ANNUAL REPORT 2021

ACROUD

A Challenger on a Quest

"2021 was a year of transformation while delivering an increase in revenue year-on-year."

Robert Andersson, CEO

Contents

ACROUD a **software-based** affiliate

Acroud is a fast-moving challenger in the space of iGaming Affiliation and B2B SaaS Solutions.

Along with its core affiliate business, which contains 30+ comparison and news sites under strong digital brands in multiple verticals, Acroud develops and offers SaaS (Software as a Service) solutions within the affiliate industry. The company also provides streaming services and runs the innovative gaming event – The Festival Series.

Acroud was established in 2003 with a simple idea to make it easier for users to find, compare and choose the right digital services and, in the years since, it has become a top global player in lead generation within the iGaming industry.

Following a number of mergers in 2020 and 2021, many talented industry experts have joined Acroud's journey, leading the organization towards a SaaS-based) Affiliation company.

Fiercely independent and fully integrated, we are a 75+ strong team of brilliant minds with offices in Malta, Denmark, United Kingdom and Sweden. Driven by the sustainable growth and profitability of our partners, our mission is to connect People, Content Creators (Youtubers, Streamers, Affiliates) and Businesses.

Acroud has been listed on the Nasdaq First North Growth Market under the ticker symbol ACROUD since June 2018.

THE ACROUD OFFER

SaaS Segment

Industry leading data collection and business intelligence services

Within the SaaS (Software as a Service) segment, we develop and provide B2B software solutions to other affiliates and increase their growth and profit with our technology base.

Network Model

Our software technology gives content creators access to a large client base and campaigns pool that would otherwise be out of their reach.

Affiliate Segment

Search Engine Optimisation (SEO) Affiliation

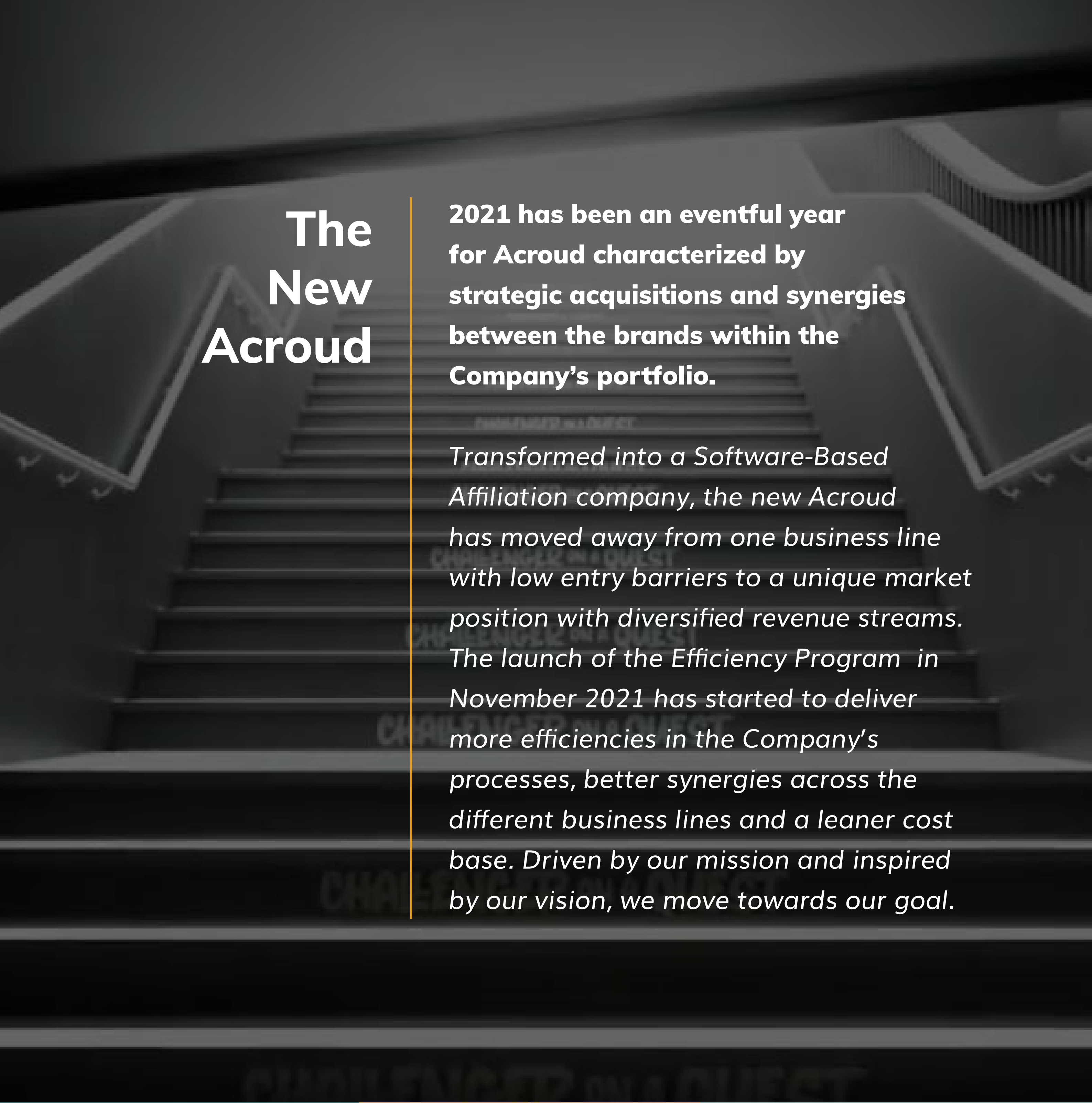
Acroud operates 30+ comparison and news sites under strong digital brands and delivers high-quality content, search engine optimisation and cutting-edge technology to affiliate assets to maintain strong keyword rankings.

Social- and Community-based Affiliation

As demand for influencers increase, Acroud now has a strong community following our trusted team of ambassadors, called The Gambling Cabin. Continuously adapting to consumer behaviour and digital environment trends, Acroud has started referring players to operators via streaming, podcasting and social media platforms.

Live and physical events to bridge the gap between land-based gaming and digital affiliation business

By combining the digital sphere with land-based gaming, Acroud provides both operators and the player communities with a tangible value, which is a pivotal element to the future success of affiliation business. The Festival Series is the first of its kind mixed games format event.



The New Acroud

2021 has been an eventful year for Acroud characterized by strategic acquisitions and synergies between the brands within the Company's portfolio.

Transformed into a Software-Based Affiliation company, the new Acroud has moved away from one business line with low entry barriers to a unique market position with diversified revenue streams. The launch of the Efficiency Program in November 2021 has started to deliver more efficiencies in the Company's processes, better synergies across the different business lines and a leaner cost base. Driven by our mission and inspired by our vision, we move towards our goal.

Mission
Why we exist
Connecting people, content creators and Businesses

Vision
Our ideal state
To be the Media House of the Future

Goal
The target
To create the best ecosystem within Media and affiliation industry

An Eventful Year

Q1
2021

Jan 21 Acroud acquired the assets in Power Media Group (PMG), which included three fast-growing companies mainly active in the European market: the affiliate network Matching Visions, the marketing campaign broker Traffic Grid, and an industry-leading SaaS service provider Voonix. PMG Group was acquired on a cash- and debt- free basis for a consideration of EUR 4.8 million, plus an additional potential consideration based on EBT development in calendar year 2022.

Acroud also obtained a licenses to start running Sports Betting, Casino and Poker affiliate operations in Pennsylvania and Michigan.

Feb 21 A new organizational structure was launched, having two operational segments: the iGaming Affiliation and SaaS segments. In connection with the new organization, a new and strengthened management team was formed.

Mar 21 An Extraordinary General Meeting approved the launch of an employee stock option program. The program covers key personnel and runs for three years until March 2024.

Q2
2021

Apr 21 Acroud strengthened the position within streaming and affiliation in Sports Betting and Poker through the acquisition of The Gambling Cabin (TGC). TGC was acquired on a cash and debt-free basis for a purchase price of SEK 47 million plus an additional potential consideration based on EBITDA development during the period 1 April 2022 to March 2023. The purchase price was paid in cash and with newly issued shares in Acroud.

May 21 Jonas Strömberg and Maria Grimaldi Andersson were elected as new board members of Acroud. Fredrik Rüden and Jonas Bertilsson renounced re-election.

Q3
2021

Sep 21 Acroud returned to the live events scene with the successful launch of the first event in The Festival Series. By doing so, Acroud has strengthened its position as the bridge between land-based gaming and affiliation while also producing high-quality content to grow its digital flagship products, such as Pokerlistings.com.

Q4
2021

Oct 21 The Netherlands opened its regulated online gambling market, one of the larger European markets. Ten operators were granted a license, with more licenses expected to be issued in 2022.

Nov 21 Roderick Attard was appointed as the new CFO of Acroud. Roderick previously held the position of Head of Finance at Acroud. He has profound industry knowledge from the iGaming industry and a background as an auditor at KPMG.

Following its continued investment in productivity, synergies, and software tools, Acroud launched an extensive efficiency program in mid-November, with around 20 people being affected. The program aimed to create a cost-saving of about EUR1.2M in 2022 while accelerating revenue growth in 2022 and beyond.

Q1
2022

In March 2022 Acroud has divested its finance affiliation assets for USD 575 thousand. The divestment is in line with the Company's strategy to be the preferred digital affiliation partner within iGaming market. The total consideration of USD 575 thousand represents a multiple of approximately 5.2x annual EBITDA, based on the last twelve months.

During first quarter of 2022, the Company's Board has initiated the re-financing process and have appointed financial (Pareto Securities AB) and legal (Gernandt & Danielsson Advokatbyrå KB) advisors to assist in the process.

The Company issued a trading update about its first quarter results in April 2021. Q1 revenues are expected to reach EUR 6.9million, representing a year-on-year growth of 24%. Q1 EBITDA is expected to reach EUR 1.8million, which is expected to go up to EUR 2.2million when the profit on finance assets' disposal is also included.

Financial summary

REVENUE
EUR 24.8m

iGaming affiliation revenues (EUR11.2million) were impacted by regulatory effects in The Netherlands where the Company had a strong presence. Growth in Poker and Sports Betting revenues has partly set-off the drop in Casino revenues caused by the Dutch product offerings, explaining the negative organic growth of -12.6%. SaaS revenues have consistently grown quarter-on-quarter, reaching EUR13.6million.

EBITDA MARGIN
22%

iGaming affiliation business operated at an adjusted EBITDA margin of 46% while SaaS business operated at an EBITDA margin of 8%. Investments in growth initiatives during second half of 2021 as well as execution of the efficiency plan in November 2021 were all aimed to improve profitability margins in 2022 and going forward.

OPERATING CASH FLOW
EUR3.3M

Acroud continued to maintain a high cash-conversion, which during 2021 amounted to 91%. Cash flow from operating activities, excluding one-off tax payment relating to acquisitions, amounted to EUR 4.4 million.

Key Figures	JAN - DEC		
Amounts in kEUR	2021	2020	Y/Y%
Revenue	24 767	11 630	113%
Revenue Growth, %	113%	-19%	132%p
Organic Growth, %	-12.6%	-18.3%	6%p
EBITDA	4 676	5 492	-15%
EBITDA margin, %	19%	47%	-28%p
Adjusted EBITDA	5 395	5 782	-7%
Adjusted EBITDA margin, %	22%	50%	-28%p
Profit after tax	718	1 256	-43%
Earnings per share (after dilution)	0.006	0.016	-64%
Adjusted Profit after tax	1 063	2 992	-64%
Adjusted Earnings per share (after dilution)	0.008	0.038	-78%
Net Debts / Adjusted EBITDA rolling 12 months	3.2	2.9	10%
New Depositing Customers (NDCs)	133 195	36 275	267%

%p = percentage points

CEO Comments

Looking back at the past twelve months and reflecting on Acroud's journey from how the company entered 2021 to where we are now, a single word that comes to my mind is *transformational*.

2021 - Year of Transformation

From January 2021, Acroud has begun its strategical transformation from a pure player with traditional comparison sites into a software-based affiliation company with a product mix compromising more complex solutions with high entry barriers and high-quality content.

Through the acquisition of Power Media Group, Acroud took a big leap into the SaaS industry and not only started supplying B2B software solutions but also created the synergies between the existing product portfolio, helping the core affiliation business to get back to growth.

This strategic move has created a new company with less exposure to SEO and other risks associated with the affiliate industry while creating a more robust revenue platform for future growth.

A solid foundation for accelerated growth

In 2021, Acroud delivered an increase in revenue year-on-year by 113% to EUR 24 767 thousand driven by acquisitions. EBITDA, excluding one-off costs emanating from acquisitions and the restructuring program, amounted to EUR 5 395 thousand compared to EUR 5 782 thousand the previous year. The decline in EBITDA is attributable to the iGaming affiliation segment, driven by the decrease in organic revenues (impacted by the Company's adjustments in the Dutch market) and the increase in investment in various growth initiatives, impacting short-term profitability.

With costs in mind, we have launched an efficiency program in November 2021. The plan supports future revenue growth with a leaner organisation. The latter had a one-off cost of approximately EUR 245 thousand in Q4 2021 and will create a cost-saving of around EUR1.2 million in 2022.

With the knowledge, assets and cost base we have now in place, I firmly believe we have reached the right foundation to accelerate revenue growth and optimal margins.
In Q1-22, revenue has grown by 6% quarter-on-quarter while EBITDA (excluding profit on finance assets' disposal) increased to 118% quarter-on-quarter. There is more work to be done but in the meantime this is the best certificate proving that we are on the right track.

CEO Comments

iGaming Affiliation adapted to evolving media trends

With the ever-changing digital media consumption trends, the need to differentiate and strengthen the product offering is becoming clearer and clearer. Historically, the industry has been very bonus and offer-driven, but now it is shifting to be more focused on unique content, product quality, and genuine value creation. And while the classic affiliate comparison sites still have their growing audiences, this type of rich, dynamic and refined content reaches beyond that.

That being the case, the acquisition of The Gambling Cabin was another significant milestone on the road to creating the "New" Acroud. Acquiring this fast-growing player in streaming and software solutions for the media and affiliation has given us a solid digital presence, further strengthened our position as a SaaS supplier and allowed us to enter the streaming market.

Another strategic move derived from this vision was the launch of The Festival Series. While a physical event is a bridge between land-based gaming and affiliation, The Festival Series drives our online presence significantly. All qualifier events are online, our partners are online operators, and the event creates rich and original content, not only for The Festival Series brand but also for our other products such as Pokerlistings and The Gambling Cabin.

Unrivalled Software Solutions

In the future, the use of software-based tools and AI will increase continuously, which is in line with our greater focus on our SaaS business.

Looking at this segment and our focus on software-based affiliation, we observed continued solid growth. Voonix and Matching Visions software have also taken necessary steps to expand beyond the iGaming sector and offer services in new verticals such as E-sports streaming monetization. While some of our competitors have tried and failed, our business model and software opens up completely new ways of earning money for already established e-sport streamers, and our initial business partnerships are so far proving our idea right.

SaaS revenues continued to grow steadily, increasing in 2021 by 32% year-on-year. Acroud's advanced data collection tool, Voonix, has delivered steady year-on-year growth during 2021 of 31% in revenue.
Likewise, Matching Visions has grown its revenue by 32% year-on-year.

Admittedly Acroud has had some challenges over the last few years. Now that we have a leaner and more agile company, Acroud is positioned to deliver significant growth in both revenue and profit in 2022 and beyond. Q1-22 results prove this. It is, therefore, with great optimism that we have entered this financial year. I am convinced that 2022 is the beginning of a very bright future for Acroud. I also believe delivering the best content on the market, backed by unrivalled software solutions, will be a winning combination as we advance towards the year. You can expect us to develop our products further, build on the synergies created and continue to invest wisely.

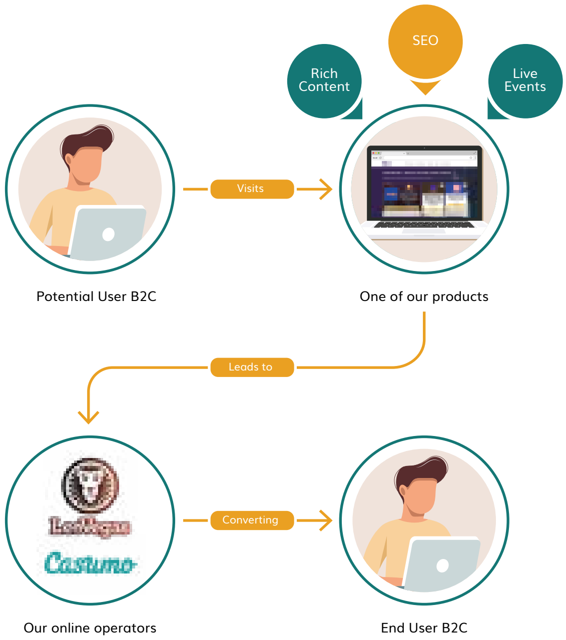
Enjoy The Ride!

Robert Andersson
19 April 2022

OUR BUSINESS MODELS

iGaming Affiliation

The iGaming Affiliation Segment is Acroud's underlying core business, which we continuously diversify by adapting to consumer behaviour and digital environment trends. It contains traditional comparison & news sites, rich content media with a focus on streaming and podcasting, and innovative live events.



Business Concept

The iGaming Affiliation business concept is to own, operate, and develop products and brands that attract a large number of engaged followers and visitors and guide end-consumers to our partners (iGaming Operators). Through usability, functionality and unique content, we entertain, guide and inspire iGaming players to make better choices and, in return, provide the iGaming Operators with high-quality leads. Acroud is directly generating leads in three ways: SEO affiliation, Social and Community based Affiliation, and Live Events.

Business Areas & Brands

Search Engine Optimisation (SEO) Affiliation
Acroud operates 30+ comparison and news sites in various languages under digital brands within Casino, Poker and Sports Betting. We deliver high-quality content, search engine optimisation and cutting-edge technology to our brands to maintain strong rankings. Some of the established brands date back to mid-2000s, proving high domain authority with search engines as well as long industry presence.

Social and Community based Affiliation
The importance of trust and communities is growing. Gaming players are moving away from Google's and other search engines' results and rely more what influencers recommend. Through the acquisition of The Gambling Cabin, Acroud has acquired a community led by trusted ambassadors while placing itself at the forefront of new media, streaming and podcasts within the iGaming industry. This brand is focused on rich content, product quality and genuine value creation, which comes in the form of daily sports updates, live streams, podcasts, betting tools, as well as personalized experiences. Such content is produced by experienced personalities who are trusted by a large and loyal follower base and is published across a diversified set of channels (Streams, Podcasts, Websites, Social Media). This business is already well established in Sweden, with Svenska Spel being its largest customer. We have rolled this concept out in the Netherlands. Since going live in January 2022, the community is steadily growing by the day, and we see significant potential in expanding to other markets in the future.

Live Events
In September 2021, Acroud launched its first live gambling event, The Festival Series. Acroud's role in this new concept is to attract Gaming players (e.g. poker players) and link them with land-based casinos where the tournament is held. Besides generating revenues through the event itself, Acroud generates NDCs by promoting the event through own existing channels and partners of the event (e.g. Pokerlisting.com).

OUR BUSINESS MODELS

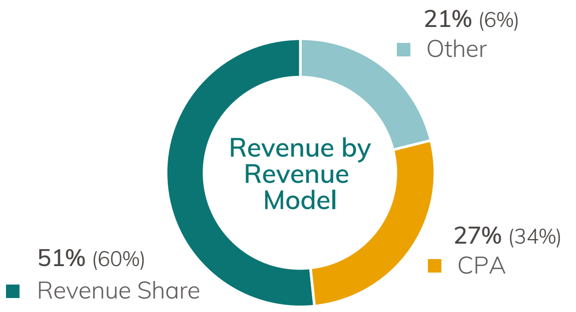
iGaming Affiliation

Revenue model
The iGaming Affiliation segment's revenue model is performance-based and works on the basis that a user, i.e. the end consumer, has made a deposit and started playing with one of Acroud's partners – the iGaming Operators. The revenue is based on the type of partnership agreement and it is divided into three main revenue models: CPA (one-time fee earned for each player referred), Revenue Share (where operators pay Acroud a share of revenue generated from each player referred until the account is closed) and Other Income (consisting of Marketing Fees, Banner Fees and Commission Partnerships).

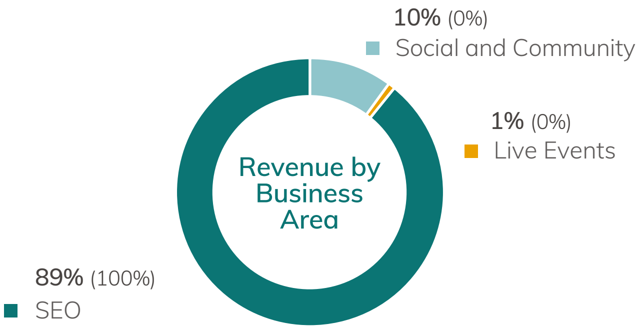
Building a diversified-risk platform
The Affiliate segment has moved away from being too dependent on tradtional SEO websites, to a business with more diversified revenue streams which provides lower risk profile for the Group.

We remain very strong in the European market where many iGaming markets have now become regulated.

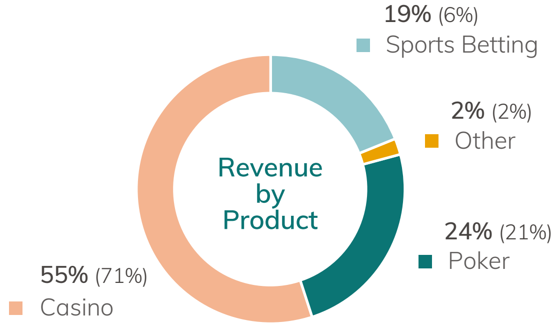
Revenue by Revenue Model



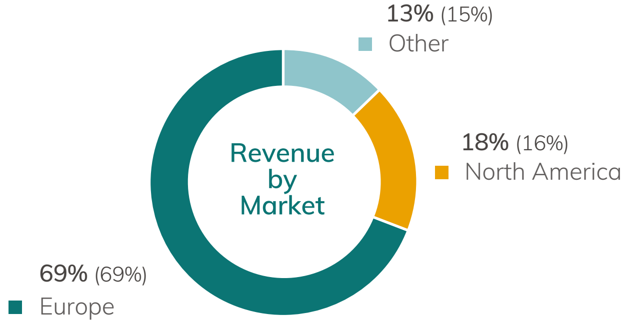
Revenue by Business Area



Revenue by Product



Revenue by Market



SaaS Segment

Within the SaaS Segment, Acroud develops and provides business-to-business (B2B) solutions to other affiliates with the goal of increasing their growth and profit potential through our technology base. Our software technology also gives content creators access to a large client and campaign pool that would otherwise be out of their reach.

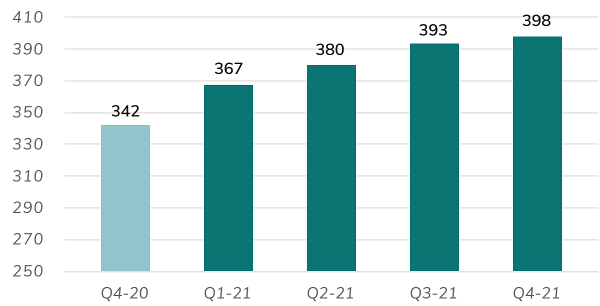
Business Concept

The SaaS segment seeks to empower industry participants with quality developed software solutions that strike at the heart of a specific client need, and are built around a vision of immediate transparency and simplicity. Clients are not forced into lengthy and complicated contracts but are presented with a unique and affordable solution that solves specific challenges. This trading concept, coupled with an innate understanding of the needs within the industry, has created a scalable and low-churn business unit. Thousands of iGaming affiliates are using our products daily and, through our unique software solution, obtain individual campaigns and content negotiated and developed by the SaaS segment. Instead of working with potentially hundreds of gaming operators, the clients (affiliates) work only with Acroud. They have one point of contact, and they get all their commission in one easy monthly payment. By being a part of Acroud, they do not only lighten their workload but also enjoy the strength in numbers that comes along with being part of a more extensive network of affiliates. They get unique deals, unique promotions and a service that is second to none.

