



Press release

11 August 2022

Acroud publishes interim report Apr-Jun 2022: Continued strong organic growth with refinancing secured

Second Quarter 2022

- Revenue amounted to EUR 7 200 (6 200) thousand, corresponding to a growth of 16% and an organic growth of 15%.
- EBITDA amounted to EUR 1 802 (1 159) thousand, increasing by 55% year-on-year. Adjusted EBITDA (before items affecting comparability) was EUR 1 802 (1 500) thousand, increasing by 20% year-on-year.
- Profit after tax was EUR 1 248 (-267) thousand. Adjusted profit after tax (before items affecting comparability and currency effects) was EUR 588 (292) thousand.
- Earnings per share after dilution amounted to EUR 0.010 (-0.002). Adjusted earnings per share (before items affecting comparability and currency effects) was EUR 0.005 (0.002).
- New Depositing Customers (NDC) amounted to 35 134 (29 448) increasing by 19% (192%).
- Cash flow from operating activities amounted to EUR 1 490 (1 965) thousand.

First six months 2022

- Revenue amounted to EUR 14 203 (11 780) thousand, corresponding to a growth of 21% and an organic growth of 15%.
- EBITDA amounted to EUR 4 050 (2 599) thousand, increasing by 56% year-on-year. Adjusted EBITDA (before items affecting comparability) was EUR 3 583 (3 074) thousand, increasing by 17% year-on-year.
- Profit after tax was EUR 2 431 (480) thousand. Adjusted profit after tax (before items affecting comparability and currency effects) was EUR 1 138 (844) thousand.
- Earnings per share after dilution amounted to EUR 0.019 (0.004). Adjusted earnings per share (before items affecting comparability and currency effects) was EUR 0.009 (0.007).
- New Depositing Customers (NDC) amounted to 68 672 (61 235) increasing by 12% (211%).
- Cash flow from operating activities amounted to EUR 2 975 (2 353 excluding one-off tax payment relating to acquisitions) thousand.



Important events during the quarter

- During the second quarter of 2022, Acroud has successfully placed SEK 225 million of senior secured floating rate bonds to investors in the Nordic and continental Europe. With this financing in place, Acroud will keep delivering its strategic agenda and is very positive about its future.

Important events after the quarter

- On 18 July 2022, Acroud has redeemed early its existing bonds of SEK 300 million. The redemption amount was paid to each person who was registered as an owner of Existing Bonds in the debt register maintained by Euroclear Sweden at the end of business day on 11 July 2022.
- Acroud is considering a potential accretive acquisition within the affiliation and media space, expected to contribute over EUR 9 million to the Company's revenues and over EUR 4 million to the Company's EBITDA annually. Acroud's management is of the view that the potential acquisition will be accretive for both equity and debt investors in the Company as it will strengthen both profitability and cash flow while reducing the Company's leverage going forward, which is in line with the revised financial targets as presented in a press release on 4 May 2022. If the potential acquisition materialises, the transaction will see the Company investing approximately EUR 1million in shares and approximately EUR 4.5million in cash, payable over a period of 18 months. The potential acquisition is subject to a final board approval and the parties entering into a definitive purchase agreement.

CEO comments: Roadmap for Accelerated Business Growth

Over the past quarters, Acroud has transformed from a conventional player with comparison sites into a robust iGaming ecosystem offering both Affiliation services and B2B SaaS solutions within the Media and Marketing space. This strategic remodelling has established our new solid structure to create a lower volatility business profile with more stable revenues and higher profitability. Subsequently, it is now when Acroud can accelerate into its high growth chapter, and I am pleased we have secured financing to continue to execute our strategy.

Despite the seasonal variations characterizing second quarters, it is positive to report that we have increased revenue organically quarter-on-quarter by 3%. Comparing the financial development year-on-year, we increased sales from EUR 6,200k to EUR 7,200k and adjusted EBITDA from EUR 1,500k to EUR 1,802k, which translates to a sales organic growth of 15% and EBITDA growth of 20%.

The New Depositing Customers numbers have shown an optimistic quarter-on-quarter growth of 5%, reaching almost 35,200. The increase was led by the iGaming Affiliation segment's 10% quarter-



on-quarter NDCs intake rise, indicating that the implemented organic growth initiatives have continued to yield results.

In the second quarter, we actively decided to invest in new growth initiatives for the future at the expense of short-term profitability. To return to consistently positive performance, we continue examining our operations, eliminating inefficiencies, and emphasizing all of our work with a data-driven and insight-rich approach.

