

Q4 2022

I N T E R I M   R E P O R T

2022 Q4

A Time of Growth



Q4 2022

I N T E R I M   R E P O R T



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Robert Andersson CEO



# Q4 Highlights

**134%**

Adj. EBITA

**53%**

REVENUE

**160%**

NDC





# Q4 Key Figures

- Revenue amounted to .....EUR 10 019 (6 540)
- Adj. EBITDA amounted to .....EUR 2 492 (1 062)
- Profit after tax was .....EUR -20 265 (-356)
- Adjusted profit after tax was ..... EUR 564 (-264)
- New Depositing Customers .....84 086 (32 328)



# Key Figures 2022

- Revenue amounted to .....EUR 30 905 (24 767)
- Adj. EBITDA amounted to .....EUR 7 573 (5 395)
- Profit after tax was ..... EUR -18 421 (719)
- Adjusted profit after tax was .....EUR 1 516 (1 064)
- New Depositing Customers.....186 550 (133 195)




# Q4 Summary

- First quarter with our new **Media Business**
- **Optimizing!** New Foundation and Management.
- Strategy to **diversifying** revenue streams and risks was right.
- Now **68% sports book revenue** on predominantly rev-share
- Successful **acquisitions** promising strong growth 2023.
- New era - right on track to deliver on our **targets**.







# Acquisition of **Acroud Media Ltd** completed

**AGILE**

more opportunistic

**DIVERSIFIED**

less dependent on SEO

**GROWTH**

stable revenue stream





Compared to  
**Financial Target**

Year-on-Year Growth  
**+40% adj EBITDA**

Delivered  
**7.89 vs 8**  
2022





# 2023 Financial Target

year-on-year ORGANIC growth

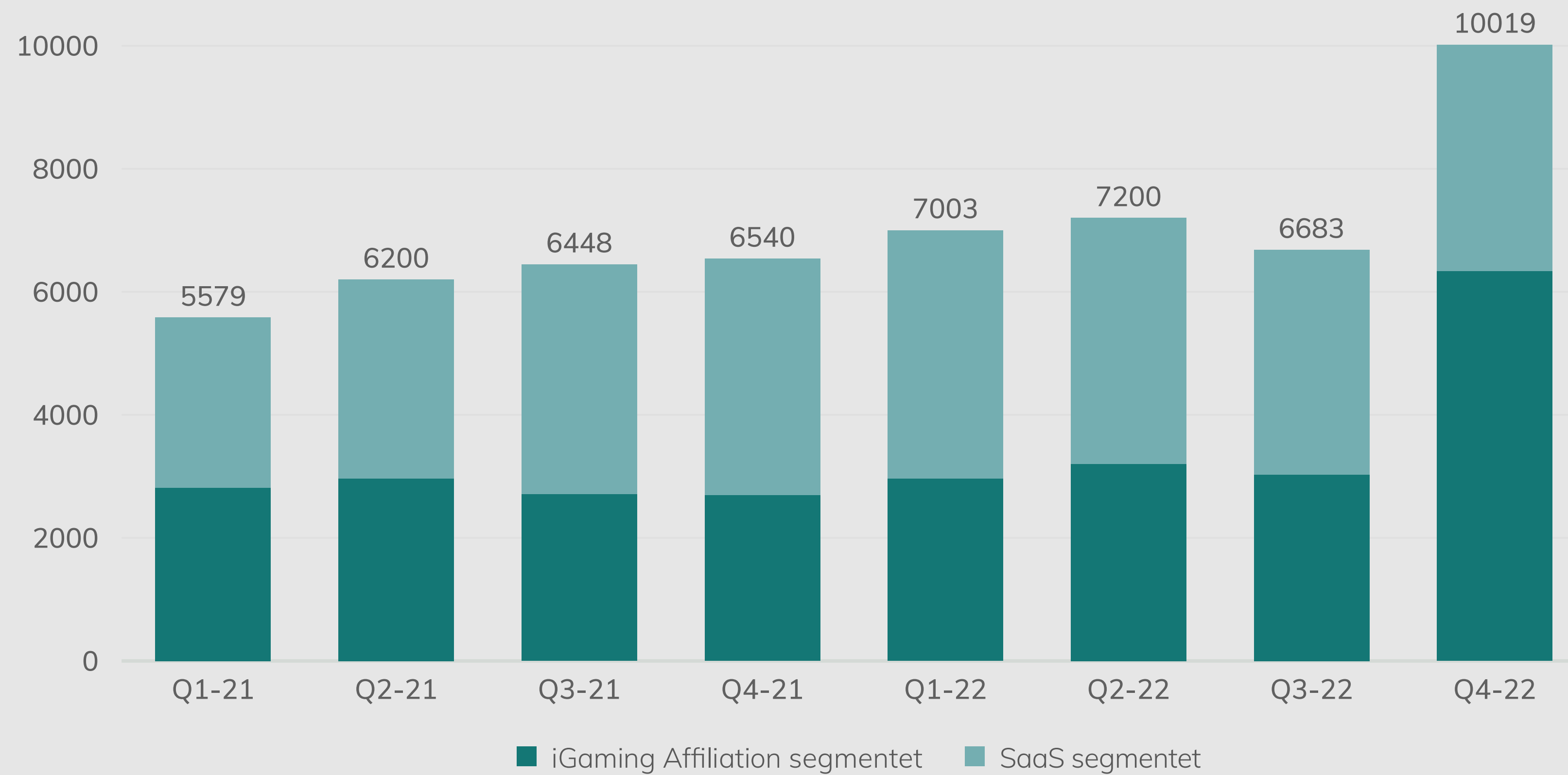
**20%**

**PLUS**  
**Media Business**





# Group Revenue Development





# House of brands

## ACROUD

➤ matching visions

 **AFFHUT**  
Build your own affiliate network

DREAM  STREAM

**TRAFFIC  
GRID** ➤➤➤

 **VOONIX**  
PART OF ACROUD

 **GAMBLING  
CABIN**

**THE  
FESTIVAL  
SERIES**

 **COMPARE  
CASINO**

 **guia**  
casino

**PokerZeit**

**PokerListings**

**MAX**  
FREE BETS

 **SBG**  
SPORTS BETTING GUIDE

 **Bet  
Football**

**BONUSCODE**  
THE BEST FREE BETS IN THE UK

**GAMEOASIS**  
CASINO & SPORTWETTEN BLOG

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**Casino2  
Chancen**



# Our Diverse Offer



## Innovative SEO

Continued development in our  
SEO strategy is paying off

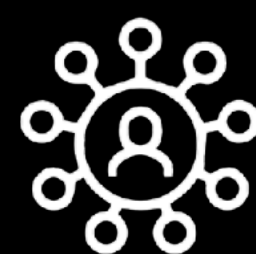


## PPC + Media inhouse

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



## Software & Technology



## Advertising Networks

Building strong relationships with our  
partners via large network partnerships



## Media House Partnerships

contact us for more info  
(licensed operators only)