Number of clients increasing

Revenue Generating Units (RGUs) represent the number of business serviced by the SaaS segment. During 2021 RGUs kept increasing consistently growing throughout the year in both SaaS subscription and Network models, guaranteeing revenue growth in SaaS in 2021 and going forward.

RGUs Development – SaaS segment



Business Areas & Brands

SaaS Segment has two main business frameworks:

SaaS subscription model

We are providing B2B software solutions at a monthly service charge. The software solutions obtain and presents data timely in value-adding dashboard. The software is self-serving and, after training, the client is fully capable of operating the solution without assistance from the SaaS segment team. The price paid by clients depends on their scope and needs. The extremely low churn/cancellation rates within the SaaS department are a testament to the quality of the products. The subscription based unit, referred to by its product name "Voonix", is the most pure SaaS product within the segment.

Network model

The other branches of the SaaS segment utilise their software products to create a framework for doing transactionary business with affiliate clients. This business model sits in between iGaming operators and traffic sources. It utilizes its business volume and contacts to negotiate commission levels with operators and obtain a percentage of the commission as profit after pay-out to the affiliate. The commission is structured around the three same models as in the iGaming affiliation segment and across the industry: CPA, Revenue share and fixed marketing fees. Just like the affiliation segment, this branch of the SaaS segment has always operated under a philosophy of creating sustainable long-term values and as such, more than 50% of its revenue is generated through revenue share agreements. The network model has been historically running with traditional, SEO-based affiliates but since 2021 the Network model has rolled out the same concept in the iGaming streaming market, giving birth to DreamStream. The network keeps growing, reaching 1000+ affilaite sites and streamers, and 150+ different iGaming brands by the end of 2021.

Synergies & Growth

In January 2021, Acroud has repositioned itself from a single business line targeting a set of markets, to a software-based business model with diversified business risk. Our growth in coming quarters will be driven through implementation of new initiatives as well as from effective collaboration and synergies between the different business areas.

Growth via new initiatives

iGaming Affiliation

Keep investing in and improving our SEO techniques

Further expansion of The Gambling Cabin into other strategic markets and verticals

Partnership with Media Houses and expanding The Festival in more countries

SaaS – Network model

Growing our reach, organically and through partnerships with other networks

Growing revenue through additional and better fixed fee deals

Growing within the streaming niche

Total Growth

Joint efforts in approaching iGaming operators, offering with a wide portfolio of services and a guaranteed delivery of high number of NDCs. Joining forces puts us in a better situation to negotiate and optimise existing and new deals

The increased traffic volumes within the group creates a substantial statistical foundation which assists the business intelligence teams in the group to make more accurate decisions on which partners to promote in different geographical markets

Help each other to learn about and onboard new iGaming brands launched on the market

iGaming Affiliation

SaaS – Network model

Growth via synergies

CHINESE WALLS

SaaS – Subscription Model

Expanding on product offering to retain existing clients while attracting new ones

Creating commercial partnerships with clients

Financial Targets

Acroud's financial targets constitute a long-term ambition that the Board and Management consider to be reasonable for the Company. The Board has defined the following financial targets:

EPS growth

Acroud's target is average annual EPS growth of at least 20 percent over time. Earnings per share growth is the overall financial target and Acroud believes that this is the best way to measure shareholder value over time.

Organic revenue growth

Acroud's long-term target is organic revenue growth in the range of 15 to 25 percent. 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 revenue compared with the previous period, excluding acquisitions and divestments in accordance with IFRS 3 (in the last 12 months) and exchange rate movements.

Capital structure

Acroud's long-term target is a Net debt/EBITDA ratio of no more than 2.0. The Company's operations will be conducted over time with low net debt and therefore low financial risk. The Board has the right to deviate from this target during periods if it is considered favourable for both Company and shareholder value.

Dividends

Over the next few years, Acroud will prioritise lower net debt, good liquidity and internal growth investments above dividends.

Key Assumptions

The iGaming market is expected to continue to grow at an average annual growth rate of 9 percent in the period 2021-2026. The share for online gambling (iGaming) is currently about 20 percent and is expected to increase to 22 percent by 2024. Acroud sees a continuation of sustainable underlying growth in the iGaming market.

Sports Betting currently accounts for about 50 percent of the iGaming market. In 2020 and 2021, Acroud strengthened its position within Sports Betting mainly through the acquisition of RIAE Media and The Gambling Cabin, and in the long term expects to be able to generate higher growth than the average for the overall iGaming market from this vertical.

In the US, more and more states are moving towards re-regulation and Sports Betting is now also permitted. Acroud has had assets in the American market since 2003, and we will be able to capitalise on these and new brands as an increasing number of states allow iGaming.

Acroud is currently a leading player in the affiliate segment and has many years of relationships with our partners. Acroud expects to maintain these partnerships and enter into new ones as more players establish themselves in the market.

Acroud expects that competition among affiliate companies will remain relatively unchanged, as continuing consolidation of the market is offset by the arrival of new players. However, the Company believes that there will be a shift in market shares in favour of large players like Acroud.

In the preparation of the long-term financial targets, the Company has not taken into account any significant negative effects as a result of material changes in, but not limited to, the following areas:

- The regulatory climate, laws and regulations to which the Company, the iGaming affiliate market, the Company's partners and the broad iGaming market are subject.
- Our partners' (operators) views on the use of affiliates in acquiring customers.
- Existing political, fiscal, market and/or economic conditions, and the administrative, regulatory or tax-related treatment of the Group.

The Share

Acroud AB (publ) share is traded on Nasdaq First North Premier Growth Market Stockholm since 27 June 2018. The shares were previously traded on AktieTorget. In connection with the name change to Acroud AB, the Company also changed its Nasdaq ticker symbol from "NETG" to "ACROUD", effective from 17 July 2020.

Trading Volume and Share Price during 2021
The share 's market value fell by 15 percent during 2021. The highest closing price was SEK 4.17 on 13 April 2021 and the lowest was SEK 2.34 on 27 October 2021 and 21 December 2021. In total, 41.8 million shares were traded at a total value of approximately SEK 125.8 million. The average volume for the year was 165,043 shares per trading day.

Share capital
Share capital on 31 December 2021 amounted to EUR 3 280 (EUR 2 883) thousand divided into 129 659 355 (113 950 153) shares. During 2021, the Company has issued 15 709 202 shares in part-settlement of two acquisitions done in January 2021 (PMG Group) and April 2021 (The Gambling Cabin). The Company has one class of shares– A shares. Each share entitles the holder to (1) vote at the shareholders' meeting.

Following the change of presentation currency on 1 January 2019, share capital was converted to Euro, amounting to EUR 1,912,678.10.

Bond
Acroud issued a bond in autumn 2017, which was listed on 7 November 2017 for institutional trading on Nasdaq Stockholm's Corporate Bonds List under the bond ticker symbol NETGAM002. Following the name change, the Company updated its Nasdaq Bond ticker symbol to "ACROUD 02".

In May 2020, the bondholders voted by written procedure in favour of extending the bond to September 2022. The bond has a variable interest rate of Stibor 3m +7.25 percent.

In order to optimise its capital structure, the Company repurchased its bond on the market during 2019 and 2020, corresponding to a nominal amount of SEK 67 million and SEK 72.6 million. During 2020 and 2021 the Company amortised its bond, paying SEK 12.125 million and SEK 23.5 million respectively.

Share Options
In March 2021, 5 600 000 share options were granted to key employees. Share option program will run for three years until March 2024.

Ownership structure
The number of shareholders on 31 December 2021 was 1 992 (2 224), with the 15 largest shareholders owning 87% of the issues share capital as at 31 December 2021.

Largest 15 shareholders as at 31 December 2021	No. of shares	Ownership, %
Trottholmen AB	57,390,981	44.26%
Strategic Investment A/S (JPM Chase)	22,047,397	17.00%
Swedishsantas Media AB	7,709,202	5.95%
SMD Group Ltd	5,937,008	4.58%
RIAE MEDIA	3,727,338	2.87%
Byggnadsaktiebolaget Westnia	3,104,407	2.39%
Försäkringsbolaget Avanza Pension	2,699,822	2.08%
Power Media Group A/S	1,700,488	1.31%
ES Aktiehandel AB	1,700,000	1.31%
Clearstream Banking S.A.	1 518 582	1.17%
Trading House Scandinavia	1,176,400	0.91%
Bank Julius Baer & Co Ltd	1,111,111	0.86%
Robert Andersson	1,066,500	0.82%
Six Sis AG	1,065,517	0.82%
Nordnet Pensionsförsäkring AB	963,838	0.74%
Other shareholders	16,740,764	12.93%
TOTAL	**129,659,355**	**100.00%**

Sustainability

Acroud's sustainability strategy and goals are based on the Company's vision, business concept and values of a long-term approach, development and reliability. We have embedded the right culture, practices, and policies to support this strategy, and these constitute the standard by which we work and make decisions. Our work on CSR (Corporate Social Responsibility) is based on employee participation, and our sustainability work prioritises the areas most relevant to our business.

Our sustainability priorities are:

- **Fair and Safe iGaming**
- **Economically Sustainable Development**
- **Reduced Environmental Impact**
- **Diverse and Inclusive Workforce**

Fair and Safe iGaming

iGaming responsibility is an area of the utmost importance for Acroud's sustainability work, crucial to maintaining relationships based on fairness and trust with customers, employees, authorities and investors. We are determined to ensure that players gamble responsibly in order to minimise any potential gambling-related harms.

Within the iGaming affiliation business line, we guide and inspire people to make the right decisions in a complex iGaming world. Our strategy is that our websites are user-friendly, fun, independent and reliable. We view iGaming as entertainment, and we want our users in both affiliation and SaaS segments to view iGaming as something entertaining. Our end-consumers are mainly recreational players and see iGaming as purely fun and not a source of income.

Along with ensuring that players have the right legal age to gamble, we strive to increase the knowledge about Safe iGaming. Across all our affiliate websites, we give the necessary information to understand the possible negative effects of gambling and how one can prevent those. We also provide self-evaluation tests for our users to diagnose their own playing patterns and behaviours. In addition to the information and tools, we provide guidance on who to contact and where to seek help, should one be in the danger zone of getting into gambling addiction.

Furthermore, all our brands for customer generation go beyond the minimum requirements stipulated by the applicable laws and responsible gaming organisations, including IGC (Interactive Gaming Council) and NCPG (National Council on Problem Gaming). Since we don't operate any iGaming operator business, we have an ongoing dialogue with our business partners and continuously evaluate them to ensure they follow responsible iGaming and advertising rules while working in line with our values. Responsible iGaming also means active work towards a high level of customer confidentiality and information security. We strive to be transparent in terms of what data we collect, how we use it, who we share it with and how we protect it. We also ensure that we are fully compliant with General Data Protection Regulation (GDPR) guidelines and that we only ever use personal data submitted to us, where the law allows us to do so. We follow best practices and operate in accordance with the advertising regulations and requirements on promotional and marketing communications for responsible Gaming and national legislation where our products are marketed.

The Company is committed to acting in compliance with applicable laws, rules and regulations in all the jurisdictions where it undertakes its operations.

Economically sustainable development

Acroud contributes both directly and indirectly to the communities in which the Company operates, and we have a responsibility to create growth and profitability for our stakeholders. The goal is to increase the Company's value over time, thereby ensuring sustainable development and a long-term return for shareholders. Acroud contributes to economic growth in society, both by our services helping users make the right choices in a complex iGaming world and by offering jobs.

Tree planting activity

Reduced environmental impact

Here at Acroud, we understand that climate change is an important issue that applies to all businesses and sectors. Although our environmental footprint is relatively insignificant as our Company operates mainly online, protecting the environment is deeply embedded into our culture.

We act with consideration for the world's scarce resources and have clear goals for how we as a company and individuals can contribute to impacting the environment as little as possible.

Acroud has its own 'Green Team' consisting of employees committed to ensuring the Company has an environmental-friendly profile by promoting various green practices.
In 2021, some of these initiatives included switching to eco-friendly stationery made of wheat straw to further reduce our plastic consumption, introducing an effective waste recycling scheme in our offices, promoting paperless working, distributing reusable water bottles to all our employees, and repurposing unused resources.

We have upcycled our IT equipment by donating laptops, monitors and keyboards to local charities, supported local afforestation programme and participated in several environmental cleanups.

Moreover, by implementing a hybrid remote working model, Acroud continues to minimise the need for travel, further reducing our carbon footprint.

Diverse and inclusive workforce

At Acroud, we firmly believe that equality, diversity and inclusion create a strong, unified culture, enrich the Company and foster a great dynamic among its employees.

We advocate equal conditions for our employees and job applicants, and we have zero tolerance for any form of discrimination. This includes equal pay for equal work and equal work opportunities regardless of gender, nationality, ethnicity, religion, age, sexual orientation, disability or military status.

We value the uniqueness of every employee and strive to help them reach their full potential. We continuously challenge ourselves to diversify our workforce and close the gender gap throughout all levels of the organization. Acroud also makes every effort to hire and promote minority groups and women, and involve them in every level of employment and decision-making.

The Group's 78 employees proudly comprise 26 nationalities, whilst women occupy 33% of the Group's management positions, up from 20% last year. Our commitment to making equality, diversity and inclusion the foundation of our culture is driven not only by our desire to enhance the community but also by its importance to maintaining a sound business strategy.

Our People
Following a number of mergers in 2020 and 2021, many talented industry experts have joined our journey, rapidly transforming Acroud into a forward-leaning Software-Based Affiliation company characterised by an entrepreneurial mindset.

Fiercely independent and fully integrated, we are a 75+ strong team of brilliant minds with offices in Malta, Denmark, United Kingdom and Sweden. While the offices in Malta accommodate the main part of the management team, writers, developers, SEO specialists and designers, the Voonix team is based in central Copenhagen and The Gambling Cabin team in Stockholm.

Our personnel is relatively young, and we constantly invest in developing our motivated employees and strengthening our corporate culture. For us, a healthy work-life balance is essential, and we encourage our employees to live an active life with plenty of physical activity.
We offer a number of employee benefits, such as health insurance and gym passes, as well as flexible working conditions with the hybrid remote working model.

We work with individually tailored skills development based on each employee's needs and interests. While we focus on our in-house training, we sometimes also use external resources to develop our organisation further. We have dedicated employees whose progression is evaluated regularly, and we also conduct periodic employee satisfaction surveys which allow respondents to contribute new ideas and views.

Acroud provides a pleasant, innovative and stimulating workplace, and we enjoy socialising and celebrating our successes together. The Company, therefore, organises regular staff events, with the spouse/partner and children of employees sometimes invited to these.

Risk Management

Like any other business, Acroud´s operations carry different business risks. Well-balanced risk management can lead to new opportunities and ultimately create value for shareholders, while risks that are not managed properly can result in damage and losses.

In 2021 the Company's operational risk profile has improved significantly. The Board and Group management work constantly on risk management, with focus on the most significant risks that the Group faces which include operational, strategic, legal and financial (namely credit, liquidity and market risks) risks. Fulfilment of Acroud's goals associated with the business plan can be affected by strategic, operational, legal and financial-related risks in both a short and long-term perspective.

OPERATIONAL RISK

The risk that revenues or expenses are impacted due to internal or external operational factors.

The affiliate business is dependent on search engines like Google, Bing and Yahoo! which could in the future implement strategies that make it more difficult for Acroud to operate. This may in turn impact the Group's profitability, thus potentially leading to affected assets' valuation being impaired. To mitigate this risk, the Company continuously invests to expand its business in different regulated markets and hence diversify its exposure to different search engines.

During 2021 the Company has executed two major acquisitions which has reduced significantly its operational risk. With acquisition of The Gambling Cabin, the iGaming affiliation business has introduced new revenue stream which operate on social media platforms and hence outside search engines. Also, by acquiring Power Media Group, Acroud started offering B2B services / SaaS solutions. This strategic move has created a new company with less exposure to SEO and other risks associated with the affiliate industry while creating a more robust revenue platform for future growth. The Company does not have inventory or onerous contracts with suppliers.

STRATEGIC RISK

Exposure to factors outside Acroud's own operations and relate to risks in the form of changed strategic

Acroud's affiliation business has relatively low market entry barriers, meaning that competitors are continuously arriving, which affects the market specifically within the iGaming affiliation industry. With the acquisitions of PMG and The Gambling Cabin, Acroud started offering more dynamic content and SaaS solutions, which have significantly higher entry barriers than traditional affiliate sites.

LEGAL RISK

Risk arising as a result of changes in laws and regulations in the markets where our customers are operating

Although the Group does not conduct any online gaming operations, it is dependent on the online gaming industry, where the majority of customers are active. Enactment of new regulations or changes to existing regulations in markets where Acroud 's customers operate might affect Acroud's revenues and the underlying assets value. The majority of Acroud's revenues as well as its growth initiatives are derived from regulated markets. Additionally the customer base is sufficiently diverse to mitigate this risk.

CREDIT RISK

Exposure to a possible financial loss if a counter-party (principally debtors and financial institutions) fails to meet its contractual obligations

Credit risk is regularly monitored by the Finance team, who assesses the credit quality of its customers and makes sure credit risk is well managed and mitigated. Cash and cash equivalents are held with different reputable financial institutions in Sweden, Malta and Denmark.

LIQUIDITY RISK

Risk of difficulties in obtaining funding in time, resulting in the Company's inability to settle obligations when they fall due

Through rolling liquidity forecasts, the Finance team makes sure that the Company always has sufficient liquidity to meet its liabilities when due.

The current bond will mature in September 2022. During first quarter of 2022, the Company's Board have initiated the re-financing process and have appointed financial (Pareto Securities AB) and legal (Gernandt & Danielsson Advokatbyrå KB) advisors to assist in the process. Based on successful financing in the past, management is confident that this re-financing process will be equally successful.

MARKET RISK

Exposure to changes in market prices, such as interest and foreign exchange rates

The Company's main exposure to foreign exchange risk comes from its bond issued in Swedish Kroner (SEK). To manage this risk, the Company creates a natural hedge by holding excess cash in SEK. Big majority of the Group's customers are billed in Euro (EUR), with the remaining customers billed in large currencies, mainly US Dollar (USD) and British Pound (GBP). Most of the costs are in EUR and GBP.

The Group continuously monitors interest rate risk and believes it is not significant in view of the relatively low debt/equity ratio due to the revenue generated from acquisitions and operating activities.


THIS
IS US

Meet the Board of Directors

Henrik Kvick

Chairman of the Board

Chairman since 2012

Born: 1977 **Education**: M.Sc. in Industrial Engineering from Linköping University **Other current assignments**: Chairman at Trottholmen AB, Chairman at NetJobs Group AB, Deputy board member at PFK Invest AB **Previous assignments**: Chairman at Speqta AB (publ), Board member at Tradedoubler AB (publ) and Entraction Holding AB(publ), CEO at NetJobs Group AB (publ) **Independent in relation to the company and the company management**: Yes **Independent in relation to the company´s main owners**: No **Holding as at 19 April 2022**: 57 390 981 shares

Kim Mikkelsen

Board member, Chairman of Audit Committee

Board member since 2020

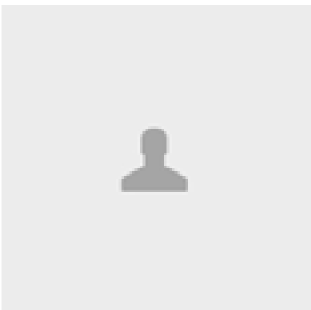
Born: 1968 **Education**: HD Finance, CPH Business School **Other current assignments**: CIO and majority shareholder of Strategic Investments, Board member at Nord Insuretech Group **Previous assignments**: Bikuben Bank, Swiss Bank, Greenwich Capital, SEB, Nordic Asset Management **Independent in relation to the company and the company management**: Yes **Independent in relation to the company´s main owners**: No **Holding as at 19 April 2022**: 22 047 397 shares

Peter Åström

Board member, Chairman of Remuneration Committee

Board member since 2019

Born: 1966 **Education**: Master of Science in Business Administration, Umeå University **Other current assignments**: Own consulting business **Previous assignments**: CEO and Director at Entraction AB, Deputy Director at Kama Net AB, EBC – Executive Board Consulting AB, Nordic Leisure Incentive AB, Score 24 AB, Lifland Gaming AB, Mediarevolution Nu AB, Baltic Gaming AB **Independent in relation to the company and the company management**: Yes **Independent in relation to the company´s main owners**: Yes **Holding as at 19 April 2022**: -



Jonas Strömberg

Board member

Board member since 2021

Born: 1981 **Education**: Master Degree of Science in Business Administration and Economics, Bachelor Degree of Social Science with a Major in Economics, Stockholm University School of Business **Other current assignments**: Investment Manager at Erik Selin Fastigheter AB, Board member at Carlsson & Norén Asset Management och Dignisa **Previous assignments**: – **Independent in relation to the company and the company management**: Yes **Independent in relation to the company´s main owners**: Yes **Holding as at 19 April 2022**: 1 700 000 in ES Aktiehandel AB and 58 000 privately-owned

Maria Andersson Grimaldi

Board member

Board member since 2021

Born: 1968 **Education**: Graduate Brand and Marketing Economist **Other current assignments**: Executive Business Advisor & Investor, Chairmwomen Fall Damage AB, Director of the board M.O.B.A Network **Previous assignments**: President, CEO Bublar Group (publ), CEO Computer Game Industry **Independent in relation to the company and the company management**: Yes **Independent in relation to the company´s main owners**: Yes **Holding as at 19 April 2022**: -

Meet the Executive Management

Robert Andersson
CEO

Number of shares in the company: 1 066 500

Number of stock options: 1 000 000

Robert Andersson is 44 years of age and has a Computer Science degree from Stockholm University and Griffith University. He has long experience in creating shareholder value and developing growth companies in iGaming and the media industry. Before joining Acroud, Robert was CEO of Enlabs and Catena Media, which he built up and developed, turning them from small companies with a few employees into large established listed companies. Robert joined Acroud in February 2020.

Roderick Attard
CFO

Number of shares in the company: 8 300

Number of stock options: 150 000

Roderick Attard is 35 years old, has 11+ years of experience within the iGaming industry, and holds a Bachelor's degree in Accountancy from the University of Malta. He gained knowledge and industry experience over the seven years working as an Audit Manager at the iGaming-specialised Team at KPMG. He joined Acroud as the Financial Controller in September 2017 and has since worked his way up within the company. Roderick previously held the position of Head of Finance and was promoted to his current role in November 2021.

Morten Marcussen
Managing Director
As a Service Segment

Number of shares in the company: 2,799,747

Number of stock options: -

Morten has +8 years experience within the Gaming industry and has +20 years experience in Business development online. He is Master of Science in Economics and Business Administration MSc with a focus on Design and communication management. Morten has since 2018 been the CEO of Voonix, but also focus on business development in different areas of Acroud.

Ruben Gräve
COO Affiliation Segment

Number of shares in the company: 80 000

Number of stock options: 325 000

Ruben Gräve is 28 years old and has +10 years of international experience within the Digital Marketing, iGaming and E-Commerce industry. Ruben who is Dutch of origin founded his first company at 12 years of age in Amsterdam and studied contract law and computer science at Harvard Business School Online. He has successfully built and sold his businesses in the last years and has a strong entrepreneurial focus and track-record of building high performance teams on an international level. Ruben joined Acroud in September 2014 and has held various positions in the organisation. He was promoted to his current role in Acroud in February 2021.

