

Acast

For The Stories.

HANDELSBANKEN NORDIC POST IPO SEMINAR

www.acast.com

In the “Room”



Emily Villatte

CHIEF FINANCE OFFICER & DEPUTY CEO

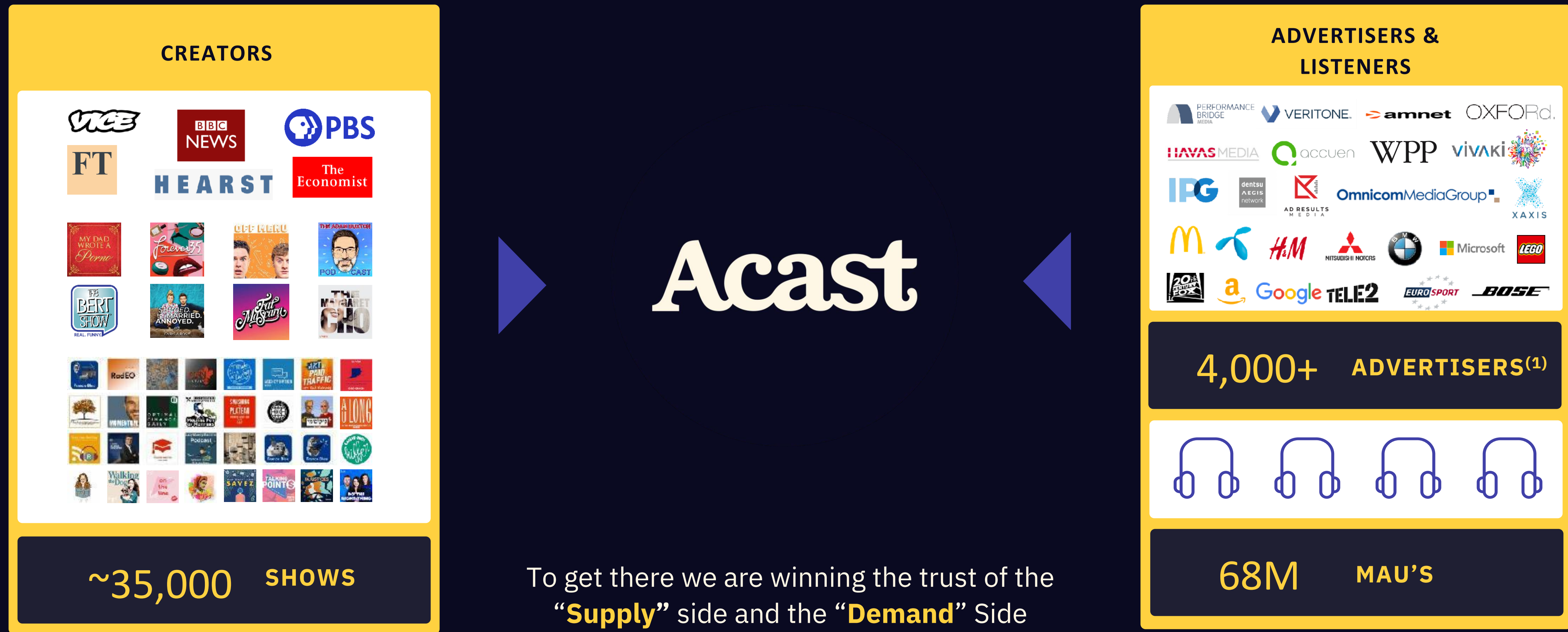
01

Acast in Brief



Acast's Business Strategy Is

To become the largest marketplace for podcast monetization globally



(1) 2018-2020

Everything we do aligns with our mission
to support Creators and Advertisers
While ensuring a great listener experience.

CREATORS

WE ENABLE ALL PODCASTERS, OF
ALL SIZES, EVERYWHERE, TO FIND
LISTENERS AND MAKE MONEY
FROM THEIR PODCASTS —
ON THEIR OWN TERMS



Acast



ADVERTISERS

WE ENABLE ADVERTISERS TO REACH
ENGAGED, IMMERSED LISTENERS
WITHIN THE WORLD'S LEADING
PREMIUM PODCAST MARKETPLACE -
ALWAYS RESPECTING THE UNIQUE
RELATIONSHIP BETWEEN PODCASTER
AND LISTENER, TO DELIVER MAXIMUM
EFFECTIVENESS AND ROI