# Financial Details

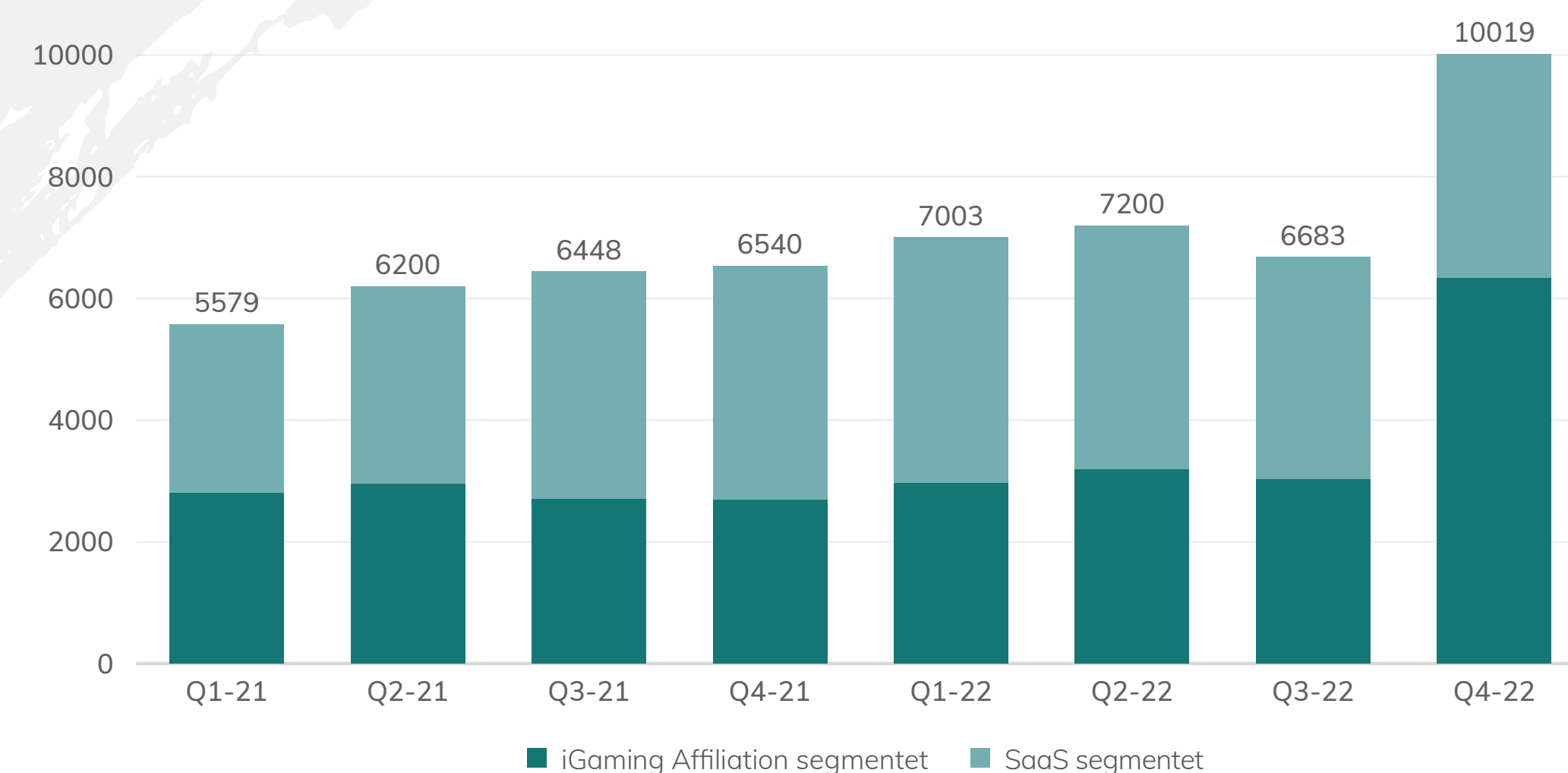
Investor Presentation

Q4 2022



# Group

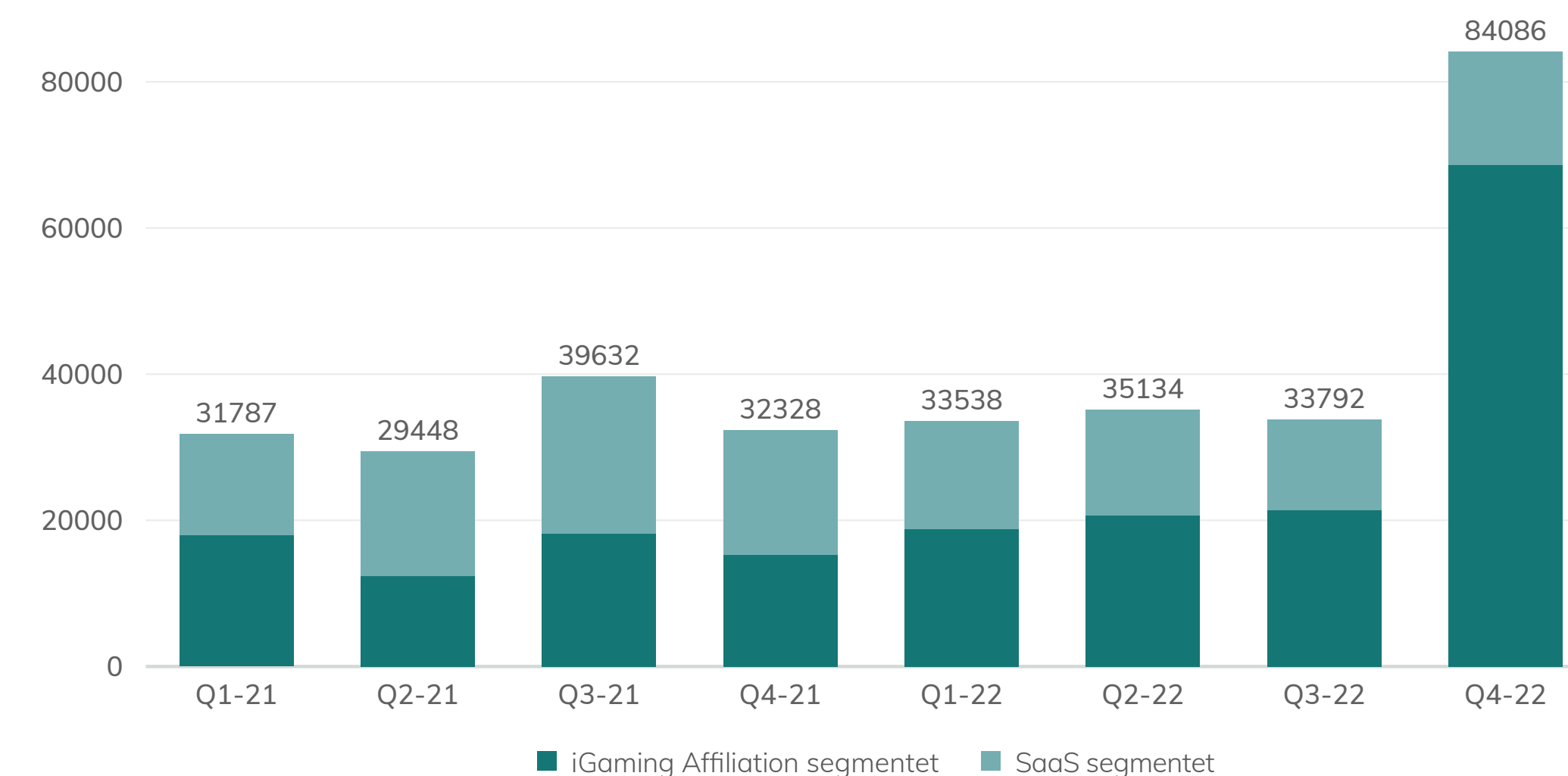
## Revenue development



Fourth quarter revenue has increased by 53% year-on-year to EUR10 019 thousand from EUR6 6540 thousand, mainly driven by the latest acquisition of Acroud Media. Excluding any FX effects, organic growth during Q4-22 amounted to -3.3%.

Revenues from the SaaS segment amounted to EUR 3 679 thousand while revenues from the iGaming Affiliation segment amounted to EUR 6 340 thousand.

## NDC development



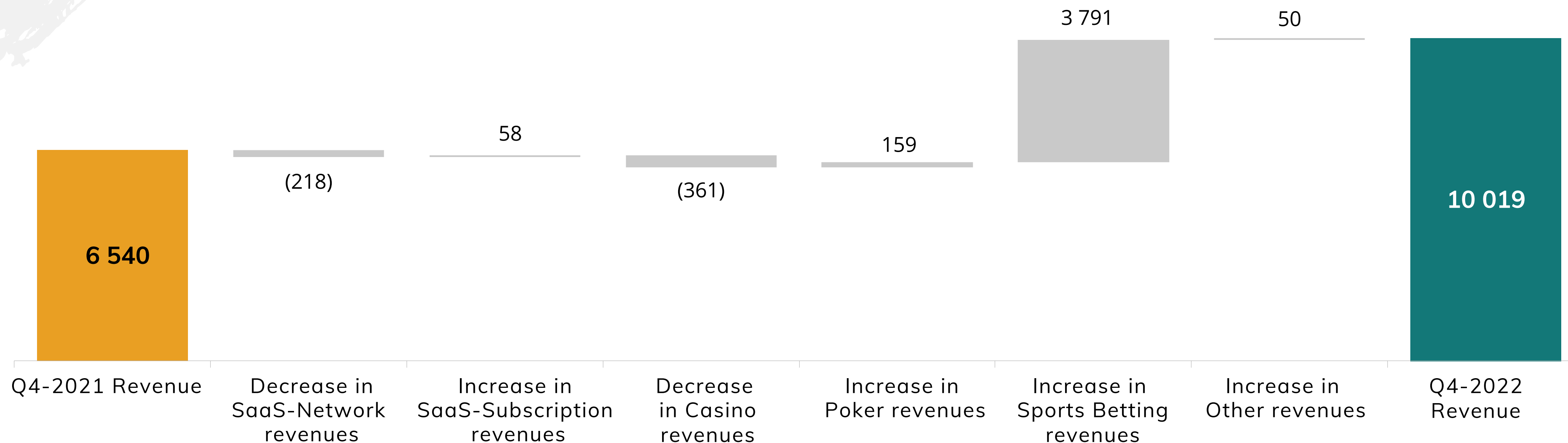
Acroud keeps delivering high number of NDCs to its partners via both iGaming Affiliation and SaaS (Network Model) businesses. During Q4-22 NDCs amounted to 84 086, representing a year-on-year increase of 160%. This growth is led by the iGaming affiliation including the latest acquisition, outweighed by a decrease in the NDCs delivered by network-based SaaS business.





# Group Revenue Bridge vs Q4-2021

Year-on-year growth in revenue in Q4-22 of 53% is driven by growth in Sports betting revenue mainly arising from the newly acquired entity and Poker products in the iGaming affiliation segment. There was also a slight increase in SaaS subscription revenues and other revenues. Such increase was partly set-off by drop in SaaS Network-model revenues and a decline in Casino revenues.

