





Accelerated implementation of growth strategy

and intensified acquisition focus

THIRD QUARTER 2020

- Revenue amounted to EUR 2.376 (3.467) thousand.
- EBITDA amounted to EUR 961 (1,867) thousand.
- Profit after tax was EUR 327 (1,141) thousand. Adjusted profit after tax (before currency effects) was EUR 162 (816) thousand.
- Earnings per share after dilution amounted to EUR 0.004 (0.015). Adjusted earnings per share (before currency effects) was EUR 0.002 (0.011).
- New Depositing Customers (NDC) declined by -57% (-14%).
- Cash flow from operating activities amounted to EUR 738 (1,567) thousand.

PERIOD 1 JANUARY - 30 SEPTEMBER 2020

- Revenue amounted to EUR 9,133 (11,017) thousand.
- EBITDA amounted to EUR 4,199 (6,444) thousand.
- Profit after tax was EUR 1,941 (4,324) thousand. Adjusted profit after tax (before currency effects) amounted to EUR 2,898 (3,027) thousand.
- Earnings per share after dilution amounted to EUR 0.026 (0.057). Adjusted earnings per share (before currency effects) was EUR 0.038 (0.040).
- New Depositing Customers (NDC) declined by -24% (-19%).
- Cash flow from operating activities amounted to EUR 4,806 (6,392) thousand.





SIGNIFICANT EVENTS IN THE QUARTER

- The Company adapted and took measures to create a strong long-term position in the Dutch market. The measures involved an adjustment of the product offering to ensure compatibility with the rules in the Dutch market until the new gambling act enters into force in the first quarter of 2021.
- Net Gaming Europe was renamed to Acroud. The name change was part of the extensive change
 management initiated when Robert Andersson took over as CEO, which involves an intensified
 focus on organic growth and entrepreneurship. In connection with the name change, the Company
 has also changed its ticker symbol on Nasdaq to "ACROUD" with effect from 17 July.
- During the quarter, the Company drew up a growth strategy with the aim of ensuring a more proactive response to future growth and acquisition opportunities.
- The Company has been awarded licences in the American states of West Virginia, Colorado, Indiana and Iowa during the quarter. This is in line with Company's growth strategy and expansion plan for the USA, with gradual roll-outs in new states.

SIGNIFICANT EVENTS AFTER THE QUARTER

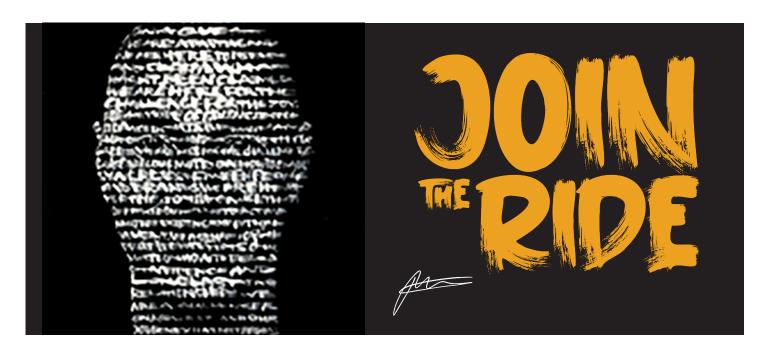
- In October, the Company issued an update on the results for Q3 and also announced the signing of a Letter of intent (LOI) regarding the acquisition of a fast-growing lead generation company within sports betting, well positioned for emerging markets such as Latin America, Africa and Asia,
- The Company's board decided to accelerate the implementation of the growth strategy with the aim of
 responding more proactively to future growth and acquisition opportunities. The Company is currently engaged
 in several active acquisition dialogues and its two largest shareholders are in favour of the growth strategy.
- After the end of the period, the Company has also been granted a permit to operate in Michigan, which is expected to be regulated at the end of Q4 2020 and includes sports betting, casino and poker.
- At the beginning of November, Acroud signed another letter of intent regarding an acquisition in the United States in order to further accelerate growth plans in sports betting. The target company offers betting tips directly to consumers

 a business which is not covered by regulations and can therefore be offered throughout the American market.
- After the end of the quarter, the majority of the Company's sites have been migrated to one
 and the same platform. This enables more efficient operations and stronger NDC growth, while
 significantly improving the Company's opportunities to deal with new acquisitions.

KEY FIGURES		JUL-JSEP			JAN-SEP	
EUR thousands	2020	2019	Y/Y%	2020	2019	Y/Y%
Revenue	2 376	3 467	-31%	9 133	11 017	-17%
Organic growth, %	-30%	-33%	+3 pp	-17%	-23%	+6 pp
EBITDA	961	1 867	-49%	4 199	6 444	-35%
EBITDA margin, %	40%	54%	-14 pp	46%	58%	-12 pp
Adjusted EBITDA	961	1 867	-49%	4 758	6 444	-26%
Adjusted EBITDA margin, %	40%	54%	-14 pp	52%	58%	-6 pp
Profit after tax	327	1 141	-71%	1 941	4 324	-55%
Earnings per share (after dilution)	0,004	0,015	-71%	0,026	0,057	-55%
Adjusted profit after tax	162	816	-80%	2 898	3 027	-4%
Adjusted earnings per share (after dilution)	0,002	0,011	-80%	0.038	0.040	-4%
Net debt/adjusted EBITDA (rolling 12 mth)	3,2	2,5	-	3,2	2,5	-
NDC growth, %	-57%	-14%	-43 pp	-24%	-19%	-5 pp

pp = percentage point





This quarter has also been characterised by a fast pace and extensive change management within the organisation to prepare us for strong growth in the coming years. We are in a time that is challenging in many ways for the whole world, but also a time when opportunities are being created. At the same time, Acroud is in a process of change, which involves all the Company's sites being managed on one and the same platform. This will create conditions for more efficient operations, while improving the Company's ability to integrate acquisitions. Looking at the last quarter, with revenue of EUR 2,376 thousand and EBITDA of EUR 961 thousand, this is obviously a disappointment, but at the same time an effect of the change management and the adjustment of the product offering to ensure compatibility with the Dutch market. Ever since I took on the role of CEO of Acroud, I have seen the "rough diamond" and been aware that the first year will be primarily focused on transforming and adapting the Company for high and sustainable growth. The transformation takes time and the impact will not come until 2021.