Daria Piotrowicz
Head of Communications

Number of shares in the company: -

Number of stock options: -

Daria Piotrowicz is 31 years old and holds a Bachelor's degree in Journalism from Anglia Ruskin University in Cambridge. Joining Acroud in early 2021 as the Social Media Manager, Daria expanded her remit to internal & external Digital Communications, PR and IR within a few months. In November 2021, she took the position of Head of Communications and joined the Management team.

Prior to Acroud, Daria spent five years within the Corporate Communications Team at MAG, where she led social media teams, first at London STN Airport and then across the whole group of airports.

Agne Galvelyte
Head of Legal and Compliance

Number of shares in the company: -

Number of stock options: -

Agne Galvelyte is 29 years old and has a double Master's degree in European and International Business law with a focus on AML measures and prevention of BEPS. Joining the iGaming industry five years ago, Agne started her journey with Matching Visions as Head of Legal and Compliance, thereafter joining Acroud at the beginning of 2021 and the Management team of Acroud in early 2022.

Prior to her journey with the iGaming industry, she worked within the commercial law sector for 4+ years.

Corporate Governance Report 2021

Introduction

Acroud AB (publ) ("Acroud" or the "Company") is listed on Nasdaq First North Premier Growth Market Stockholm. Corporate governance represents a set of systems, principles and processes by which the Company is governed. Acroud is committed to maintaining a high standard of corporate governance in complying with the Swedish Code of Corporate Governance. Acroud's corporate governance is based on the articles of association, the Swedish Companies Act, Nasdaq Stockholm's Rules for Issuers, the Swedish Corporate Governance Code (available at www.bolagsstyrning.se) ("the Code") and other applicable laws and rules. This corporate governance report summarises the Group's corporate governance practices that were in place throughout the financial year ended 31 December 2021, in both the Parent Company Acroud AB and the Group.

Principles of corporate governance

Acroud applies statutory or other regulatory rules and the Code. The Company complies with the Code's rules apart from deviations regarding the Nomination Committee (see below).

Corporate governance structure

At the AGM/shareholders' meeting, the shareholders make the decisions and set the guidelines that form the basis for Acroud's corporate governance. The organisational chart below summarises how corporate governance is organised in Acroud.

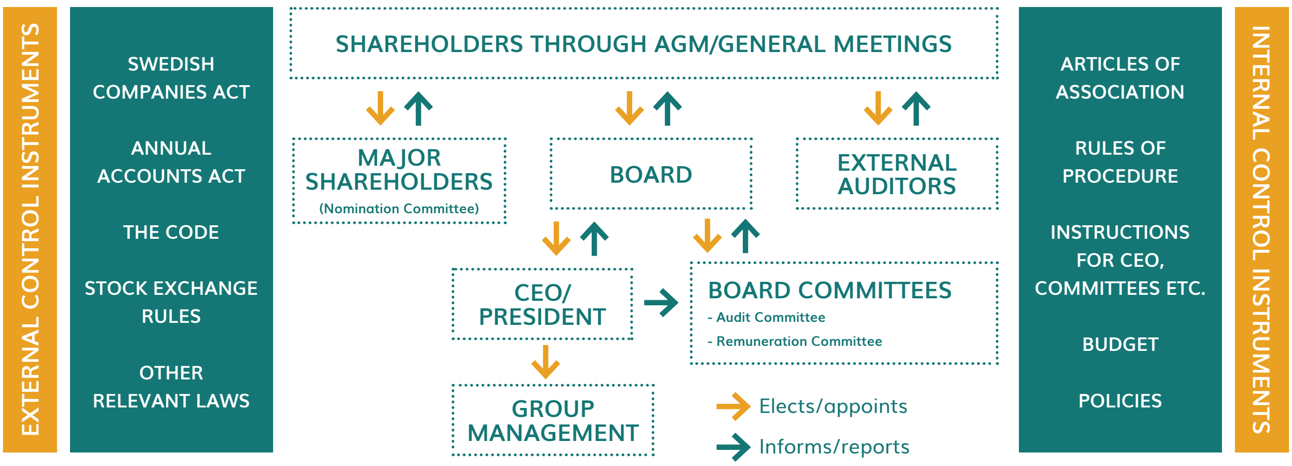
Control Instruments

The Board of Directors is ultimately responsible for the Company's organisation and the management of its affairs. Supervision is exercised by authorities and their appointed bodies, partly through the Company's reporting to them and partly through their own regular controls. Internal control instruments include the articles of association adopted by the shareholders' meeting, the Board's rules of procedure, the CEO's instructions, the Board's committees and financial reporting. In addition, there are financial and quantitative targets, budgets, reports, policies, values and codes of conduct. The policies adopted by the Board are the code of conduct, financial policy, communication policy, responsible gaming policy, authorisation policy and insider policy. The CEO decides on the crisis management policy, IT security policy and work environment policy, which are communicated to the Board. There are also other governance documents drawn up by the CEO or persons appointed by the CEO.

Division of responsibilities

Shareholders exercise their influence over Acroud AB at the shareholders' meeting, which is the Company's highest decision-making body, while responsibility for the Company's organisation and management of its affairs rests with the Board and the CEO in accordance with Swedish Companies Act, other laws and regulations, applicable rules for listed companies, the articles of association and the Board's internal control instruments.

Corporate Governance Structure



The share and shareholders

According to Euroclear Sweden's share register Acroud had 1 992 (2 224) shareholders as at 31 December 2021.

At 31 December 2021, share capital amounted to EUR 3 280 (EUR 2 883) thousand divided into 129 659 355 (113 950 153) shares. The fifteen largest owners had a total holding corresponding to 87.1 (86.8) percent of issued share capital. The Company has one class of shares – A shares. Each share entitles the holder to (1) vote at the shareholders' meeting.

During 2021 an employee share option program consisting of 5,600,000 options was launched. The Company has no other employee share options or warrants outstanding at the end of the year. More details about the share, shareholders and related information can be found in note 15 of this report.

Shareholders' meeting

The shareholders' meeting is Acroud AB's highest decision-making body. The Annual General Meeting is held in Stockholm within six months from the end of the financial year. The AGM's mandatory duties includes the adoption of the income statements and balance sheets, the dividend, discharging of Board members and the CEO from liability, election of the Board, Board fees, the appointment of an auditor if relevant, auditors' fees, statutory matters, guidelines on remuneration of senior executives, and any other business from the Board and shareholders. All shareholders registered in the share register on the specified record date, and who have provided timely notification of their intention to attend, are entitled to participate in the meeting and vote for their total number of shares held. Shareholders may be represented by proxy. To be eligible to attend and exercise voting rights at the shareholders' meeting, shareholders who have registered their shares in the name of a nominee must temporarily re-register the shares in their own name as prescribed in the notice convening the meeting. The auditors presented their audit to the AGM in the form of the published audit report of the work during the last year. The 2021 AGM made the following decisions:

- The presented income statements and balance sheets were adopted, and Board members and the CEO were discharged from responsibility for the 2020 financial year.
- Board fees were set at SEK 160,000 for each non-executive Board member. Fees for the Chairman of the Remuneration and Chairman of the Audit Committee were set at SEK 40,000, while fees for each member of these committees were set at SEK 20,000. Auditors' fees are to be paid on approved account.
- Henrik Kvick, Kim Mikkelsen and Peter Åström were re-elected to the Board, while Maria Andersson Grimaldi and Jonas Strömberg were newly elected. Henrik Kvick was re-elected as Chairman. The auditing firm Öhrlings PricewaterhouseCoopers AB was reappointed as auditor, with Aleksander Lyckow as the auditor in charge.
- The Board was authorised to decide to issue up to sixty million new shares. The share issue may be in cash, provided new shares are paid for in kind or by set-off, or otherwise in accordance with Chapter 13, section 5, first paragraph (6) of the Companies Act. The issue may be conducted with a derogation from shareholders' preferential rights. The authorisation may be exercised on one or more occasions in the period up to the next Annual General Meeting. The purpose of the authorisation is to strengthen the Company's cash in a time-effective way or to facilitate acquisitions for which payment is in cash or with own shares.

Notice of AGMs and any EGMs should be given by announcement in Post and Inrikes Tidningar and on the Company's website. When the notice has been published, information to this effect shall be announced in Dagens Nyheter. Notice of the AGM and any EGM convened to consider amendment of the articles of association must be made no earlier than six weeks and no later than four weeks before the meeting.

Nomination Committee

In view of the composition of the shareholders, a nomination committee has not been considered necessary. Proposals for the election of the Chairman at the AGM, the election of the Board and, where applicable, the auditors, and proposals for the remuneration of Board members and the auditors are therefore submitted by the Company's major shareholder and presented in the notice of the AGM and on the Company's website. This is therefore a derogation from the Code's rules regarding a nomination committee.

Auditors

Acroud's auditors are elected at the AGM. At the 2021 meeting, Öhrlings PricewaterhouseCoopers AB, with authorised public accountant Aleksander Lyckow as auditor in charge, was elected as auditor for the period up to and including the 2022 AGM.

Acroud's articles of association do not contain any term of office for the auditor. This means that the election of an auditor in Acroud takes place annually in accordance with the Companies Act. The audit is reported to shareholders in the form of an audit report, which constitutes a recommendation to shareholders prior to their decisions at the AGM on the adoption of the income statement and balance sheet for the Parent Company and the Group, the appropriation of the Parent Company's profit and whether to discharge Board members and the CEO from liability. The work includes control of compliance with the articles of association, the Companies Act, the Annual Accounts Act and International Financial Reporting Standards (IFRS), issues regarding valuation of items in the balance sheet, follow-up of material accounting processes, as well as governance and financial control.

The Company's auditor attends at least one Board meeting or Audit Committee meeting each year. The auditors have been present at most of the Audit Committee meetings. In addition to the audit assignment, the Company has consulted Öhrlings PricewaterhouseCoopers on matters primarily concerning tax management and work related to new share issue. As auditor to Acroud and subsidiaries, Öhrlings PricewaterhouseCoopers AB is obliged to review its independence before deciding to also provide other services. Fees paid to Öhrlings PricewaterhouseCoopers are disclosed in note 8 of the annual report.

The Board and its work

Composition of the Board

According to the articles of association, the Company's Board shall consist of three to ten directors with a maximum of ten deputies elected by the AGM for the period until the end of the next AGM. During 2021, Acroud AB's Board, which was appointed by the 2021 AGM, consisted of five directors.

As mentioned, the Company's major shareholders submit proposals for, among other things, the election of the Board. The Board must have a composition that is appropriate to the Company's operations and phase of development, with directors having diversity and breadth of qualifications, experience and background.

The 2021 AGM elected five directors, in line with the proposal of the major shareholders.

The composition of the Board in 2021 and directors' fees for 2021 and 2020 are shown in the table in note 9. For further information and details of directors' current assignments, see the Board presentation on page 20.

Independence of the Board

According to the Code, the majority of the directors elected by the shareholders' meeting must be independent of the Company and its executive management and at least two of these directors must also be independent of the Company's major shareholders.

All directors are considered independent of the Company and its management. All directors are considered independent of the Company´s main owners, except for Henrik Kvick and Kim Mikkelsen.

After the change of CEO to Robert Andersson in February 2020, the CEO is no longer a member of the Board but is co-opted to all board meetings, apart from meetings when the evaluation of the work of the Board and the CEO is on the agenda. Other Company employees also attend in a reporting capacity as needed. The Company's CFO is Board secretary. Acroud's Board of Directors is therefore assessed as compliant with the Code's requirements on independence.

Evaluation of the Board's work

To ensure quality in the work of the Board and identify any needs for additional skills and experience, the Chairman of the Board conducts an annual evaluation of the Board's work, in accordance with the Board's rules of procedure.

The Chairman has had individual discussions with each Board member in order to obtain an idea of Board members' views on how Board work is conducted and what measures could make it more efficient.

The results of the evaluation have been discussed jointly by the Board. The purpose is to develop the work of the Board and to provide major shareholders with relevant decision-support material before the AGM.

Tasks and responsibilities of the Board

The Board oversees the CEO's work through continuous monitoring of operations during the year and is responsible for ensuring that the organisation, management and guidelines for managing the Company's affairs are appropriately structured.

The Board also ensures that there is satisfactory internal control, with system support in place for monitoring the business and its risks, and compliance with laws, regulations and internal guidelines.

The Board is also responsible for developing and reviewing the Company's strategies through plans and goals, decisions on acquisitions and disposals of operations, major investments, the appointment and remuneration of management, and regular monitoring of operations during the year. The Board also adopts budgets and annual financial statements.

The Board's rules of procedure

The Board of Directors adopts annual written rules of procedure which govern the work of the Board and division of tasks among directors, the decision-making process within the Board, the Board's meeting schedule, the Chairman's duties and instructions for financial reporting. The Board's rules of procedure also include special CEO instructions with regard to the division of work between the Board and the CEO.

The inaugural Board meeting is held immediately after the AGM or immediately after any EGM at which a new Board is elected. At Acroud's inaugural Board meeting on 20 May 2021, members of the Board committees were appointed and the above- mentioned rules of procedure were adopted. In addition to the inaugural meeting, the Board holds at least six regular meetings per year, with additional meetings when the Chairman considers it appropriate or within 14 days of a request for a meeting from a director or the CEO. Twenty-one Board meetings were held in 2021.

The work of the Board follows a pre-established plan with certain fixed decision points during the financial year:

- In January/February, the Board deals with the year-end report, the Board's recommendation regarding a dividend and any supplement to the budget and business plan. The Board also evaluates its working methods and decision-making procedures and considers improvements to them.
- In March/April the public annual report is dealt with. The Company's auditors report on observations made during the audit. The Board also deals with remuneration issues.
- The quarterly results are dealt with in May, August and November.
- In June, the Company's strategy, goals and investment plans are reviewed.
- In November, the business plan for the coming year is dealt with, which will form the basis for the preparation of the annual budget in December. The business plan is based on the cornerstones of a defined strategy.
- In December, the Board deals with preparations for the year-end accounts, and approval of the budget and business plan for the coming year.

Other business is dealt with based on the nature of the business in question. On one occasion during the year, the Board deals with the evaluation of the CEO's work, with no member of executive management present. The Board also approves any significant assignments the CEO has outside the Company. Attendance at the year's Board meetings was exceptionally good. The Group's CFO attends Board meetings and is also Board secretary. Other executives attend Board meetings in a reporting capacity for special matters or when otherwise deemed appropriate.

The Board's control of financial reporting

The Board monitors the quality of financial reporting through instructions in this regard and through instructions to the CEO. The CEO, together with the CFO, is tasked with reviewing and ensuring the quality of all external financial reporting, including year-end reports, interim reports, annual reports, press releases with financial content and presentation material in connection with meetings with the media, owners and financial institutions. The Board's Audit Committee helps to ensure that correct, high-quality financial reporting is prepared, finally approved by the Board and communicated. The Board receives monthly financial reports and each Board meeting deals with the financial situation of the Company and the Group.

The Board also deals with interim reports and annual reports. To ensure that the Board's information needs are met, the Company's auditors, in addition to the Audit Committee, also report to the Board on their observations from the audit and their assessment of the Company's internal control each year. At least once a year, the Company's auditors report to the Board on whether the Company has ensured efficient accounting, administration and financial control, after which the Board engages in dialogue with the auditors, not in the presence of the CEO or any other member of executive management.

Remuneration of the Board

Remuneration of Board members elected by the shareholders' meeting is decided by the meeting following a proposal from the Company's largest shareholders. The 2021 AGM adopted total Board fees, payable from the 2021 AGM to the 2022 AGM, of SEK 1,000,000, distributed as follows: SEK 160,000 to the Chairman and SEK 160,000 to each of the other members elected by the AGM. The Chairman of the Audit Committee and Chairman of the Remuneration Committee receive an additional fee of SEK 40,000, while members of these committees receive an extra fee of SEK 20,000.

The Board's committees

The Board has full knowledge of, and responsibility for, all matters on which it has to make decisions. Work was conducted in two committees appointed by the Board during the year: the Audit Committee and the Remuneration Committee.

Audit Committee

The Committee consists of at least three representatives of the Board. Its preparatory tasks include:

- Preparing the Board's work on quality assurance of the Company's financial reporting.
- Monitoring and making recommendations and proposals to ensure the reliability of reporting with regards to the efficiency of the Company's internal controls and risk management.
- Assisting in the procurement of audit services and the preparation of the election and remuneration of auditors.
- Reviewing the scope and focus of the audit assignment.
- Preparing audit issues and evaluating the audit work
- Establishing guidelines for the procurement of permitted non- auditing services from the Company's auditor and, if applicable, approving such services in accordance with guidelines.
- Following up and assessing the application of current accounting principles and the introduction of new accounting principles and other accounting requirements prescribed in legislation, generally accepted accounting principles and applicable stock exchange rules.

The Company's chief auditor and representatives of the audit firm are co-opted to the majority of meetings. Where appropriate, senior executives are co-opted. Since the 2021 AGM, the Committee has consisted of Kim Mikkelsen, Henrik Kvick, and Jonas Strömberg. Kim Mikkelsen is Chairman of the Committee. The Audit Committee held four meetings in 2021 and the Board received minutes from the meetings. The auditors were present at two of the Audit Committee meetings.

Remuneration Committee
The Committee may consist of any number of representatives of the Board. The main tasks of the Committee are to prepare the Board's decisions on matters concerning remuneration principles, remuneration and other terms of employment for executive management, as well as current general remuneration structures and remuneration levels in the Company.

Remuneration of the CEO and principles for remuneration of Company management are decided by the Board.

Remuneration of other senior executives is decided by the Remuneration Committee within the framework established by the Board and the AGM.

Since the 2021 AGM, the Remuneration Committee has consisted of Peter Åström, Henrik Kvick and Kim Mikkelsen. Peter Åström is Chairman of the Committee. The Committee held two meetings in 2021. No minutes were documented but the Board received oral updates from the Remuneration Committee at the board meetings.

CEO/President

In accordance with the rules of the Swedish Companies Act and other legislation, the CEO is responsible for managing the Company's day-to-day business according to the Board's guidelines and instructions, and taking the measures necessary to ensure that the Company's accounting is managed in a satisfactory manner. The CEO must also ensure that the Board continuously receives the information it needs to monitor the Company's and the Group's financial situation, position and development in a satisfactory way and otherwise fulfil its reporting obligations regarding financial conditions.

The Company's CEO manages the business within the framework established by the Board in the special CEO instructions. The instructions include the CEO's responsibility for the day-to-day business and matters that always require a Board decision or notification to the Board, and the CEO's responsibility for financial reporting to the Board.

In consultation with the Chairman, the CEO produces information and decision-support material prior to Board meetings, presents the points of business and explains proposals for decision. The Board continuously evaluates the CEO's work.

Group Management

The CEO leads the work of Group management and makes decisions in consultation with other members of the management team, which in 2021 consisted of the CEO and five other individuals: the CFO, COO iGaming Affiliation Segment, Managing Director SaaS Segment, CTO and CCO. From February 2022 a new Group Management constellation has been implemented consisting of six individuals: CEO, CFO, COO iGaming Affiliation Segment, Managing Director SaaS Segment, Head of Communications and Head of Legal and Compliance. Information about the CEO and Group management is presented on page 21 of the annual report. Group management conducts regular operational reviews led by the CEO.

Articles of Association

The articles of association specify the nature of the Company's operations, the number of Board members and auditors, the procedure for issuing notice of the general meeting, business to be dealt with at the meeting and where the meeting will be held. For the current articles of association, which were adopted by the 2021 Annual General Meeting, see the Company's website www.acoud.com under Corporate Governance/Articles of Association.

Information

The Company's information to shareholders and other stakeholders is communicated through the annual report, year-end and interim reports, press releases and the Company's website, www.acroud.com. The website also contains information on corporate governance. The Company's information disclosure follows an information policy adopted by the Board.

Acroud's system for internal control and risk management in connection with financial reporting

In accordance with the Swedish Companies Act and the Code, the Board is responsible for internal control. The Annual Accounts Act states that the corporate governance report must contain information on the main elements of the Company's system for internal control and risk management in connection with financial reporting. Acroud's internal control structure is predominantly based on the COSO model according to which reviews and assessments are conducted in the areas of control environment, information and communication, risk assessment, control activities and follow-up.

Control environment

The Board of Directors has drawn up a number of governing documents for the Company's internal control and governance, including the Board's rules of procedure and instructions for the CEO and the Board's committees, and reporting instructions, all of which aim to ensure a clear division of roles and responsibilities. Financial information is reported through a Group-wide reporting system. The CEO and Group management are responsible for maintaining an effective control environment and for the ongoing work on internal control and risk management, and they report to the Board in accordance with established procedures. Managers at various levels in the Company have the same responsibility within their respective areas of responsibility and in turn report to Group management.

Information and communication

Internal information and external communication are regulated at an overall level by an information policy. Internal communication between Board and management takes place through management's regular information meetings. Another important communication channel is the Company's intranet, which enables all employees to obtain access to up-to-date information. Internal policies, guidelines, instructions and corresponding documents that govern and support the business are published on the intranet.

Risk assessment

Acroud continuously updates its risk analysis for the assessment of risks that may lead to errors in financial reporting. This is mainly done by Group management in dialogue with the Company's employees. During the risk reviews, Acroud identifies areas where there is increased risk exposure.

Control activities

Monthly financial reports are prepared for all companies within the Group together with consolidated financial reports. These form the basis for ongoing financial monitoring and governance of operating activities. The CEO and operational managers participate in these control activities and special analysis is made of traffic flow, leads, NDCs, conversion, profitability per site, cost control, investments and cash flow. The Company holds weekly financial function meetings which the CFO, Head of Finance, Financial Controller and Business Controller attend. At these meetings, particular emphasis is placed on following up any problems and ensuring accurate financial reporting. Forecasts for the full year are updated at least every forth months for all Group companies.

Through the Audit Committee, the Board monitors the reliability of the financial reporting, evaluates recommendations for improvement and deals with issues related to the identified risks. The Audit Committee presents regular oral reports to the Board and makes recommendations on matters that require a decision from the Board. The control environment is created through shared values, corporate culture, rules and policies, communication and follow-up, as well as the way in which the business is organised.

The main tasks of Group management and the Company's financial function are to implement, further develop and maintain the Group's control routines and to conduct internal control analyses of business-critical issues. Acroud's auditors examine the financial information for the third quarter and the annual accounts. The auditors also examine a selection of controls and processes each year, and report identified areas of improvement to Group management and the Board. The auditor in charge also attends most Audit Committee meetings.

Follow-up

The Company continuously evaluates internal control over financial reporting and the efficiency of reporting to the Board. This is mainly done by asking questions and obtaining information about the financial function's work. The Board receives quarterly reports with financial results, and monthly reports including management's comments on business operations. The financial situation is dealt with at every ordinary Board meeting.

The Company's auditor attends Audit Committee meetings on two occasions during the year and reports on observations about the Company's internal routines and control system. Members then have the opportunity to ask questions. The Board assesses significant risk areas and evaluates internal control on an annual basis.

Internal Audit

The Company has a simple legal and operational structure and developed governance and internal control systems.

The Board follows up the Company's assessment of internal control in various ways, including close dialogue with the Company's auditors. On the basis of what is stated above, the Board has decided not to have a special internal audit function.

Further information available at www.acroud.com

- Articles of Association
- Information from previous annual general meetings (notice, minutes, decisions, CEO presentation)
- Information about the nomination committee/majority owner
- Corporate Governance Report (included in the annual report for each year)

Auditor's report on the Corporate Governance Statement

This is a literal translation of the Swedish original report included in RevR 16.