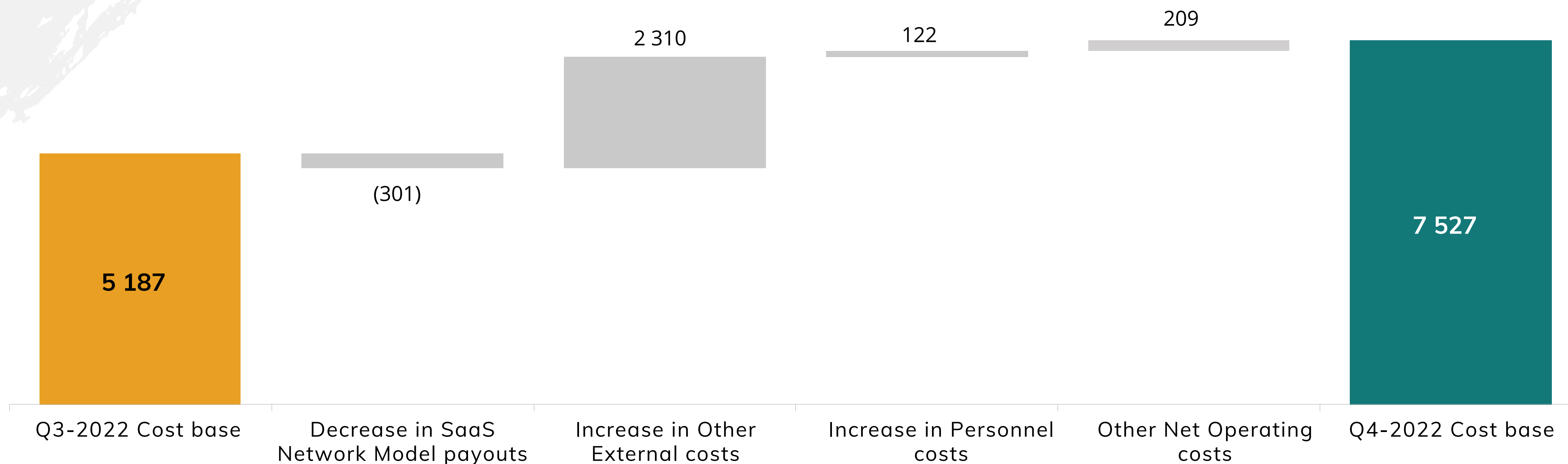




# Group Cost Bridge vs Q3-2022

Q4-2022 operating expenses have increased compared to Q3-2022. The increase is driven by the increase in other external costs and personnel costs (driven mostly by the new acquisition) and also lower capitalized work. The cost of payouts to sub-affiliates in SaaS Network model have decreased in line with revenue.

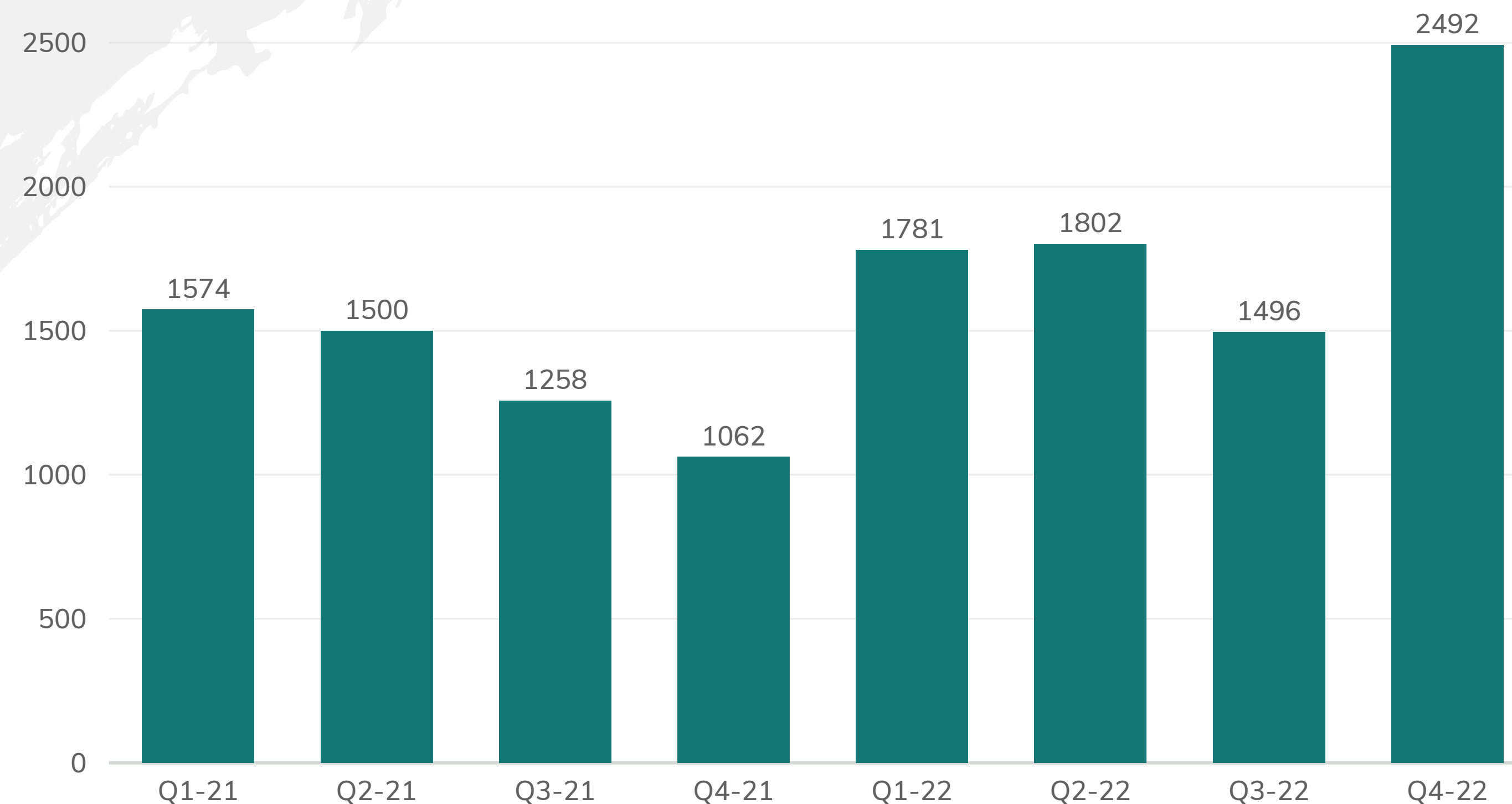
We will continue to focus on cost control in order to run operations with a high margin.





# Group

## Adjusted EBITDA development



The Group's adjusted EBITDA in Q4-2022 has increased by 135% year-on-year to EUR 2 492 thousand, driven mainly by the Media acquisition.

During the fourth quarter, the Affiliation business operated at an EBITDA margin (excluding one-offs) of 37% while the SaaS business operated at an EBITDA margin of 11%, resulting in a blended Group EBITDA margin (excluding one-off costs) of 25%.

During Q4-2022, Acroud had one-off expenses impacting EBITDA of EUR 150 thousand attributable to termination benefits in line with the new strategy and costs incurred in acquiring Acroud Media Ltd.

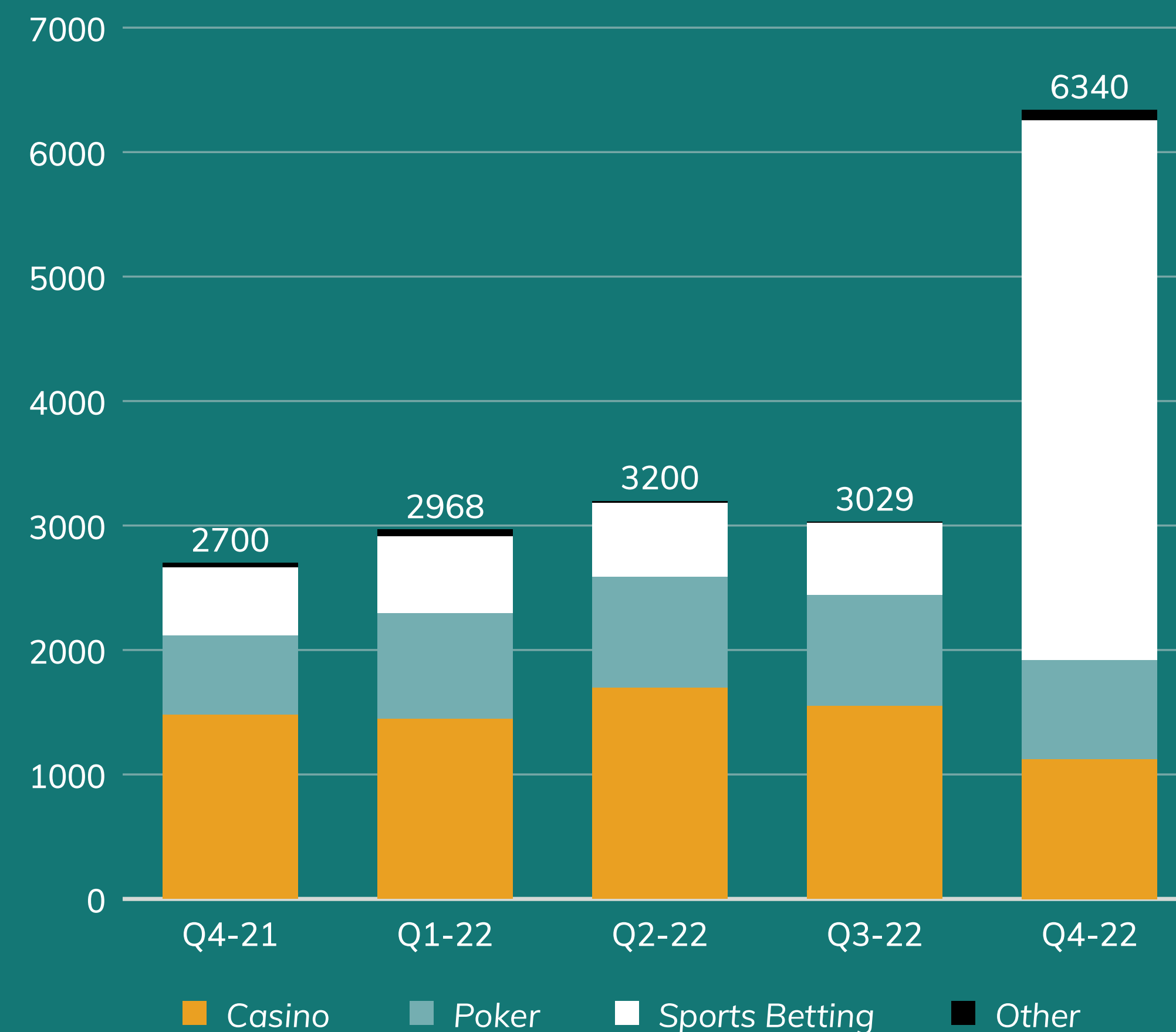
During Q4-2022, Acroud had one-off items amounting to EUR 20 679 thousand mainly relating to the impairment charge of the Highlight Media business, the charge to reflect the estimated earnouts relating to Power Media Group and The Gambling Cabin and currency effects in relation to the bond. Such adjustments did not impact Acroud's EBITDA but affected Acroud's net profit.