As previously communicated, the Company's third quarter has been challenging, which is due to the fact that the previous sharp increase in poker and casino traffic in the period March to May has slowed to a level similar to that before the outbreak of COVID-19. Also, sports betting's recovery is proceeding a little more slowly than expected, and the adjusted product offering for the Dutch market has resulted in a larger decline in revenue than expected. Regarding NDC development, we see a considerable decline in Q3, which is partly due to regulatory effects and partly due to a strategic shift to "higher value key words". Through this transformation, together with a unanimous platform, we are laying the foundation for future growth.

We are now accelerating growth in other markets and expect to have offset the decline in revenue by about the end of Q4 2020. In connection with the strategy work, further efficiency measures have been implemented,

which will bring cost reductions from Q4 2020.

As I wrote in my previous CEO's Comments, the focus is on building a fast and flexible company with a strong organisation permeated by entrepreneurial spirit and a growth focus.

What I can say is that we have put several important building blocks in place during Q3, both organisationally and strategically, which is expected to drive profitable growth going forward. During Q3, we diversified our revenue streams by actively working on up-selling and value-adding services, which resulted in +10% of our Q3 revenue being generated through these revenue streams which is also scalable via acquisitions. At the same time, in Q4 it is expected that we will have completed a 2-year-long process of migrating all the Company's sites to one and the same platform. All in all, this makes us feel geared up for the future and ready to "nail" successful acquisitions.

New strategic direction and intensified acquisition strategy

During Q3, the Company has implemented a more offensive strategy, which the Company's main owners support. The new strategy involves an increased focus on acquisitions and partnerships to increase the growth rate and enable Acroud to become a larger challenger in the market. During the last two years, we have built a scalable infrastructure adapted to an acquisition strategy, and our management team has extensive M&A experience from acquisitions and integrations - we are ready!

In summary, the new strategy means a focus on the growing US market and sports betting. At the same time, we will continue to build volume in the present core business. The strategy will be implemented both organically and through acquisitions.



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+356 2132 3750/1

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In order to create conditions for future growth and free up capital for operating activities, it is also a priority to ensure continuous optimisation of the Company's capital structure. We are looking at opportunities to strengthen the Company's balance sheet in order to increase the Company's flexibility and create conditions for acquisitions.

In October, we signed a Letter of intent (LOI) regarding the acquisition of a fast-growing lead generation company within sports betting, well positioned for emerging markets such as Latin America, Africa and Asia. The transaction is expected to be finalised in mid-November. This is a transformative acquisition, in which we strengthen our underlying operations, and it accelerates growth in strategic focus areas such as sports betting and emerging markets.

"Intensified focus on the North American market"

We have signed a further letter of intent at the beginning of November regarding the acquisition of fast-growing company within sports betting, which is well positioned for the American market. What is interesting about this company is that it generates a completely new type of revenue stream for us. The company charges its users for betting tips via a number of sites and has no affiliate traffic at present. It is noteworthy that this business does not require a licence and can be conducted legally in all American states. We see several opportunities to refine the company's current business model. The potential acquisition will further strengthen us in sports betting and gives us a more attractive position in the American market, which is important to us. The acquisition is expected to be completed during the fourth quarter and will be settled partly in cash and partly in shares.

USA status and future growth plans

In line with the growth strategy and the Company's expansion plan for the USA, Acroud has been awarded five new licences in the American states of Michigan, West Virginia, Colorado, Indiana and Iowa. We also expect to be granted licences shortly in Pennsylvania and Illinois.

Driven by our dedicated USA team, we see an increased traffic flow in North America, and at the same time we have intensified work on licence applications, which together create the conditions for a growth journey with our present assets as more states "open up".

We are heading for an exciting 2021

I would like to emphasise that, even though our third quarter has been challenging in financial terms, my assessment is that we have put central building blocks in place for the "Acroud journey". Based on previous experience and positions at growth companies in the industry, we have a lead time before shareholder value is created. Our team is forward-looking and with a combination of organic growth and really good strategic acquisitions, we are ready to take Acroud to the next level during 2021.

We now continue writing an important new chapter in the Company's history. I look forward to continuing Acroud's growth journey together with a world-class team. Together we will build a stronger and more profitable company with a strong culture, which will benefit our customers, end users, suppliers and shareholders.

Join The Ride

Robert Andersson President and CEO



Acroud AB (publ)
Org Nr: 556693-7255

+356 2132 3750/1 info@acroud.com

The Group's development QUARTER JUL-SEP 2020

Revenue

Revenue for Q3 declined to EUR 2,376 (3,467) thousand. As previously communicated, the Company's third quarter has been challenging in terms of revenue.

The revenue level for Q3 2020 compared with Q3 2019 and Q2 2020 has been negatively affected, as the previous sharp increase in traffic within poker and casino between March and May has slowed to a level similar to that before outbreak of COVID-19. In addition, the recovery for Sports Betting is going a little more slowly than expected, while the Company has adjusted the product offering to ensure compatibility with the rules in the Dutch market, which has resulted in a larger decline in revenue than expected.

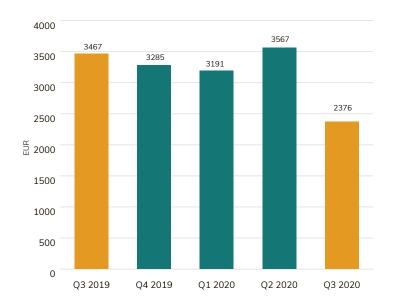
New Depositing Customers (NDC) decreased by 57% in third quarter 2020 compared with the corresponding period the previous year, due to, among other things, a lower number of NDCs in sports betting. We see increasing NDC growth during October and expect a recovery in NDC growth in the future as the underlying KPIs on our sites show positive development.

92% of Acroud's revenue was generated from the Casino and Poker verticals in Q3 2020. The two verticals are the foundation of the revenue base and the poker vertical in particular has increased in relation to total revenue, with one of the main drivers being Pokerlistings.com.

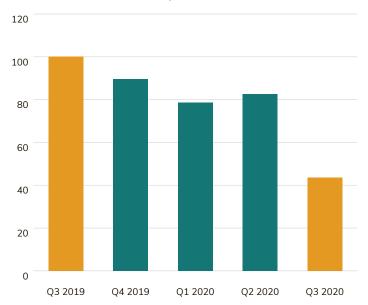
Acroud currently has limited exposure to sports betting and only 5% of the Company's total revenue was generated from the vertical in Q3 2020. The Company therefore expects a limited effect from the many cancelled sports events globally. Acroud also expects some of the sports betting revenue that would have been realised during 2020 to be postponed to 2021, depending on when and whether the postponed events are re-timetabled. Direct costs related to the Sports betting vertical are relatively low and there are only a few employees currently working directly with Sports betting assets.