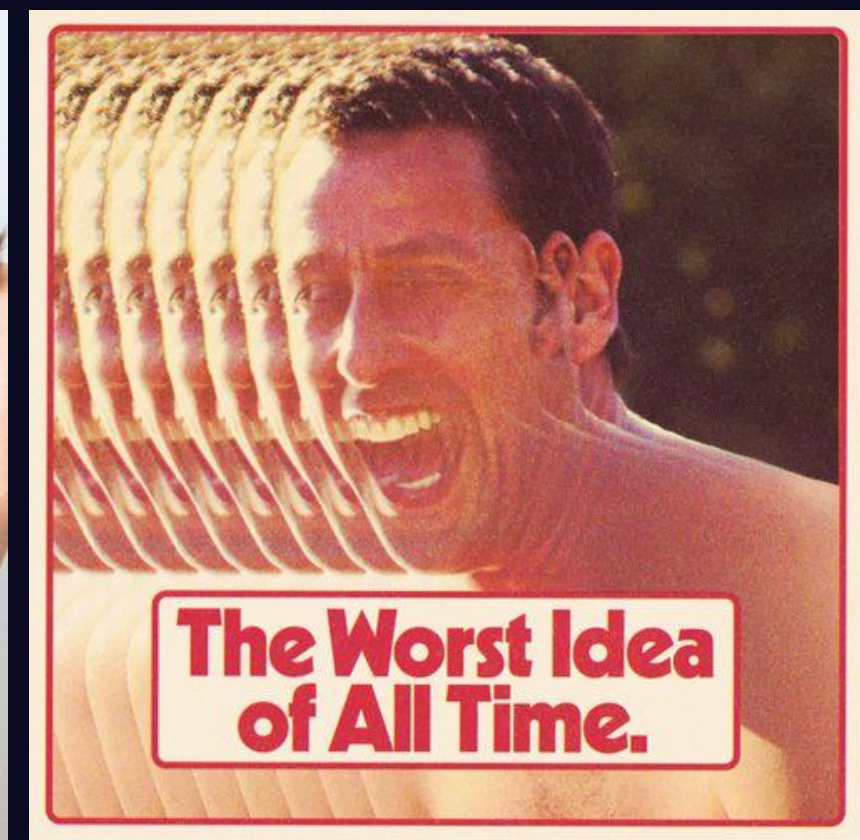
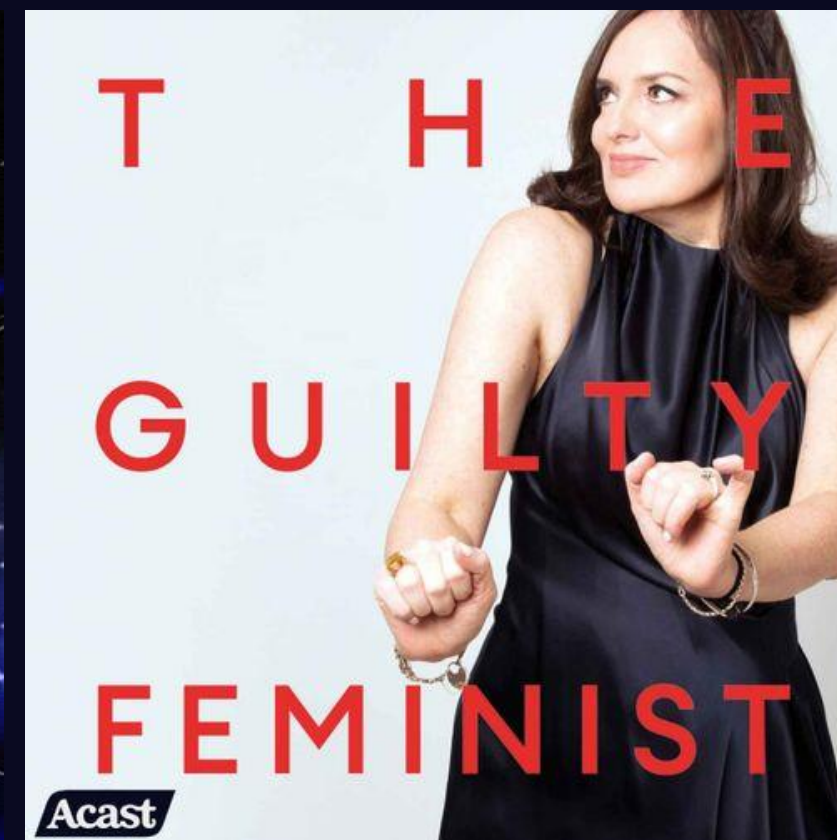
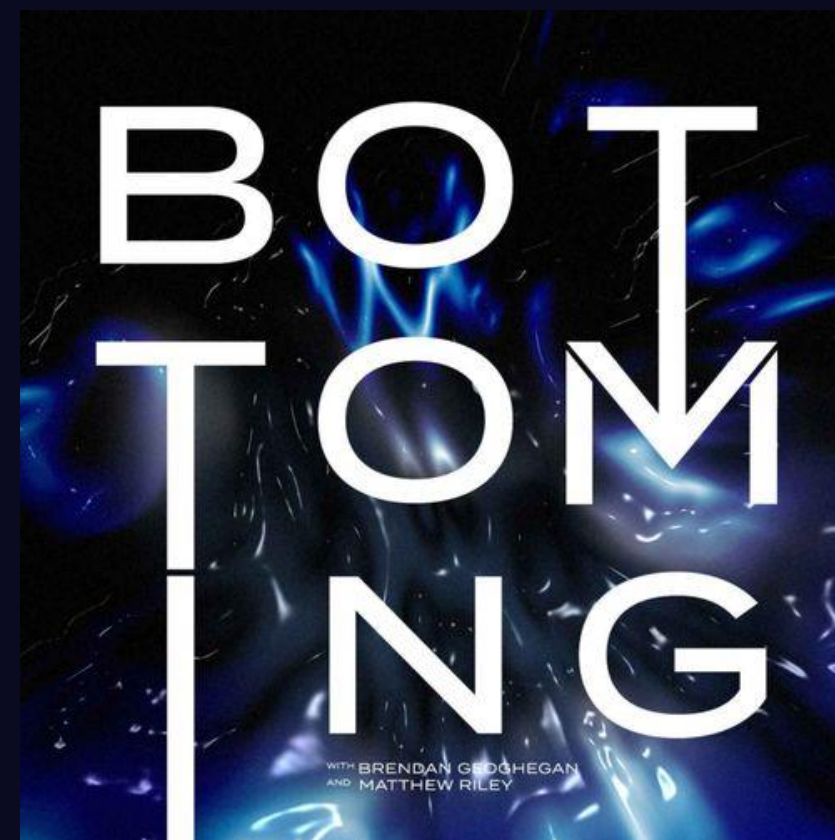
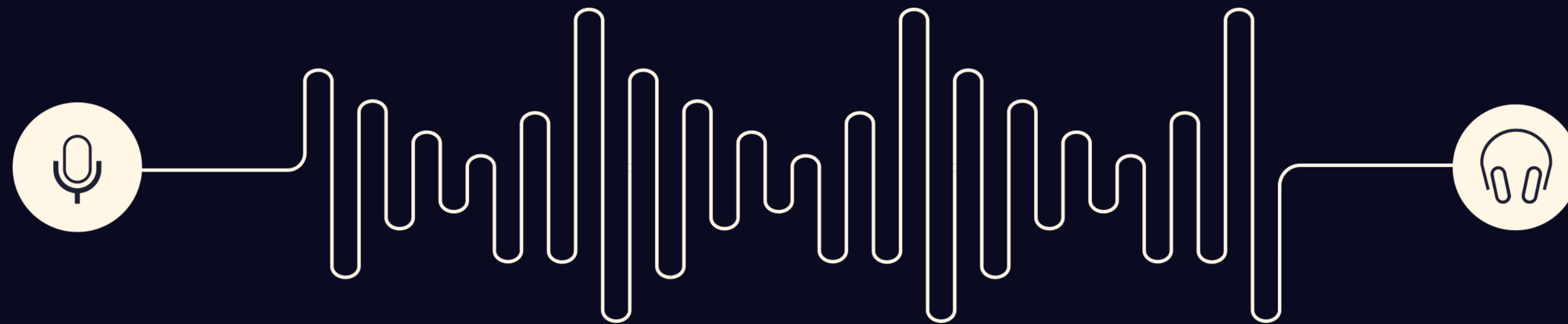
This is what we do.
We are Pure Play podcasting.

Acast+ - turning listeners into fans

- Acast+ introduces a new addressable market and revenue stream to Acast – direct support from listeners
- Brings new monetization options to podcasters – enabling them to monetize in the way that suits them
- Ad-free streams, extended episodes and bonus content
- Number of subscribers are in the thousands
- Building on the technology we've already been using to serve the biggest enterprise publisher customers
- Still in beta phase – to be launched before the end of the year

Acast+
For The Fans.

Let's hear from the podcasters themselves...