## Revenue Development

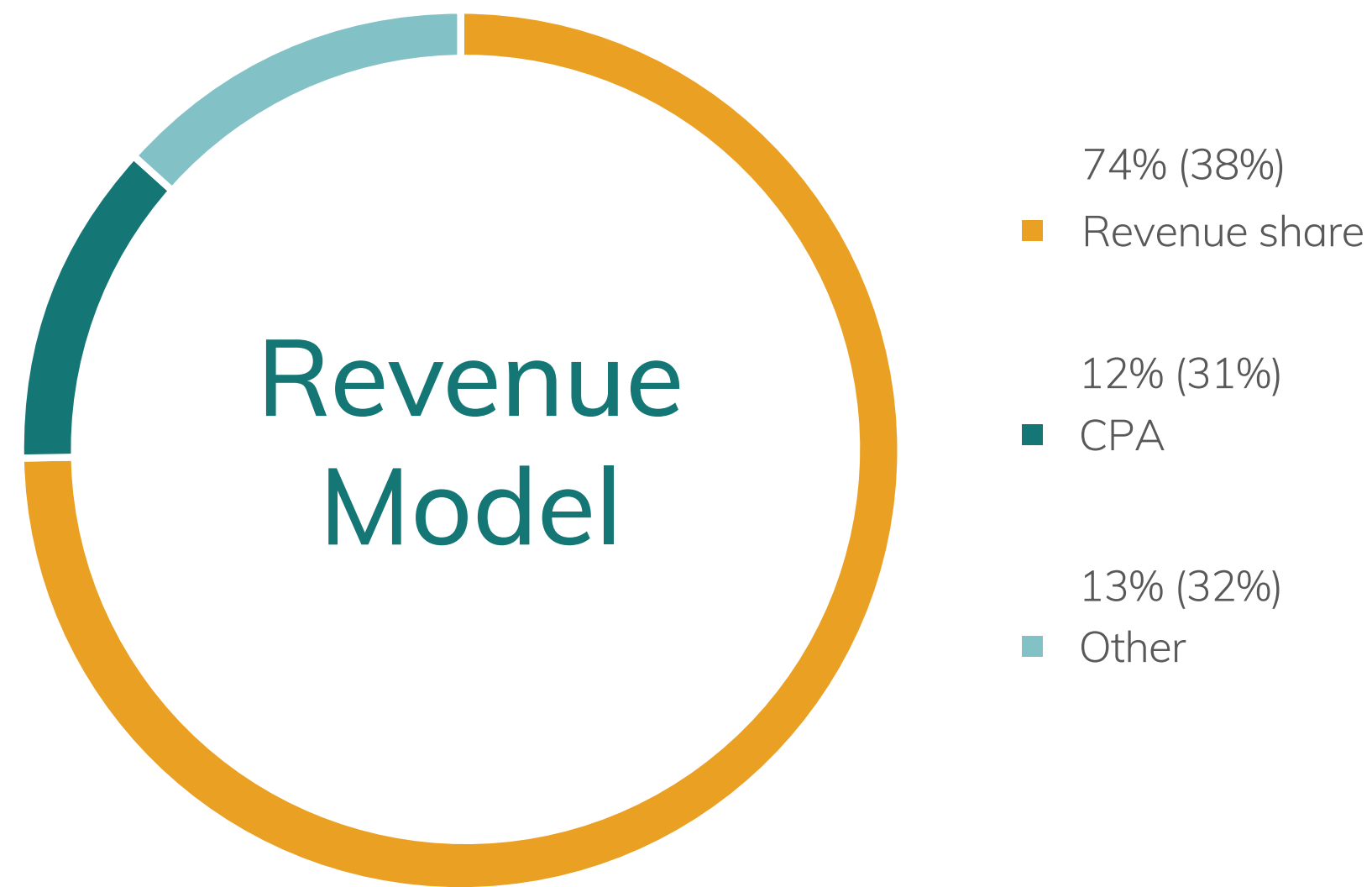
iGaming Affiliation revenue in Q4 increased to EUR 6 340 (2 700) thousand, representing an increase of 135% year-on-year and 109% quarter-on-quarter. Revenue growth is driven purely by the latest acquisition. Excluding the acquisition, revenue dropped by 11% quarter-on-quarter mainly due to a decrease in casino revenues which was partly compensated by an increase in sports betting revenues.

Revenue growth is happening as we continue diversifying our revenue streams and risk profile, even more so during this period with the acquisition of Acroud Media and its introduction to the paid media business. The transaction aligns with Acroud's strategic agenda of creating a lower volatility profile with more stable revenue generation and profitability.