We can see that we will have an increased share of revenue within our Sport Betting vertical over time, due to, among other things, ongoing strategic acquisitions and development of our current sites. The growth in sports betting over the last year is driven both by the initiatives we have launched and refinement of the MaxFreeBets domains acquired in July 2019.

Revenue development



NDC development, indexed



The chart shows an index of NDC development over time. NDC stands for new depositing customer, i.e. a newly depositing customer that Acroud has referred to one of its customers. The charts above do not show absolute figures, but a percentage development from index 100 in Q2 2019.



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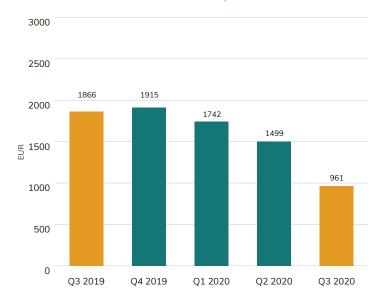
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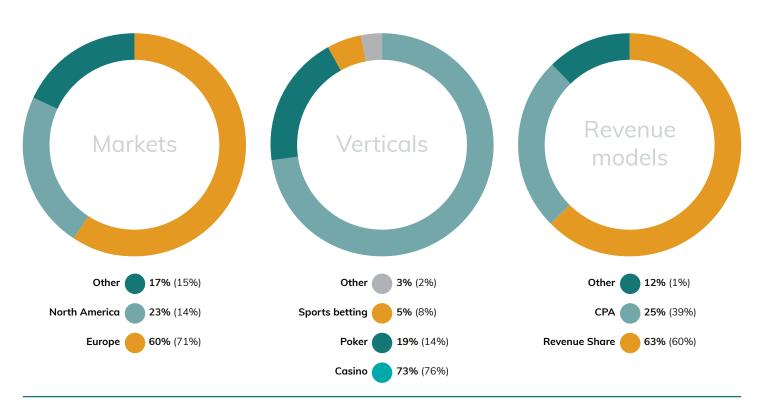
Since the previous year, we have also seen our position with strong domains in the North American market strengthening as more states are regulated. We saw a sharp increase in traffic flow in Q2, which slowed down to some extent in Q3. However, revenue in actual figures increased compared with the previous year.

We are seeing an increasing traffic flow in North America and during Q3 2020, revenue in North America increased compared with Q3 2019. The North American market remains attractive to us, with the ongoing wave of regulation which is expected to create one of the world's largest markets over time for Casino and Sports Betting. Several initiatives have been taken to strengthen our position in the North American market, including Pokerlistings.com's recent launch of a separate sports betting and casino section, and the launch of a social gaming offering at the end of the quarter, which we expect to produce results going forward. During the quarter, we were granted licences to operate in Indiana, Colorado, Iowa and West Virginia, and after the end of the quarter in Michigan. We expect to be granted licences in Pennsylvania and Illinois in the next quarter.

During Q3 2020, we have seen a continuing transition from CPA to revenue share compared with the previous year, and revenue share now accounts for 63% (60%) of total revenue. The transition to an increased percentage of revenue share has stabilised at about 55-65% of the Company's revenue, which has an adverse effect on revenue in the short term, but is expected to strengthen our growth and stability in the long term.

EBITDA development







Costs

Operating expenses for Q3 2020 were lower than in Q3 2019. Sequentially, the cost base has also declined from Q2 2020, driven primarily by reduced credit losses and lower external expenses.

Personnel expenses declined to EUR 842 (917) thousand in Q3 2020 compared with Q3 2019, driven by fewer employees, while personnel expenses were stable sequentially.

Other external expenses in Q3 2020 declined both compared with Q3 2019 and sequentially, due to lower consultancy expenses and reduced credit losses. We have a strong focus on continuing cost control in order to run operations with a high margin.

Depreciation/amortisation and net financial items

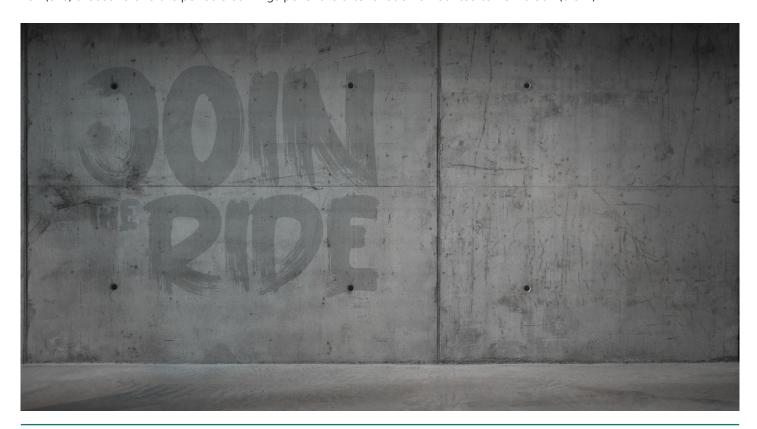
The Company's depreciation/amortisation in Q3 2020 amounted to EUR 159 (220) thousand and was stable sequentially from Q2 2020.

Acroud's net financial items for Q3 2020 amounted to EUR -428 thousand, compared with EUR -432 thousand for the same period the previous year. Interest expenses are primarily related to loan financing. Net financial items in Q3 2020 were positively affected by currency effects of EUR 165 (325) thousand related to loan financing and cash proceeds, which were denominated in SEK.

Earnings

Operating profit before depreciation (EBITDA) was EUR 961 (1,867) thousand. The reduced EBITDA level is primarily related to the revenue decline described above, which meant that the EBITDA margin decreased to 40% compared with 54% in Q3 2019, despite the fact that operations were streamlined and the cost base was reduced.

Profit after tax declined to EUR 327 (1,141) thousand and the period's earnings per share after dilution amounted to EUR 0.004 (0.015). Profit after tax, adjusted for currency effects related to the bond loan, amounted to EUR 162 (816) thousand and the period's earnings per share after dilution amounted to EUR 0.002 (0.011).





