment Assets	63 966	12 911	-	76 877		62 904	13 310	-	76 214					
Unallocated Assets	-	-	1 274	1 274		-	-	1 714	1 714					
Total assets	63 966	12 911	1 274	78 151		62 904	13 310	1 714	77 388					
Segment Liabilities	(4 986)	(7 506)	-	(12 492)		(5 023)	(7 789)	-	(12 812)					
Unallocated Liabilities	-	-	(22 177)	(22 177)		-	-	(22 311)	(22 311)					
Total Liabilities	(4 986)	(7 506)	(22 177)	(34 669)		(5 023)	(7 789)	(22 311)	(35 123)					

5. Related-party transactions

There were no new related party transactions that significantly affected the Company's earnings and financial position during the period. For information on related-party transactions, see note 28 of the 2021 annual report.

6. Share-based payments

Following a resolution during an Extraordinary General Meeting on 1 March 2021, an employee stock option program has been established for key personnel, management and senior executives in the Company and its subsidiaries. A total of 5,600,000 employee stock options have been issued to senior executives (six people), management (eight people) and other key persons employed by the Company and its subsidiaries (approximately fourteen people). The employee stock options were issued free of charge. Each employee stock option entails a right to acquire one (1) new share in the Company during the period from 15 March 2024 to 12 April 2024.

The fair value on the grant date was calculated using the Black-Scholes valuation model. This method takes into account subscription price, share price on the grant date, term of the warrant, expected share price volatility, expected dividend yield and risk-free interest over the term of the warrant. The applied data in the Black-Scholes method was:

Subscription price:	SEK 3.25, corresponding to 120% of Acroud's volume-weighted average price for a share in the company according to Nasdaq First North Premier Growth Market official price list during the period from February 22, 2021 to March 5, 2021.
Grant date:	19 March 2021
Expiration date:	12 April 2024
Share price on the grant date:	SEK 2.70
Expected volatility in the Company's share price:	45%
Expected dividend yield:	No dividends are expected to be paid during the time up to the program's expiration date.
Risk-free interest rate:	-0.19%

The total recognised cost associated with the above share-based programme, which is settled with equity instruments, is EUR 27 thousand for Q3 2022.

7. Loans and Borrowings

Borrowings consist of a bond loan amounting to SEK 225 (206) million which amounts to SEK 216 million when issued at 95% of par.

The carrying amount and market value of the bond are as follows:

Amounts in kEUR	30/09/2022	30/09/2021	31/12/2021
Corporate bond			
Bond carrying amount, gross of amortised redemption fee and discount	19 786	20 222	19 487
Prepaid transaction costs	(684)	(338)	(240)
Loans and borrowings	19 102	19 884	19 247

During the second quarter of 2022, Acroud has successfully placed SEK 225 million of senior secured floating rate bonds to investors in the Nordic and continental Europe. The settlement of the new bond took place on 5 July 2022. With this financing in place, Acroud is now able to keep delivering its strategic agenda and is very positive about its future.

On 18 July 2022, Acroud has redeemed its existing bonds of SEK 300 million at a redemption price of 103%. The redemption amount was paid to each person who was registered as an owner of Existing Bonds in the debt register maintained by Euroclear Sweden at the end of business day on 11 July 2022.

Bond transaction costs

Acroud recognises loan liabilities initially at fair value after transaction costs, and thereafter at amortised cost. Amortised cost is calculated based on the effective interest method used at initial recognition. This means that premiums and discounts and direct issue costs are amortised over the term of the liability.

8. Pledged assets and contingent liabilities

Pledged assets and contingent liabilities are possible obligations that arise from past events and whose existence is confirmed only by the occurrence or non-occurrence of one or more uncertain future events outside the Group's control, or when there is an obligation arising from past events which is not recognised as a liability or provision because it is not probable that an outflow of resources will be required to settle the obligation or the amount cannot be measured with sufficient reliability.

Amounts in kEUR	Group		Parent Company	
	30/09/2022	30/09/2021	30/09/2022	30/09/2021
Net assets/Shares in subsidiaries pledged as collateral for bonds	70 754	50 555	51 637	31 581

To provide collateral for borrowings related to the acquisition of the subsidiary HLM Malta Limited, the Parent Company has pledged shares in specific subsidiaries. For the Parent Company, the value of the pledged shares comprises the cost, while for the Group the value comprises total net assets, which would disappear from the Group if the subsidiary shares were foreclosed.