Refinancing secured

The most significant event during the second quarter of 2022 that I am very happy with was refinancing of the Company's bond loan. In a period with very uncertain market conditions, we have successfully placed SEK 225 million of senior secured floating rate bonds to investors in the Nordics and continental Europe. Proceeds from the transaction have been predominantly used to redeem the Company's outstanding SEK 300 million bonds early. Moreover, securing the refinancing gives us momentum to continue to develop Acroud with a focus on profitable organic growth and keep delivering on our strategic agenda. It's been a long journey revitalizing and reshaping the company; therefore, it is gratifying to see this turnaround. The results reaffirm our strong start into the financial year, proving that Acroud is on the right track to deliver significant growth in both profit and revenue in 2022 and beyond.

Key Markets update

In the Netherlands, the newly regulated market is developing slower than expected, and fewer than anticipated operators were granted an online gaming license. These unfavourable market dynamics have failed us, and we have not yet managed to re-grow our Dutch products at the desired pace. However, we have compensated for the hold back in the Netherlands with the growth coming from other European markets. These continue to be our biggest success story, contributing to 71% of the iGaming Affiliation revenues. Over the past quarters, we've been seeing growth in regulated markets particularly in the United Kingdom which has now become Acroud's biggest and fastest-growing market, growing by 62% quarter-on-quarter.

Entering Period of Accelerated Growth

Our revenue continues to increase sequentially, for the seventh quarter in a row. The strategic decisions and restructuring executed during 2021 have also ensured that Acroud returns to positive organic growth – 16% in Q1-22 and 15% in Q2-22. Looking at the operational initiatives being taken and the positive trends in the underlying KPIs I am confident that such organic growth rates are sustainable in the future, which puts us in the right track towards one of the new financial targets: to grow EBITDA organically by 20%, on average, annually during the financial years 2023 – 2025.

To complement this strong organic growth, we are currently considering an accretive opportunity to acquire 60% shareholding in an Affiliation and Media company, comprising of affiliation assets and technology within the iGaming market. The Transaction is expected to contribute over EUR 9 million to the total Group revenue and over EUR 4 million to the Company's EBITDA annually. Additionally,



the transaction will further solidify our efforts to develop a low-risk, high-growth business based on intelligent solutions, as the acquired assets leverage IMBC (Intelligent Media Buying Capabilities) rather than relying on SEO algorithms. I am happy to share that the M&A process is progressing well. The transaction is subject to final board approval and the parties entering into a definitive purchase agreement.

I believe this acquisition will be accretive for both equity and debt investors in the Company as it will strengthen both profitability and cash flow while reducing the Company's leverage as we advance; thus contributing to achieving the new financial targets too, particularly to decrease the net interest-bearing debt/adjusted EBITDA to a maximum of 2.5x by December 2025. Summing up all plans together, I can confidently say that Acroud is entering a period of accelerated growth.

The New Chapter Begins

To sum up, we have put a truly progressive quarter behind us and are now starting to write a new chapter in the Company's history. Turning the page on the 'old' Acroud and symbolising a fresh beginning, we have also decided to relocate our headquarters in Malta into a brand-new space. The modern and contemporary Acroud main office is now located in the buzzing-with- business Paceville in St Julian's, providing a stimulating workplace as well as a place to enjoy socialising and celebrating success together. We follow a hybrid approach to working, ensuring the employees find the best pattern for themselves: working remotely as well as in our new office. I trust this relocation will positively impact our personnel, and I look forward to joining some of the many new office initiatives, such as Monday Company Breakfasts or Early Finish Fridays.

With the high organic growth on the horizon and the great team we have in place, the second half of the year will become the acceleration phase of our strategy.

Enjoy the Ride!

Robert Andersson, Malta, 11 August 2022

CEO Robert Andersson and CFO Roderick Attard will present the report, followed by a Q&A session today at 10:00 CET. The presentation will be held in English and will be webcasted live through www.acroud.com or via <https://tv.streamfabriken.com/acroud-q2-2022>.

To join the conference via phone, please dial-in using any of the numbers below:

From Sweden: +46-8-5051-6386

From UK: +44-20-319-84884

From the US: +1-412-317-6300 PIN: 9397450#

The webcast and the presentation slides will be available to view and listen on demand after the webcast on www.acroud.com or via the [Quartr](#) app.

**Responsible parties**

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From August 2021 (Q221 Report) report Acroud has changed reporting and company language to English. This means that onwards press releases will only be communicated in English. Interim Reports and the correlated press releases will be issued in both English and Swedish, however the English version will supersede the Swedish version.

About ACROUD AB

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