To the general meeting of the shareholders in Acroud AB (publ), corporate identity number 556693-7255

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2021 on pages 22–27 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

My examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that my examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. I believe that the examination has provided me with sufficient basis for my opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm den 19 april 2022
Öhrlings PricewaterhouseCoopers AB

Aleksander Lyckow
Auktoriserad revisor

Board of Directors' Report

For the Financial Year 2021

The Board of Directors of Acroud AB ("the Company" or "the Parent"), corporate identity number 556693-7255, hereby submit the annual accounts and consolidated financial statements for the financial year ended 31 December 2021. Acroud has its registered office in Stockholm, Sweden, at the address BOX 7385, SE-103 91 Stockholm. "Acroud" or "the Group" are used throughout this annual report when describing the Group's operations. The Group's operating activities are primarily within its subsidiaries based in Malta, Sweden and Denmark.

Main Business

As from January 2021, Acroud operates two business segments: iGaming Affiliation business and business-to-business ("B2B") SaaS solutions.
Acroud's role within the iGaming Affiliation segment is to link iGaming operators with iGaming players. Acroud attracts iGaming players primarily through search engine optimisation (SEO) and online streaming, and then channel these players to iGaming operators. Acroud owns and operates over thirty digital brands focusing on user- friendliness, clear user value and high-quality content in several different languages. The content on the websites is written by professional writers, and it is regularly updated to provide end-consumers with the most relevant information and latest news to make an informed assessment of which operator ticks best their preferences. Acroud's portfolio of affiliate websites range from renowned brands established since 2003 (e.g. Pokerlistings) as well as relatively-new growing websites.
Within the SaaS business line, Acroud delivers B2B solutions to various entities in the iGaming industry. Voonix is a pure SaaS solution, comprising of an effective data collection tool built specifically to report all necessary data affiliate companies need. Voonix is used by many affiliate entities, from small companies to large players on the market. Via Matching Visions and Traffic Grid, Acroud connects iGaming operators with traffic sources, mainly affiliate entities. Matching Visions has a very big network within the industry, making it an established and reputable brand in the market.

Market Development

The iGaming market has registered strong growth in recent years and, with it, all services supporting the iGaming industry including the ones in which Acroud operates. The iGaming market is forecasted by H2 Gambling Capital to continue growing in the coming four years with a compound annual growth rate of 9%. Moreover Covid-19 has accelerated players' demand to switch from land-based operators to online and mobile-based solutions. Online gaming represented 14% of the total gaming market in 2019; this has increased to 22% of total gaming market in 2020. Both new online operators and already-established brands have a need for online visibility in new or existing markets, guaranteeing a strong demand for traditional and innovative digital marketing in the foreseeable future, including Acroud's affiliation products. With this, demand for supporting B2B solutions like Voonix, Matching Visions and Traffic Grid will also increase – thus enabling Acroud to capitalise on same growth in different segments.
In the fragmented affiliate market, there are only a handful of players able to generate a significant number of new depositing customers (NDCs) for the operators. Across its product Acroud has delivered 133 195 NDCs to its clients during 2021, putting Acroud as one of the few companies able to deliver high volume of good quality NDCs in the market.

Business Review 2021

2021 has been a transformative year for Acroud, renovating itself in an entrepreneurial forward leaning company. With the acquisitions executed during the first half of 2021, Acroud has embedded several different revenue streams, thus lowering significantly its business risk. The acquisition of The Gambling Cabin in April 2021 has introduced an innovative way of performing digital marketing. The latter is well established in Sweden (which is a regulated market) and we have plans to implement same business model in other regulated markets during 2022, starting with The Netherlands. Another new revenue stream was added in the iGaming affiliation segment in September 2021 with the launch of The Festival. By returning to the live events, Acroud has strengthened its market position and connections to connect operators (including land-based) with the player communities. The Festival has and will continue in future events to produce high-quality content to grow Acroud's digital flagship products, such as Pokerlistings.com.

Via the acquisition of PMG Group in January 2021, Acroud has continued to acquiring profound industry knowledge while diversifying its business risk and revenue streams by adding SaaS solutions to its product offerings. PMG is a fast- growing company, predominantly active in the European market.

Focus during the second half of 2021 was on the Group's operational efficiency. This strategic exercise included integration of the acquired businesses, maximisation of business synergies and optimisation of Group's cost-base. An important step in this regard was the launch of the efficiency plan in November 2021, affecting around 20 people. The efficiency plan's goal was to become cost-efficient while maximising synergies to become a software-based affiliate company. This program will generate approximately €1.2m in cost savings during 2022 while investing in top-line growth.

In summary, 2021 has also been an eventful year where Acroud has transformed itself into "a crowd" of brilliant minds, led by a team of experienced leaders and a company with a unique position on the market. With various bold strategic decisions implemented during the year, the board and management have created a new company with an effective cost-base, diversified revenue streams and a more robust platform for future growth.

Information about the impact of Covid-19

Although the Covid-19 outbreak continues to affect the global economy, indications are that the position may be improving in various countries as a result of vaccination programmes. The outbreak necessitated governments to respond at unprecedented levels to protect public health, local economies and livelihoods. Approximately 90% of Acroud's iGaming Affiliation revenue was generated from the Casino and Poker verticals in Q1 2020, prior to COVID-19 outbreak. The two verticals continued to develop well in 2021 (excluding regulatory effects) and no negative effect can be seen from the COVID-19 outbreak.

Sports industries and organisational bodies have adapted the way they operate to limit disruptions from Covid-19. As a result much fewer sport events were postponed and cancelled during 2021 when compared to 2020 albeit with changes (e.g. few or no live physical support). This has allowed Acroud to grow its Sports Betting vertical, from 8% in Q1-20 to 20% Q4-21 of the affiliation business revenue. With the introduction of SaaS business, Sports Betting still represented 8% of the total Group's revenues implying that the Company expects a limited effect in the remote eventuality that Covid-19 outbreak worsens and leads to many sports events being cancelled globally.

The health and safety of employees and partners is of the highest priority for Acroud. The Company has been following the government's advice in each jurisdiction and has adopted a contingency plan since the start of the pandemic to minimise any disruptions to operations and to guarantee the safety of both Acroud's employees and partners. Employees are able to work from home and physical meetings have been replaced with virtual alternatives. The Company's productivity has remained intact and the Company has not experienced any damage to its operations to date.

Financial Results

Revenues have increased in 2021 by 113% year-on-year, secured through acquisitions executed during the year. Organic growth amounted to -12.6% driven by the Company's adjustment of its product offering in the Dutch market to ensure compatibility with the rules. The new gambling act entered into force in October 2021 with only 10 licenses being issued, thus limiting the online affiliation market to a small size. Although the adjustment has had a negative impact on revenue in the short term, the measures are a long-term investment to ensure a strong position and sustainable development for the Dutch operations over time. The cost base, excluding one-off items, has also increased year-on-year, driven by acquisitions during first half of the year and the increased investments in growth initiatives during the second half of the year.
During 2021 the Affiliation and SaaS businesses operated with an EBITDA margin (excluding one-off costs) of 46% and 8% respectively, resulting in a blended Group EBITDA margin (excluding one-off costs) of 22%. The 113% year-on-year increase in revenues is mainly attributable to the SaaS business, which has a lower EBITDA margin – thus explaining the 7% drop in EBITDA year-on-year despite the increase in revenues. With the launch of the efficiency plan, costs will decrease by approximately €1.2million during 2022 improving the Company's EBITDA margin particularly in the iGaming affiliation segment.

The Company's net financial items amounted to EUR -2 119 (-2 805) thousand, comprising mainly of interest expenses (EUR 2 493 thousand) and positive currency effects (EUR 373 thousand) emanating from the bond (denominated in SEK). Bond's interest costs showed a steady decline of 16% or EUR 295 thousand during the year following decline in the Company's net debt. Profit after tax declined to EUR 718 (1 256) thousand and earnings per share after dilution declined to EUR 0.006 (0.016). Excluding items affecting comparability, profit after tax amounted to EUR 1 063 (2 992) thousand and earnings per share after dilution amounted to EUR 0.008 (0.038).

Cash Flows

Cash flow from operating activities for the full year 2021 amounted to EUR 4 373 (5 765) thousand, out of which EUR1 092 were used to settle one-off tax payment relating to acquired subsidiaries' pre-acquisition taxes. Cash flow from investing activities amounted to EUR -5 264 (-2 294) thousand, mainly representing the portion of the purchase price of acquired businesses paid in cash. Cash flow from financing activities during 2021 amounted to EUR -3 893 (-2 084) thousand. The Company's continuing strong cash conversion enabled the Company to amortise EUR 2 309 thousand of its own bonds and lower net interest payments by EUR 295 year-on-year.

Liquidity and financial position

The Group's interest-bearing net debt at the end of the year was EUR 17 812 thousand, compared with EUR 14 831 thousand at the end of 2020. Acroud's current gross debt amounts to SEK 205.2 million, of which the bond amounts to SEK 199.7 million (excluding the bond repurchases and amortisation of SEK175.3 million in 2019, 2020 and 2021). Converted using the closing rate, the bond loan amounts to EUR 19 247 thousand. As at 31 December 2021, the net debt/adjusted EBITDA ratio is 3.2x. During 2021 and beyond, the Company will continue its efforts to reduce the net debt/ EBITDA ratio in line with its financial targets.

As at 31 December 2021, the Company had total provisions of EUR 9 460 (635) thousand related to potential additional consideration payments.

The bond loan outstanding at 31 December 2021 is due for payment in September 2022 and is therefore reported under non- current liabilities in the balance sheet in this report. During Q1-22 the Board has initiated the re-financing process and have appointed financial (Pareto Securities AB) and legal (Gernandt & Danielsson Advokatbyrå KB) advisors to assist in the process. Based on successful financing in the past, management is confident that this re-financing process will be equally successful.

The translation effect of converting the bond loan and certain cash proceeds from SEK to EUR at the end of Q4 was EUR 153 thousand, which had a positive impact on net financial items. The Company's cash and cash equivalents at the end of year amounted to EUR 2 202 (8 114) thousand.

Equity

Based on the future outlook and financing options, the Board considers it appropriate to prepare financial statements on a going concern basis. The Company conducts quarterly impairment testing to assess whether there is any goodwill impairment. The impairment testing at the end of December 2021 did not identify any goodwill impairment. The equity ratio was 55 (60) percent and equity was EUR 41 947 (36 422) thousand at 31 December 2021.

2022 and beyond

Acroud operates in a large global market that is expected to continue to grow for a long time to come. Continued investments are expected during 2022 to continue improve our affiliate and SaaS products and to invest in organic expansion projects.

Important Events during 2021

During 2021 Acroud took bold steps to diversify its business risk, strengthen its market presence and optimise its operations and cost base. The following is a summary of the most important events.

First quarter (Q121)

January – Acquired PMG Group, thus diversifying Acroud's revenue streams and business risks into the B2B software solutions. PMG was acquired on a cash- and debt- free basis for a consideration of EUR 4.8 million, plus an additional potential consideration based on EBT development in fiscal year 2022. Additionally Acroud secured licenses to start operating within Casino, Poker and SportBetting in Pennsylvania and Michigan, US.

February – A new organizational structure was introduced, having two operational segments: the iGaming Affiliation and SaaS segments. A new and strengthened management team was formed.

March - An Extraordinary General Meeting decided on an employee stock option program. The latter covers key personnel and runs for three years until March 2024.

Second quarter (Q221)

April – Acroud introduced new ways to do affiliation business through the acquisition of The Gambling Cabin (TGC). TGC was acquired on a cash and debt-free basis for a purchase price of SEK 47 million plus an additional potential consideration based on EBITDA development during the period 1 April 2022 to March 2023.

May – Jonas Strömberg from Erik Selin Aktiehandel AB and Maria Grimaldi Andersson were elected as new board members of Acroud. Fredrik Rüden and Jonas Bertilsson renounced re-election.

Third quarter (Q321)

September – Acroud returned to the live events scene with the successful launch of the first event in The Festival Series. By doing so, Acroud has strengthened its position as the bridge between land-based gaming and affiliation while also producing high-quality content to grow its digital flagship products, such as Pokerlistings.com. The inaugural week-long event, The Festival Bratislava, took place September 20-26 at Banco Casino.

Fourth quarter (Q421)

October – On October 1, the Netherlands opened its regulated online gambling market, one of the larger European markets. Ten operators were granted a license, with more licenses expected to be issued in 2022. Acroud has positioned itself to become one of the strongest players within the Dutch market by teaming up with an extensive Dutch network via the SaaS segment and expanding The Gambling Cabin brand into the Netherlands.

November – On 1 November Roderick Attard was appointed as the new CFO of Acroud. Roderick previously held the position of Head of Finance at Acroud. He has profound industry knowledge from the iGaming industry and a background as an auditor at KPMG.

Following its continued investment in productivity, synergies, and software tools, Acroud launched an extensive efficiency program in mid-November, with around 20 people being affected. The program aimed to create a cost-saving of about EUR1.2M in 2022 while accelerating revenue growth in 2022 and beyond.

Important Events After The End Of The Period

In March 2022 Acroud has divested its finance affiliation assets for USD 425 thousand. The divestment is in line with the Company's strategy to be the preferred digital affiliation partner within iGaming market.

During Q1-22 the Board has initiated the re-financing process and have appointed financial (Pareto Securities AB) and legal (Gernandt & Danielsson Advokatbyrå KB) advisors to assist in the process.

In April 22, the Company issued a trading update about its first quarter results. Q1 revenues are expected to reach EUR 6.9 million, representing a year-on-year growth of 24%. Q1 EBITDA is expected to reach EUR 1.8 million, which is expected to go up to EUR 2.2million when the profit on finance assets' disposal is also included.

Employees

The average number of employees in the Group was 78 (61). The gender distribution was 29 (26) women and 49 (35) men. Expressed as a percentage, women accounted for 37 (43) percent of the total number of employees, while men accounted for 63 (57) percent. Almost all employees work on full-time basis.

Including contracted consultants, Acroud's personnel during 2021 amounted to approximately 108 (75). Acroud's personnel are based in four different offices in Sweden, Denmark, United Kingdom and Malta. The offices in Malta accommodate the main part of the management team, writers, developers, designers, SEO specialists and affiliate mangers, while the Voonix team is based in central Copenhagen.

Significant Risks And Uncertainties

Operational and strategic risks

Risks associated with high reliance on search engines
In the iGaming affiliation segment, the Group relies on generating search traffic to its digital marketing websites to attract end customers. This is achieved by, among other things, the use of search engine optimisation (SEO). SEO is the collective term for different methods used to ensure that a certain website is ranked as highly on search engines. When Google, Bing, Yahoo! or similar search engines introduce new algorithms or issue penalties that affect website rankings in their search engine results, there is a risk that the Group will need to revise its online marketing strategies and adapt its websites to make them compatible with the changes created by the new algorithms. Some of the algorithmic updates affect search engine results significantly. The Group generally operates with low SEO risk and the most recent penalty was incurred in 2014.

During 2021 the Company has executed two major acquisitions which has reduced significantly its operational risk. With acquisition of The Gambling Cabin, the iGaming affiliation business has introduced new revenue stream which operate on social media platforms and hence outside search engines. Also, by acquiring Power Media Group, Acroud started offering B2B services / SaaS solutions. This strategic move has created a new company with less exposure to SEO and other risks associated with the affiliate industry while creating a more robust revenue platform for future growth.
Acroud's affiliation business has relatively low market entry barriers, meaning that competitors are continuously arriving. With the acquisitions of PMG and The Gambling Cabin, Acroud started offering more dynamic content and SaaS solutions, which have significantly higher entry barriers than traditional affiliate sites.

Legal and regulatory risks

Political decisions, licence requirements and future legislation
New legislations or changes to existing regulations targeting the iGaming industry could have an adverse effect on the Group's operations and ability to generate revenue. Such changes can impact the Group's operations either directly (for example the introduction of a licensing system for affiliate companies) or indirectly (for example more stringent consumer protection legislation which impacts iGaming operators' ability to generate revenue, which in turn would impact the Group's revenues).

The Group conducts its operations in several countries, with a focus on Europe and North America. An international presence can involve situations that give rise to compliance risks as the Group must observe different regulatory systems across a number of jurisdictions.

Legal Disputes And Proceedings
This risk refers to the costs that Acroud may incur in pursuing various legal proceedings. During 2021, Acroud was not involved in any disputes where a counterparty has a demand on Acroud that affected or will affect the Company's position in any significant way. In 2020 Acroud had one legal proceeding resulting in the Company received a net compensation of EUR 409 thousand
in Q4 2020.

Refinancing risk/Liquidity risk

Current investments and existing debt, such as the bonds, will eventually need to be refinanced by arranging new market loans, issuing new debt instruments or issuing new equity. Access to new or additional financing is dependent on various factors, such as market conditions, the Group's credit rating and general access to credit in the financial markets. Some of these factors and conditions are beyond the Group's control and may change rapidly. There is a risk that the Group will not manage to obtain sufficient financing at favourable terms or to obtain financing at all. This, in turn, could have a material adverse effect on the Company's operations and ultimately its ability to continue operations. During first quarter of 2022, the Company's Board have initiated the re-financing process and have appointed financial (Pareto Securities AB) and legal (Gernandt & Danielsson Advokatbyrå KB) advisors to assist in the process. Based on successful financing in the past, management is confident that this re-financing process will be equally successful.

In addition to the above risks, the Board considers that the financial risks identified below are relevant to the Group.

- Credit risk is the risk of customers failing to pay for services provided.
- Market risk is the risk that arises from negative changes in exchange rates and interest rates.

Further details can be found in note 30. Morever the Board notes that if any of the Group's assets does not perform in line with expectations (in terms of profitability), such low-performing assets might need to be impaired, partially or in full.

Other Areas

Remuneration of Senior executives

The Board's proposed guidelines on remuneration of senior executives essentially mean that salaries and other terms of employment will be at market levels. Group Management are not entitled to receive variable remuneration and bonuses in addition to the fixed basic salary. No senior executives are entitled to severance pay exceeding 6 months salary.

Shares and ownership structure

Acroud's ownership structure at 31 December 2021 comprised the major shareholders Trottholmen AB (44.26 percent) and Strategic Investment A/S (JPM Chase) (17.00 percent). The remaining shareholders had an ownership share of less than 6 percent. The number of shareholders at 31 December 2021 was approximately 1 992 and the number of shares in the Company was 129 659 355.

Annual General Meeting

The Annual General Meeting ("AGM") for 2021 is planned to be held at 14:00 on 19 May 2022 at Advokatfirman Lindahl KB, Nybrogatan 17, SE-102 40 Stockholm, Sweden.

Dividend

In accordance with the financial targets, the Board of Directors has proposed to the AGM for 2021 that no dividends will be paid.

Proposed appropriation of profits

The Company's Board proposes that the unrestricted equity of EUR 21 007 026 (15 621 710) available to the AGM be carried forward.

Board of Directors

At the end of 2021, the Board consisted of:

- Henrik Kvick (Chairman)
- Kim Mikkelsen
- Peter Åström
- Jonas Strömberg
- Maria Andersson Grimaldi

The Group's CFO, Roderick Attard, is co-opted to the Board as secretary.

Auditors

The AGM in 2021 decided to re-appoint auditor Öhrlings PricewaterhouseCoopers (PwC), with Aleksander Lyckow as chief auditor.

Statement on the Board's responsibility for the Financial Reports

The Board of Directors shall prepare financial reports that give a true and fair view of financial position of the Group and the Company at the end of each financial period, and the income statement for this period. In preparing the financial reports, the Board is responsible for:

- Ensuring that the financial reports have been prepared in accordance with International Financial Reporting
- Standards (IFRS) as adopted by the EU.
- Selecting and applying adequate accounting policies.
- Making accounting estimates that are reasonable under the circumstances.
- Ensuring that the financial reports are prepared on a going concern basis provided there is reason to assume that the Group or the Company will continue to operate.

The Board is also responsible for designing, implementing and maintaining internal controls that the Board considers necessary for the preparation of financial reports that do not contain material misstatement, whether due to irregularities or error. The Board is also responsible for protecting the Group's and the Company's assets, and thereby taking appropriate measures to prevent and detect fraud and other deviations.

Acroud's financial reports for the 2021 financial year have been included in this 2021 annual report, which can be ordered from the Company's website. The Board is responsible for the content and integrity of the annual report in the context of its responsibility for the website's control and security. The information published on the Company's website is available in other countries and jurisdictions where legislation governing the preparation and distribution of financial reports may differ from the requirements or practice in Sweden, Malta, United Kingdom and Denmark.