We operate within the open ecosystem for podcasting



Podcasts hosted with Acast are available on a vast array of listener apps, web-players and smart speakers

When listening grows Acast benefits



PODCASTERS



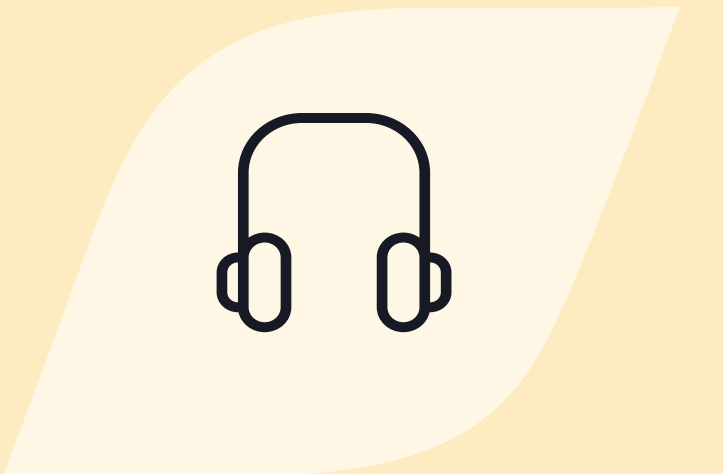
HOST



RSS



PODCATCHERS



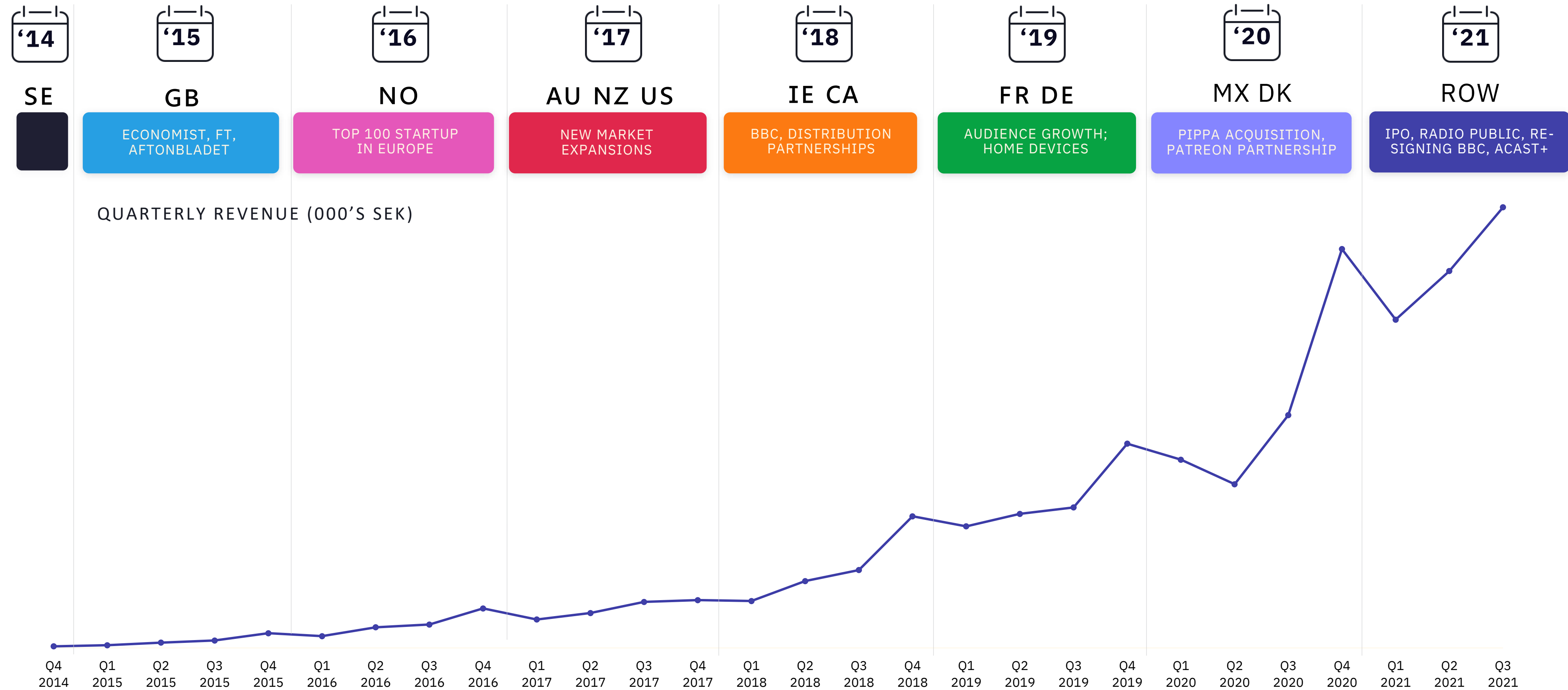
LISTENERS

No matter where and how listeners consume their podcasts, if the show is hosted with Acast, we monetize it

These are the building blocks needed to create a successful podcast monetization marketplace



The success of Acast's marketplace has resulted in a track record of hypergrowth



START-UP PHASE

PROFESSIONALIZATION PHASE

FOCUS ON BECOMING #1 PODCAST MARKETPLACE

>40-80% MARKET SHARE IN CORE EUROPEAN MARKETS GROWING AT PACE IN ALL MARKETS WHERE WE PLAY

Financial Targets

AVERAGE ANNUAL GROWTH



60%

ORGANIC NET SALES CAGR
2020-2025

GROSS MARGIN



Maintain

MAINTAIN AT LEAST 37%
GROSS MARGIN LEVEL

EBITDA



3-5 Years

REACH AN EBITDA
BREAKEVEN

DIVIDEND POLICY



NO DIVIDENDS IN THE
SHORT TO MEDIUM TERM⁽¹⁾

(1) Acast aims to reinvest its cash flows into growth initiatives to support growth and value creation, and therefore does not expect to pay annual dividends in the short medium term

02

CEO Update



Financial Highlights Q3-2021

89%

NET SALES GROWTH

87% organic net sales growth after adjusting for currency effects

36%

GROSS MARGIN




A healthy gross margin in line with the same quarter in the prior year

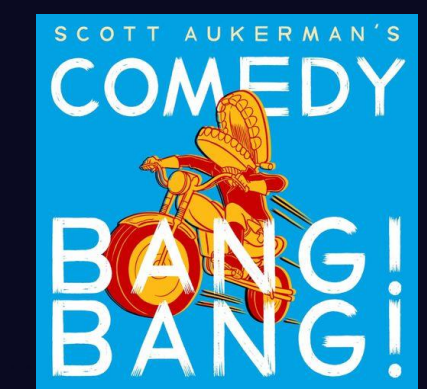
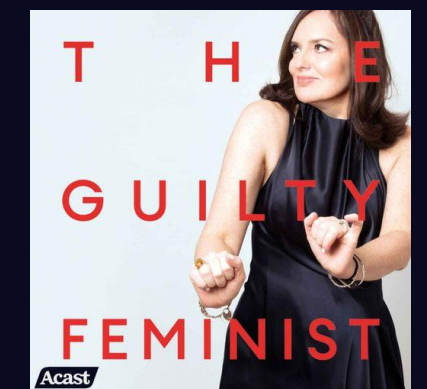
-16%

EBITDA MARGIN

A material improvement on Q3-20 EBITDA margin of -22%

Business Highlights – Q3 2021

-  Number of shows on the Acast platform reaches **35,000** including key podcasts such as Fearne Cotton's *Happy Place* (UK), Donovan Bailey's *Running Things* (CA) and *Comedy Bang! Bang!* (US) with listens reaching **891M**
-  Americas leading the way with **111%** net sales growth or 123% organic growth
-  Following the end of the quarter the BBC announced that it is renewing its contract with Acast to continue to monetize its international listens for the next three years



Market Highlights



Privacy in Focus – No impact on Acast from recent privacy announcements from Apple



New listener data from eMarketer* – in 2021 40% of US internet users (118M MAUs) will listen to a podcast at least 1 / month, projected to grow to 60% by 2024. Europe currently at 78M.



