



Press release

9 November 2023

Acroud publishes interim report Jul-Sept 2023: Stronger balance sheet, reduced debt and improved cash-flows

Financial highlights during third quarter 2023

- Revenue amounted to EUR 9 868 (6 683) thousand, corresponding to a growth of 48% and an organic revenue growth of -16.5%.
- Adjusted EBITDA (before items affecting comparability) was EUR 1 175 (1 496) thousand decreasing by 21% year-on-year. EBITDA amounted to EUR 945 (1 496) thousand, decreasing by 37% year-on-year.
- Profit after tax was EUR -1 874 (-589) thousand. Adjusted profit after tax (before items affecting comparability and currency effects) was EUR -753 (-188) thousand.
- Earnings per share after dilution amounted to EUR -0.012 (-0.005). Adjusted earnings per share (before items affecting comparability and currency effects) was EUR -0.005 (-0.001).
- New Depositing Customers (NDC) amounted to 72 270 (33 792) increasing by 114%.
- Cash flow from operating activities amounted to EUR 875 (1 082) thousand.

Financial highlights during first nine months 2023

- Revenue amounted to an all-time high of EUR 29 449 (20 886) thousand, corresponding to a growth of 41% and an organic revenue growth of -21.7%.
- Adjusted EBITDA (before items affecting comparability) was **EUR 4 930** (5 080) thousand, decreasing by 3% year-on-year. EBITDA amounted to EUR 3 647 (5 547) thousand, decreasing by 34% year-on-year.
- Profit after tax was EUR -23 199 (1 843) thousand. Adjusted profit after tax (before items affecting comparability and currency effects) was EUR -1 865 (951) thousand. Items affecting comparability include an impairment charge of EUR 20 million.
- Earnings per share after dilution amounted to EUR -0.161 (0.014). Adjusted earnings per share (before items affecting comparability and currency effects) was EUR -0.013 (0.007).
- New Depositing Customers (NDC) amounted to an all-time high of 282 294 (102 464) increasing by 176%.
- Cash flow from operating activities amounted to EUR 3 550 (4 057) thousand.



Important events during the quarter

- On 13 July 2023, Acroud AB agreed to sell and transfer to RIAE Media Ltd, 9 shares corresponding to 9% of all the issued and outstanding shares in Acroud Media Ltd. The purchase price for the shares is EUR 1.1 million which will be paid in cash no later than 30 November 2023.

The shares were transferred from Acroud AB to RIAE Media Ltd on 1st August 2023. On the same date, Acroud AB has entered into an amendment of the shareholders agreement so that the Put Option of the original shareholders agreement was removed with effect from 1st August 2023.

- On 3rd August 2023, Acroud AB (Acroud) entered into an agreement with PMG Group A/S, SMD Group Ltd and Double Down Media Ltd as sellers regarding Acroud's previous purchase of Voonix ApS, Matching Visions Ltd and Traffic Grid Ltd in order to settle EUR 4 million of the total earn-out payment of EUR 9 million by way of cash payment of EUR 2.25 million and a debt-to-equity swap of EUR 1.75 million paid by way of a directed set-off issue of shares in Acroud.

On the same date, Acroud has issued promissory notes to the sellers in respect to the remaining debt of EUR 5 million. Acroud is granting the sellers a right to purchase, and the sellers is granting Acroud a right to sell, 40% of the total number of shares of Voonix ApS, Matching Visions Ltd and Traffic Grid Ltd with payment by way of set-off against the promissory notes. The sellers may exercise the right to purchase and Acroud may exercise the right to sell only after Acroud has redeemed its outstanding bond loan 2022/2025 in full.

- On 3rd August 2023, the board of directors of Acroud has in accordance with the Written Procedure resolved to carry out a directed new issue of 36,241,424 shares for a total consideration amount of approx. SEK 71.6 million.

The subscription of shares in the directed new share issue is made against payment in cash, in-kind or through set-off as further detailed below:

1. 11,139,240 shares issued to Trottholmen AB and Strategic Investment A/S against payment in cash of in total SEK 22 million.
2. 10,284,594 shares issued to PMG Group A/S, SMD Group Ltd and Double Down Media LTD against payment by way of set-off against earn-out claims amounting to in total EUR 1,750,000 under a share purchase agreement entered into with Acroud and the subscribers.
3. 2,159,363 shares issued to Trottholmen AB against payment by way of set-off against a shareholder loan of approx. SEK 4.3 million.