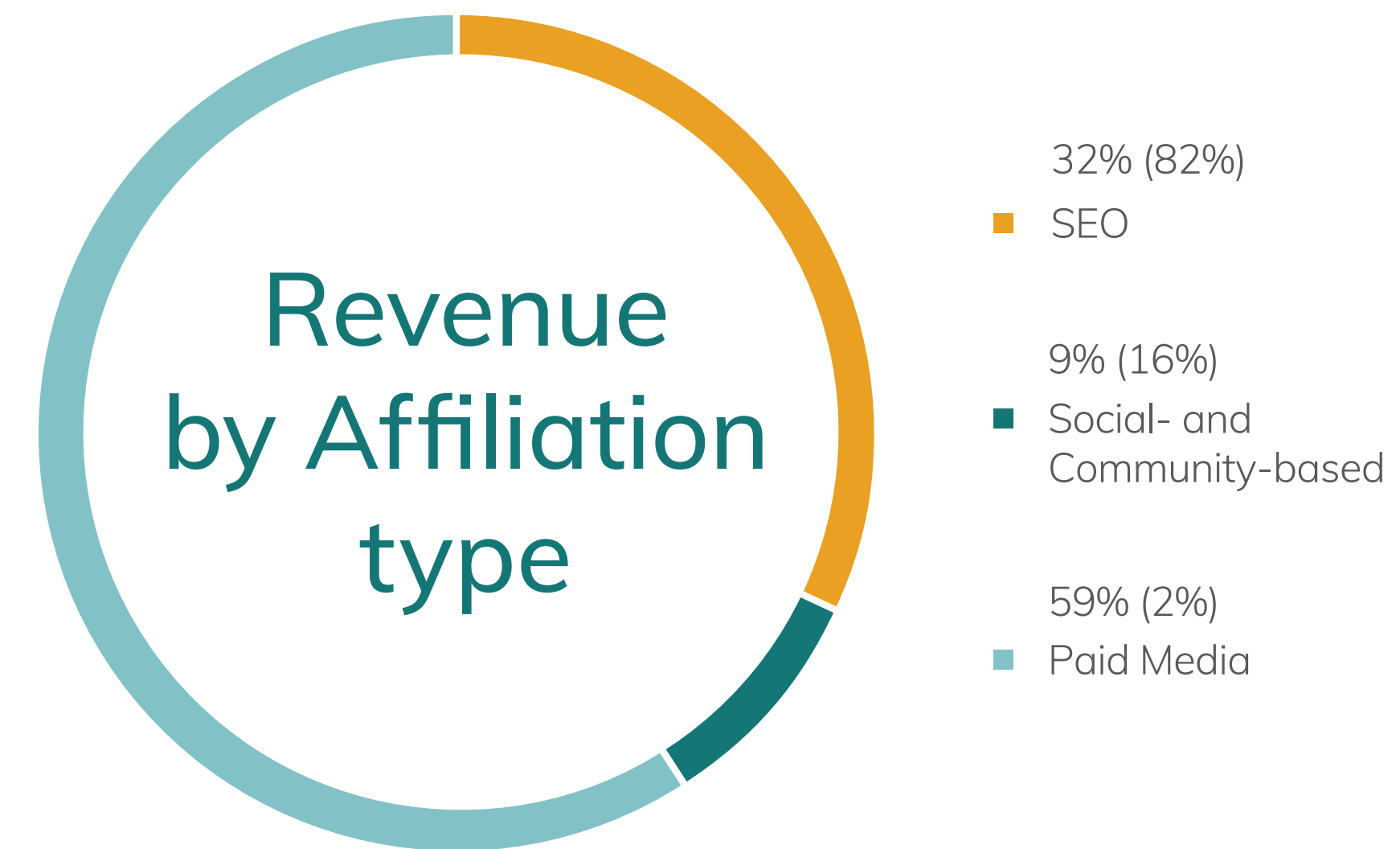




# iGaming Affiliation



The revenue share represented 74% of total affiliation revenues whereas CPA revenue and other fees represented 12% and 13% respectively. The change from last quarter is in relation to the Media acquisition.



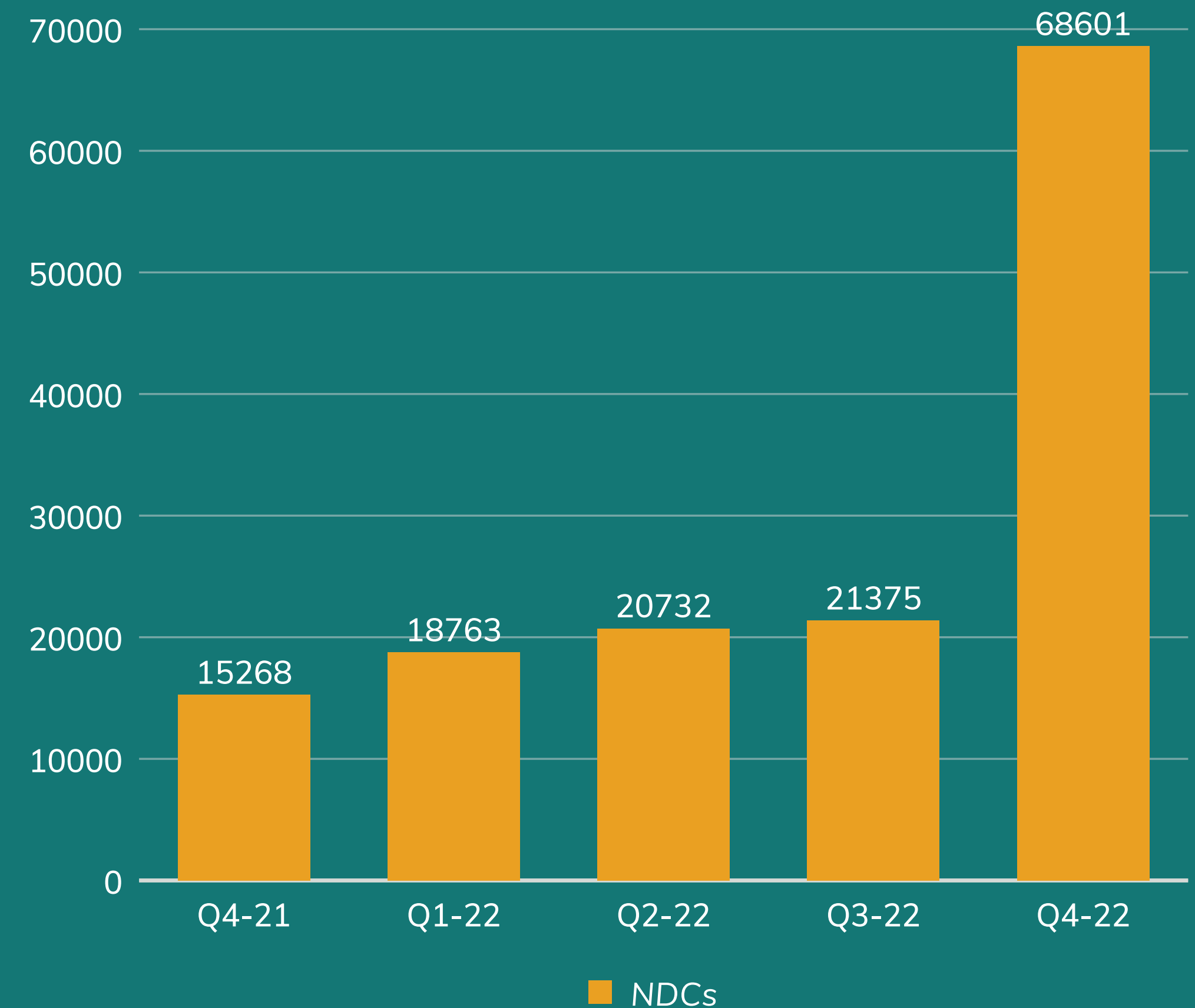
During Q4-2022, we continued to diversify risks and traffic sources. SEO-based affiliation represented 32% of the Q4-22 iGaming affiliation revenues, Social- and Community-based affiliations represented 9% of the Q4-22 iGaming affiliation revenues whilst paid media represented 59% of the iGaming affiliation revenues.





## NDCs Development

The iGaming segment has delivered a high number of New Depositing Customers (NDC) - reaching 68 601 NDCs in the fourth quarter compared with 15 268 the corresponding period the previous year. With the acquisition of Acroud Media, NDC levels generated by the iGaming affiliation business have increased drastically, nonetheless there was still a 17% increase in NDCs during the period, when compared to the same period last year.

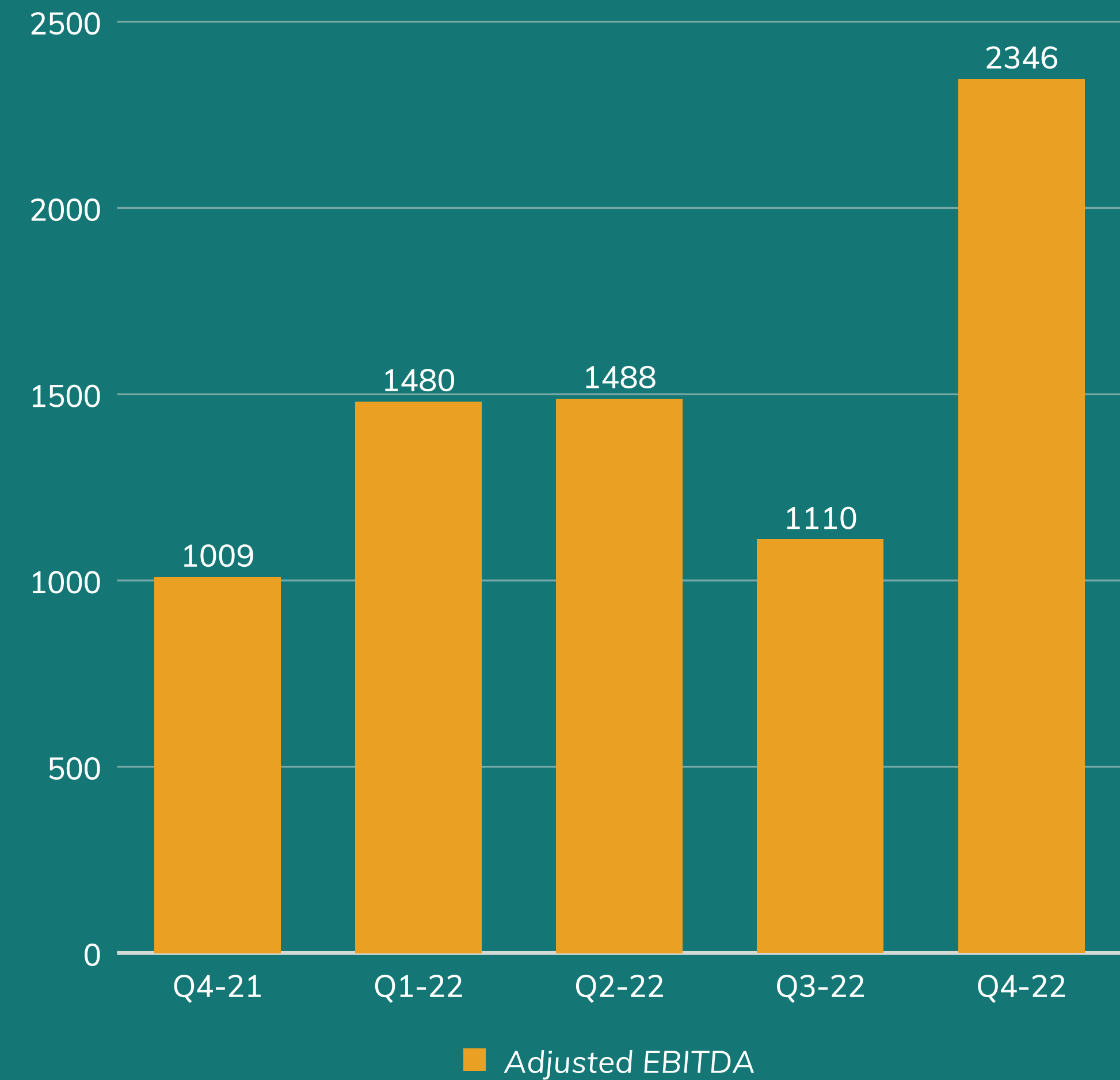




## EBITA Development

Adjusted EBITDA in the iGaming Affiliation segment in Q4-2022 amounted to EUR2 346, representing 133% year-on-year growth.