2021

FINANCIAL

STATEMENTS

Financial Report

Consolidated Statement of Comprehensive Income

Amounts in kEUR	Notes	2021	2020
Revenue	3	24 767	11 630
Total revenue		**24 767**	**11 630**
Capitalised work for own account	5	1 125	1 031
Other external expenses	6	-16 937	-3 908
Personnel expenses	9	-4 458	-3 689
Other operating income		179	510
Other operating expenses		-	-82
EBITDA		**4 676**	**5 492**
Depreciation and amortisation	7, 16, 18	-1 920	-1 155
Operating profit (EBIT)		**2 756**	**4 337**
Interest and similar income	11	1	584
Interest and similar expenses	12	-2 493	-2 660
Other financial items		373	-729
Profit/(loss) from financial items		**-2 119**	**-2 805**
Profit/(loss) before tax		**637**	**1 532**
Tax on profit/(loss) for the year	13	81	-276
Profit/(loss) for the year		**718**	**1 256**
Earnings per share (EUR)	14	0.006	0.016
Earnings per share after dilution (EUR)	14	0.006	0.016
Other comprehensive income, income and expenses recognised directly in equity			
Exchange differences on translation of foreign operations		19	-36
Other comprehensive income for the year		19	-36
Total comprehensive income for the year		**737**	**1 220**

Consolidated Statement of Financial Position

Amounts in kEUR	Notes	31/12/2021	31/12/2020
Assets			
Non-current assets			
Goodwill	17	51 080	42 856
Other intangible assets	18	17 668	7 392
Right-of-use assets	7	62	214
Property, plant and equipment	16	135	143
Investment in associate		1	-
Other non-current receivables		95	106
Deferred tax assets	13	293	20
Total non-current assets		**69 334**	**50 731**
Current assets			
Trade receivables		1 716	1 496
Other receivables		2 161	589
Prepayments and accrued income	21	827	131
Cash and cash equivalents	22	2 202	8 114
Total current assets		**6 906**	**10 330**
Total assets		**76 240**	**61 061**
Equity and liabilities			
Equity			
Share capital	23	3 280	2 883
Other paid-in capital		24 981	20 590
Reserves		2 683	2 664
Retained earnings, incl. profit/(loss) for the year		11 003	10 285
Total equity		**41 947**	**36 422**
Non-current liabilities			
Loans and borrowings	24	-	21 595
Liabilities to shareholder	28	-	387
Deferred tax liabilities	13	1 531	104
Other liabilities		9 460	-
Lease liabilities	7	-	62
Total non-current liabilities		**10 991**	**22 148**
Current liabilities			
Loans and borrowings	24	19 247	-
Trade payables		942	336
Liabilities to shareholder	28	394	-
Tax liabilities		299	68
Other liabilities		590	1 077
Lease liabilities	7	62	151
Accruals and deferred income	25	1 768	859
Total current liabilities		**23 302**	**2 491**
Total equity and liabilities		**76 240**	**61 061**

Consolidated Statement of Changes in Equity

Amounts in kEUR	Notes	Share capital	Other paid-in capital	Reserves	Retained earnings, incl. year's earnings	Total equity
Opening equity, 1 Jan 2020		**1 913**	**12 420**	**2 700**	**9 029**	**26 062**
New issue of own shares	23	893	7 931	-	-	8 824
New issue of own shares as a consideration for acquisitions	23	77	821	-	-	898
Share issue costs		-	-511	-	-	-511
Share-based payments	15	-	-71	-	-	-71
Comprehensive income for the year		-	-	-36	1 256	1 220
Closing equity, 31 Dec 2020		**2 883**	**20 590**	**2 664**	**10 285**	**36 422**
Opening equity, 1 Jan 2021		**2 883**	**20 590**	**2 664**	**10 285**	**36 422**
New issue of own shares	23	397	-	-	-	397
New issue of own shares as a consideration for acquisitions	23	-	4 333	-	-	4 333
Share issue costs		-	-32	-	-	-32
Share-based payments	15	-	90	-	-	90
Comprehensive income for the year		-	-	19	718	737
Closing equity, 31 Dec 2021		**3 280**	**24 981**	**2 683**	**11 003**	**41 947**

Consolidated Cash Flow Statement

Amounts in kEUR	Notes	2021	2020
Operating activities			
Profit before tax		637	1 532
Adjustments for non-cash items not included in operating activities			
- Depreciation and amortisation of assets	7, 16, 18	1 920	1 155
- Exchange (gains)/losses on financial receivables and liabilities		-375	729
- Costs for share-based programmes	15	90	-53
- (Gain)/loss on sale of other assets		-175	-41
- Provisions for restructuring		90	219
Interest and similar expenses	12	2 493	2 660
Interest and similar income	11	-1	-584
Tax paid		-1 092	-
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in operating receivables		-468	177
Increase (+)/Decrease (-) in operating liabilities		162	-29
Cash flow from operating activities		**3 281**	**5 765**
Investing activities			
Acquisition of shares in Group companies, net of cash acquired		-3 860	-2
Acquisition of property, plant and equipment	16	-72	-26
Acquisition of intangible assets	18	-2 324	-2 586
Proceeds from sale of other assets		992	320
Cash flow from investing activities		**-5 264**	**-2 294**
Financing activities			
Proceeds from issue of own shares	23	-	8 850
Issue expenses		-32	-1 616
Received and repaid option proceeds		-	-17
Repayment of borrowings		-2 309	-7 352
Interest paid		-1 552	-1 850
Repayment of lease liabilities	7	-	-99
Cash flow from financing activities		**-3 893**	**-2 084**
Cash flow for year		**-5 876**	**1 387**
Cash & cash equivalents at beginning of year		8 114	6 771
Exchange differences		-89	-108
Reclassification from cash & cash equivalents to other current financial assets		53	64
Cash & cash equivalents at end of year	22	**2 202**	**8 114**

Income Statement – Parent Company

Amounts in kEUR	Notes	2021	2020
Revenue	3	64	352
Total Revenue		**64**	**352**
Other external expenses	6	-780	-564
Personnel expenses	9	-20	-403
Other operating expenses		-	-24
Other operating income		3	1
EBITDA		**-733**	**-638**
Depreciation and amortisation		-	-
Operating profit/(loss) (EBIT)		**-733**	**-638**
Profit/(loss) from investments in Group companies	10	3 550	5 000
Interest and similar income	11	-	617
Interest and similar expenses	12	-2 415	-2 627
Other financial items		382	-714
Profit/(loss) after financial items		**784**	**1 638**
Tax on profit/(loss) for the year	13	212	-
Profit/(loss) for the year		**996**	**1 638**

Balance Sheet – Parent Company

Amounts in kEUR	Notes	31/12/2021	31/12/2020
Assets			
Non-current assets			
Investments in Group companies	19	52 730	33 898
Total non-current assets		**52 730**	**33 898**
Current assets			
Receivables from Group companies	20	200	51
Other receivables		236	51
Prepayments and accrued income	21	28	21
Cash and cash equivalents	22	761	7 563
Total current assets		**1 225**	**7 686**
Total assets		**53 955**	**41 584**

Balance Sheet – Parent Company

Amounts in kEUR	Notes	31/12/2021	31/12/2020
Equity and liabilities			
Equity			
Restricted equity			
Share capital	23	3 280	2 883
		3 280	2 883
Unrestricted equity			
Share premium reserve		24 981	20 590
Retained earnings		-4 970	-6 607
Results for the year		996	1 638
		21 007	15 620
Total equity		**24 287**	**18 503**
Non-current liabilities			
Loans and borrowings	24	-	21 595
Liabilities to shareholder	28	-	387
Other liabilities		9 460	-
Total non-current liabilities		**9 460**	**21 982**
Current liabilities			
Loans and borrowings	24	19 247	-
Trade payables		15	19
Liabilities to shareholder	28	394	-
Liabilities to Group Companies	20	341	-
Other liabilities		-	635
Accruals and deferred income	25	211	445
Total current liabilities		**20 208**	**1 099**
Total equity and liabilities		**53 955**	**41 584**

Statement of Changes in Equity – Parent Company

Amounts in kEUR	Notes	Share capital	Share premium reserve	Retained earnings, incl. year's earnings	Total equity
Parent Company					
Opening equity, 1 Jan 2020		**1 913**	**12 420**	**-6 608**	**7 725**
New issue of own shares	23	893	7 931	-	8 824
New issue of own shares as a consideration for acquisitions	23	77	821	-	898
Share issue costs		-	-511	-	-511
Share-based payments	15	-	-71	-	-71
Comprehensive income for the year		-	-	1 638	1 638
Closing equity, 31 Dec 2020		**2 883**	**20 590**	**-4 970**	**18 503**
Opening equity, 1 Jan 2021		**2 883**	**20 590**	**-4 970**	**18 503**
New issue of own shares	23	397	-	-	397
New issue of own shares as a consideration for acquisitions	23	-	4 333	-	4 333
Share issue costs		-	-32	-	-32
Share-based payments	15	-	90	-	90
Comprehensive income for the year		-	-	996	996
Closing equity, 31 Dec 2021		**3 280**	**24 981**	**-3 974**	**24 287**

Cash Flow Statement – Parent Company

Amounts in kEUR	Notes	2021	2020
Operating activities			
Profit before tax		784	1 638
Adjustments for non-cash items not included in operating activities			
- Dividends from subsidiaries	10	-3 550	-5 000
- Expenses related to equity settled share based payments		-	-7
- Net foreign exchange (gains)/losses		-382	714
- Capitalised costs		90	-
- Adjusting for one-off expenses		-	91
- Interest and other similar expense	12	2 415	2 627
- Interest and other similar income	11	-	-617
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in operating receivables		-13	405
Increase (+)/Decrease (-) in operating liabilities		110	-24
Cash flow from operating activities		**-546**	**-173**
Investing activities			
Acquisition of interests in Group companies		-5 832	-2
Acquisition of intangible assets		-	-1 307
Cash flow from investing activities		**-5 832**	**-1 309**
Financing activities			
Proceeds from issue of own shares	23	-	8 850
Payment for share and bond issue costs		-32	-1 616
Proceeds from the issue of warrants		-	-17
Interest paid		-1 549	-1 850
Interest from Group companies		-	24
Repayment of borrowings		-2 310	-7 352
Dividend from Group companies		3 550	5 400
Cash flow from financing activities		**-341**	**3 439**
Cash flow for year		**-6 719**	**1 957**
Cash & cash equivalents at beginning of year		7 563	5 701
Exchange differences		-83	-95
Cash & cash equivalents at end of year	**22**	**761**	**7 563**

Notes with accounting policies and comments

Amounts in EUR thousands unless otherwise stated

NOTE 1 • General information

Acroud AB (hereinafter referred to as "the Company" or "the Parent Company"), 556693-7255, is a Swedish public company with its registered office in Stockholm. The Company is the ultimate holding company in the Group. It was registered in Sweden on 14 December 2005 and was listed on Nasdaq First North Growth Premier in June 2018.

The Company generates revenue via internal Group services in IT, marketing, financial services and management. The Group's financing is also arranged in the Parent Company via a bond, which is registered on Nasdaq Stockholm's Corporate Bond List. Acroud AB's subsidiaries conduct online affiliate operations.

The Group's financial statements comprise the Company's and its subsidiaries' (collectively referred to as "the Group"). All amounts in the notes are in EUR thousands unless otherwise stated.

NOTE 2 • Accounting and valuation principles

General accounting policies

The consolidated financial statements have been prepared in accordance with the Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, International Financial Reporting Standards (IFRS) as adopted by the EU, and IFRIC Interpretations. The consolidated annual financial statements have been prepared in accordance with the acquisition method.

The Parent Company's annual financial statements have been prepared in accordance with the Annual Accounts Act and RFR 2 Accounting for Legal Entities. RFR 2 requires the Parent Company as a legal entity to prepare financial statements in accordance with International Financial Reporting Standards (IFRS) and statements adopted by the EU to the extent allowed within the framework of the Annual Accounts Act, and taking into account the relationship between accounting profit and tax.

The difference between the Parent Company's financial statements and the consolidated financial statements is essentially the presentation of the income statement and balance sheet statements, which complies with the presentation specified by the Annual Accounts Act.

Alternative performance measures

The annual report shows key figures that the Company and other stakeholders use when evaluating the Group's financial performance, which are not expressly defined in IFRS. All key figures not defined in IFRS (i.e. key figures in addition to Revenue, Earnings per share and Profit for the year) are referred to as alternative performance measures (APMs). These measures provide management and investors with important information for analysing trends in the Company's business operations. The APMs are intended to supplement the financial key figures presented in accordance with IFRS.

Organic revenue growth

Organic revenue growth is an important APM that the Company follows on an ongoing basis, as Acroud has a long-term target of organic revenue growth in the range of 15 to 25 percent. 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 definition of organic revenue growth varies in the sector. 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 - full year 2021

Amounts in kEUR	01/01/2021 31/12/2021 Growth, %	01/01/2021 31/12/2021 Absolute Figures	01/01/2020 31/12/2020 Absolute Figures	Deviation Absolute Figures
Total Growth, EUR	**113.0%**	**24 767**	**11 630**	**13 137**
Adjustment for acquired and divested/discontinued operations	-126.6%	-14 727	-	-14 727
Total growth in EUR, excluding acquired and divested/discontinued operations	**-13.6%**	**10 040**	**11 630**	**-1 590**
Adjustment for constant currency	1%	-	-	-
Total organic revenue growth	**-12.6%**	**10 040**	**11 630**	**-1 590**

Organic revenue growth - full year 2020

Amounts in kEUR	01/01/2020 31/12/2020 Growth, %	01/01/2020 31/12/2020 Absolute Figures	01/01/2019 31/12/2019 Absolute Figures	Deviation Absolute Figures
Total Growth, EUR	**-18.7%**	**11 630**	**14 302**	**-2 672**
Adjustment for acquired and divested/discontinued operations	0.0%	-	-	-
Total growth in EUR, excluding acquired and divested/discontinued operations	**-18.7%**	**11 630**	**14 302**	**-2 672**
Adjustment for constant currency	0.4%	-	-74	74
Total organic revenue growth	**-18.3%**	**11 630**	**14 228**	**-2 598**

New and amended accounting policies

A number of new standards are effective from 1 January 2021 but they do not have a material effect on the Company's financial statements. Certain new standards, amendments and interpretations to existing standards have been published by the date of authorisation for issue of these financial statements, that are mandatory for the Company's accounting policies beginning after 31 December 2021. The Company has not early adopted these revisions to the requirements of IFRSs as adopted by the EU and the Company's directors are of the opinion that there are no requirements that will have possible significant impact on the Company's financial statements in the period of initial application.

Measurement and classification

The Parent Company's functional currency is Euro, which is also the presentation currency for the Parent Company and the Group. Unless otherwise stated, all figures are rounded to the nearest thousand.

Assets are classified as current assets if they are expected to be sold, or are intended for sale or consumption, during the Company's normal business cycle, they are held primarily for trading purposes, they are expected to be realised within twelve months of the reporting date or they consist of cash and cash equivalents. All other assets are classified as non-current assets.

Liabilities are classified as current liabilities if they are expected to be settled during the Company's normal business cycle, they are held primarily for trading purposes, they are expected to be settled within twelve months of the balance sheet date or the Company does not have an unconditional right to defer. All other liabilities are classified as non-current.

Basis of consolidation

The consolidated financial statements comprise the Parent Company and companies in which the Parent Company directly or indirectly holds more than half of the votes or over which it otherwise has control.

The consolidated annual financial statements have been prepared in accordance with the acquisition method. The acquisition method means that the Parent Company indirectly acquires the subsidiary's assets and assumes its liabilities. The difference between the cost of the shares and the acquisition-date fair value of the net assets acquired represents the cost of goodwill, which is recognised as an asset in the balance sheet. If the difference is negative, the difference is recognised as revenue in the income statement. Acquisition-related costs are recognised as an expense when incurred.

Subsidiaries are all companies over which the Group has control. The Group has control when it has exposure or rights to variable returns from its holding in an entity and the ability to affect those returns through power over the entity. In normal cases, control is obtained when Acroud holds more than 50 percent of the votes.

Subsidiaries are consolidated from the date on which the Group obtains control. They are de-consolidated from the date on which control ceases. Subsidiaries' income, expenses, assets and liabilities are included in the consolidated financial statements from the date when control is obtained until the date when it ceases. Intragroup receivables and liabilities, income and expenses, and unrealised gains or losses arising from intragroup transactions are eliminated in full when preparing the consolidated financial statements. Unrealised losses are also eliminated unless the loss is wholly or partly included in the value of previous impairment of the transferred asset.

Subsidiaries' accounting policies have been changed where necessary to ensure consistency with the Group's accounting policies.

Acquisitions of companies and assets

The Group's acquisitions are accounted for using the acquisition method and in accordance with IFRS 3. Acquisitions of assets are reported under Goodwill and other intangible assets, regardless of whether the acquisition consists of equity instruments or other assets. The purchase consideration for the acquisition of a subsidiary consists of the fair values of:

- assets transferred;
- liabilities incurred by the Group to former owners,
- shares issued by the Group,
- assets and liabilities that result from a contingent consideration agreement, and
- previous equity interests in the acquired subsidiary.

Identifiable acquired assets, assumed liabilities and assumed contingent liabilities in a business combination are, with few exceptions, initially measured at the acquisition-date fair value. For each acquisition, i.e. on a transaction by transaction basis, the Group determines whether non-controlling interests in the acquiree are to be recognised at fair value or at the NCI's proportionate share of the carrying amount of the acquiree's identifiable net assets. Goodwill is measured as the difference between the aggregate of:

- the value of the consideration transferred,
- the amount of any non-controlling interest in the acquiree,
- the acquisition-date fair value of the previously-held equity interest in the acquiree, and
- the fair value of identifiable acquired net assets.

If the difference above is negative, the resulting gain is recognised as a bargain purchase in profit or loss. The Group accounts for business combinations using the acquisition method from the date on which control is transferred to the Group. For further information regarding the accounting for acquisitions of companies and assets, see notes 17-19 and 27.

Goodwill and other intangible assets

An intangible asset is recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Separately acquired intangible assets are reported at cost. The cost of a separately acquired intangible asset consists of its purchase price and any expenses directly attributable to completing the asset for its intended use.

When the purchase price of an intangible asset includes a contingent consideration, the cost is determined based on the acquisition-date fair value of the contingent consideration. Any subsequent changes in the estimates regarding the probable outcome for the contingent consideration are reported in the statement of financial position as an adjustment of the value of the intangible asset and the contingent consideration liability. The purchase price of intangible assets where the consideration consists of equity instruments is the fair value of the equity instruments issued by the Group in connection with the transaction.

Expenditure on the development of websites and IT infrastructures is capitalised within Intangible assets according to nature in line with IAS38 and, where relevant, SIC-32. When development is completed, the cost of the asset is transferred from Asset Under Construction to Intangible assets. Assets under Construction are not amortised until the asset is complete.

Goodwill arises on the acquisition of subsidiaries and is the amount by which the purchase consideration exceeds the acquisition-date fair value of the identifiable net assets acquired. Goodwill and intangible assets with an indefinite useful life are tested for impairment annually and are recognised at cost less accumulated impairment losses. Any goodwill impairment is recognised as an expense and is not reversed. Gains or losses on the disposal of a subsidiary include the carrying amount of any goodwill relating to the divested subsidiary. For impairment testing, goodwill acquired in a business combination is allocated to cash-generating units or groups of cash generating units that are expected to benefit from synergies arising from the acquisition.

Acquired intangible assets are distributed among domains, players databases and other intangible assets. Other intangible assets primarily include capitalised development costs. The estimated useful lives are as follows:

• Domains: indefinite useful life
• Players Databases: 3 months - 5 years
• Other intangible assets: 4-5 years

Other intangible assets are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. Gains or losses arising from the derecognition of intangible assets are recognised in profit or loss and comprise the difference between any disposal proceeds and the carrying amount. Subsequent costs are only capitalised if they increase the future economic benefits associated with the specific asset to which they relate. All other expenses are reported in the profit or loss when they arise.

Foreign currency

Foreign currency receivables and liabilities

Foreign currency receivables and liabilities are measured at the closing rate. Foreign exchange gains and losses arising on translation are recognised in the income statement.

Translation of foreign operations

Operations with a functional currency other than EUR are translated to EUR using the current method, which means that assets, provisions and liabilities are translated at the closing rate, while income statement items are translated at the average rate. Exchange differences arising on translation are classified as equity and transferred to the Group's translation reserve.

Other operating expenses
Costs of secondary activities in ordinary operations relating to operating receivables and operating liabilities are reported as other operating expenses.

Financial Instruments
A financial asset or liability is recognised in the balance sheet when the Group becomes a party to the contractual provisions of the instrument. A financial asset is derecognised in the balance sheet when the contractual rights to receive the cash flows from the asset cease, are settled or the Group relinquishes control over them. A financial liability or part of a financial liability is derecognised in the balance sheet when the obligation specified in the contract is discharged or extinguished in another manner. Financial instruments recognised under assets in the statement of financial position include cash & cash equivalents, trade receivables and other current receivables. Liabilities include trade payables, other current liabilities and loan liabilities.

Classification and measurement

Financial assets are classified based on the business model within which the relevant asset is held and the asset's cash flow characteristics. If the financial asset is held within a business model whose objective is to collect contractual cash flows (hold to collect) and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, the asset is measured at amortised cost. If the business model's objectives can instead be achieved by both collecting contractual cash flows and selling financial assets (hold to collect and sell), and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, the asset is measured at fair value through OCI. For all other business models whose objective is speculation, holding for trading or where the cash flow characteristics exclude other business models, measurement is at fair value through profit or loss.

Financial liabilities are recognised at amortised cost using the effective interest method or at fair value through profit or loss. Loans and other financial liabilities, e.g. trade payables, are included in the category financial liabilities at amortised cost.

Impairment

The Group recognises a loss allowance for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Group reports the change in expected credit losses since initial recognition. For all financial assets, the Group measures the loss allowance at an amount equal to the 12-month expected credit losses. A loss allowance for full lifetime expected credit losses is recognised for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition (the general model).

The purpose of the credit impairment requirements is to report lifetime expected credit losses for all financial instruments for which the credit risk has increased significantly since initial recognition. The assessment is made either individually or collectively and considers all reasonable and supportable information, including forward-looking information. The Group's measurement of expected credit losses from a financial instrument reflects an unbiased and probability-weighted amount that is determined by evaluating the range of possible outcomes, as well as incorporating the time value of money, and reasonable and supportable information about current conditions and forecasts of future financial conditions.

Under the 'simplified' approach, the Group recognises full lifetime expected losses for its trade receivables and contract assets. Equity instruments are not covered by the impairment rules.

Fair value of financial instruments
When determining the fair value of an asset or liability, the Group uses observable data as far as possible. Fair value measurement is based on the fair value hierarchy, which categorises inputs into different levels as follows:

Level 1: inputs that are quoted prices in active markets for similar instruments
Level 2: inputs other than quoted market prices in Level 1 that are directly or indirectly observable market data
Level 3: inputs that are not observable in the market

The Group has a framework for fair value measurement and reporting to the Group's CFO. Measurement is conducted regularly to analyse significant unobservable inputs and adjustments in values. If third-party data is used in the measurement, the Company assesses whether it meets IFRS requirements, and which fair value hierarchy level it will be categorised in.

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, measured at amortised cost, of EUR 19.2 million at 31 December 2021, for which the fair value is classified as level 2 and the fair value measurement based on listings with brokers. Similar contracts are traded in an active market, and the rates reflect actual transactions for comparable instruments.

At 31 December 2021, 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 2021.

On 17 November 2020, the Group acquired affiliate assets, primarily focusing on Sports Betting and well positioned for Emerging Markets such as Latin America, Africa and Asia. The Group acquired the assets for an initial consideration and a subsequent contingent consideration based on performance during a certain future period. On 31 December 2021, the present value of the contingent consideration was EUR 668 thousand. This is presented under "Other liabilities" in the statement of financial position and is classified under Level 3 of the fair value measurement hierarchy.

On 20 January 2021, the Group acquired 100 percent of the shares in Power Media Group for an initial purchase consideration and a subsequent contingent consideration based on performance during a certain future period. On 31 December 2021, the present value of the contingent consideration was EUR 6,064 thousand. This is presented under "Other liabilities" in the statement of financial position and is classified under Level 3 of the fair value measurement hierarchy.

On 15 April 2021, the Group acquired 100 percent of the shares in Swedishsantas AB, also known as TheGamblinCabin for an initial purchase consideration and a subsequent contingent consideration based on performance during a certain future period. On 31 December 2021, the present value of the contingent consideration was EUR 2,728 thousand. This is presented under "Other liabilities" in the statement of financial position and is classified under Level 3 of the fair value measurement hierarchy.

Offsetting financial assets and liabilities
A financial asset and a financial liability may be offset and the net amount presented in the statement of financial position when, and only when, there is a legally enforceable right to offset the recognised amounts; and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Judgements and accounting estimates
The Group's financial reports are partly based on assumptions and estimates in connection with the preparation of the Group's financial statements. Judgements and estimates are based on historical experience and other assumptions, which result in decisions on the value of an asset or liability that cannot be otherwise determined. The actual outcome may differ from these estimates. The estimates and judgements are reviewed continuously and are based on historical experience and other factors, including expectations of future events considered reasonable under the prevailing circumstances.

The areas involving a high degree of assessments that are complex, or where the assumptions and estimates are significant, mainly concern assumptions and estimates for impairment testing of goodwill and other intangible assets with indefinite useful lives and measurement of intangible assets acquired in acquisitions.

Measurement of intangible assets acquired in acquisitions

The Group assesses the fair value of intangible assets acquired in acquisitions on the basis of best estimate and analysis. Such assets include players databases and domain rights. The assessments are based on the Group's industry experience and knowledge, and on recognised comparison data from the industry. The measurement is presented in an acquisition analysis, which is preliminary until finally adopted. A preliminary acquisition analysisis drawn up as soon as the required information about assets and liabilities at the acquisition date is obtained, but no later than one year from the acquisition date. If the fair value has to be remeasured within a 12-month period, this may result in the fair value differing from its initial value.

Goodwill impairment testing

When calculating a cash-generating unit's recoverable amount as part of the Group's impairment testing, assumptions about future conditions and estimates of different key parameters are made. Such assessments always include some uncertainty. Should actual outcomes deviate from those expected for a specific period during testing, expected future cash flows may need to be remeasured, which may result in impairment.

The Parent Company's accounting policies
The Parent Company applies the same policies as the Group, apart from where the Parent Company's financial statements are prepared in accordance with RFR 2 Accounting for Legal Entities and Statements from the Financial Reporting Board.

Differences between the Group's and the Parent Company's accounting policies are due to limitations that the Annual Accounts Act places on application of IFRS standards in the Parent Company, and the taxation rules that allow different accounting for legal entities than for the Group.