Financial position

Cash flow and investments

Cash flow from operating activities during Q3 2020 amounted to EUR 738 thousand, compared with EUR 1,567 thousand in Q3 2019. The decline is primarily related to a lower EBITDA level. Working capital development has been positively affected by reduced receivables as a result of lower revenue. In addition, working capital was negatively affected in the quarter, driven by a reduction in trade payables and settlement of VAT. The Company continues to have a very low level of credit losses.

Cash flow from investing activities, which, apart from acquisition activities, is limited as the Company's business model is not capital-intensive, amounted to EUR -827 thousand, compared with EUR -1,806 thousand in Q3 2019. Investments (acquisition of intangible assets) in Q3 2020 were mainly related to website development for expansion into the North American and European markets, and settlement of the additional consideration of EUR 600 thousand related to the acquisition of MaxFreeBets in 2019.

Cash flow from financing activities amounted to EUR -1,105 (-753) thousand in Q3 and consisted primarily of bond interest payments of EUR -447 (-674) thousand and bond repayments of EUR -601 (0) thousand.

Liquidity and financial position

The Group's interest-bearing net debt at the end of the period was EUR 21,652 thousand, compared with EUR 24,196 thousand at the end of Q3 2019. Acroud's current gross debt amounts to SEK 251.0 million, of which the bond amounts to SEK 243.8 million (after deducting the bond repurchases of SEK 125 million in Q4 2019, Q1 2020 and Q2 2020). Converted using the closing rate, the bond loan amounts to EUR 23,059 thousand. As of 30 September 2020, the current net debt/ adjusted EBITDA ratio is 3.2x. Acroud's long-term target is a maximum net debt/EBITDA ratio of 2.0x over time. During 2020 and beyond, the Company will continue its efforts to reduce the net debt/EBITDA ratio.

During Q3, the Company settled an additional purchase consideration attributable to the acquisition of MaxFreeBets in 2019 and has no remaining provisions for potential additional purchase consideration payments. The bond loan outstanding at 30 September 2020 is due for payment in September 2022 and is therefore reported under non-current liabilities in the balance sheet in this interim report.







Financial targets

The Board of Acroud has defined the following financial targets and objectives:

EPS growth

Acroud's target is average annual EPS growth of at least 20% over time. Growth in earnings per share is the overall financial objective. It is Acroud's assessment that strong growth in earnings per share is the best measure for shareholder value over time.

Organic revenue growth

Acroud's long-term target is annual organic revenue growth in the range of 15 to 25%. Acroud will continuously invest in the core business and new internal growth initiatives to ensure strong and sustainable organic growth. The time when growth initiatives bear fruit may vary, which means that organic growth may fluctuate over time. The Company's definition of organic growth is based on net sales compared with the previous period, excluding acquisitions (last 12 months) and divestments, and exchange rate movements.

Capital structure

Acroud's financial target is a maximum net debt/EBITDA ratio of 2.0 over time. Acroud will conduct operations at low financial risk over time by maintaining low net debt. The Board is entitled to derogate from this objective during periods when this is considered best for the Company and for shareholder value.

Dividend policy

Over the next three years, Acroud will prioritise growth through organic growth initiatives and will make optimisation of the capital structure rather than dividends its priority. At the AGM on 25 June 2020, it was decided that no dividend would be paid for the financial year 2019.

Overview of outcomes of financial targets

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

Period	EPS growth	Organic revenue growth	Capital structure
Jul-sep 2020	-71%	-30%	3,2
Jan-sep 2020	-55%	-20%	3,2



Other information

The share

On 30 June 2018, Acroud (publ) was listed on Nasdaq First North Growth Market, Stockholm (ACROUD).

Share capital

At 30 September 2020, share capital amounted to EUR 1,913, thousand divided into 75,604,487 shares. The Company has one class of shares – A shares. Each share entitles the holder to (1) vote at the shareholders' meeting. On 30 September 2020, the number of shareholders was 2,219.

At the end of the quarter, the Company had a total of 2,500,000 outstanding employee share options, adopted at the 2020 Annual General Meeting. See note 4 for detailed information.

Shareholder structure

The total number of shares in the Company on 30 September 2020 was 75,604,487, distributed as shown below.

Name	No. of shares	Ownership, %
Trottholmen AB	47 572 382	62.92%
Strategic Investment A/S (JPM Chase)	11 775 512	15.58%
Avanza Pension	1 979 712	2.62%
Credit Suisse	1 111 111	1.47%
Stefan Mahlstein	774 000	1.02%
JRS Asset Management	687 662	0.91%
ES Aktiehandel	500 000	0.66%
UBS Switzerland AG	448 236	0.59%
Jonas Bertilsson	437 749	0.58%
Patrik Gustafsson	348 228	0.46%
Other Shareholders	9 969 895	13.19%
TOTAL	75 604 487	100,00%



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 Company generates revenue via internal Group services in IT, marketing, financial services and management. The Group's financing is arranged in the Parent Company via a bond, which is registered on Nasdaq Stockholm's Corporate Bond list. In 2020, the Parent Company received dividends from subsidiaries amounting to EUR 5.0 (5.7) million.

Relevant risks and uncertainties

Acroud is exposed to a number of business and financial risks. The business risks can be divided into strategic, operational and legal risks. Financial risks are related to factors such as exchange rates, interest rates, liquidity and credit. Risk management within the 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 30, 45-47 and 78-79 of the 2019 annual report. The Parent Company's risks and uncertainties are indirectly the same as for the Group.

Outlook

Acroud is not making any forecasts.

Seasonality

Acroud is affected by seasonal variations, with Q1 (Jan-March) 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. Acroud has a relatively fixed cost base and a scalable platform, which means that the EBITDA margin is somewhat higher in Q1 (Jan-Mar) and Q4 (Oct-Dec).