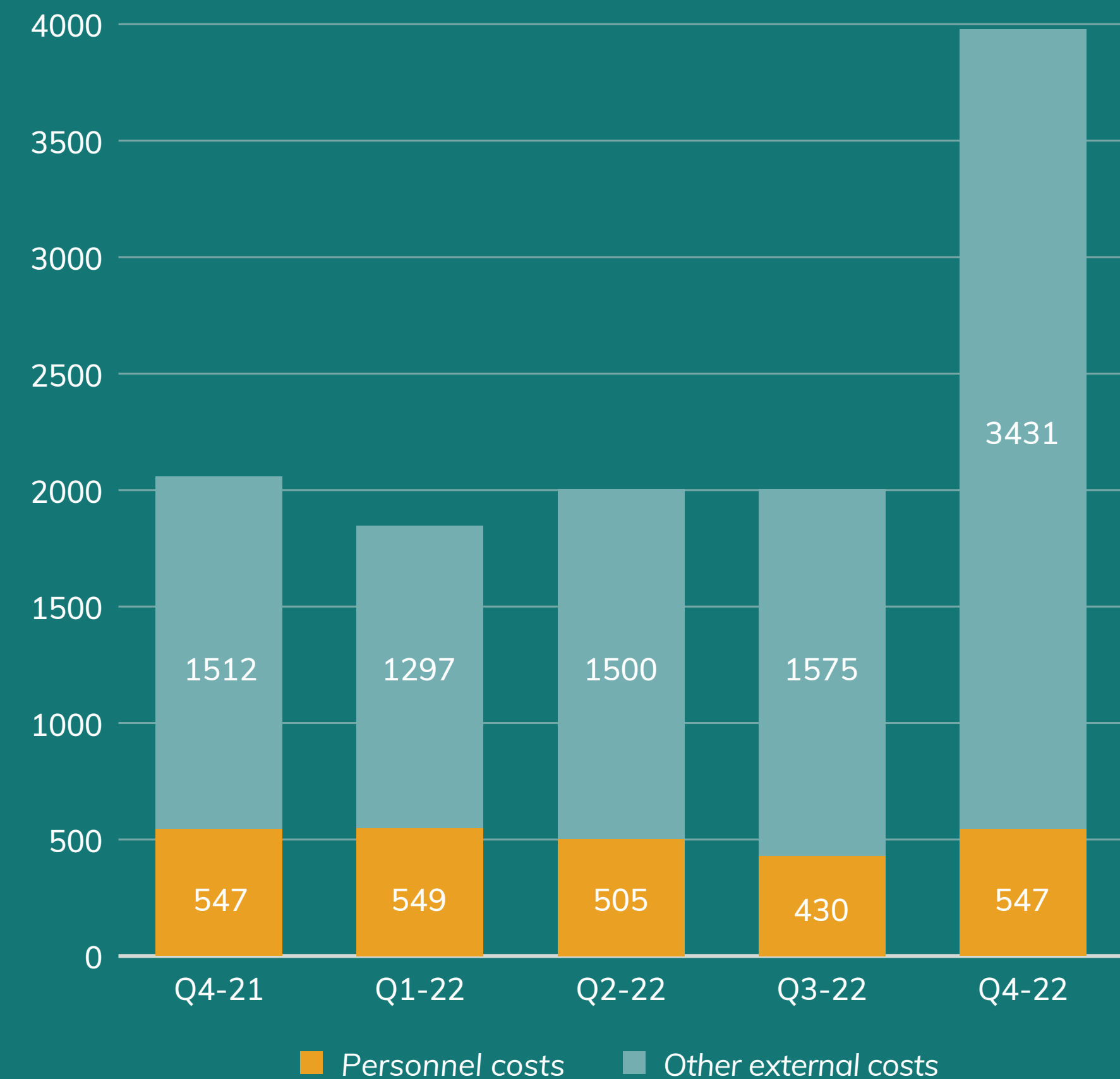
The iGaming affiliation segment operated with an EBITDA margin of 37% during the fourth quarter. This is in line with EBITDA margin in in Q3 2022.





## Adj. Cost Base Development

Personnel costs in iGaming affiliation has increased by 27% quarter-on-quarter. The increase is driven by the Media acquisition. The increase in other external costs year-on-year (+127%) and quarter-on-quarter (+118%) is also driven by the increase in the marketing expenditure led by the new acquisition.



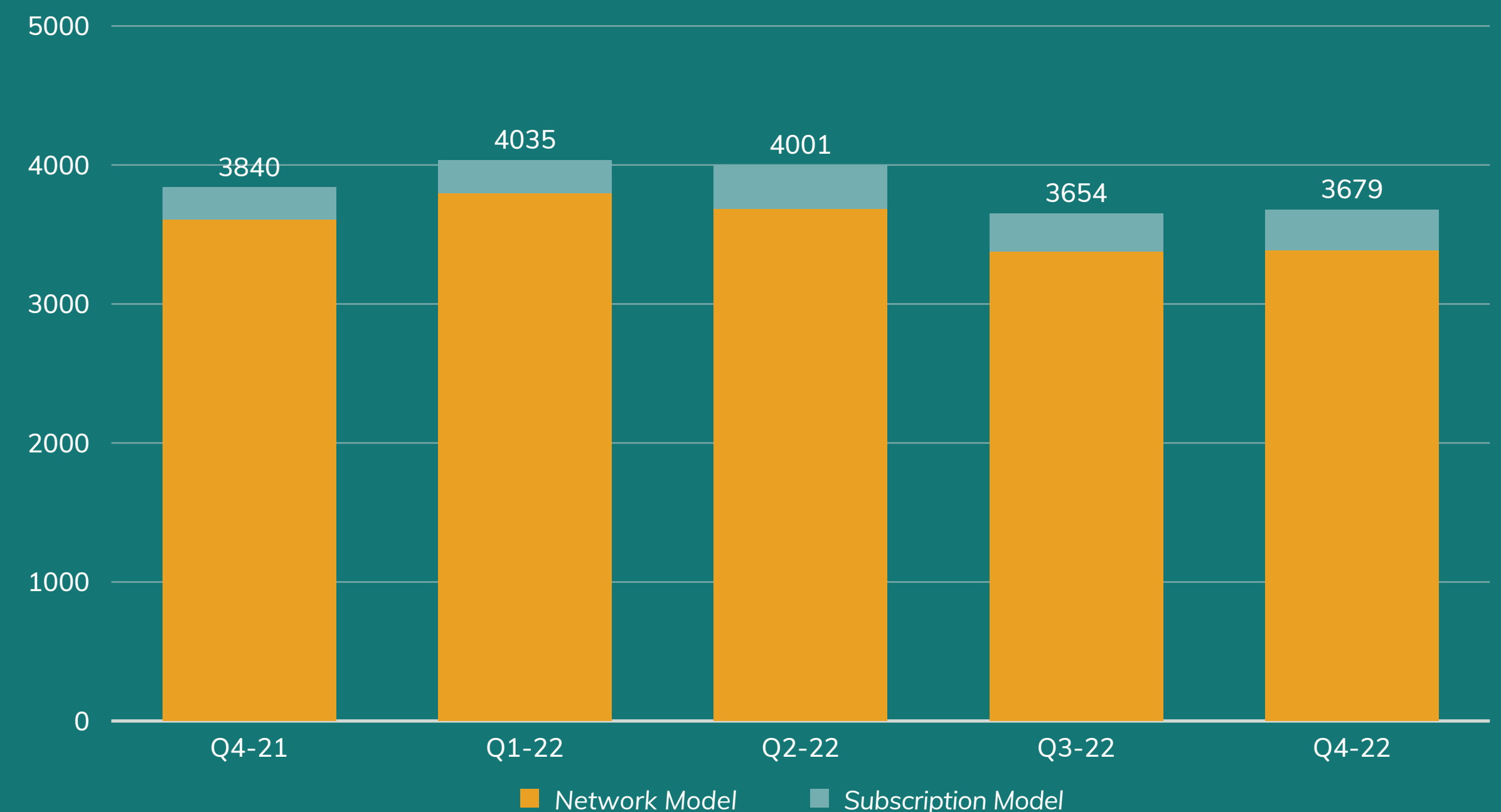


## Revenue Development

The SaaS segment registered revenues of EUR 3 679 thousand, resulting in a decline of 4% year-on-year.