Acast continues to take market share - Reach increases to 68M MAUs per month in September - 16M MAUs in the US (13% of total), Europe 34MAU (44% of total).



Facebook continues to roll out podcast listening through its platform and Samsung launches a Podcast listener app powered by Acast content.



Continued growth of Programmatic sales - 263% Q3-21

03

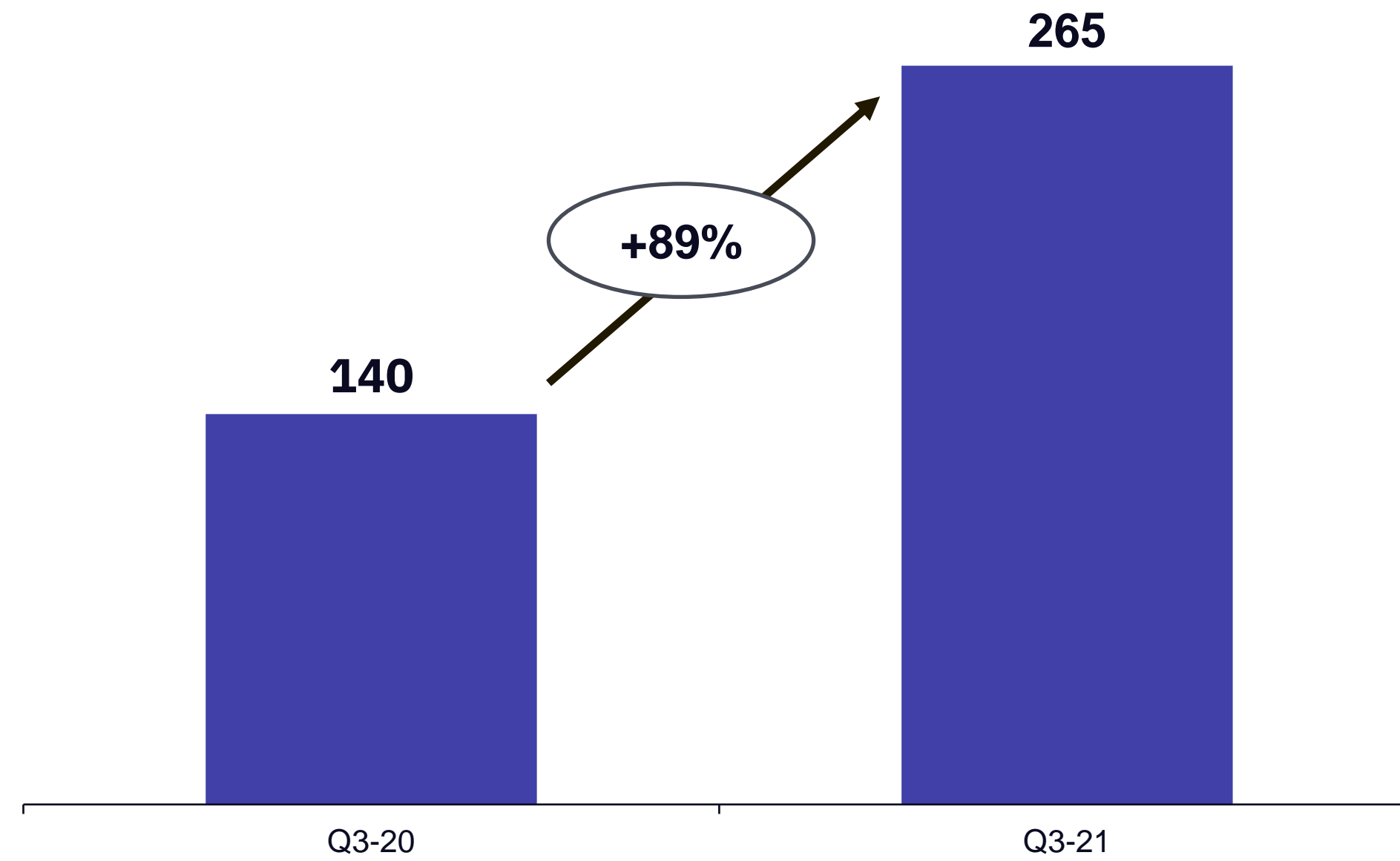
Financial Review



Net Sales Growth of 89%

Net Sales (SEKm)