9. Non-recurring items

The table below shows extracts from the Consolidated Statement of Comprehensive Income and how it has been affected by non-recurring items.

Results for 2021 were affected by non-recurring transformative costs in connection with acquisition processes attributable to financing activities, restructuring and currency effects.

Q1 2022 was affected by the non-recurring income of EUR 467 thousand attributable to the sale of finance affiliation assets and favourable currency effects of EUR 166 thousand attributable to financing activities. Q2 2022 was affected by favourable currency effects of EUR 660 thousand attributable to financing activities. Q3 2022 was affected by the one-off expense of EUR 709 thousand relating to the old bond redemption, the amortised bond redemption fee and discount and favourable currency effects of EUR 308 thousand.

Amounts in kEUR	01/07/2022 - 30/09/2022			01/07/2021 - 30/09/2021			01/01/2022 - 30/09/2022			01/01/2021 - 30/09/2021		
	Reported income statement	Items affecting comparability	Adjusted for items affecting comparability	Reported income statement	Items affecting comparability	Adjusted for items affecting comparability	Reported income statement	Items affecting comparability	Adjusted for items affecting comparability	Reported income statement	Items affecting comparability	Adjusted for items affecting comparability
Other external expenses	(4 502)	-	(4 502)	(4 537)	-	(4 537)	(13 892)	-	(13 892)	(11 957)	315	(11 642)
Personnel expenses	(820)	-	(820)	(1 018)	-	(1 018)	(2 670)	-	(2 670)	(3 343)	160	(3 183)
Other operating income	24	-	24	31	-	31	466	(467)	(1)	110	-	110
EBITDA	1 496	-	1 496	1 258	-	1 258	5 547	(467)	5 080	3 857	475	4 332
Depreciation/amortisation and impairment	(571)	-	(571)	(520)	-	(520)	(1 755)	-	(1 755)	(1 377)	-	(1 377)
Operating profit (EBIT)	925	-	925	738	-	738	3 792	(467)	3 325	2 480	475	2 955
Interest and similar expenses	(1 493)	709	(784)	(633)	-	(633)	(2 658)	709	(1 949)	(1 871)	-	(1 871)
Other financial items	317	(308)	9	111	(111)	-	1 186	(1 134)	52	218	(222)	(4)
Net profit before tax	(247)	401	154	216	(111)	105	2 332	(892)	1 440	827	253	1 080
Net profit	(589)	401	(188)	593	(111)	482	1 843	(892)	951	1 073	253	1 326

10. Events after the end of the period

Acroud completed the acquisition of 60% shareholding in Acroud Media Ltd for a total consideration of approximately GBP 5.1million. The newly-acquired company owns assets and technology operating within the affiliation and media space and it is expected to contribute over EUR 9 million to the Company's revenues and over EUR 4 million to the Company's EBITDA annually. The purchase consideration is payable GBP 1 million in shares (issued on 18 October 2022) and GBP 4.1 million in cash (GBP 2.0 million already settled, with the rest payable over the next 18 months). Acroud has also secured a combination of call and put options for the remaining 40% of the business expiring in 2028. Both options are based on financial performance for 12 months ending 30 September 2028 with an EBITDA multiple of 5.5x. The acquisition of the remaining 40% will be settled in cash from existing reserves (40%) and via own shares (60%).

Key figures and definitions

Key figures, Group

	01/07/2022 30/09/2022	01/07/2021 30/09/2021	01/01/2022 30/09/2022	01/01/2021 30/09/2021
EBITDA margin	22%	20%	27%	21%
Adjusted EBITDA margin	22%	20%	24%	24%
Operating margin	14%	11%	18%	14%
Revenue Growth	4%	172%	15%	100%
Organic growth	2.1%	0.3%	10.6%	(13.2%)
Equity ratio	56%	55%	56%	55%
Return on equity	(1)%	1%	4%	3%
Equity per share (EUR)	0.34	0.33	0.34	0.33
Number of registered shares at end of period	129,659,355	129,659,355	129,659,355	129,659,355
Weighted average number of shares before dilution	129,659,355	129,659,355	129,659,355	126,136,436
Weighted average number of shares after dilution	129,659,355	129,659,355	129,659,355	126,136,436
Earnings per share (after dilution)	(0.005)	0.005	0.014	0.009
Adjusted earnings per share (after dilution)	(0.001)	0.004	0.007	0.011
Market price per share at end of period (SEK)	1.83	2.55	1.83	2.55
EPS growth (%)	199%	6%	67%	(67%)