The main differences between the Group's and the Parent Company's accounting policies are set out below. The accounting policies described have been applied consistently to all periods presented in the Parent Company's financial statements.

Classification and presentation
The Parent Company's income statement and balance sheet have been prepared in accordance with the format described in the Swedish Annual Accounts Act. The main difference from IAS 1 Presentation of Financial Statements, which is applied when preparing the consolidated financial statements, concerns the reporting of financial items and equity.

Subsidiaries
In the Parent Company, shares in subsidiaries are recognised at cost less any impairment.

Financial instruments
The Parent Company applies the exception in RFR 2, which means that the rules on financial instruments in IFRS 9 are not applied in the Parent Company as a legal entity. In the Parent Company, financial non-current assets are measured at cost less impairment and financial current assets are measured at the lower of cost and net realisable value.

Classification of restricted and unrestricted equity
In the Parent Company's balance sheet, equity is divided into restricted and unrestricted equity in accordance with the Annual Accounts Act.

RFR 2 amendments not yet effective
The Parent Company has not yet started to apply the new and amended standards and interpretations that have been issued but are effective for annual periods beginning on or after 1 January 2022.

NOTE 3 • Revenue from contracts with customers

IFRS 15 introduces a five-step model for revenue recognition which is based on when the control of a product or service is transferred to the customer. The core principle is that an entity recognises revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. IFRS 15 introduces a five-step model:

Step 1. Identify the contract with a customer
Step 2. Identify the different performance obligations
Step 3. Determine the transaction price
Step 4. Allocate the transaction price to the different performance obligations
Step 5. Recognise revenue when the performance obligation is satisfied

Revenue is recognised based on the amount stated in a contract with a customer and does not include any amounts collected on behalf of a third party. The Group's revenue comes mainly from affiliate operations. For revenue within affiliate operations, Acroud has identified that contracts with the gaming operator (the customer) contain a distinct performance obligation, namely referral of players to the gaming operator. Revenue is mainly generated based on two different payment models, or a combination of the two.

The majority of the revenue is generated from a revenue share model, which means that Acroud and the gaming operator share the net gaming revenue that the player generates with the operator. The Group's consideration for referring a player to the operator is therefore not known at the point in time when the performance obligation is satisfied, but is based on future variable consideration. IFRS 15 requires the amount of variable consideration to be estimated and recognised as revenue to the extent that it is highly probable that any change to the estimate will not result in a significant revenue reversal in the future. It is Acroud's assessment that there is very great uncertainty associated with trying to estimate future net gaming revenue based on player referrals to operators, and there would therefore be a high risk of future reversals. Acroud receives monthly information on the month's net gaming revenue and Acroud's share of the revshare model. According to Acroud's assessment, it is not until this point in time that the uncertainty regarding the size of the revenue can be considered resolved, and revenue is therefore recognised at this time, i.e. to the extent that the revenue can be determined with sufficient precision. CPA revenue corresponds to a fixed amount for each individual player that Acroud refers to a gaming operator and who has made a purchase/engaged in gaming. With CPA, the size of revenue is determinable at the point in time when Acroud's performance obligation has been satisfied, i.e. when the player first engages in gaming with the operator, and it is at this point that the revenue is recognised. The Parent Company's revenue comes mainly from intragroup services provided. Revenue is recognised net of VAT and discounts. Services sold consist of consulting revenue from IT, marketing, financial services and management. The Group reports all revenue at a point in time for the following main categories.

Revenue by category

Amounts in kEUR	2021	2020
Affiliate operations	11 190	11 630
SaaS	13 577	-
Total revenue	**24 767**	**11 630**
Revenue distribution by vertical within iGaming Affiliate Segment		
Casino	6 208	8 234
Poker	2 721	2 428
Sports Betting	2 084	750
Other affiliation verticals	177	218
Total iGaming affiliation revenue	**11 190**	**11 630**
Revenue distribution by vertical within SaaS Segment		
Matching Visions	11 552	-
Voonix	826	-
Other	1 199	-
Total SaaS Segment Revenue	**13 577**	**-**

Revenue from Sweden in 2021 accounted for 6% (2%) of revenue for the financial year. The ten largest customers in 2021 accounted for approximately 36% (53%) of the total revenue. There are no significant contract assets or contract liabilities to disclose, and none of the revenue recognised during the year relates to performance obligations satisfied during previous periods. No transaction price has been allocated to the unsatisfied (or partly satisfied) performance obligations at the end of the reporting year.

Other operating income
Revenue from secondary activities within ordinary operations, mainly consisting of gains on the sale of rights not recognised in the consolidated balance sheet, are reported under other operating income.

Parent Company
The Parent Company recognises all revenue at a point in time. The Parent Company's revenue comes mainly from intragroup services provided.

There are no significant contract assets or contract liabilities to disclose, and none of the revenue recognised during the year relates to performance obligations satisfied during previous periods.

No transaction price has been allocated to the unsatisfied performance obligations at the end of the reporting year.

Information about intra-Group purchases and sales

Amounts in kEUR	2021	2020
Parent Company's sales of services to Group companies	64	352
Purchases of services from Group companies	-51	-47

NOTE 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 I-Gaming Affiliation and SaaS. The following summary describes the operations in each of the Group's reportable segments:

• I-Gaming 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 business 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 taxes 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.

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 I-Gaming operators.

Amounts in kEUR	Jan - Dec 2021				Jan - Dec 2020			
	iGaming Affiliation	SaaS	Unallocated	Total	iGaming Affiliation	SaaS	Unallocated	Total
Revenue	11 190	13 577	-	24 767	11 630	-	-	11 630
Other external expenses	-4 831	-11 459	-647	-16 937	-3 390	-	-518	-3 908
Personnel expenses	-2 829	-1 096	-533	-4 458	-3 050	-	-639	-3 689
Other operating income / (costs)	1 219	82	3	1 304	1 483	-	-24	1 459
EBITDA	**4 749**	**1 104**	**-1 177**	**4 676**	**6 673**	**-**	**-1 181**	**5 492**
Depreciation and amortisation	-1 364	-556	-	-1 920	-1 155	-	-	-1 155
EBIT	**3 385**	**548**	**-1 177**	**2 756**	**5 518**	**-**	**-1 181**	**-4 337**
Interest and similar income	-	-	1	1	-	-	584	584
Interest and similar expenses	-	-	-2 493	-2 493	-	-	-2 660	-2 660
Other financial assets	-	-	374	374	-	-	-729	-729
Profit/(loss) before tax	**3 385**	**548**	**-3 295**	**638**	**5 518**	**-**	**-3 986**	**1 532**
Tax on profit/(loss) for the year	-	-	81	81	-	-	-276	-276
Profit/(loss) for the year	**3 385**	**548**	**-3 214**	**719**	**5 518**	**-**	**-4 262**	**1 256**
Material non-cash items								
Net foreign exchange gain/(loss)	-9	-	382	373	-15	-	-714	-729
Segment Assets	62 208	12 927	-	75 135	53 405	-	-	53 405
Unallocated Assets	-	-	1 105	1 105	-	-	7 656	7 656
Total assets	**62 208**	**12 927**	**1 105**	**76 240**	**53 405**	**-**	**7 656**	**61 061**
Segment Liabilities	-4 977	-7 627	-	-12 604	-2 022	-	-	-2 022
Unallocated Liabilities	-	-	-21 689	-21 689	-	-	-22 617	-22 617
Total Liabilities	**-4 977**	**-7 627**	**-21 689**	**-34 293**	**-2 022**	**-**	**-22 617**	**-24 639**

NOTE 5 • Capitalised work for own account

The Company conducts continuous development of its own sites. Development work has been intensified in 2021, with CAS (Centralised Affiliate System) being built, which together with the development of our own sites has resulted in total capitalised work for own account of EUR 1 125 (1 031) thousand.

	Group		Parent Company	
Amounts in kEUR	2021	2020	2021	2020
Capitalised work for own account	**1 125**	**1 031**	-	-

NOTE 6 • Other external expenses

	Group		Parent Company	
Amounts in kEUR	2021	2020	2021	2020
Marketing expenses	1 502	1 193	30	–
Consulting expenses	2 395	1 135	123	–
Information and communication expenses	340	277	–	–
Audit fees	140	90	20	34
Costs for premises	274	87	3	–
Payouts to sub-affiliates	10 783	–	–	–
Other external expenses	1 503	1 126	604	530
Total	**16 937**	**3 908**	**780**	**564**

NOTE 7 • Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a certain period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the IFRS 16 definition of a lease. This policy is applied to contracts entered into, on or after 1 January 2019.

The Group as a lessee

On commencement or amendment of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price. However, for property leases, the Group has elected not to separate non-lease components and instead accounts for lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability on commencement of the lease. The right-of-use asset is initially measured at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made on or before the commencement date, any direct costs incurred and an estimate of costs of dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required, less any lease incentives received.

The right-of-use asset is subsequently depreciated on a straight-line basis over the lease term, unless the lease transfers ownership of the underlying asset to the Group at the end of the lease term or the cost of the right-of-use asset reflects the Group's intention to exercise a purchase option. If this is the case, the right-of-use asset is depreciated over the useful life of the underlying asset, which is determined on the same basis as for property, plant and equipment. In addition, the value of the right-of-use asset is periodically reduced to reflect any impairment and adjusted for any remeasurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group's incremental borrowing rate is used. The Group normally uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and then making some adjustments to reflect the terms and conditions of the lease and the type of asset held under the lease.

Lease payments that are included in the measurement of the lease liability are as follows:

• fixed payments, including in-substance fixed payments;
• variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
• amounts are expected to be payable under a residual value guarantee; and
• the exercise price of a purchase option that the Group is reasonably certain to exercise, lease payments during a possible extension period if the Group is reasonably certain to exercise an extension option and payments of penalties for terminating the lease, unless the Group is reasonably certain not to exercise a termination option.

The lease liability is measured at amortised cost using the effective interest method, and is remeasured if there is a change in future lease payments resulting from a change in an index or rate, if there is a change in the Group's estimate of the amounts expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero, any remaining amount is recognised in profit or loss. The Group presents right-of-use assets that do not meet the definition of investment property in "Property, plant and equipment" and corresponding lease liabilities in "Borrowing" in the statement of financial position.

Right-of-use assets
Right-of-use assets refer to office leases.

	Group	Group
Amounts in kEUR	2021	2020
Remeasured balance at beginning of the year	214	366
Depreciation for the year	-152	-152
Balance at 31 December	**62**	**214**
Leases under IFRS 16		
Interest, lease liabilities	43	33

NOTE 8 • Auditors' fees and remuneration

The following fees were paid to auditors for audits and other statutory reviews, and for advisory services and other assistance arising from observations during the audit. Fees were also paid for other independent advisory services and Other assignments as follows:

	Group		Parent Company	
Amounts in kEUR	2021	2020	2021	2020
Audit services, PWC	140	89	34	33
Other assignments, PWC	-	1	-	1
Total	**140**	**90**	**34**	**34**

The item 'audit services' refers to the auditor's remuneration for the statutory audit. The services comprise examination of the annual accounts and consolidated financial statements, accounting records and administration of the business by the CEO and Board, and include fees for advisory services relating to the audit.

NOTE 9 • Employees, salaries, benefits and social security contributions

Employee benefits in the form of salaries, bonuses, paid holiday, paid sick leave and pensions are recognised as they are earned.

Average number of employees

	2021	Female	2020	Female
Parent Company				
Sweden	–	–	3	–
Subsidiaries				
Malta	61	27	58	26
Denmark	8	1	–	–
Sweden	9	1	–	–
Group total	**78**	**29**	**61**	**26**

Management

	2021	Female	2020	Female
The following were the senior executives in employment as at year-end:				
Parent Company				
Board and CEO	6	1	6	–
Group				
Board and CEO	6	1	6	–
Other senior executives	6	1	4	1

Salaries, employee benefits and social security contributions

	Salaries & benefits		Social security contributions	
Amounts in kEUR	2021	2020	2021	2020
Parent Company	95	376	20	111
Subsidiaries	4 113	2 895	412	280
(of which capitalised)	(328)	(595)	(21)	(53)
Group Total	**4 208**	**3 271**	**432**	**391**
(of which capitalized)	**(328)**	**(595)**	**(21)**	**(53)**

Salaries and benefits (Board, Other senior executives and Other employees)

	2021			2020		
Amounts in kEUR	Parent Company	Subsidiaries	Total	Parent Company	Subsidiaries	Total
Board and CEO	95	277	372	233	247	480
Other Senior executives	-	634	634	59	567	626
Other employees	-	3 202	3 202	84	2 081	2 165
Total	**95**	**4 113**	**4 208**	**376**	**2 895**	**3 271**

Remuneration of the Board
2021 AGM adopted Board fees to be set at SEK 160,000 for each non-executive Board member. Fees for the Chairman of the Remuneration or the Audit Committee were set at SEK 40,000, while fees for each member of the Remuneration or Audit Committee were set at SEK 20,000. The fee is paid in arrears after the Annual General Meeting has been held.

Remuneration of other senior executives, including Board members in subsidiaries
The AGM adopted the following remuneration policy for senior executives. Remuneration of the CEO and other senior executives may consist of basic salary, other benefits, pension, financial instruments etc. 'Other senior executives' refers to the 6 persons who together with the CEO constitute Group management, and Board members of subsidiaries. A presentation of the Board and Management can be found on page 20-21.

Other benefits to the CEO and other senior executives relate to share based payments and are paid as of the total remuneration. No pension benefits or variable remuneration are payable.

Remuneration of Senior Executives during 2021	Basic salary/Fees	Variable remuneration	Share-based payments	Pension cost	Total
Henrik Kvick (Chairman)	19	-	-	-	19
Jonas Stromberg (Board Member as from 20 May 2021)	19	-	-	-	19
Maria Andersson Grimaldi (Board Member as from 20 May 2021)	19	-	-	-	19
Peter Åström (Board Member)	19	-	-	-	19
Kim Mikkelsen (Board Member)	19	-	-	-	19
Robert Andersson (CEO)	277	-	-	-	277
Other senior executives	634	-	-	-	634
Total remuneration of Senior Executives	**1 006**	-	-	-	**1 006**

Remuneration of Senior Executives during 2020	Basic salary/Fees	Variable remuneration	Share-based payments	Pension cost	Total
Henrik Kvick (Chairman)	19	-	-	-	19
Jonas Bertilsson (Board Member)	19	-	-	-	19
Fredrik Rüden	19	-	-	-	19
Peter Åström	19	-	-	-	19
Kim Mikkelsen (Board Member as from 25 Jun 20)	14	-	-	-	14
Marcus Teilman (Board Member until 13 Mar 20, CEO until 20 Feb 20)	143	-	-	-	143
Robert Andersson (CEO as from 21 Feb 20)	247	-	-	-	247
Other senior executives	626	-	-	-	626
Total remuneration of Senior Executives	**1 106**	-	-	-	**1 106**

Notice period and severance pay
The CEO has a contract regarding the notice period when notice is given by the Company, which states that the maximum notice period is 6 months, with remuneration and an obligation to work. There is no severance pay in addition to salary during the notice period.

NOTE 10 • Profit/(loss) from investments in group companies

Amounts in kEUR	2021	2020
Parent Company		
Dividends from subsidiaries	3 550	5 000
Total	**3 550**	**5 000**

NOTE 11 • Interest and similar Income

	Group		Parent Company	
Amounts in kEUR	2021	2020	2021	2020
Finance income	1	584	–	584
Finance income, Group companies	–	–	–	33
Total	**1**	**584**	**–**	**617**

NOTE 12 • Interest and similar Expenses

	Group		Parent Company	
Amounts in kEUR	2021	2020	2021	2020
Interest expenses, shareholder	16	15	16	15
Interest expenses on Borrowings	1 547	1 842	1 547	1 842
Interest expenses, other	510	67	432	34
Financing costs for borrowings	420	736	420	736
Total	**2 493**	**2 660**	**2 415**	**2 627**

NOTE 13 • Tax

Tax expense represents the sum of current tax and deferred tax.

Current tax
Current tax is calculated based on taxable profit for the period. Taxable profit differs from the reported result in the income statement as it has been adjusted for non-taxable income and non-deductible expenses, and for income and expenses that are taxable or deductible in other periods. The Group's current tax is calculated using tax rates that have been enacted on the reporting date.

Deferred tax
Deferred tax is recognised on temporary differences arising between the carrying amount of assets and liabilities in the financial statements and their tax bases used to calculate taxable profit. Deferred tax is accounted for using the balance-sheet liability method.

Deferred tax liabilities are recognised on virtually all taxable temporary differences and deferred tax assets are recognised for virtually all deductible temporary differences to the extent that it is probable that the amounts can be used against future taxable profit. Deferred tax liabilities and assets are not recognised if the temporary difference is attributable to goodwill or it arises from initial recognition of an asset or liability in a transaction other than a business combination which at the time of the transaction affects neither accounting profit nor taxable profit.

Deferred tax liabilities are recognised on taxable temporary differences attributable to investments in subsidiaries, apart from in cases where the Group can control the timing of the reversal of the temporary differences and it is probable that any such reversal will occur in the foreseeable future. The deferred tax assets that are attributable to deductible temporary differences for such investments are only recognised to the extent that it is probable that the amounts can be used against future taxable profit and it is probable that this will take place in the foreseeable future.

The carrying amount of deferred tax assets is tested at each reporting date and is reduced to the extent that it is no longer probable that there will be sufficient taxable profit against which the amounts can be used, fully or in part. Deferred tax is calculated using the tax rates that are expected to apply for the period in which the asset is recovered or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset when they relate to income tax charged by the same tax authority and when the Group intends to settle the tax on a net basis.

Current and deferred tax for the year
Current and deferred tax is recognised as an expense or income in the income statement, apart from when the tax is attributable to transactions recognised in OCI or directly in equity, in which case the tax is also recognised in OCI or directly in equity. In the case of current and deferred tax arising from the reporting of business combinations, the tax effect shall be reported in the acquisition analysis.

Tax recognised in income statement

	Group		Parent Company	
Amounts in kEUR	2021	2020	2021	2020
Current tax	379	36	-212	–
Deferred tax	-460	240	–	–
Tax on profit/(loss) for the year	**-81**	**276**	**-212**	**–**
Current tax				
Profit before tax	637	1 532	784	1 638
Tax at the current rate 20,6% (21.4%)	131	328	162	350
Tax effect of:				
Difference in tax rates in foreign operations	-356	-904	–	–
Non-taxable income	–	–	-731	-1 070
Non-deductible expenses	546	401	300	297
Deductible expense not posted in profit and loss	-7	-114	-7	-114
Tax income not posted in profit and loss	–	4	–	4
Losses increasing accumulated loss carryforwards but not reported as assets	276	523	276	533
Adjustment to opening current tax	-340	–	–	–
Movement in unrecognised deferred tax	-331	38	–	–
Tax refund from foreign authorities	–	–	-212	–
Tax expense	**-81**	**276**	**-212**	–
Deferred tax				
(Decrease)/increase in deferred tax assets	-367	136	–	–
(Decrease)/increase in deferred tax liabilities	-93	104	–	–
Tax expense, deferred tax	**-460**	**240**	**–**	**–**

Changes in deferred tax are distributed as follows

Amounts in kEUR	2021	2020
Deferred tax assets		
Carrying amount at beginning of year	20	156
Current year profits absorbed from deferred tax	-94	–
Net change for the year in the income statement	367	-136
Carrying amount at end of year	**293**	**20**
Deferred tax assets relate to		
Unused tax losses	293	20
Total deferred tax assets	**293**	**20**
Deferred tax liabilities		
Carrying amount at beginning of year of which reversed against deferred tax assets	-104	–
Acquired in business combinations	-1 520	–
Net change for the year in the income statement	93	-104
Carrying amount at end of year	**-1 531**	**-104**
Deferred tax liabilities are attributable to		
Property, plant and equipment	3	2
Intangible assets	-1 570	-148
Provision for bad debts	55	62
Unrealised exchange differences	-19	-20
Total deferred tax liabilities	**-1 531**	**-104**

The Parent Company has saved accumulated loss carryforwards of EUR 15 615 (14 553) thousand at 31/12/2021. The Group has saved accumulated loss carryforwards of EUR 22 904 (23 093) thousand. The loss carryforwards continue indefinitely.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available. Calculation of the value of the deferred tax assets is based on estimates of the extent to which loss carryforwards can be utilised against expected taxable income for the next five financial years. For the Parent Company, the assessment is that it will not be possible to use the loss carryforwards due to uncertainty about when sufficient taxable profit will be generated in the future. No deferred tax assets associated with the loss carryforwards are therefore reported for the Parent Company. At the end of each reporting period, the deferred tax assets are tested for impairment.

As, under certain conditions, the Maltese tax system provides the opportunity for tax refunds corresponding to 6/7th of the tax paid, it is the Group's assessment that the effective tax rate at Group level is 5 percent.

NOTE 14 • Earnings per share

The calculation of earnings per share is based on the Group's profit for the year and the weighted average number of shares outstanding during the year. Earnings per share after dilution is calculated by adjusting the average number of shares for the effect of all options that give rise to dilution. The potential dilutive effect of the Group's shares arises from employee share options.

Amounts in kEUR	2021	2020
Group		
Earnings per share before dilution		
Profit attributable to shareholders of the Parent	718	1 256
Number of registered shares on reporting date	129 659 355	113 950 153
Weighted average number of shares before dilution	127 024 404	79 386 525
Weighted average number of shares after dilution	127 024 404	79 386 525
Earnings per share before dilution	0.006	0.016
Earnings per share after dilution	0.006	0.016
Adjusted earnings per share after dilution	0.008	0.038

The options granted in 2021, have not been included in the calculation of earnings per share after dilution as these instruments do not give rise to any dilutive effect for the financial year ended 31 December 2021. Further information about the options can be found in note 15.

NOTE 15 • 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.

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). However, as a result of restrictions due to the ongoing pandemic, allotment of the options could not be completed and no option agreements were entered into with the employees. As the intended participants had not been informed of their inclusion in the employee share option programme and the allotment of the number of options to each participant had not been determined, the conditions for the employee share option programme could not be considered fulfilled. No grant date was ever established. As stated in IFRS 2, the grant date may occur after the Company starts to recognise employee benefit expenses related to the programme. As the employees had not been aware of their inclusion in the employee share option programme and of all the significant terms and conditions of the programme, they could not be considered to have started providing services under the employee share option programme. Consequently, the employee share option programme costs of EUR 10 thousand that were recognised during Q3 had been reversed in Q4, as the criteria to start recognising costs from the programme had not been met.

During 2020, 600,000 employee share options expired and 250,000 warrants were repurchased.

For the full year 2021, the earnings impact of the share-based payments is EUR -90 (+53) thousand.

Number of options

	Group		Parent Company	
Amounts in kEUR	2021	2020	2021	2020
Outstanding at the beginning of the year	-	850 000	-	850 000
Granted during year	5 600 000	-	5 600 000	-
Forfeited during year	-	-600 000	-	-600 000
Repurchased during year	-	-250 000	-	-250 000
Total oustanding at the end of year	**5 600 000**	**–**	**5 600 000**	**–**
Weighted exercise price per option	3,25	–	3,25	–
Remaining wieghted average contract period (years) for outstanding options.	2,28	–	2,28	–

NOTE 16 • Property, plant and equipment

Items of property, plant and equipment are recognised at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be used, and estimated expenses for dismantling and removing the asset and restoring the location. Subsequent costs are included in the carrying amount of the asset or reported as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs for repairs and subsequent costs are recognised in the income statement in the period in which they arise.