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, 05 November 2020

BOARD AND CEO

Peter Åström Henrik Kvick **Jonas Bertilsson** Chairman Director Director

Fredrik Rüdén Kim Mikkelsen **Robert Andersson** President and CEO Director Director

For further information, please contact

Robert Andersson, President and CEO Gustav Vadenbring, CFO

Mobile: +356 9999 8017 Mobile: +356 9967 6001

E-mail: robert.andersson@acroud.com E-post: gustav.vadenbring@acroud.com

Forthcoming report dates

Year-end report January-December 2020: 18 February 2021

Interim report January-March 2021: 20 May 2021 Interim report April-June 2021: 12 August 2021

Interim report July-September 2021: 12 November 2021

2021 AGM: 20 May 2021

Presentation for investors, analysts and media

A live webcast will be held on 5 November 2020 at 10.00 a.m. Swedish time. CEO Robert Andersson and CFO Gustav Vadenbring will present the report in English. The presentation will be held in English and can be followed at www.acroud.com or via https://tv.streamfabriken.com/acroud-q3-2020

To join the conference call, ring:

From Sweden: +46856642695 From the UK: +443333009031 From the USA: +18335268384

The appointed Certified Adviser is FNCA Sweden AB, info@fnca.se, +46 8 528 00 399. This information is information that Acroud AB (publ) is required to disclose under the EU Market Abuse Regulation. The information was provided by the contact person above for publication on 05 November 2020 at 08.00 CET.



Acroud AB (publ) +356 2132 3750/1 Org Nr: 556693-7255 info@acroud.com



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 2020 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

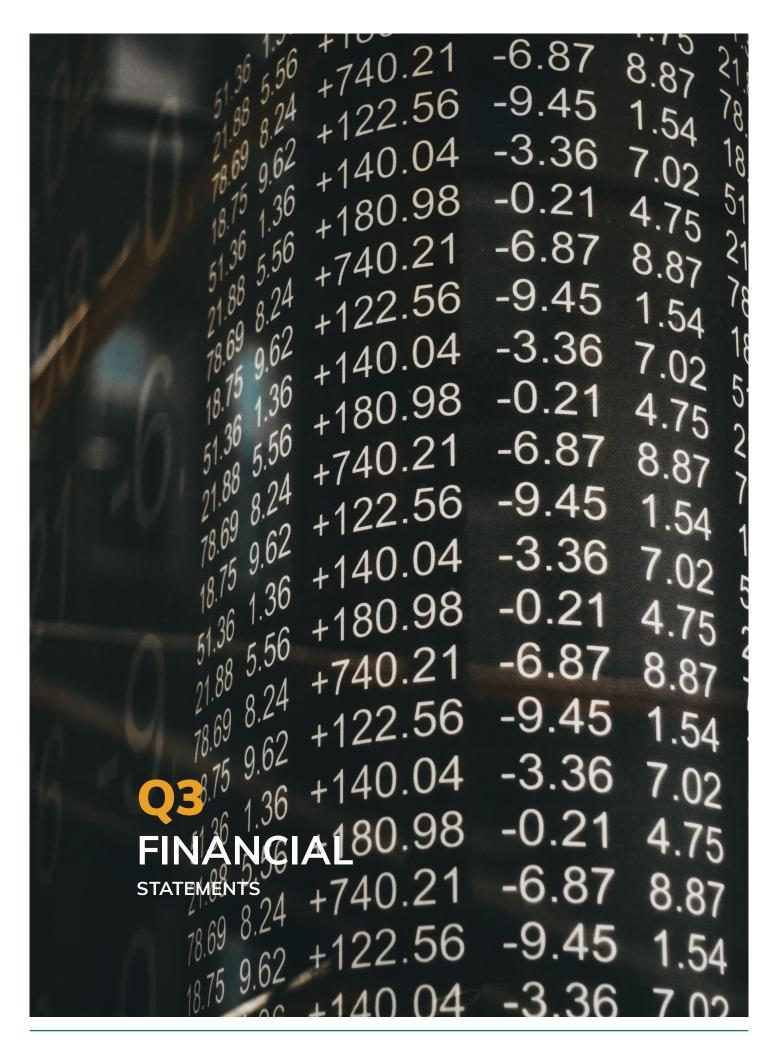
Based on our review, nothing has come to our attention that causes us to believe that the interim financial report has not been prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act for the Group and the Swedish Annual Accounts Act for the Parent Company.

Stockholm 5 November 2020

PricewaterhouseCoopers AB

Aleksander Lyckow Authorised Public Accountant





Consolidated Statement of Comprehensive Income

Amounts in EUR thousands	2020-07-01 2020-09-30	2019-07-01 2019-09-30	2020-01-01 2020-09-30	2019-01-01 2019-09-30
Revenue notes 2, 3	2 376	3 467	9 133	11 017
Total revenue	2 376	3 467	9 133	11 017
Capitalised work for own account	262	146	745	419
Other external expenses	-835	-832	-2 824	-2 175
Personnel expenses	-842	-917	-2 835	-2 914
Other operating income	21	-	37	127
Other operating expenses	-21	3	-57	-30
EBITDA	961	1 867	4 199	6 444
Depreciation/amortisation	-159	-220	-968	-575
Operating profit (EBIT)	802	1 647	3 231	5 869
Profit/loss from financial items				
Interest and similar income	-	-	584	-
Interest and similar expenses	-596	-756	-2 034	-2 235
Impairment of financial assets	-	-	-	-331
Other financial items	168	324	346	1 310
Profit/loss from financial items	-428	-432	-1 104	-1 256
Profit before tax	374	1 215	2 127	4 613
Tax on profit for the year	-47	-74	-186	-289
Profit/loss for the period	327	1 141	1 941	4 324
Earnings per share (EUR)	0,004	0,015	0,026	0,057
Earnings per share after dilution (EUR)	0,004	0,015	0,026	0,057
Other comprehensive income, income and expenses recognised directly in e	equity			
Exchange differences on translation of foreign operations	-17	19	-19	27
Other comprehensive income for the year	-17	19	-19	27
Total comprehensive income for the period	310	1 160	1 922	4 351



Consolidated Statement of Financial Position

Amounts in EUR thousands	2020-09-30	2019-09-30	2019-12-31
Assets			
Non-current assets			
Goodwill	42 856	42 856	42 856
Other intangible assets	4 920	4 919	5 005
Right-of-use assets	252	405	366
Property, plant and equipment	158	212	193
Other non-current receivables	108	119	116
Deferred tax assets	317	249	156
Total non-current assets	48 611	48 760	48 692
Current assets			
Trade receivables	1 206	1 433	1 559
Other receivables	612	677	750
Prepayments and accrued income	184	170	167
Cash and cash equivalents	2 110	11 707	6 771
Total current assets	4 112	13 987	9 247
Total assets	52 723	62 747	57 939
Equity and liabilities			
Equity note 4	27 924	25 461	26 062
Non-current liabilities			
Borrowing note 5	22 271	-	-
Deferred tax liabilities	363	-	-
Lease liabilities	101	251	213
Total non-current liabilities and provisions	22 735	251	213
Current liabilities			
Borrowing note 5	-	34 727	29 276
Trade payables	270	213	29 276
Liabilities to Parent Company	363	344	356
Other liabilities	484	1 149	1 156
Lease liabilities	151	153	152
Accruals and deferred income	796	449	458
Total current liabilities	2 064	37 035	31 664
Total equity and liabilities	52 723	62 747	