Revenues derived from subscription-model revenues increased by 25% compared to Q4-21, amounting to EUR 290 (232) thousand and by 5% quarter-on-quarter. We expect such organic growth to continue this year as more projects are being developed to improve Voonix in terms of features as well as product offerings.

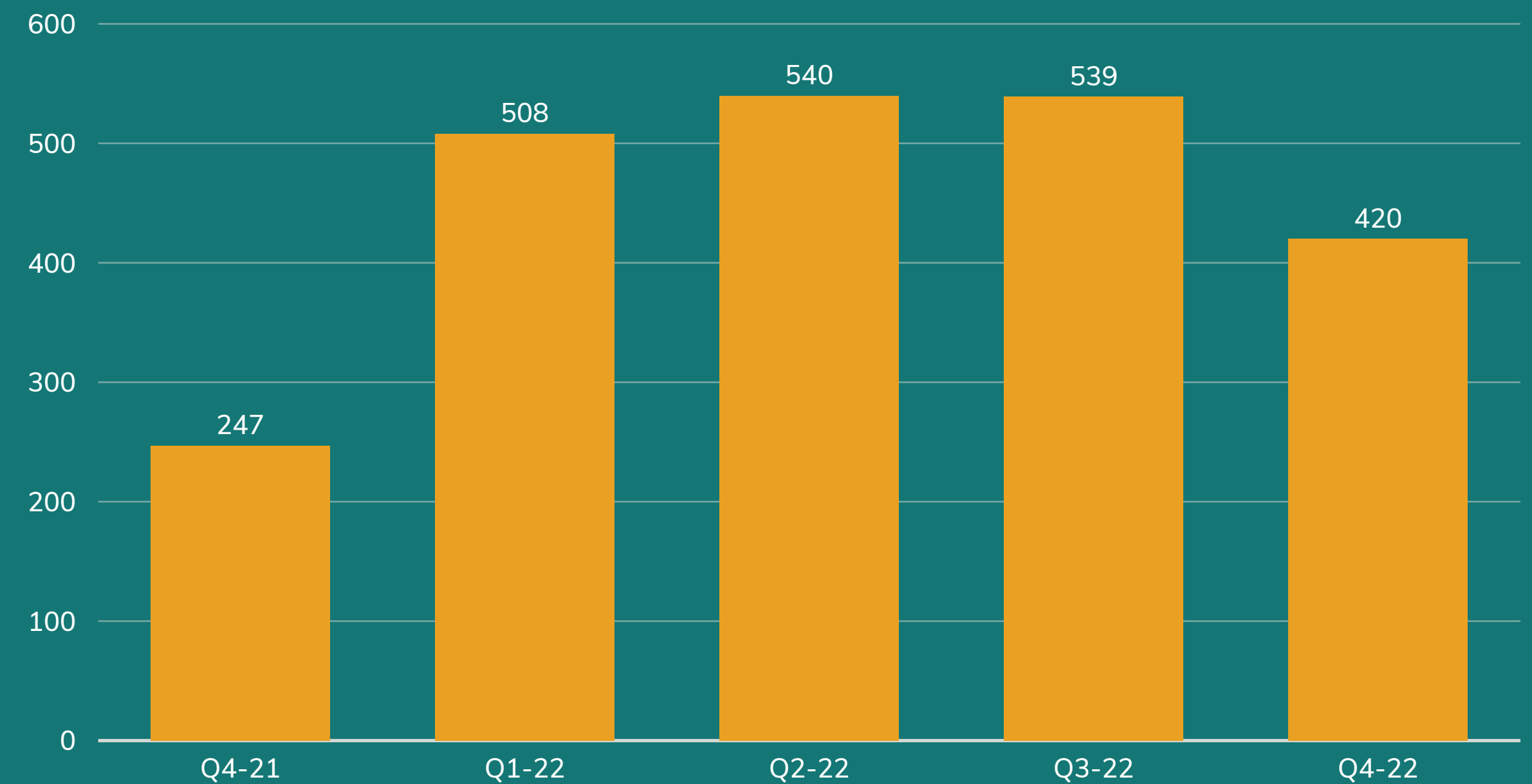
The decline is coming from the network model which in Q4-22 revenue amounted to EUR 3 389 thousand (representing a decrease of -6% year-on-year).





## Adj. EBITDA Development

EBITDA in SaaS business increased by 70% when compared to same period last year and totaled EUR 420 (247) thousand. This corresponds to an EBITDA margin of 11% (6%).

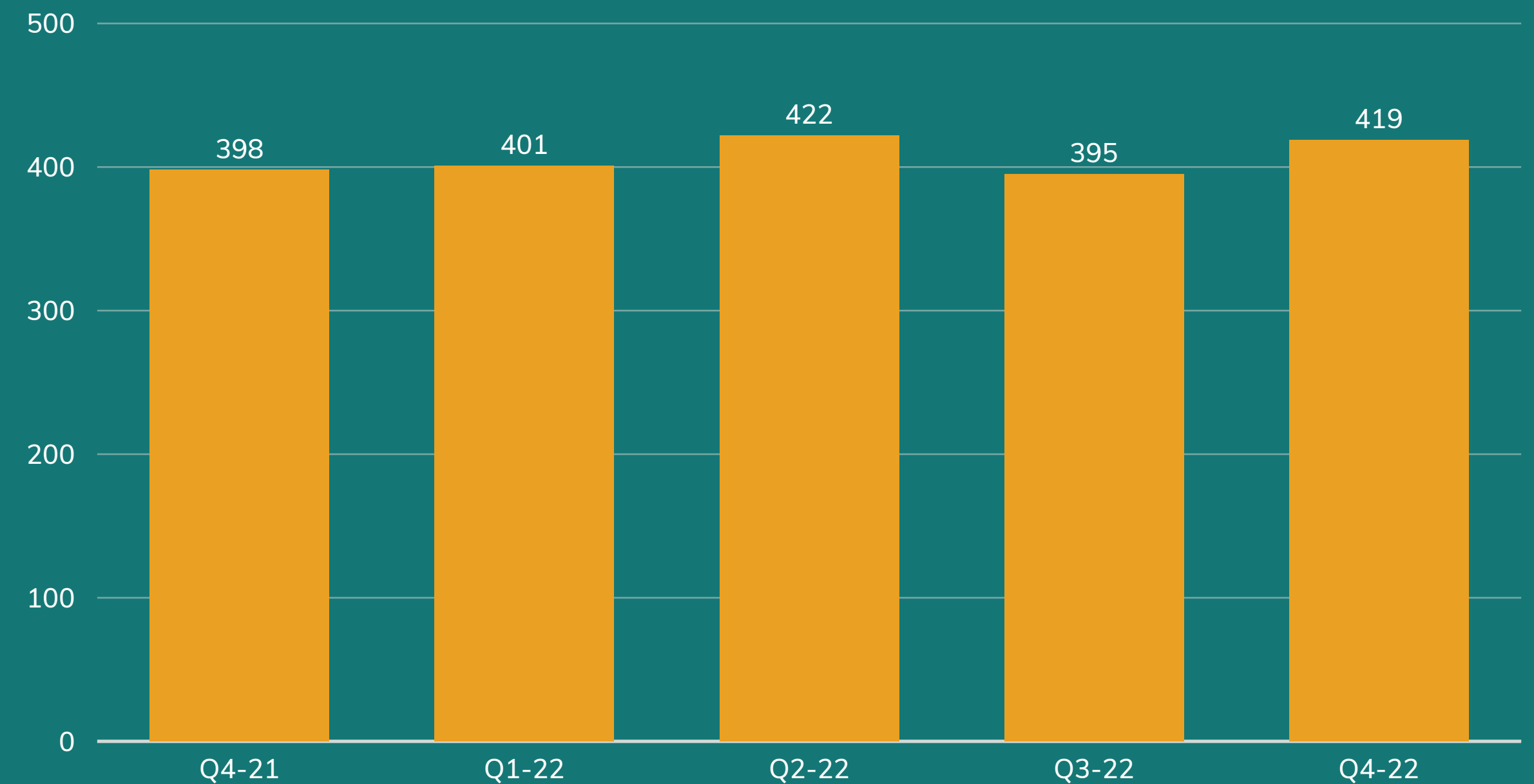




## RGU Development

The number of RGUs (Revenue Generating Units) in SaaS in the fourth quarter amounted to 419 (398).