4. 12,658,227 shares issued to Trottholmen AB and Strategic Investment A/S against in-kind consisting of Bonds amounting to in total SEK 25 million.
- On 28 September 2023, Acroud announced the resignation of Tricia Vella from Chief Financial Officer.

Financial highlights after the quarter

- On 24 October 2023, Andrzej Mieszkowicz was appointed as CFO for Acroud with effect from 1 November 2023, and will form part of group management. He has a strong experience in leading finance of technology and high-growth companies. In his recent 6 years he worked for iGaming industry companies such as Cherry AB Group, The Mill Adventure and recently as a CFO of stock-listed Lady Luck Games. Andrzej has a Master's degree in International Business from the University of Economics in Prague, is a qualified ACCA member and warranted CPA.

CEO comments: Stronger balance sheet, reduced debt and improved cash-flows

Quarter 3 has been a challenging quarter with a lot of changes within the organisation that have taken their toll. During the quarter our group has delivered:

- EUR 9.9 million in revenue, representing year-on-year growth of 48%,
- EUR 1.2 million in EBITDA (excluding one-off items), representing year-on-year decline of 21%, and
- 72,270 New Depositing Customers (NDCs) to our partners, representing year-on-year growth of 114%.

The results in quarter 3 are disappointing but it was, however, expected for us. Our results are also affected by sports results which had a major negative impact in September where many favourites won. Having said this, the underlying Key Performance Indicators continue to show strength.

The major changes we have made in the company have now settled in quarter 3. Contradictory to the seasons, Acroud is now heading towards brighter times in the last quarter of the year. A good result in October is in line with what we communicated in the last report. That is, our work will start to bear fruit in Quarter 4.

Thanks to the hard, preparatory work during quarter 2, we have now been able to conclude these transactions during this quarter, which has led to Acroud reducing its bond loan by SEK 25 million, contingent considerations reduced from 25.8M EUR to 3.7M EUR and liabilities to



shareholder reduced to NIL when compared to last quarter. We have also reduced the short-term cash outflow from just over 6.8 MEUR to 600 thousand EUR.

We have also taken further cost savings this time at the group level, where we now focused on streamlining our finance function to improve cost control within the various business operations.

After the end of the quarter, Tricia, our CFO, decided to move on in her career. And I thank her for her efforts, but I am very pleased to welcome Andrzej to Acroud as the group's new CFO.

Andrzej Mieszkowicz has extensive experience in leading finance departments within technology and high-growth companies. For the past six years, he has worked for companies in the iGaming industry, such as Cherry AB Group, The Mill Adventure, and recently as CFO for the publicly traded Lady Luck Games. Andrzej has a Master's degree in International Business from the University of Economics in Prague, is a qualified ACCA member, and has an authorized CPA title. I am sure he will contribute positively to both the company's culture but also our structure and forward spirit.

We now consist of a group of companies, where all staff have both the passion and clear incentives to drive their respective companies successfully and contribute to Acroud's improved profitability and increased share-holder value.

Join the Ride!

Robert Andersson, Malta, 9 November 2023

CEO Robert Andersson and CFO Andrzej Mieszkowicz 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://ir.financialhearings.com/acroud-q3-report-2023>.

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

From Sweden: +46 8 525 07003

From UK: +44 20 7043 5048

From the US: +1 (774) 450-9900

Include Conference ID 5002623#

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 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-growing global challenger that operates and develops comparison and news sites within Poker, Sports Betting and Casino. Acroud also offers SaaS solutions for the iGaming affiliate industry. In past years, a number of companies have joined the ride and thus several experienced individuals in the industry leads Acroud's journey to become "The Mediahouse of The Future". Our mission is to connect people, Content Creators (Youtubers, Streamers, Affiliates) and businesses. We are growing fast and remain a leading global player in the industry with just over 70 people in Malta, United Kingdom, Denmark and Sweden. Acroud has been listed on the Nasdaq First North Growth Market since June 2018.