Q3-21 vs Q3-20

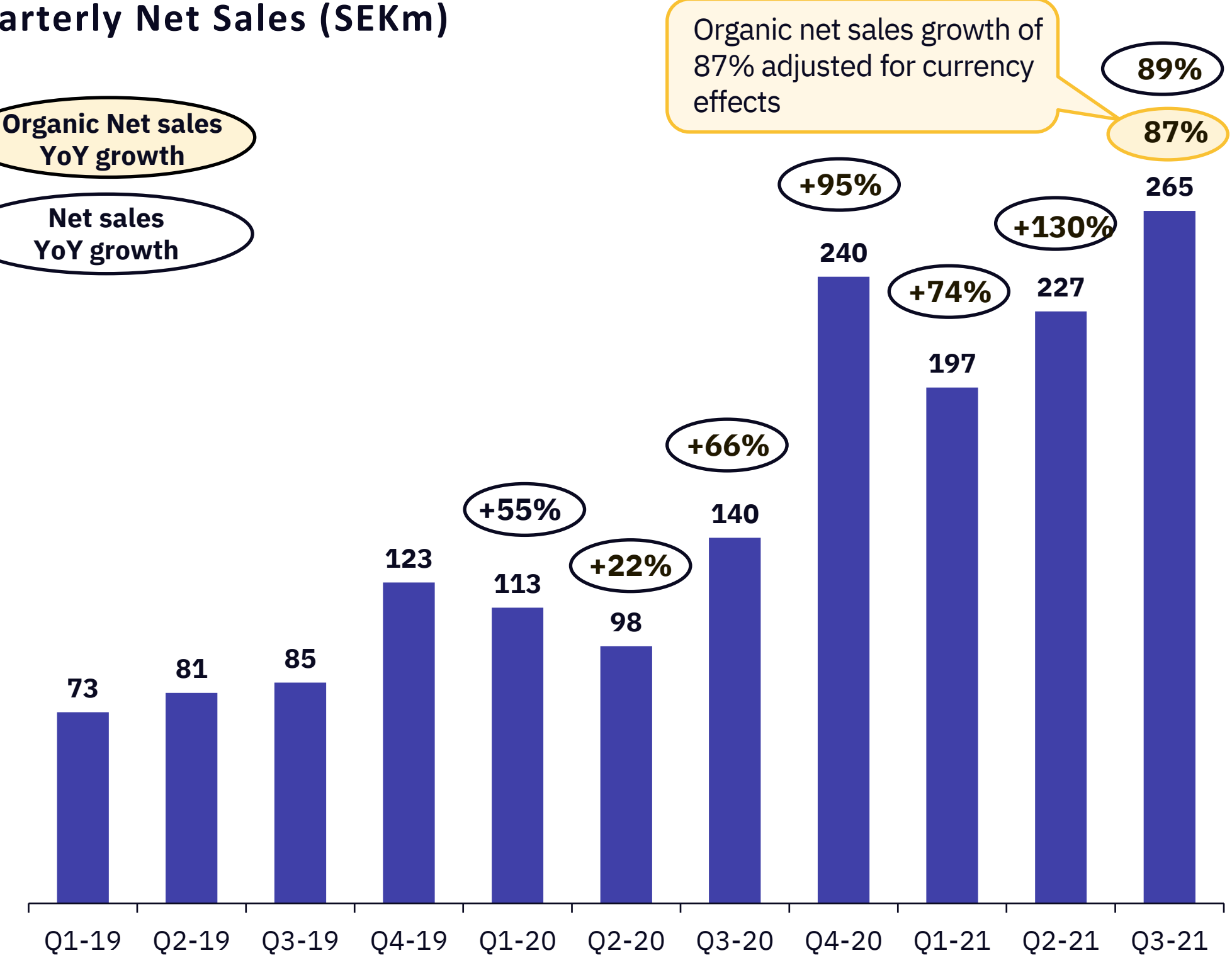


- Net sales growth of 89% Q3-21 vs Q3-20
- All market segments contributing to net sales growth

Quarterly Net Sales (SEKm)

Organic Net sales YoY growth

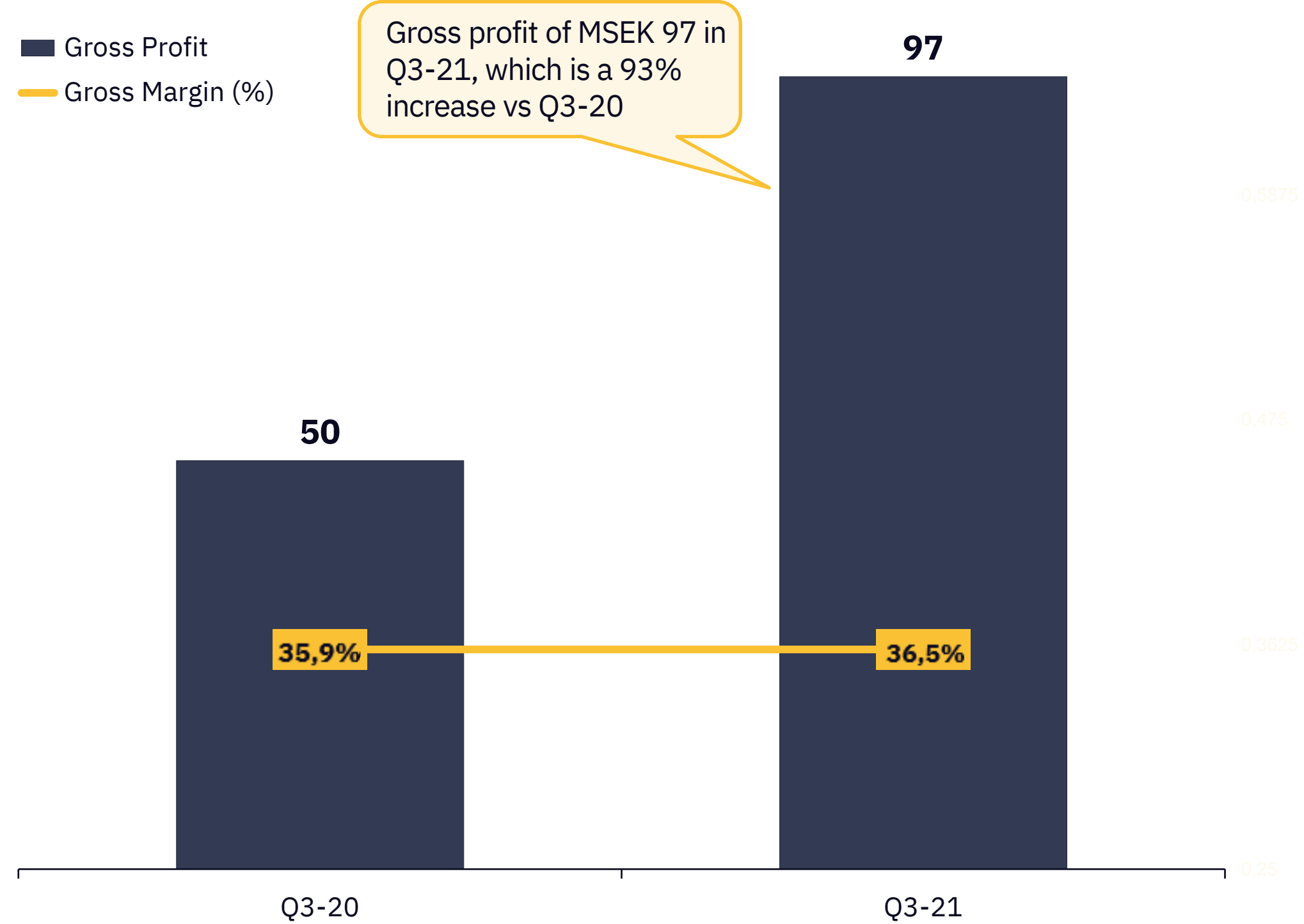
Net sales YoY growth



- Q3-21 organic net sales growth of 87% adjusted for currency effects
- Limited impact from seasonality in Q3.