Depreciation of property, plant and equipment is expensed so that the asset's cost of acquisition, less any residual value at the end of its useful life, is depreciated on a straight-line basis over its estimated useful life. Depreciation begins when the item of property, plant and equipment is available for use. The estimated useful lives of categories of property, plant and equipment for current and comparative periods are as follows:

• IT equipment 3-5 years
• Office equipment 3-10 years

Estimated useful lives, residual values and depreciation methods are reviewed at least at the end of each accounting period, and the effects of any changes in assessments are reported prospectively.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the retirement or disposal of an asset consists of the difference between any net income on disposal of the asset and its carrying amount, recognised in profit or loss in the period in which the asset is derecognised.

Group

Amounts in kEUR	2021 Office equipment	2021 IT equipment	2021 Total	2020 Office equipment	2020 IT equipment	2020 Total
Accumulated cost						
Opening balance	329	295	624	329	269	598
Investment	4	37	41	-	26	26
Acquisitions through business combinations	11	20	31	-	-	-
Closing balance	**344**	**352**	**696**	**329**	**295**	**624**
Accumulated depreciation						
Opening balance	-224	-257	-481	-181	-224	-405
Depreciation for the year	-43	-37	-80	-43	-33	-76
Closing balance	**-267**	**-294**	**-561**	**-224**	**-257**	**-481**
Carrying amount at end of year	**77**	**58**	**135**	**105**	**38**	**143**

NOTE 17 • Goodwill

Goodwill arising in the preparation of the consolidated financial statements represents the difference between the cost of acquisition and the Group's share of the fair value of an acquired subsidiary's identifiable assets and liabilities on the acquisition date. On acquisition, goodwill is initially recognised at cost and is subsequently measured at cost less any accumulated impairment. When testing for impairment, goodwill is allocated to the cash-generating units that are expected to benefit from the acquisition.

A cash-generating unit to which goodwill has been allocated is tested annually for impairment, or more frequently if there is an indication that the cash-generating unit is impaired. If the recoverable amount of a cash-generating unit is lower than its carrying amount, the impairment is first allocated to the carrying amount of goodwill allocated to the cash-generating unit and subsequently to other assets, based on the carrying amount of each asset in the cash-generating unit. Internal and external factors are taken into account in the calculations. The calculations use cash flow projections based on budgets defined by management for the next five years. Any goodwill impairment is recognised as an expense immediately and is not reversed. When a cash-generating unit is sold, any goodwill allocated to the cash-generating unit is included in the calculation of the capital gain or loss on the sale.

The Acroud AB Group (the "Group") Goodwill represents three separate cash-generating units.

Amounts in kEUR	2021	2020
Group		
Accumulated cost		
Opening balance	42 856	42 856
Investment	8 224	–
Closing balance	**51 080**	**42 856**

In 2021, management has continued to conduct goodwill and domains impairment testing. Growth and underlying assumptions over the projected period were reviewed in line with the Group's strategic direction. A detailed impairment assessment was performed for each CGU at the end of financial year end 2021 and it was concluded that the carrying amounts of goodwill and domains are recoverable, based on the fact that cash flow generated by these assets is in line or exceeds the carrying amount.

The recoverable amount of the iGaming Affiliation is sensitive to ambitious growth assumptions and deviations from growth plan could result in an impairment. The recoverable amount has been calculated by reference to cash flow projections that the actual return from operations in 2021 and an estimate for the years 2022-2026 (2020: the years 2021-2025). The assumptions of annual growth for 2022 was approximately 21% which is mainly driven from an updated SEO strategy adopted in January 2022. Annual growth for 2023 was set at 8% and assumption of annual growth of 5% for 2024 onwards, which corresponds to the Group's long-term assumption of inflation and the market's long term growth. In the model, a terminal growth rate of 1.8% (2020: 1.8%) has been applied. Assumptions were made when assessing future cash flows, and are mainly related to sales growth, operating margin, growth rate and discount rate. Should the actual outcome deviate from the assumptions applied this can result in an impairment of goodwill and/or domains, such an event can have a significant impact to the financial statements of the Group and the Parent Company (shares in subsidiaries).

Sensitivity Analysis
A sensitivity analysis has been prepared which illustrates that a decline of 2% in the assumed operating margin (with other variables constant), an increase of 2% in the discount rate (with other variables constant) and a perpetual growth rate of 0% (with other variables constant) would not cause the carrying amount to exceed the value in use. The projected cashflows have been discounted at a pre-tax discount rate of 13% (2020: 13.6%).

NOTE 18 • Other Intangible assets

Capitalised development costs

Internally and externally generated intangible assets derived from the Group's development work on new and existing digital brands are only reported if the following conditions are met:

• it is technically feasible to complete the intangible asset and use or sell it;
• it is the Group's intention to complete the intangible asset and use or sell it;
• the Group has the ability to use or sell the intangible asset;
• the Group shows how the intangible asset will generate probable future economic benefits;
• adequate technical, financial and other resources are available to complete the development and to use or sell the intangible asset; and
• the expenses attributable to the intangible asset during its development can be reliably calculated.

During the development of internally and externally generated intangible assets, capitalised costs are classified as Assets under Construction. If it is not possible to report any internally generated intangible asset,development costs are recognised as an expense in the period in which they arise. Expenditure on the development of websites and IT infrastructures is capitalised within Intangible assets according to nature in line with IAS38 and, where relevant, SIC-32. When development is completed, the cost of the asset is transferred from Asset Under Construction to Intangible assets. Assets under Construction are not amortised until the asset is complete.

Domains and Players Databases

Acquired intangible assets are reported in accordance with IFRS 3 and classified as domains and players databases. See note 27 Business combinations for more information.

Impairment of property, plant & equipment and intangible assets excluding goodwill

At each reporting date, the Group analyses the carrying amounts of property, plant & equipment and intangible assets to determine whether there is any indication that these assets have declined in value. If this is the case, the asset's recoverable amount is calculated in order to determine the value of any write-down. Where it is not possible to calculate the recoverable amount for an individual asset, the Group calculates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet ready for use are tested annually for impairment, or when there is an indication of impairment.

The recoverable amount is the higher of fair value less costs to sell and value in use. When measuring value in use, estimated future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks associated with the asset.

If the recoverable amount of an asset (or cash-generating unit) is determined to be lower than the carrying amount, the carrying amount of the asset (or the cash-generating unit) is written down to the recoverable amount. An impairment loss is immediately recognised as an expense in the income statement.

When an impairment is subsequently reversed, the carrying amount of the asset (cash-generating unit) increases to the remeasured recoverable amount, but the increased carrying amount may not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in previous years. A reversal of an impairment loss is recognised directly in the income statement.

Amounts in kEUR	Trademark lists	Player databases	Software domains & other IP	Assets under construction	Total
2021					
Accumulated cost					
Opening balance	–	1 564	6 376	969	8 909
Transfers from/to AUC	–	–	1 476	-1 476	–
Investment	–	–	99	1 301	1 400
Acquisitions through business combinations	2 240	8 432	–	–	10 672
Disposals	–	–	-110	–	-110
Closing balance	**2 240**	**9 996**	**7 841**	**794**	**20 871**
Accumulated amortisation					
Opening balance	–	-874	-643	–	-1 517
Amortisation for the year	–	-1 331	-355	–	-1 686
Closing balance	**–**	**-2 205**	**-998**	**–**	**-3 203**
Carrying amount at end of year	**2 240**	**7 791**	**6 843**	**794**	**17 668**
2020					
Accumulated cost					
Opening balance	503	1 515	3 417	663	6 098
Transfers from/to AUC	–	–	725	-725	–
Investment	–	49	2 513	1 031	3 593
Impairment loss	-503	–	–	–	-503
Disposals	–	–	-279	–	-279
Closing balance	**–**	**1 564**	**6 376**	**969**	**8 909**
Accumulated amortisation					
Opening balance	–	-567	-526	–	-1 093
Amortisation for the year	–	-307	-117	–	-424
Closing balance	**–**	**-874**	**-643**	**–**	**-1 517**
Carrying amount at end of year	**–**	**690**	**5 733**	**969**	**7 392**

Trademarks and capitalised development costs
The carrying amounts of trademarks are mainly attributable to the acquisitions of Power Media Group and The Gambling Cabin in 2021. During 2020, a new growth strategy was adopted whereby the group was focusing on fewer products. As a result of this, the Pokerloco brand trademark has been fully impaired in 2020.

Capitalised development costs - Assets under construction
The Company conducts continuous development of its own sites. Development work has been intensified in 2021, resulting in capitalised work for own account of EUR 1 125 (1031) thousand. EUR 1 476 (725) thousand represents projects which were completed during the year and hence were transferred to Software, Domains & other IP and started to be amortised during the year.

Domain rights and Players Databases
Domains, software development costs and players databases are attributable to the acquisitions of Power Media Group and The Gambling Cabin in 2021, RIAE Media in 2020, MaxFreeBets in 2019, Webwiser in 2018 and Magnum Media in 2017. Webwiser, Magnum Media, Power Media Group and The Gambling Cabin have been recognised in accordance with IFRS 3 Business Combinations whereas RIAE Media and MaxFreeBets have been recognised in accordance with IAS 38 Intangible Assets. The acquired Players databases are amortised on a straight-line basis as per Group's policy (note 2).

The Group domain rights have an indefinite useful life. This is based on the assessment that, with ongoing maintenance and protection of the right, there is no foreseeable limit to the period over which it can used, and an indefinite useful life is therefore considered a better reflection of its actual use. See note 27 Business combinations for more information.

Acquisition of RIAE Media's assets
In November 2020, Acroud AB acquired ten growth sites. Acroud paid EUR 1.6 million in combination of cash and Acroud shares for 51% of the assets and has secured a combination of call options (maturing at the end of 2023 or 2025) and put options (maturing at the end of 2025) for the remaining 49% of the assets. Acroud has therefore concluded that, in practice, it can already control 100% of the acquired assets. The original purchase consideration was settled from existing reserves (about 40%) and through the issue of own shares (about 60%). The contingent consideration (EUR 668k on 31 December 2021), corresponding to the best estimate of the future and expected consideration to be paid no later than 5 years, will also be settled in cash (40%) and through a new issue of shares in Acroud AB (60%). The acquisition has been reported as an asset acquisition, i.e. in accordance with IAS 38 rather than IFRS 3. This means that the acquired assets in the form of domains, capitalised software development costs and customer databases have initially been recognised at cost of acquisition. Estimated useful lives for the acquired assets are as follows: domains (indefinite useful life), capitalised software development costs (5 years) and customer databases (3 months).

NOTE 19 • Investments in group companies

Parent Company

Amounts in kEUR	2021	2020
Accumulated cost		
Opening cost	33 898	31 581
Investment in subsidiaries during the year	18 922	2 317
Reversal of capitalised costs for acquisitions	-90	–
Closing cost	**52 730**	**33 898**
Carrying amount at end of year	**52 730**	**33 898**

Specification of Parent Company's and Group's holdings of shares in Group companies

Amounts in kEUR	2021	2020
Carrying amount subsidiaries of Acroud AB		
PokerLoco Malta Limited	1	1
HLM Malta Limited	31 580	31 580
Acroud Sports Limited	2 227	2 227
Matching Visions Ltd	7 332	–
Traffic Grid Ltd	1 386	–
Voonix ApS	2 360	–
Swedishsantas AB	7 844	–
Capitalised costs incurred in acquisitions	–	90
Total	**52 730**	**33 898**

Subsidiaries	Reg'd Office	Company's reg n°	Percentage of Shares and votes	N° of Shares	Equity	Profit for the year/period
Subsidiaries of Acroud AB						
PokerLoco Malta Limited	Malta	C 51645	100%	1 200	277	-18
HLM Malta Limited	Malta	C 75337	100%	1 165	10 423	2 314
Acroud Sports Limited	Malta	C 97253	51%	1 020	2 370	126
FTT LLC	USA	7953662	100%	n/a	–	–
Swedish Santas AB	Sweden	559167-3503	100%	1 000	68	46
Matching Visions Ltd	Malta	C 79010	100%	1 200	470	456
Voonix ApS	Denmark	32353630	100%	50 000	203	197
Traffic Grid Ltd	Malta	C 90872	100%	1 200	12	90
Subsidiaries of HLM Malta Limited						
Rock Intention Malta Limited	Malta	C 49286	100%	14 000	10 154	3 480
Mortgage Loan Directory and Information LLC	USA	4942378	100%	n/a	444	50

As at 31 December 2021 and 31 December 2020, the Directors reviewed the cost of investment in subsidiary for impairment, and based on the current profits and the plans for the foreseeable future, they are confident that no provisions for impairment were deemed necessary. For further information with regards to impairment test assumptions please refer to note 17.

NOTE 20 • Balances with group companies

Amounts in kEUR	2021	2020
Receivables due within 1 year		
HLM Malta Limited	5	24
Rock Intention Malta Limited	–	16
Acroud Sports Limited	194	9
PokerLoco Malta Limited	1	2
Total current receivables from Group companies	**200**	**51**
Payables due within 1 year		
Rock Intention Malta Limited	46	–
The Gambling Cabin	295	–
Total current payables to Group companies	**341**	–

NOTE 21 • Prepayments and accrued income

	Group		Parent Company	
Amounts in kEUR	2021	2020	2021	2020
Prepaid rental and lease payments	92	26	–	–
Other prepayments	369	105	28	21
Accrued Income	366	–	–	–
Total	**827**	**131**	**28**	**21**

NOTE 22 • Cash and cash equivalents

Cash and cash equivalents consist of cash, demand deposits with banks, payment service providers and similar institutions, and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

	Group		Parent Company	
Amounts in kEUR	2021	2020	2021	2020
Cash and bank balances*	1 608	8 030	761	7 563
Bank accounts with payment service providers	594	84	–	–
Total	**2 202**	**8 114**	**761**	**7 563**

*EUR 445 (498) thousand consists of restricted funds including deposits from customers and pledged assets in subsidiaries. These funds are not included in the Group's cash and cash equivalents.

NOTE 23 • Share capital

In November 2020 the Company has completed a directed share issue of 35,294,118 shares at a price of SEK 2.55 per share (the "Share Issue") amounting to approximately SEK 90 million in allocated demand. Also in November 2020, the Company issued an additional 3,051,548 shares as part settlement of acquisition cost of RIAE Media's assets (see note 18). During 2021, the Company issued an additional 8,000,000 and 7,709,202 share as part settlement of acquisition of Power Media Group and TheGambling Cabin respectively.

Share capital on 31 December 2021 consists of 129,659,355 shares (31 December 2020: 113,950,153) with a par value of Euro 0.025298. Transaction costs directly attributable to the issue of new shares or options are recognised in equity, net of tax, as a deduction from the issue proceeds.

Other paid-in capital includes premiums paid in connection with new share issues net of issue expenses, proceeds received from warrant issues and the equity component of the issued convertible debenture.

Reserves refer to exchange differences when translating foreign operations into Euro, which are reported in other comprehensive income.

Parent Company

Amounts in kEUR	2021	2020
Number of registered shares on reporting date	129 659 355	113 950 153
Share capital (EUR) on reporting date	3 280 148	2 882 765

NOTE 24 • Loans and borrowings

The carrying amount of the bond are as follows:

	Group and Parent Company	
Amounts in kEUR	2021	2020
Nominal amount	19 487	22 258
Prepaid transaction costs	-240	-663
Carrying amount	**19 247**	**21 595**

Borrowing consists of a bond loan amounting to SEK 200 (223) million. In Q4 2019, bonds were repurchased on the market at a nominal amount of SEK 67 million. Bond loan repayments of SEK 55 million, SEK 3 million, SEK 6.25 million and SEK 5.875 million were made in Q1, Q2, Q3 and Q4 of 2020. During Q4 2020, SEK 14,625 million of outstanding bonds were repurchased through the issue of 5,820,759 shares in a private placement in November 2020. During 2021, SEK 23.5 million further bonds were repurchased on the market at a nominal amount of SEK 5.875 million per quarter.

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. During first quarter of 2022, the Company's Board have initiated the re-financing process and have appointed financial (Pareto Securities AB) and legal (Gernandt & Danielsson Advokatbyrå KB) advisors to assist in the process. Based on successful financing in the past, management is confident that this re-financing process will be equally successful.

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.

NOTE 25 • Accruals and deferred income

	Group		Parent Company	
Amounts in kEUR	2021	2020	2021	2020
Accrued salaries and security contributions	191	259	94	101
Accrued interest expenses	71	79	71	79
Accrued audit fees and consultancy fees	135	35	20	–
Accrued fees	40	17	26	–
Accrued Matching Visions payouts	1 139	–	–	–
Other accruals	192	469	–	265
Total	**1 768**	**859**	**211**	**445**

NOTE 26 • 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		Parent Company	
Amounts in kEUR	2021	2020	2021	2020
Shares in subsidiaries pledged as collateral for bonds	49 611	49 584	31 581	31 581

To provide collateral for borrowings related to the acquisition of the subsidiary of 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.

NOTE 27 • Business combinations

The Group accounts for business combinations using the acquisition method. The purchase consideration for a business combination is measured at the acquisition date fair value, as are the identifiable net assets acquired. Acquisition-related expenses are recognised in the income statement when they arise.

The purchase consideration also includes the acquisition-date fair value of the assets or liabilities that result from a contingent consideration agreement. Changes in the fair value of contingent consideration, which result from additional information obtained after the acquisition date about facts and circumstances that existed on the acquisition date, qualify as adjustments during the valuation period and are adjusted retrospectively, with a corresponding adjustment of goodwill. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is reported in equity. All other changes in the fair value of contingent consideration are recognised in profit or loss.

The identifiable acquired assets and assumed liabilities are recognised at the acquisition-date fair value, with the following exceptions:

• Deferred tax assets or liabilities, and liabilities or assets related to the acquiree's employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits.

• Liabilities or equity instruments attributable to the acquiree's share-based payment awards or to the replacement of the acquiree's share-based payment awards with share-based payment awards of the acquirer are measured on the acquisition date in accordance with IFRS 2 Share-based Payment.

• Assets (or disposal group) classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

For business combinations where the total of the purchase consideration transferred, any non-controlling interests, and the acquisition-date fair value of the acquirer's previous equity interest in the acquiree, exceeds the acquisition-date fair value of identifiable net assets, the difference is reported as goodwill in the statement of financial position. If the difference is negative, this is recognised as a bargain purchase gain in the income statement after a review of the difference.

For each business combination, previous non-controlling interests in the acquiree are measured either at fair value or at the value of the NCI's proportionate share of the acquiree's identifiable net assets.

Acquisition of Power Media Group
On 20 January 2021, Acroud acquired 100 percent of the shares in Voonix ApS, Matching Visions Ltd and Traffic Grid for an initial purchase consideration of EUR 4.8 million, plus a potential additional consideration. The acquired companies are fast-growing and predominantly active in the European market with the affiliate network Matching Visions and the iGaming campaign broker Traffic Grid, but are also an industry-leading SaaS service provider with Voonix. During 2020, the acquired operations generated revenue of EUR 9.6 million and EBITDA of EUR 0.9 million.

The initial consideration for 100 percent of the shares in the acquired operations on a cash and debt-free basis amounts to EUR 4.8 million and was paid on the acquisition date. EUR 2.4 million of the initial consideration was paid with 8,000,000 ordinary shares, based on the volume-weighted average share price ("VWAP") on Nasdaq First North Growth Market for the 20 consecutive trading days preceding the acquisition announcement, corresponding to SEK 2.99 per Acroud share (EUR 0.30 per share). The remaining EUR 2.4 million of the initial consideration was paid in cash.

The additional consideration that may be required is contingent on the future financial performance of Voonix ApS, Matching Visions Ltd and Traffic Grid Ltd. The contingent consideration, 50 percent of which will be settled in newly issued shares and the remainder in cash, is calculated on future EBT based on a multiple of 7.5 times EBT growth from the financial year 2020 and 2022. The price of the contingent consideration shares will correspond to the VWAP for the Acroud share on Nasdaq First North Growth Market for the 20 consecutive trading days preceding the date of issue of the contingent consideration shares. The maximum additional consideration payable is EUR 16 million.

50 percent of the shares that may potentially need to be issued in connection with the conditional consideration will be subject to a one-year lock-up and 50 percent to a two-year lock-up from the acquisition date.

Details of the fair value of the acquired assets and liabilities and the contingent consideration are disclosed below:

Purchase consideration	On acquisition EUR'000,000
Cash settlement (gross of cash and debt items)	2,9
Share issue and allotment	2,4
Contingent consideration, discounted at present value	5,8
Total purchase consideration	**11,1**
Trademarks	-1,7
Developed technology	-1,3
Customer relationships	-2,3
Deferred tax liability	0,4
Net assets on subsidiaries' on-balance-sheet	-0,8
Goodwill	**5,4**

Acquisition of The Gambling Cabin
On 15 April 2021, Acroud acquired 100 percent of the share in Swedishsantas AB, also known as The Gambling Cabin on a cash and debt-free basis, for an intial purchase consideration of approximately SEK 47.3 million, plus a potential additional consideration. The Gambling Cabin is a fast-growing company offering a software-based tipster service as well as very popular video content within Sports Betting, Poker and Horse Racing. The Gambling Cabin has a clear "strategic fit" with Acroud strengthening the software offerings (SaaS) as well as adding some of the most popular ways of consuming media, YouTube and Twitch, to Acroud's offering. The Gambling Cabin generated annualised sales of app EUR 1.4 million based on the 9 month period Q220-Q121 with an EBITDA margin of approximately 65 percent reaching an EBITDA of EUR 0.9 million.

The initial consideration for 100 percent of the shares in Swedishsantas AB, on a cash- and debt- free basis, amounted to approximately SEK 47.3 million and was paid on closing date. Approximately SEK 23.6 million, of the Upfront Consideration were paid with 7,709,202 Acroud shares (the "Consideration Shares"), at a subscription price of SEK 3.07 per Acroud share (corresponding to EUR 0.30 per share). 50 percent of the Consideration Shares will be subject to a one year lock-up and 50 percent are subject to a two year lock-up from acquisition date. Approximately SEK 23.6 million of the Upfront Consideration were paid in cash.

An additional consideration can be paid based on a multiple of 5 times the EBITDA generated during the period from 1 April 2022 up to and including 31 March 2023 reduced with an annualized EBITDA based on the Q220-Q121 (the "Earn-Out Consideration"). The Earn-Out Consideration is paid with 50 percent in newly issued shares in Acroud and the remainder in cash (the "Earn-Out Consideration Shares"). The price for the Earn-Out Consideration Shares will correspond to the average price of the Acroud share on Nasdaq First North Growth Market for the 30 consecutive calendar days preceding 1 April 2023 (which corresponds to the end of the period when the mentioned targets are measured). The Earn-Out Consideration amounts to a maximum of approximately SEK 82 million.

Details of the fair value of the acquired assets and liabilities and the contingent consideration are disclosed below:

Purchase consideration	On acquisition EUR'000,000
Cash settlement (gross of cash and debt items)	2,9
Share issue and allotment	2,3
Contingent consideration, discounted at present value	2,6
Total purchase consideration	**7,8**
Trademarks	-0,6
Developed technology	-0,2
Customer relationships	-4,6
Deferred tax liability	1,1
Net assets on subsidiaries' on-balance-sheet	-0,7
Goodwill	**2,8**

The valuation techniques used for measuring the fair value of the assets acquired on a provisional basis in both transactions are as follows:

Assets acquired	Valuation methodology
Trademarks	Relief-from-Royalty
Developed technology	Relief-from-Royalty
Customer relationships	Multi-period Excess Earnings

The fair value of the acquired assets and contingent consideration has been measured provisionally. If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, the accounting for the acquisition will be revised accordingly in line with IFRS 3.

NOTE 28 • Related-party transactions

Salaries and benefits to Board members and the CEO are shown in note 9. The Parent Company has a related party relationship with its subsidiaries and their subsidiaries, see notes 3, 19 and 20.

Services sold between the Parent Company and subsidiaries relate to IT, marketing, financial services and management services. Transactions with related parties are priced at market terms. No services have been provided free of charge.