Consolidated Statement of Changes in Equity

Amounts in EUR thousands	Share capital	Other paid-in capital	Reserves	Retained earnings incl. year's earnings	Total equity
Opening equity, 1 Jan 2019	1 913	12 424	2 688	4 095	21 120
Share-based payments	-	21	-	-	21
Option proceeds received	-	17	-	-	17
Repayment of option proceeds	-	-42	-	-	-42
Comprehensive income for the period	-	-	13	4 933	4 946
Closing equity, 31 Dec 2019	1913	12 420	2 700	9 029	26 062
Opening equity, 1 Jan 2020	1 913	12 420	2 700	9 029	26 062
Share-based payments	-	-25	-	-	-25
Comprehensive income for the period	-	-	6	2 759	2 765
Closing equity, 31 Mar 2020	1 913	12 395	2 706	11 788	28 802
Opening equity, 1 Apr 2020	1 913	12 395	2 706	11 788	28 802
Share-based payments	-	-46	-	-	-46
Comprehensive income for the period		-	-8	-1 144	-1 152
Closing equity, 30 Jun 2020	1 913	12 349	2 698	10 644	27 604
Opening equity, 1 Jul 2020	1 913	12 349	2 698	10 644	27 604
Share-based payments	-	10	-	-	10
Comprehensive income for the period		-	-17	327	310
Closing equity, 30 Sep 2020	1 913	12 359	2 681	10 971	27 924



Consolidated Cash Flow Statement

Amounts in EUR thousands	2020-07-01 2020-09-30	2019-07-01 2019-09-30	2020-01-01 2020-09-30	2019-01-01 2019-09-30
Operating activities				
Profit before tax	374	1 215	2 127	4 613
Adjustments for non-cash items not included in operating activities				
Depreciation and amortisation of assets	159	220	968	575
Exchange gains/losses on financial receivables and liabilities	-168	-324	-346	-1 310
Costs for share-based programmes	10	4	-43	14
Gain/loss on sale of other assets	-37	-1	-37	-105
Impairment of financial assets	-	-	-	331
Provisions for restructuring	-212	-	203	-
Interest and similar expenses	596	756	2 034	2 235
Interest and similar income	-	-	-584	-
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in operating receivables	299	-285	460	427
Increase (+)/Decrease (-) in operating liabilities	-283	-18	24	-388
Cash flow from operating activities	738	1 567	4 806	6 392
Investing activities				
Acquisition of property, plant and equipment	10	-2	-22	-49
•	10 -944	-2 -1 841	-22 -1 540	-49 -2 279
Acquisition of property, plant and equipment				
Acquisition of property, plant and equipment Acquisition of intangible assets	-944	-1 841	-1 540	-2 279
Acquisition of property, plant and equipment Acquisition of intangible assets Sale of other assets	-944 107	-1 841 37	-1 540 263	-2 279 320
Acquisition of property, plant and equipment Acquisition of intangible assets Sale of other assets Cash flow from investing activities	-944 107	-1 841 37	-1 540 263	-2 279 320
Acquisition of property, plant and equipment Acquisition of intangible assets Sale of other assets Cash flow from investing activities Financing activities Received and repaid option proceeds	-944 107 - 827	-1 841 37 -1 806	-1 540 263 -1 299	-2 279 320 -2 008
Acquisition of property, plant and equipment Acquisition of intangible assets Sale of other assets Cash flow from investing activities Financing activities Received and repaid option proceeds	-944 107 - 827 -	-1 841 37 -1 806	-1 540 263 -1 299 -17	-2 279 320 -2 008
Acquisition of property, plant and equipment Acquisition of intangible assets Sale of other assets Cash flow from investing activities Financing activities Received and repaid option proceeds Issue expenses	-944 107 - 827 - -57	-1 841 37 -1 806	-1 540 263 -1 299 -17 -1 115	-2 279 320 -2 008 -23
Acquisition of property, plant and equipment Acquisition of intangible assets Sale of other assets Cash flow from investing activities Financing activities Received and repaid option proceeds Issue expenses Repayment of borrowings	-944 107 -827 - - -57 -601	-1 841 37 -1 806 -40 -	-1 540 263 -1 299 -17 -1 115 -5 335	-2 279 320 -2 008
Acquisition of property, plant and equipment Acquisition of intangible assets Sale of other assets Cash flow from investing activities Financing activities Received and repaid option proceeds Issue expenses Repayment of borrowings Interest paid	-944 107 -827 - - -57 -601 -447	-1 841 37 -1 806 -40 - - - -674	-1 540 263 -1 299 -17 -1 115 -5 335 -1 417	-2 279 320 -2 008 -23 - -1 980
Acquisition of property, plant and equipment Acquisition of intangible assets Sale of other assets Cash flow from investing activities Financing activities Received and repaid option proceeds Issue expenses Repayment of borrowings Interest paid Repayment of lease liabilities	-944 107 -827 - -57 -601 -447	-1 841 37 -1 806 -40 - - - -674 -39	-1 540 263 -1 299 -17 -1 115 -5 335 -1 417 -98	-2 279 320 -2 008 -23 - - -1 980 -129
Acquisition of property, plant and equipment Acquisition of intangible assets Sale of other assets Cash flow from investing activities Financing activities Received and repaid option proceeds Issue expenses Repayment of borrowings Interest paid Repayment of lease liabilities Cash flow from financing activities	-944 107 -827 - -57 -601 -447 - -1105	-1 841 37 -1 806 -40 - - - -674 -39 -753	-1 540 263 -1 299 -17 -1 115 -5 335 -1 417 -98 -7 982	-2 279 320 -2 008 -2 1980 -129 -2 132
Acquisition of property, plant and equipment Acquisition of intangible assets Sale of other assets Cash flow from investing activities Financing activities Received and repaid option proceeds Issue expenses Repayment of borrowings Interest paid Repayment of lease liabilities Cash flow from financing activities Cash flow for period	-944 107 -827 - -57 -601 -447 - -1105	-1 841 37 -1 806 -40 - - -674 -39 -753	-1 540 263 -1 299 -17 -1 115 -5 335 -1 417 -98 -7 982 -4 475	-2 279 320 -2 008 -23 -1 980 -129 -2 132