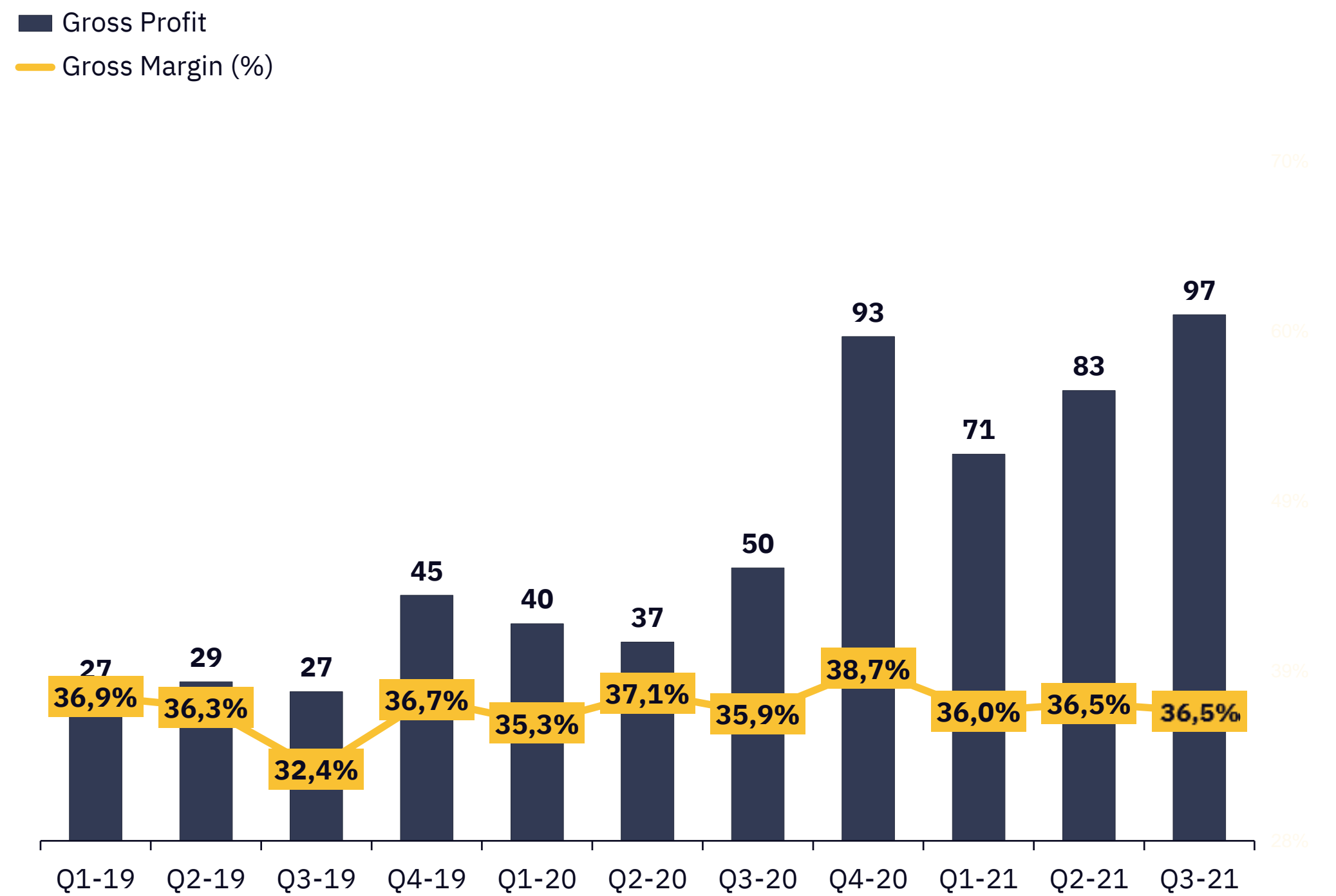
A Healthy 36% Gross Margin

Gross Profit (SEKm)



- Gross profit margin remains at a healthy 36% in Q3-21 compared to Q3-20

Quarterly Gross Profit (SEKm)

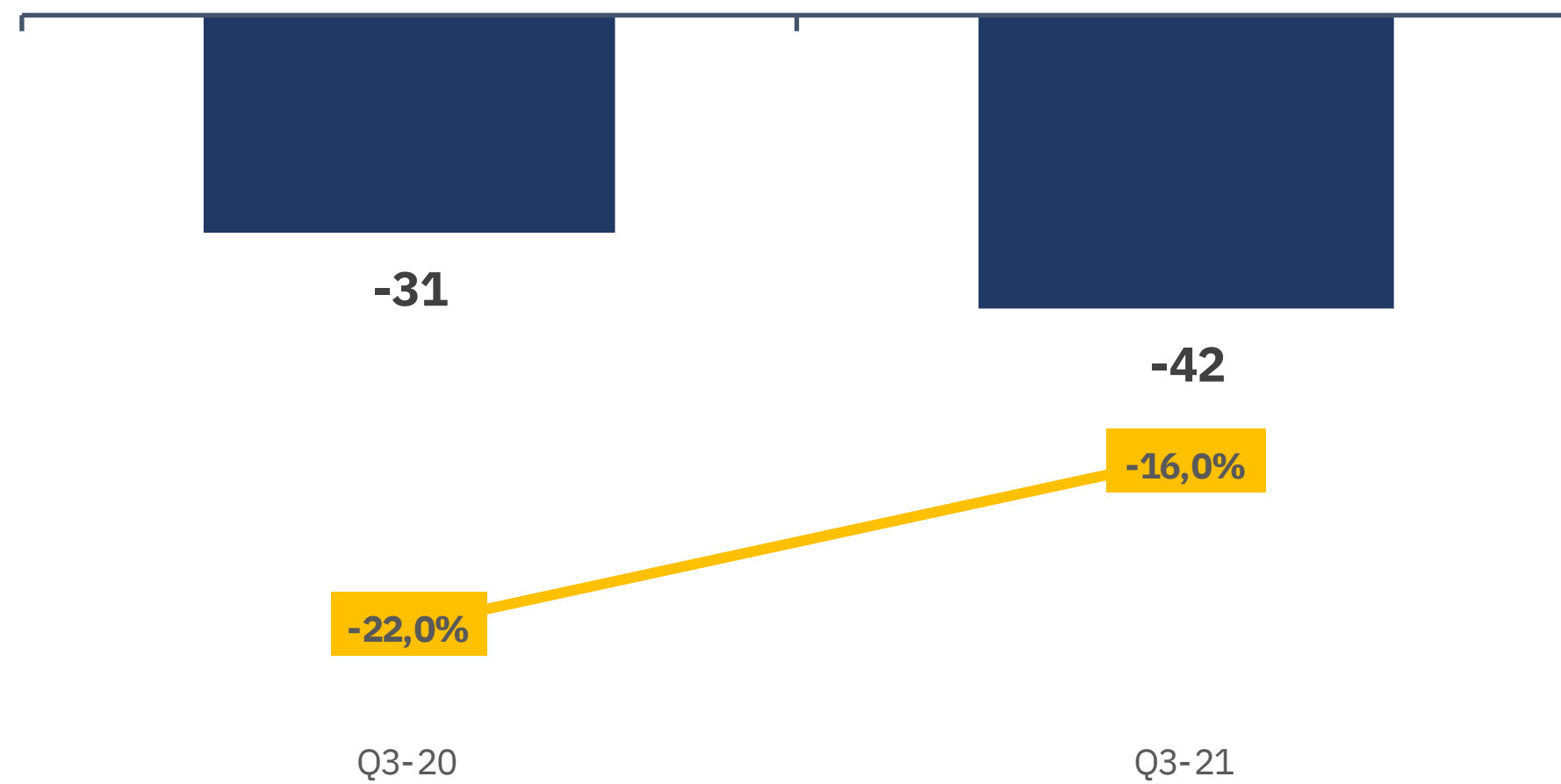


- Gross profit continues its upwards growth trajectory

Continued EBITDA Margin Improvement to -16%

EBITDA (SEKm)