Since the financial year 2014, Acroud AB has a loan liability of SEK 2,000 thousand to its main shareholder Trottholmen AB, of which the entity's chairman Henrik Kvick is owner and Board member. The loan carries a market interest rate. Accrued interest as of the balance sheet date amounts to SEK 2 039 thousand. Converted to Euro using the exchange rate as at balance sheet date, the debt including accrued interest, amounts to EUR 394k.

Related party transactions

Parent Company

Amounts in kEUR	2021	2020
Sale of services to Group companies	64	352
Finance income from Group companies	–	33
Interest expenses to other related parties	-18	-15
Liabilities to shareholder	394	387

NOTE 29 • Financial instruments

Group **31/12/2021**

Amount in kEUR	Financial assets at amortised cost	Non-financial assets	Financial liabilities at amortised cost	Non-financial liabilities	Total carrying amount
Property, plant and equipment	-	135	-	-	135
Right-of-use assets	-	62	-	-	62
Goodwill	-	51 080	-	-	51 080
Investment in associate	1	-	-	-	1
Other intangible assets	-	17 668	-	-	17 668
Other non-current receivables	95	-	-	-	95
Deferred tax assets	-	293	-	-	293
Trade receivables	1 716	-	-	-	1 716
Other current receivables	2 161	-	-	-	2 161
Prepayments and accrued income	-	827	-	-	827
Cash and cash equivalents	2 202	-	-	-	2 202
Total	**6 175**	**70 065**	-	-	**76 240**
Loans and Borrowings	-	-	19 247	-	19 247
Deferred tax liability	-	-	-	1 531	1 531
Trade payables	-	-	942	-	942
Liabilities to shareholder	-	-	394	-	394
Other liabilities	-	-	10 050	-	10 050
Lease Liabilities	-	-	62	-	62
Tax liability	-	-	299	-	299
Accrued expenses	-	-	1 768	-	1 768
Total	-	-	**32 762**	**1 531**	**34 293**

Group **31/12/2020**

Amount in kEUR	Financial assets at amortised cost	Non-financial assets	Financial liabilities at amortised cost	Non-financial liabilities	Total carrying amount
Property, plant and equipment	-	143	-	-	143
Right-of-use assets	-	214	-	-	214
Goodwill	-	42 856	-	-	42 856
Other intangible assets	-	7 392	-	-	7 392
Other non-current receivables	106	-	-	-	106
Deferred tax assets	-	20	-	-	20
Trade receivables	1 496	-	-	-	1 496
Other current receivables	589	-	-	-	589
Prepayments and accrued income	-	131	-	-	131
Cash and cash equivalents	8 114	-	-	-	8 114
Total	**10 305**	**50 756**	-	-	**61 061**
Loans and Borrowings	-	-	21 595	-	21 595
Deferred tax liability	-	-	-	104	104
Trade payables	-	-	336	-	336
Liabilities to shareholder	-	-	387	-	387
Other liabilities	-	-	1 077	-	1 077
Lease Liabilities	-	-	213	-	213
Tax liability	-	-	68	-	68
Accrued expenses	-	-	859	-	859
Total	-	-	**24 535**	**104**	**24 639**

Parent Company **31/12/2021**

Amount in kEUR	Financial assets at amortised cost	Non-financial assets	Financial liabilities at amortised cost	Non-financial liabilities	Total carrying amount
Investments in Group companies	-	52 730	-	-	52 730
Current receivables from Group companies	200	-	-	-	200
Other receivables	236	-	-	-	236
Prepayments and accrued income	-	28	-	-	28
Cash and cash equivalents	761	-	-	-	761
Total	**1 197**	**52 758**	-	-	**53 955**
Loans and Borrowings	-	-	19 247	-	19 247
Trade payables	-	-	15	-	15
Liabilities to shareholder	-	-	394	-	394
Liabilities to Group Companies	-	-	341	-	341
Other liabilities	-	-	9 460	-	9 460
Accruals and deferred income	-	-	211	-	211
Total	-	-	**29 668**	-	**29 668**

Parent Company **31/12/2020**

Amount in kEUR	Financial assets at amortised cost	Non-financial assets	Financial liabilities at amortised cost	Non-financial liabilities	Total carrying amount
Investments in Group companies	-	33 898	-	-	33 898
Current receivables from Group companies	51	-	-	-	51
Other receivables	51	-	-	-	51
Prepayments and accrued income	-	21	-	-	21
Cash and cash equivalents	7 563	-	-	-	7 563
Total	**7 665**	**33 919**	-	-	**41 584**
Loans and Borrowings	-	-	21 595	-	21 595
Trade payables	-	-	19	-	19
Liabilities to shareholder	-	-	387	-	387
Other liabilities	-	-	635	-	635
Accruals and deferred income	-	-	445	-	445
Total	-	-	**23 081**	-	**23 081**

NOTE 30 • Financial risks

The Board and the Group strive to minimise the Group's risk exposure. This note describes the Group's exposure to financial risks and how these may affect the Group's future financial position. The Group's exposure to financial risks includes currency risk, liquidity risk, interest rate risk, and counterparty and credit risk. Financial risk management is coordinated through the Parent Company, from which the Group's financing is arranged.

Currency risks
The Group's international operations mean that the Company is exposed to currency risks, primarily linked to the USD, and the Group's financing is arranged in SEK. The Group does not enter into forward contracts or hedging to protect itself against currency exposure, which means that exchange rate changes can have a negative and a positive impact on the Group's financial position and earnings. The Group's equity is also affected by exchange rate changes when subsidiaries' earnings, assets and liabilities are translated to EUR (translation effects).

The Group's key balance sheet items on the reporting date are listed below in the original currency.

	USD 000	Carrying amount EUR '000	SEK 000	Carrying amount EUR '000
Closing rate		1,1326		10,2503
Intangible assets	36	32	83	8
Trade receivables	585	517	714	70
Cash and bank balances	152	134	9 569	934
Borrowing	–	–	-19 682	-1 920
Currency exposure, net	**773**	**683**	**-9 316**	**-908**

	GBP 000	Carrying amount EUR '000	DKK 000	Carrying amount EUR '000
Closing rate		0,84028		7,4364
Intangible assets	–	–	665	65
Trade receivables	131	116	518	51
Cash and bank balances	57	50	1 267	124
Currency exposure, net	**188**	**166**	**2 450**	**240**

The net currency exposure in USD at 31 December 2021 is USD 773 thousand, corresponding to EUR 683 thousand. A 5 percent change in the USD/EUR exchange rate at 31 December 2021 would decrease/increase the Group's reported assets by EUR 32 thousand, with a corresponding effect on the Group's equity. The net currency exposure in SEK at 32 December 2021 is SEK 9 million, corresponding to EUR 908 thousand. A 5 percent change in the SEK/EUR exchange rate at 31 December 2021 would decrease/increase the Group's reported assets by EUR 53 thousand, with a corresponding effect on the Group's equity.

The net currency exposure in GBP at 31 December 2021 is GBP 188 thousand, corresponding to EUR 166 thousand. A 5 percent change in the GBP/EUR exchange rate at 31 December 2021 would decrease/increase the Group's reported assets by EUR 7 thousand, with a corresponding effect on the Group's equity. The net currency exposure in DKK at 31 December 2021 is DKK 2,450 thousand, corresponding to EUR 240 thousand. A 5 percent change in the DKK/EUR exchange rate at 31 December 2021 would decrease/increase the Group's reported assets by EUR 5 thousand, with a corresponding effect on the Group's equity.

Liquidity risk
Liquidity risk is the risk that the Group and the Company will not be able to discharge their future financial obligations when they fall due for payment. Prudent liquidity risk management means that the Group holds sufficient liquid funds and financing opportunities for the business. Liquidity risk is monitored at Group level by ensuring that sufficient funds are available to each subsidiary in the Group. The Group's financial liabilities are classified below according to the time remaining until the contractual due date.

There is a risk that the Group will not manage to obtain sufficient financing at favourable terms or to obtain financing at all. This, in turn, could have a material adverse effect on the Company's operations and ultimately its ability to continue operations. During first quarter of 2022, the Company's Board have initiated the re-financing process and have appointed financial (Pareto Securities AB) and legal (Gernandt & Danielsson Advokatbyrå KB) advisors to assist in the process. Based on successful financing in the past, management is confident that this re-financing process will be equally successful.

The amounts shown are the contractual undiscounted cash flows.

31 December 2021 - Amounts in kEUR	Within 1 year	1-2 years	2-3 years	Total
Unsecured bonds	19 247	–	–	19 247
Lease liabilities	62	–	–	62
Tax liabilities	299	–	–	299
Trade payables	942	–	–	942
Other current liabilities and accrued expenses	2 752	–	–	2 752
Total	**23 302**	**–**	**–**	**23 302**

As the business model allows a high cash generation of 85-90 percent, the Company's debt level is rapidly declining.

Capital risk management
The Group's objective for capital risk management is to ensure the Group is able to continue operations for the purpose of generating returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure in order to reduce capital costs and allow sufficient financing for the expansion of operations.

To maintain or adjust the capital structure, the Group's shareholders have the opportunity, at general meetings, to decide on dividends to shareholders or transfers to shareholders by redeeming or issuing new shares. The Group may also sell assets to maintain or adjust the capital structure.

The Group monitors the capital risk by regularly calculating and reporting net debt, and comparing it with prior periods and targets defined by the Board and associated with covenants for bond loans.

Interest rate risk
The Group's exposure to interest rate risk is primarily attributable to the bonds issued with variable interest rates. Other financial assets and liabilities are normally interest-free if settled when due. The Group continuously monitors interest rate risk and believes it is not significant in view of the relatively low debt/equity ratio due to the revenue generated from acquisitions and operating activities.

At 31 December 2021, the Group's and the Parent Company's interest-bearing liabilities excluding accrued interest amounted to EUR 19.2 (21.6) million. The nominal value was EUR 19.5 (22.3) million. A one per cent change in the interest rate would decrease/increase the Group's and the Parent Company's interest expenses by EUR 195 (223) thousand, all other things being equal. Equity would also be affected by approximately EUR +/- 195 (223) thousand.

Counterparty risk and credit risk
Credit risk is the risk of financial loss for the Group if a customer or counterparty to a financial instrument fails to discharge its contractual obligations, and is mainly associated with the Group's trade receivables.

The carrying amount of financial assets represents the maximum credit exposure. The Group limits its exposure to credit risk from trade receivables by regularly evaluating customers' creditworthiness with the help of market knowledge, past experience and cooperation.

The Group's financial transactions give rise to credit risk in relation to financial counterparties. The table below shows credit risks for cash and cash equivalents and other receivables:

Amounts in kEUR	2021	2020
Cash and cash equivalents	2 202	8 114
Trade receivables	1 716	1 496
Other receivables	2 161	589
Other non-current receivables	95	106
Total	**6 174**	**10 305**

The Group's exposure to credit risk is mainly affected by the specific characteristics of each customer. However, management also considers factors that may affect the credit risk for its customer base, including solvency risk associated with the industry and the country where the customers operate. The Group does not require collateral for trade and other receivables. The Group does not have trade receivables for which compensation for losses is not reported due to collateral. The Group uses a provision matrix with a fixed provision rate to measure expected credit losses on trade receivables from individual customers, which are very many, but with small balances.

Loss levels are calculated using the roll rate method, based on the probability that a receivable will flow through several levels until write-off. Roll rates are calculated separately for exposures in different segments based on the following common characteristics for credit risks – geographical region and market potential where the customer operates. Expected losses are based on established credit losses over the last three years. These losses are multiplied by scale factors to reflect differences between geographical regions and market potential where the customer operates. Scale factors are based on actual and forecast credit ratings, GDP growth, the inflation rate and unemployment in the country in which each customer operates. On this basis, the loss allowance for the Group at 31 December 2021 was determined by applying an expected loss level ranging from 0.5% to 9% on gross receivables at the same date, resulting in a loss allowance of EUR 63 thousand (2020: EUR 65 thousand) for the Group.

The Company's cash & cash equivalents are primarily kept in stable financial institutions with high credit ratings, such as Swedbank and MeDirect. The Company's credit risk is therefore considered immaterial.

NOTE 31 • Reconciliation of liabilities from financing activities

The table below presents the year's change in the Group's liabilities associated with financing of the business. The table includes current and non-current liabilities. The opening and closing balances include the liability for accrued interest.

Group

Amount in kEUR	Bond including accrued interest	Loan from parent company including accrued interest	Lease liabilities	Contingent consideration liability	Total
Opening balance, 1 January 2020	**29 365**	**356**	**366**	**576**	**30 663**
Cash flow from financing activities[1]	-7 314	–	–	–	-7 314
Acquisition of intangibles	–	–	–	625	625
Payment of contingent consideration	–	–	–	-600	-600
Amortisation of lease liabilities	–	–	-185	–	-185
Effect of exchange rate gain/loss[2]	633	16	–	–	649
Change in amortised cost	-416	–	–	–	-416
Financial income repurchased bonds	-584	–	–	–	-584
Other changes[3]	-10	15	33	34	72
Closing balance, 31 December 2020	**21 674**	**387**	**214**	**635**	**22 910**

Group

Amount in kEUR	Bond including accrued interest	Loan from parent company including accrued interest	Lease liabilities	Contingent consideration liability	Total
Opening balance, 1 January 2021	**21 674**	**387**	**214**	**635**	**22 910**
Cash flow from financing activities[1]	-2 310	–	–	–	-2 310
Acquisition of intangibles	–	–	–	8 792	8 792
Amortisation of lease liabilities	–	–	-195	–	-195
Effect of exchange rate gain/loss[2]	-451	7	–	–	-444
Change in amortised cost	413	–	–	–	413
Other changes[3]	-8	–	43	33	68
Closing balance, 31 December 2021	**19 318**	**394**	**62**	**9 460**	**29 234**

[1] Cash flow from financing is the net of the year's new loans and loan repayments, see the cash flow statement for gross accounting of the item.

[2] Non-cash movements in financing activities.

[3] Other changes include accrued interest and payments.

[4] The bond loan excluding capitalized set-up fees (EUR 240) and accrued interest (EUR 71) amounts to EUR 19,487.

[5] Liabilities relating to additional purchase consideration are reported within other liabilities in the balance sheet.

NOTE 32 • Appropriation of the company's profits

The Parent Company's unrestricted equity at the disposal of the AGM:

Amounts in EUR	
Share premium reserve	24 980 932
Retained earnings	-4 970 034
Profit/(loss) for the year	996 128
Total	**21 007 026**

The Board proposes that the amount at the disposal of the AGM, EUR 21,007,026, be carried forward.

NOTE 33 • 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 in Q2 2020 were primarily affected by transformative non-recurring costs related to restructuring the Company and preparing it for future growth. Non-recurring costs include restructuring costs and costs related to the new strategic direction with a change of name to Acroud. These non-recurring costs in Q2 2020 amounted to EUR 559 thousand in total.

Results in Q2 2020 also include an impairment loss of EUR 503 thousand on the PokerLoco brand and financial costs related to a consent fee of EUR 240 thousand in connection with the bond loan refinancing and adverse currency effect of EUR -1 139 thousand attributable to Financing activities.

Q2 2021 was affected by non-recurring transformative costs of EUR 341 thousand in connection with acquisition processes and restructring, and adverse currency effects of EUR 218 thousand attributable to Financing activities. Currency effects relating to Financing activities in Q1 2021 were favorable amounting to EUR 328 (1 319) thousand.

Q3 2021 was only affected by EUR 111 thousand favourable effect attributable to financing activities. Q4 2021 was affcted by non-recurring costs of EUR 245 in connection with restructuring, and favourable currency effects of EUR 153 thousand attributable to financing activities.

	01/01/2021 31/12/2021	01/01/2021 31/12/2021	01/01/2021 31/12/2021	01/01/2020 31/12/2020	01/01/2020 31/12/2020	01/01/2020 31/12/2020
Amount in kEUR	Reported Consolidated income statement	Items affecting comparability	Adjusted for items affecting comparability	Reported Consolidated income statement	Items affecting comparability	Adjusted for items affecting comparability
Other external expenses	-16 937	379	-16 558	-3 908	478	-3 430
Personnel expenses	-4 458	340	-4 118	-3 689	221	-3 468
Other operating income	179	–	179	510	-409	101
EBITDA	**4 676**	**719**	**5 395**	**5 492**	**290**	**5 782**
Depreciation/amortisation and impairment	-1 920	–	-1 920	-1 155	503	-652
Operating profit (EBIT)	**2 756**	**719**	**3 475**	**4 337**	**793**	**5 130**
Interest and similar income	1	–	1	584	–	584
Interest and similar expenses	-2 493	–	-2 493	-2 660	240	-2 420
Other financial items	373	-373	–	-729	703	-26
Net profit before tax	**637**	**345**	**982**	**1 532**	**1 736**	**3 268**
Net profit	**718**	**345**	**1 063**	**1 256**	**1 736**	**2 992**

NOTE 34 • Important events after the reporting date

In March 2022 Acroud has divested its finance affiliation assets for USD 425 thousand. The divestment is in line with the Company's strategy to be the preferred digital affiliation partner within the iGaming market. The total consideration of USD 425 thousand represents a multiple of approximately 4.0x annual EBITDA, based on the last twelve months. The consideration was paid on transaction day.

During first quarter of 2022, the Company's Board has initiated the re-financing process and have appointed financial (Pareto Securities AB) and legal (Gernandt & Danielsson Advokatbyrå KB) advisors to assist in the process.

The Company issued a trading update about its first quarter results in April 2021. Q1 revenues are expected to reach EUR 6.9million, representing a year-on-year growth of 24%. Q1 EBITDA is expected to reach EUR 1.8million, which is expected to go up to EUR 2.2million when the profit on finance assets' disposal is also included.

Signature by the Board

The Parent Company's and the Group's income statements and balance sheets will be submitted to the Annual General Meeting for preliminary adoption on 19 May 2022.

The Board of Directors hereby certify that the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and give a true and fair view of the Group's financial position and performance. The Parent Company's financial statements have been prepared in accordance with generally accepted accounting principles and provide a true and fair view of the Parent Company's financial performance and position.

The Corporate Governance Report and The Board of Directors' Report for the Group and the Parent Company provide a fair overview of the development of the Group and the Parent Company's operations, financial position and performance and describes material risks and uncertainties faced by the Parent Company and Group companies.

Stockholm, 19 April 2022

Henrik Kvick
Chairman

Jonas Stromberg
Board Member

Maria Andersson Grimaldi
Board Member

Peter Åström
Board Member

Kim Mikkelsen
Board Member

Robert Andersson
President and CEO

Our audit report was submitted on 19 April 2022
PricewaterhouseCoopers AB

Aleksander Lyckow
Authorised Public Accountant

Auditor's report

Unofficial translation

To the general meeting of the shareholders of Acroud AB(publ), corporate identity number 556693-7255

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Acroud AB (publ) for the year 2021. The annual accounts and consolidated accounts of the company are included on pages 29-77 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2020 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2020 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11..

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our audit approach

Overview

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. In addition to the conditions described in the section Significant uncertainty factor regarding the going concern assumption, we have determined that the conditions we describe below are the particularly important areas that we will communicate in this report.

Key Audit Matter	How our audit addressed the key audit matter
Valuation of Goodwill Goodwill amounts to EUR 51.1 million at year-end, corresponding to 67% of total assets. Information on the company's goodwill valuation can be found in Note 17 on pages 60-61 of the annual report. An assessment is required annually to determine whether goodwill and intangible assets that have an indefinite useful life should continue to be reported or if any impairment is required. In the management's estimation, the Group is a cash-flow-generating unit and as a whole has been the basis for the impairment test. The test aims to test the goodwill value, ie whether the book value of the tested asset exceeds its recoverable amount or not. The calculation of the impairment test is based on management's estimates and assumptions about the future with respect to, for example, revenues, margins and discount rates. A development that deviates negatively from the assumptions included in the test may result in a need for impairment. The impairment test prepared by Acroud shows that there is no need for impairment.	The most significant review efforts we have implemented include: • Review of Acroud's impairment test model to assess mathematical correctness and reasonableness in assumptions made. • To check on a sampling basis that the data included in the impairment test is in accordance with Acroud's established and approved budgets. • Conducting sensitivity analyzes where the effects of changes in assumptions and judgments are analyzed to identify when and to what extent changes in them result in a need for impairment. • Review that disclosure requirements in accordance with IAS 36 Impairments have been submitted to the annual report.

Significant uncertainty factor regarding the Going Concern Assumption

Without affecting our statements above, we would like to draw attention to the section "Refinancing risk / Liquidity risk" in the administration report, Note 24 and the parent company's balance sheet in the annual report, which states that the company's financing agreement expires within 12 months from the balance sheet date. As financing of the company's debts after September 2022 is not yet secured, this indicates that there is a significant uncertainty factor that can lead to significant doubts about the company's ability to continue operations. If the company could not realize its assets within the framework of ordinary operations, this could have a significant negative effect on the value of the assets.

Information other than the annual accounts and the consolidated accounts

This document also contains information other than the annual report and the consolidated accounts and is found on pages 1-28 and 82-84.

Our statement regarding the annual report and the consolidated accounts does not include this information and we do not make a statement confirming this other information.

In connection with our audit of the annual accounts and consolidated accounts, it is our responsibility to read the information identified above and consider whether the information is substantially inconsistent with the annual report and the consolidated accounts. In this review, we also take into account the knowledge we have otherwise obtained during the audit and assess whether the information in the rest appears to contain material errors.

If, based on the work done on this information, we conclude that the other information contains a material inaccuracy, we are obliged to report it. We have nothing to report in that regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of Acroud AB (publ) for the year 2020 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general. The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company´s organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts [and consolidated accounts], I have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Acroud AB (publ) for the financial year 2021 .

My examination and my opinion relate only to the statutory requirements.

In my opinion, the Esef report #[checksum] has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinions

I have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. My responsibility under this recommendation is described in more detail in the Auditors' responsibility section. I am independent of Acroud AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for ensuring that the Esef report has been prepared in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors (and the Managing Director) determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

My responsibility is to form an opinion with reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires me to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The reasonable assurance engagement involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The reasonable assurance engagement also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts [and consolidated accounts].

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, statement of financial position, statement of changes in equity and the statement of cash flow.

Öhrlings PricewaterhouseCoopers AB, was appointed Acroud AB(publ), auditor by the Annual General Meeting on May 23, 2019 and has been the company's auditor ever since.

Stockholm 19 April 2022
Öhrlings PricewaterhouseCoopers AB

Aleksander Lyckow
Authorized Public Accountant

Key figures and definitions

Key figures, Group

	01/01/2021 31/12/2021	01/01/2020 31/12/2020
EBITDA margin	19%	47%
Adjusted EBITDA margin	22%	50%
Operating margin	11%	37%
Organic growth	-13%	-18%
Equity ratio	55%	60%
Return on equity	2%	4%
Equity per share (EUR)	0.32	0.32
Number of registered shares at end of year	113 950 153	113 950 153
Weighted average number of shares before dilution	79 386 525	79 386 525
Weighted average number of shares after dilution	79 386 525	79 386 525
Earnings per share (after dilution)	0.006	0.016
Adjusted earnings per share (after dilution)	0.008	0.038
Market price per share at end of year (SEK)	2.33	3.02
EPS growth (%)	-64%	-76%

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 provide 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	
Interim report January-March 2022:	19 May 2022
Interim report April-June 2022:	11 August 2022
Interim report July-September 2022:	10 November 2022

2022 AGM	
2022 AGM	19 May 2022

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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, +46 8 528 00 399.

Acroud's annual report is published in Swedish and in an English translated version. In the event of differences between the versions, the Swedish version shall take precedence over the English version.