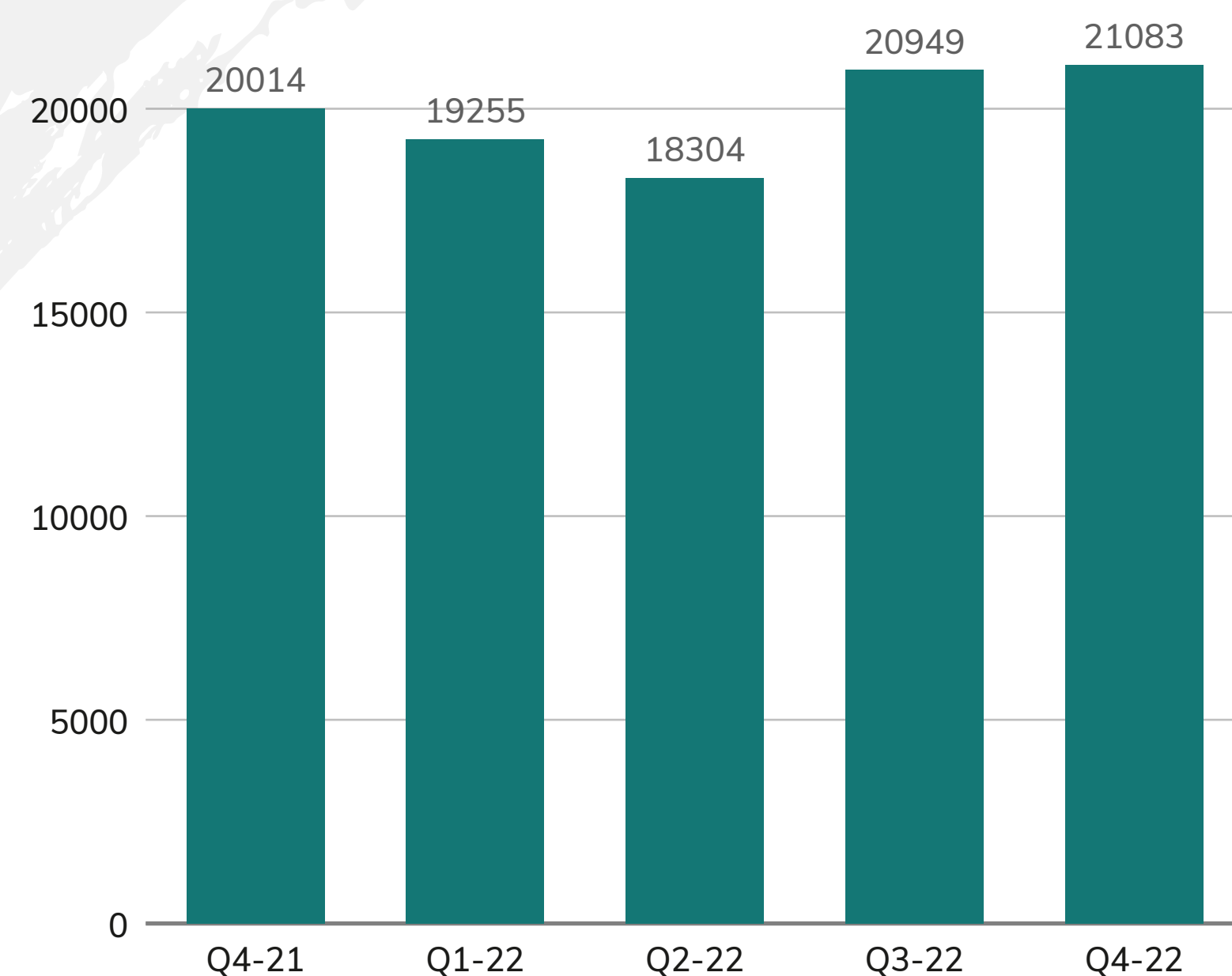
RGUs keep on increasing both in Subscription-model (9% Q-o-Q and 14% Y-o-Y) as well as in Network-Model's RGUs (5% Q-o-Q and 2% Y-o-Y).



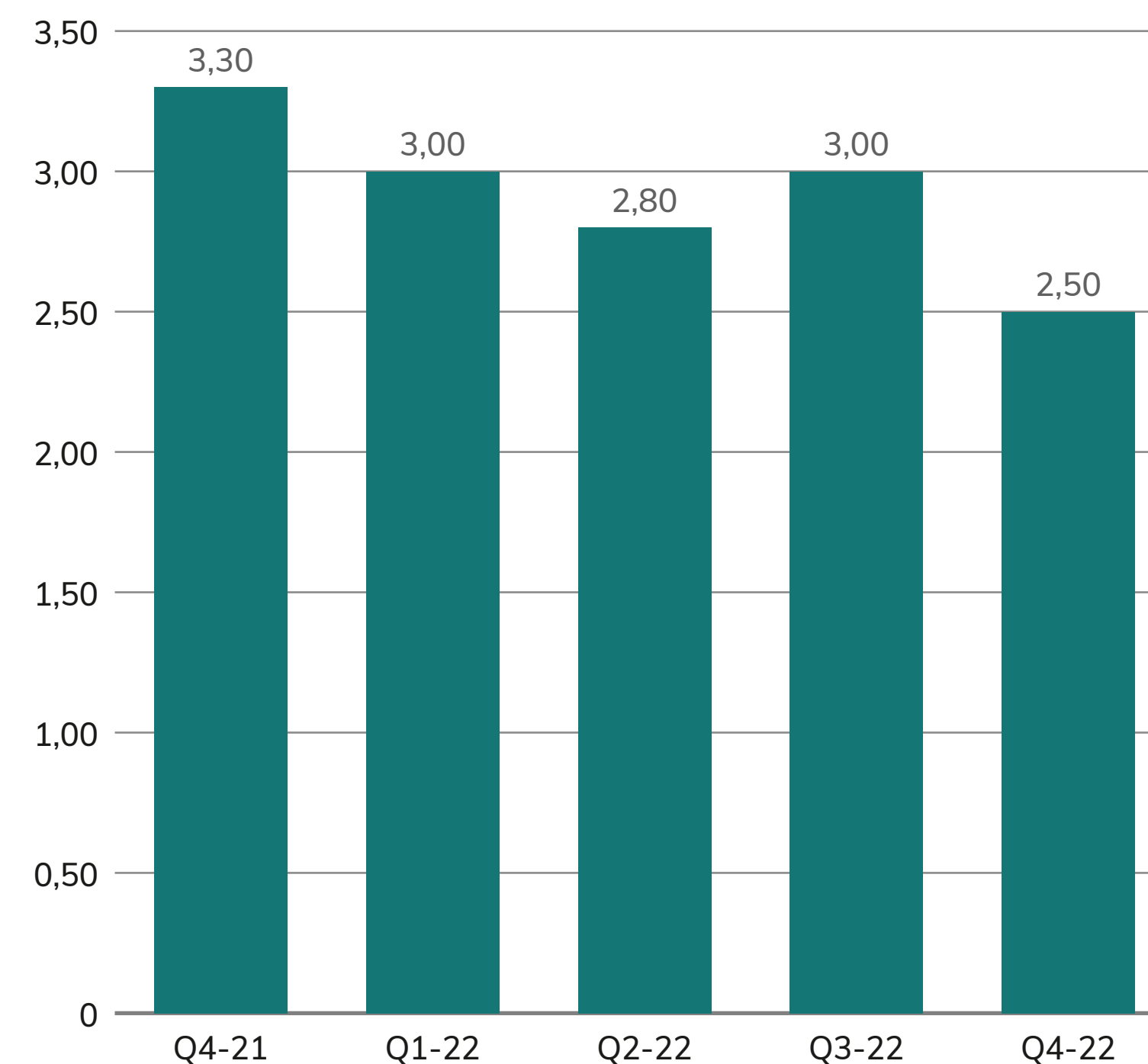


# Financing & Cash Flow

## Gross Debt



## Net Debt / Adjusted EBITDA



Acroud's business model enables fast deleveraging through strong margins and high cash conversion. Our Gross Debt has increased following the refinancing process in July 22 – now amounting to EUR 21 083 thousand. Net Debt to EBITDA decreased drastically during Q4-2022, to 2.5x mainly due to the effect of the newly acquired entity, Acroud Media





## Financial Details

# Cash Flow Development

EUR '000	Q4'22	Q4'21	YTD22	YTD21
EBITDA	2 342	817	7 890	4 676
Non cash items	43	(56)	(368)	4
Change in NWC	(544)	21	(1 412)	(307)
Tax paid	(303)	(140)	(514)	(1 092)
<b>Operating CF</b>	<b>1 538</b>	<b>642</b>	<b>5 596</b>	<b>3 281</b>
CF from investments	(395)	(701)	(3 239)	(5 264)
CF from financing activities	(601)	(939)	(2 260)	(3 893)
CF for the period	542	(998)	97	(5 876)
Cash conversion*	78 %	89 %	80 %	82 %
<b>Cash position</b>	<b>2 416</b>	<b>2 202</b>	<b>2 416</b>	<b>2 202</b>


The Cash flow from operating activities during the fourth quarter of 2022 amounted to EUR 1 538 thousand. Cash conversion during Q4-22 (78%) was lower than previous quarter (83%). Negative net working capital is mainly attributable to the new acquisition which has increased the trade receivables of the group when compared to previous quarters. Such negative working capital is expected to self adjust in Q1-23. We will keep working actively to improve working capital levels and decrease amounts receivable from debtors.

CF from investments in Q4-22 mainly comprised of additions to intangible assets.

CF from financing activities in Q4-22 mainly comprised of paying bond interest on new bond (EUR 578 thousand) and repayment of lease liabilities (EUR 58 thousand).

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**



The background is a vibrant, abstract composition of various geometric shapes and textures. It includes large, overlapping blocks of color like yellow, orange, red, blue, and green. There are also elements that look like cracked stone or wood, and some thin, dark lines that create a sense of depth and movement. The overall effect is dynamic and artistic.

# acropoli