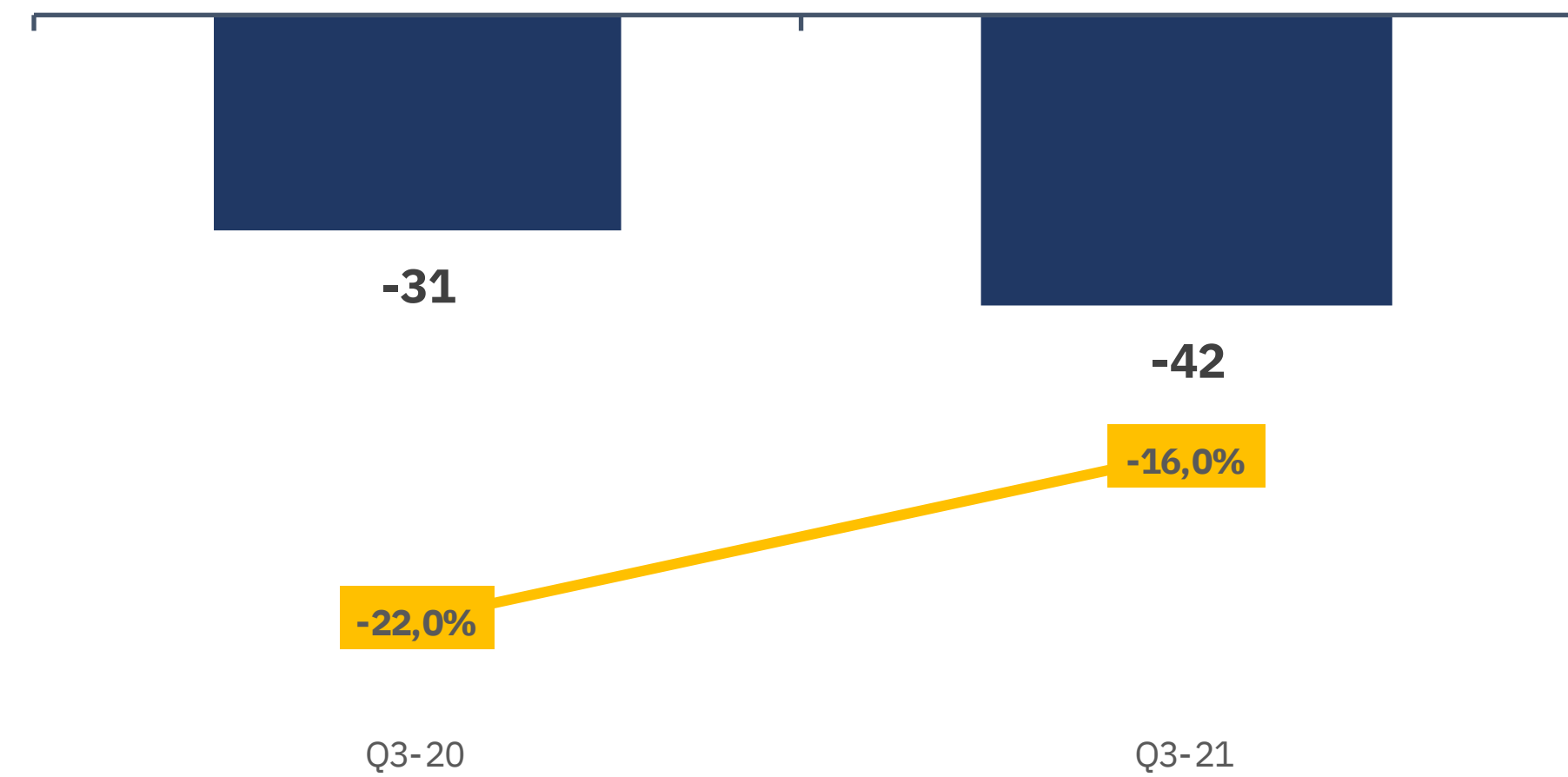
■ EBITDA
— EBITDA margin %



- As the organization continues to grow revenues faster than operating expenses the EBITDA margin has improved from -22% in Q3-20 to -16% in Q3-21

Adj. EBITDA (SEKm)