Income Statement – Parent Company

Amounts in EUR thousands	2020-07-01 2020-09-30	2019-07-01 2019-09-30	2020-01-01 2020-09-30	2019-01-01 2019-09-30
Revenue	67	28	336	145
Total revenue	67	28	336	145
Operating expenses				
Other external expenses	-113	-113	-363	-309
Personnel expenses	-33	-123	-396	-274
Other operating expenses	-2	-	-13	-
Other operating income	_	1	1	3
EBITDA	-81	-207	-435	-435
Depreciation/amortisation	-	-3	-	-11
Operating profit	-81	-210	-435	-446
Profit/loss from financial items				
Profit/loss from investments in Group companies	-	-	5 000	5 700
Other interest and similar income	3	10	607	33
Interest and similar expenses	-588	-750	-2 009	-2 217
Other financial items	171	324	357	1 313
Profit/loss after financial items	-495	-626	3 520	4 383
T				
Tax on profit for the year		-	-	-
Profit for the year	-495	-626	3 520	4 383

Balance Sheet – Parent Company

Amounts in EUR thousands	2020-09-30	2019-09-30	2019-12-31
Assets			
Total non-current assets	31 581	31 581	31 581
Total current assets	2 465	10 835	6 640
Total assets	34 046	42 416	38 221
Equity and liabilities			
Equity	11 186	6 522	7 726
Total non-current liabilities	22 271	-	-
Total current liabilities	589	35 894	30 495
Total equity and liabilities	34 046	42 416	38 221



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 accounting policies, see pages 56-60 of the Company's 2019 annual report and the notes in the report https://www.acroud.com/arsredovisning2019

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 detailed information, see page 59 of the 2019 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 244 million (EUR 22,271 thousand using the closing rate on 30 September 2020). 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 2020, 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 the first nine months of 2020 or in 2019.

2. Organic revenue growth

Acroud's long-term target is organic revenue growth in the range of 15 to 25%. Acroud will continuously invest in the core business and new internal growth initiatives to ensure strong and sustainable organic growth. The time when growth initiatives bear fruit may vary, which means that organic growth may fluctuate over time. 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 2020

Amounts in	2020-07-01	2020-07-01	2019-07-01	
EUR	2020-09-30	2020-09-30	2019-09-30	Deviation
thousands	Growth %	Absolute figures	Absolute figures	Absolute figures
Total growth, EUR	-31,5%	2 376	3 467	-1 091
Adjustment acquired and divested/discontinued operations	0.0%	-	-	-
Total growth in EUR, excl. acquisitions and discontinued operations	-31,5%	2 376	3 467	-1 091
Adjustment for constant currency	1,3%	-	-65	65
Total organic sales growth	-30,2%	2 376	3 402	-1 026



Acroud AB (publ) Org Nr: 556693-7255 +356 2132 3750/1

info@acroud.com

Organic revenue growth - bridge Q3 2019

Total organic sales growth	-32,9%	3 459	5 156	-1 697
Adjustment for constant currency	-3,3%	-	241	-241
Total growth in EUR, excl. acquisitions and discontinued operations	-29,6%	3 459	4 915	-1 456
Adjustment acquired and divested/discontinued operations	-0,1%	-8	-4	-4
Total growth, EUR	-29,5%	3 467	4 919	-1 452
Amounts in EUR thousands	2019-07-01 2019-09-30 Growth %	2019-07-01 2019-09-30 Absolute figures	2018-07-01 2018-09-30 Absolute figures	Deviation Absolute figures

3. Revenue

The Group's revenue for Q3 2020 and the financial year ended 31 December 2019 was distributed as follows:

Amounts in EUR thousands	2020-07-01 2020-09-30	2019-07-01 2019-09-30	2020-01-01 2020-09-30	2019-01-01 2019-09-30
Revenue by vertical				
Casino	1 742	2 630	6 635	9 026
Poker	449	477	1 784	1 467
Sports betting	123	291	541	312
Other verticals	62	69	173	212
Total revenue	2 376	3 467	9 133	11 017

Revenue attributable to Sweden in Q3 2020 amounted to 2% (2%). The corresponding amount for the full year 2019 was 2% (4%).



4. Share-based payments

During the second quarter of 2020, 300,000 employee stock options expired and 250,000 warrants were repurchased.

For share-based remuneration for 2017, 2018 and 2019, see note 15 on page 68 of the 2019 Annual Report.

At the 2020 AGM, it was decided to establish a share option programme for key employees in the Company's subsidiaries (Employee Share Option Programme). A maximum of 2,500,000 employee share options may be issued and shall be offered to employees of the Company's subsidiaries, subject to the employees not being tax residents in Sweden, in accordance with the following allocation: The Company's CEO shall receive a maximum of 750,000 employee share options, three (3) members of executive management shall each receive a maximum of 250,000 employee share options and ten (10) key employees shall each receive a maximum of 100,000 employee share options. The Company's Board shall decide on the allotment within the aforementioned limits.

Each share option entitles the holder to acquire one (1) new share in the Company at an exercise price corresponding to 150 percent of the volume-weighted average price for the Company's shares in the period 26 June 2020 to 9 July 2020 according to Nasdaq First North Growth Market's official price list. The share options may be exercised to acquire shares during the period 15 July 2023 to 15 August 2023.

In order to deliver shares in accordance with the Employee Share Option Programme, the AGM resolved to issue a maximum of 2,500,000 warrants of series 2020/2023. In what is a derogation from shareholders' preferential rights, the right to subscribe for the warrants shall accrue to the Company's wholly owned subsidiary Rock Intention Malta Ltd. The meeting granted approval for the subsidiary to transfer the warrants free of charge to participants in the Employee Share Option Programme.

If all warrants are exercised, the Company's share capital will increase by approximately EUR 63,246, divided into 2,500,000 shares (subject to recalculation of the number of shares under the option terms and conditions), corresponding to dilution of approximately 3.3 percent of the number of outstanding shares and votes in the Company on the day of the notice of the AGM.