Acroud presents certain alternative performance measures (APMs) in addition to the conventional financial ratios defined by IFRS in order to achieve better understanding of the development of operations and the Group's financial status. However the APMs should not be regarded as a substitute for the key ratios required under IFRS. The reconciliation is presented in the tables in the annual report and should be read in connection with the definitions below.

CPA	Cost Per Acquisition - revenue from up-front payment for each individual paying player that Acroud refers to its partners (usually the iGaming operator).
EBITDA margin	EBITDA in relation to revenue.
Equity per share	Equity divided by the number of shares outstanding.
Geographical distribution of revenue	Revenue per geographic market is distributed based on a combination of revenue generated by operators and the original IP addresses of leads sent to operators.
iGaming Affiliation Segment	Financial information relating to the iGaming affiliate business, which is made up of three major verticals: Casino, Poker and Betting.
SaaS Segment	Financial information relating to the SaaS business line. SaaS financial information relating to periods before acquisition date is based on proforma figures.
Adjusted EBITDA	Reported EBITDA, adjusted for non-recurring items in the form of restructuring costs and costs attributable to the change of name to Acroud.
Adjusted profit after tax	Reported profit after tax, adjusted for non-recurring items in the form of restructuring costs and costs attributable to the change of name to Acroud, refinancing and excluding currency effects related to the bond loan valuation.
NDC	The number of new customers making their first deposit with an iGaming (poker, casino, bingo, sports betting) operator. NDCs for the financial vertical are not included.
Revenue Generating Units (RGUs)	The number of active entities which Acroud provides services to via the SaaS segment. In Matching Visions, RGUs represent the number of active affiliate companies forming part of Acroud's network during the reporting period. In SaaS vertical, RGUs represent the number of active clients to whom subscriptions were sold during the reporting period.
Organic revenue growth	Revenue from affiliate operations compared with the previous period, excluding acquisitions and divestments in accordance with IFRS 3 (last 12 months) and exchange rate movements.
Earnings per share	Profit/loss after tax divided by the average number of shares.
Return on equity	Profit/loss after tax divided by average equity.
Operating margin	Operating profit/loss as a percentage of sales.
Equity ratio	Equity as a percentage of total assets.
Debt/equity ratio	Interest-bearing liabilities including accrued interest related to loan financing, convertibles, lease liabilities, excluding any additional consideration, and less cash, in relation to LTM EBITDA.
EPS growth	Percentage increase in earnings per share (after dilution) between periods.
Revenue share	Revenue derived from "revenue share", which means that Acroud and the iGaming operator share the net gaming revenue that the player generates with the operator.

Information for Shareholders

Financial calendar

Reports

Year-end report January - December 2022:	16 February 2023
Interim report January - March 2023	18 May 2023
Interim report April - June 2023	10 August 2023
Interim report July - September 2023	9 November 2023
2023 AGM	18 May 2023

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Contact with investors

The CEO and CFO are responsible for providing shareholders, investors, analysts and the media with relevant information. During the year, Acroud participated in a number of capital market activities. The Company also held regular analyst meetings.

Financial reports, press releases and other information are available from the publication date on Acroud website: <http://www.acroud.com/investor-relations/>. It is also possible to subscribe to press releases and reports on the website. Printed copies of the annual report are sent on request.

CERTIFIED ADVISOR

The appointed Certified Adviser is FNCA Sweden AB, info@fnca.se.

From August 2021 (Q2 21 Report) Acroud has changed reporting and company language to English. This means that onwards Interim Reports and the correlated press releases will be issued in both English and Swedish, however the English version will supersede the Swedish version.