



## Press release

22 February 2024

# Acroud publishes interim report Oct-Dec 2023: A mixed quarter full of activity

## Financial highlights during fourth quarter 2023

Revenue amounted to EUR 9 905 (10 019) thousand, which remained in line with the previous year.

- Adjusted EBITDA (before items affecting comparability) was EUR 1 405 (2 492) thousand decreasing by 44% year-on-year and increasing 20% quarter-on-quarter. EBITDA amounted to EUR 1 810 (2 342) thousand, decreasing by 23% year-on-year and increasing by 92% quarter-on-quarter.
- Profit after tax was EUR -8 008 (-20 265) thousand. Adjusted profit after tax (before items affecting comparability and currency effects) was EUR -409 (564) thousand. Items affecting comparability include an impairment charge of EUR 7.2 million.
- Earnings per share after dilution amounted to EUR -0.046 (-0.15). Adjusted earnings per share (before items affecting comparability and currency effects) was EUR -0.002 (0.004).
- New Depositing Customers (NDC) amounted to 45 627 (84 086) decreasing by 46%.
- Cash flow from operating activities amounted to EUR 688 (1 538) thousand.

## Financial highlights for full year 2023

- Revenue amounted to an all-time high of EUR 39 354 (30 905) thousand, corresponding to a growth of 27% and an organic revenue growth of -14.6%.
- Adjusted EBITDA (before items affecting comparability) was EUR 6 335 (7 573) thousand, decreasing by 16% year-on-year. EBITDA amounted to EUR 5 457 (7 890) thousand, decreasing by 31% year-on-year.
- Profit after tax was EUR -31 205 (- 18 421) thousand. Adjusted profit after tax (before items affecting comparability and currency effects) was EUR -2 272 (1 516) thousand. Items affecting comparability include an impairment charge of EUR 27.2 million.
- Earnings per share after dilution amounted to EUR -0.206 (-0.141). Adjusted earnings per share (before items affecting comparability and currency effects) was EUR -0.015 (0.012).
- New Depositing Customers (NDC) amounted to an all-time high of 327 921 (186 550) increasing by 76%.
- Cash flow from operating activities amounted to EUR 4 240 (5 596) thousand.



- The Board of Directors proposes that no dividend will be paid for the financial year 2023.

### **Important events during the quarter**

As communicated in Q3 2023 report, on 24 October 2023, Andrzej Mieszkowicz was appointed as CFO for Acroud with effect from 1 November 2023, and is now part of group management. In the past 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.

During the period, the Board of directors of Acroud has in accordance with the Written Procedure (summarised in the Company's press release dated 7 June 2023 and approved on 27 June 2023), resolved to carry out an intra-group restructuring in relation to Acroud Sports Limited and Acroud Media Ltd which is composed of the following 2 steps:

1. On 30 November 2023, Acroud Media Ltd acquired 100% of the ordinary share capital of Acroud Sports Limited from Acroud AB and RIAE Media Ltd in exchange for consideration shares such that Acroud Media Ltd is now the sole shareholder entity of Acroud Sports Limited.
2. On 31 December 2023, Acroud Sports Limited transferred the trade and assets of its UK branch to Acroud Media Ltd in exchange for an interest-free intercompany loan note.

Pursuant to step 2 above, the intention is to proceed with a solvent liquidation of Acroud Sports Limited.

The scope of this intra-group restructuring is in order to optimise the Group's cost base by way of creating leaner and more efficient structure, which is expected to strengthen the Group's cash flow generation going forward.

### **Important events after the quarter**

After the quarter, we also divested all our poker-related assets. This strategic move was made in light of poker's declining popularity following its initial surge during the COVID-19 pandemic, as well as the SEO challenges.

### **CEO comments: A mixed quarter full of activity.**

During the fourth quarter, Acroud AB has continued to take clear steps towards strategic goals, reflecting our commitment to sustainable growth and value creation for our shareholders.



## **Strategic Progress**

Our decision to diversify the business three years ago has proven to be correct. Considering the challenges traditional SEO business faces, due to changing search engine algorithms and the increased introduction of AI technology, Acroud has successfully adapted its business model. Today, our core business consists of media buying, media partnerships, SaaS solutions through our platform Voonix, the Affiliate network Matching Visions, and our streaming operation The Gambling Cabin. We have also chosen to outsource our traditional SEO business, enabling improved margins and innovation through external partners.

Regarding the acquired business within media, there are still challenges, especially when it comes to forecasting, as it is an extremely dynamic business very dependent on sports results. However, during Q1, we will make the final instalment payment for the acquisition. And when we sum up all parts of this deal, we will have paid less than 2x EBITDA for our share of the company. This has thus been one of the best deals we've made.

Another strategic change that was made during Q4 was to shift focus to a different type of NDC that has higher value, and naturally, a higher acquisition cost as well. Moving forward, we want to have a good mix of different NDCs, hence we will be able to see these variations in the future.

## **Divestment of Poker**

After the quarter, we have also divested all our poker-related assets. Poker has been a declining product for us, taking both focus and resources to try to slow the decline.

This strategic action was taken against the backdrop of poker's decreasing popularity after its initial increase during the COVID-19 pandemic, and the aforementioned SEO challenges.

## **Organizational Changes**

We are pleased to welcome Andrzej Mieszkowicz as our new CFO. With an impressive background in financial management for technology and growth companies, and specifically within the iGaming sector, Andrzej has already proven to be a valuable asset for Acroud. His experiences from leading positions at companies such as Cherry AB Group, The Mill Adventure, and Lady Luck Games further strengthen our team and contribute to our continued pursuit of efficiency and profitability.

**In conclusion**, Acroud now consists of a collection of companies with deep passion and strong incentives to drive success and create value. We look forward to continuing our journey towards increased profitability and strengthened shareholder value.

*Join the Ride!*

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](http://www.acroud.com) or via <https://financialhearings.com/event/48817>

The webcast and the presentation slides will be available on [www.acroud.com](http://www.acroud.com)



### **Responsible parties**

This information constitutes inside information that Acroud AB (publ) is required to disclose under the EU Market Abuse Regulation 596/2014. The information in this press release has been published through the agency of the contact persons below, at the time specified by Acroud AB's (publ) news distributor Cision for publication of this press release. The persons below may also be contacted for further information.

### **For further information, please contact:**

Robert Andersson, President and CEO  
+356 9999 8017

Andrzej Mieszkowicz, CFO  
+356 9911 2090

### **ACROUD AB (publ)**

Telephone: +356 2132 3750/1

E-mail: [info@acroud.com](mailto:info@acroud.com)

Website: [www.acroud.com](http://www.acroud.com)

Certified Adviser: FNCA Sweden AB, [info@fnca.se](mailto:info@fnca.se)

***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-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.