The total reported cost associated with the above share-based programme, which is settled with equity instruments, is EUR -10 (0) thousand for Q3 2020. The corresponding cost for the full year 2019 amounted to EUR 21 thousand. The cost also includes the cost of social security contributions.



5. Borrowing

Borrowing consists of a bond loan amounting to SEK 244 (375) million. In Q4 2019, bonds were repurchased on the market at a nominal amount of SEK 67 million. Further bonds were repurchased in Q1 2020 at a nominal amount of SEK 55 million and in Q2 at a nominal amount of SEK 3 million. A bond loan repayment of SEK 6.25 million was made in Q3 2020.

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

Amounts in EUR thousands	2020-09-30	2019-09-30	2019-12-31
Corporate bond			
Nominal amount	23 059	35 060	29 483
Prepaid transaction costs	-788	-333	-207
Carrying amount	22 271	34 727	29 276
Market value	16 269	34 009	28 230

The bond matures in September 2022 and was listed for institutional trading on Nasdaq Stockholm's Corporate Bonds List on 7 November 2017. The bond has a variable interest rate of Stibor 3m + 7.25 %.

In May 2020, the bondholders voted for an extension of the bond to September 2022 by written procedure, thereby accepting a two-year extension of the bond.

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

6. Related-party transactions

There were no related party transactions that significantly affected the Company's earnings and financial position during the period. For information on related-party transactions, see note 29 of the 2019 annual report.

7. 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.

	Group Con	npany	Parent		
Amounts in EUR thousands	2020-09-30	2019-09-30	2020-09-30	2019-09-30	
Net assets/Shares in subsidiaries pledged as collateral for bonds	48 501	50 916	31 581	31 581	

To provide collateral for borrowing related to the acquisition of the subsidiary HLM Malta Limited, the Parent Company has pledged all shares in the acquired subsidiary. 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.



8. Non-recurring items

The table below shows extracts from the Consolidated Statement of Comprehensive Income and how it has been affected by items affecting comparability. Results for 2020 include restructuring costs and costs of EUR 559 thousand related to the change of name to Acroud (arose in Q2 2020). Results for 2020 also include an impairment loss of EUR 503 thousand on the PokerLoco brand and financial costs related to a consent fee in connection with the refinancing of the bond loan (also arose in Q2 2020). Q3 2020 was positively affected by currency effects of EUR 165 thousand related to loan financing and certain cash proceeds denominated in SEK. In Q3 2019, earnings were instead positively affected by corresponding currency effects of EUR 325 thousand.

	2020-07-01 2020-09-30	2020-07-01 2020-09-30	2020-07-01 2020-09-30	2019-07-01 2019-09-30	2019-07-01 2019-09-30	2019-07-01 2019-09-30	2020-01-01 2020-09-30	2020-01-01 2020-09-30	2020-01-01 2020-09-30	2019-01-01 2019-09-30	2019-01-01 2019-09-30	2019-01-01 2019-09-30
Amounts in EUR thousands	Reported income statement	Items affecting comparability	Adjusted for items affecting comparability									
Other external expenses	-835	-	-835	-832	-	-832	-2 824	367	-2 457	-2 175	-	-2 175
Personnel expenses	-842	-	-842	-917	-	-917	-2 835	192	-2 643	-2 914	-	-2 914
EBITDA	961	-	961	1867	-	1867	4 199	559	4 758	6 444	-	6 444
Depreciation/amortisation and impairment	-159	-	-159	-220	-	-220	-968	503	-465	-575	-	-575
Operating profit (EBIT)	802	-	802	1 647	-	1 647	3 231	1 062	4 293	5 869	-	5 869
Interest and similar expenses	-596	-	-596	-756	-	-756	-2 034	240	-1 794	-2 235	-	-2 235
Other financial items	168	-165	3	324	-325	-1	346	-345	1	1 310	-1 297	13
Net profit before tax	374	-165	209	1 215	-325	890	2 127	957	3 084	4 613	-1 297	3 316
Net profit	327	-165	162	1 141	-325	816	1 941	957	2 898	4 324	-1 297	3 027

9. Events after the end of the period

- In October, the Company issued an update on the results for Q3 and also announced the signing of a Letter of intent (LOI) regarding the acquisition of a fast-growing lead generation company within sports betting, well positioned for emerging markets such as Latin America, Africa and Asia,
- The Company's board decided to accelerate the implementation of the growth strategy with the aim of
 responding more proactively to future growth and acquisition opportunities. The Company is currently engaged
 in several active acquisition dialogues and its two largest shareholders are in favour of the growth strategy.
- After the end of the period, the Company has also been granted a permit to operate in Michigan, which is expected to be regulated at the end of Q4 2020 and includes sports betting, casino and poker.
- At the beginning of November, Acroud signed another letter of intent regarding an acquisition in the United States in order to further accelerate growth plans in sports betting. The target company offers betting tips directly to consumers

 a business which is not covered by regulations and can therefore be offered throughout the American market.
- After the end of the quarter, the majority of the Company's sites have been migrated to one and the same platform. This enables more efficient operations and stronger NDC growth, while significantly improving the Company's opportunities to deal with new acquisitions.



Key figures and definitions

Key figures, Group

	2020-07-01 2020-09-30	2019-07-01 2019-09-30	2020-01-01 2020-09-30	2019-01-01 2019-09-30
EBITDA margin	40%	54%	46%	58%
Adjusted EBITDA margin	40%	54%	52%	58%
Operating margin	34%	48%	35%	53%
Organic growth	-30%	-33%	-17%	-23%
Equity ratio	53%	41%	53%	41%
Return on equity	1%	5%	7%	19%
Equity per share (EUR)	0,37	0,34	0,37	0,34
Number of registered shares at end of period	75 604 487	75 604 487	75 604 487	75 604 487
Weighted average number of shares before dilution	75 604 487	75 604 487	75 604 487	72 604 487
Weighted average number of shares after dilution	75 604 487	75 604 487	75 604 487	72 604 487
Earnings per share (after dilution)	0,004	0,015	0,026	0,057
Adjusted earnings per share (after dilution)	0,002	0,011	0,038	0,040
Market price per share at end of period (SEK)	3,20	3,71	3,20	3,71
EPS growth (%)	-71%	-45%	-55%	-33%

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.



СРА	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 the original IP addresses of generated leads.		
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	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.		
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.		