■ EBITDA
— EBITDA margin %

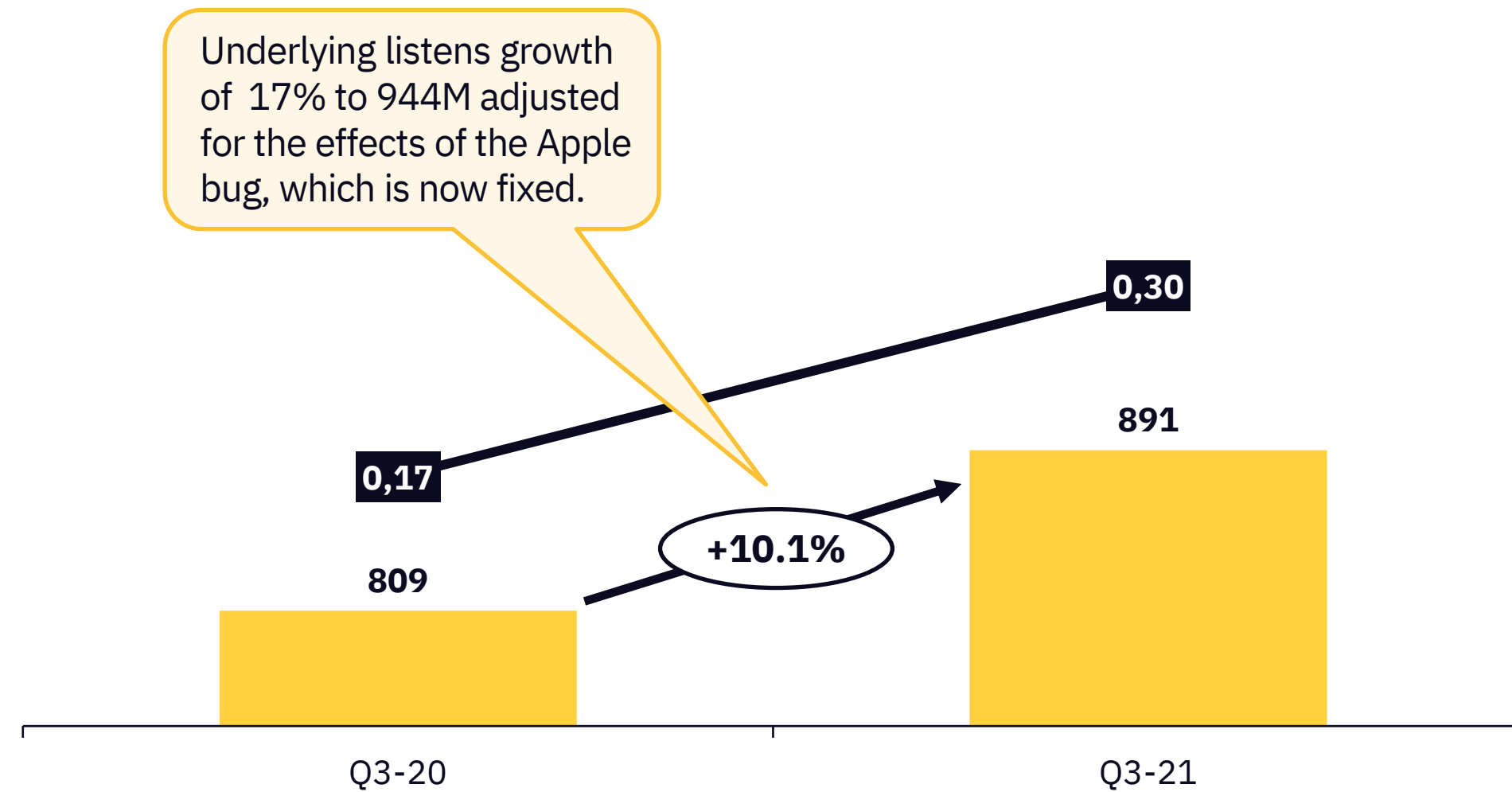


- Immaterial adjustments related to the IPO generates Adj. EBIDA in line with EBITDA.

Monetization of Listens Continues to Improve

Listens

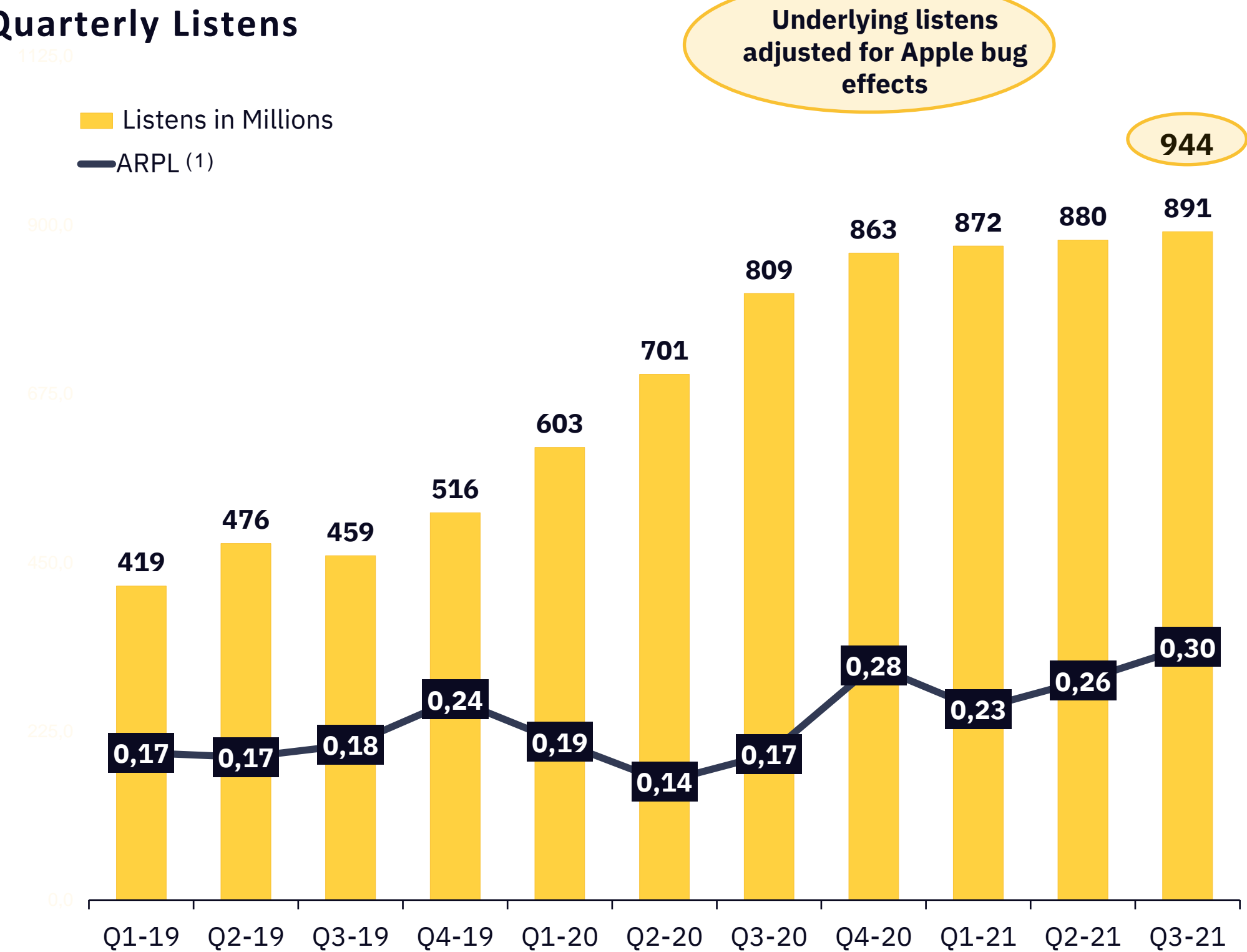
■ Listens in Millions
 — ARPL (1)



- Listens increased by 10.1% compared to Q3-20
- ARPL has increased over time due to more effective monetization

Quarterly Listens

■ Listens in Millions
 — ARPL (1)



- Q3-21 listens were negatively impacted by a bug in listens consumed on Apple devices. The bug was consequently fixed during Q3.
- Adjusted listens were 944M in Q3 or represented 17% growth compared to Q3-20.
- Adjusted ARPL reached 0.28 SEK.

Note: Number of listens per year based on Acast's IAB 2.0 certified measurement. A listen is defined as a minimum download of at least 60 seconds of the episode and Acast only count one listen per listener per episode within 24 hours.
 (1) Net sales per listens in SEK.

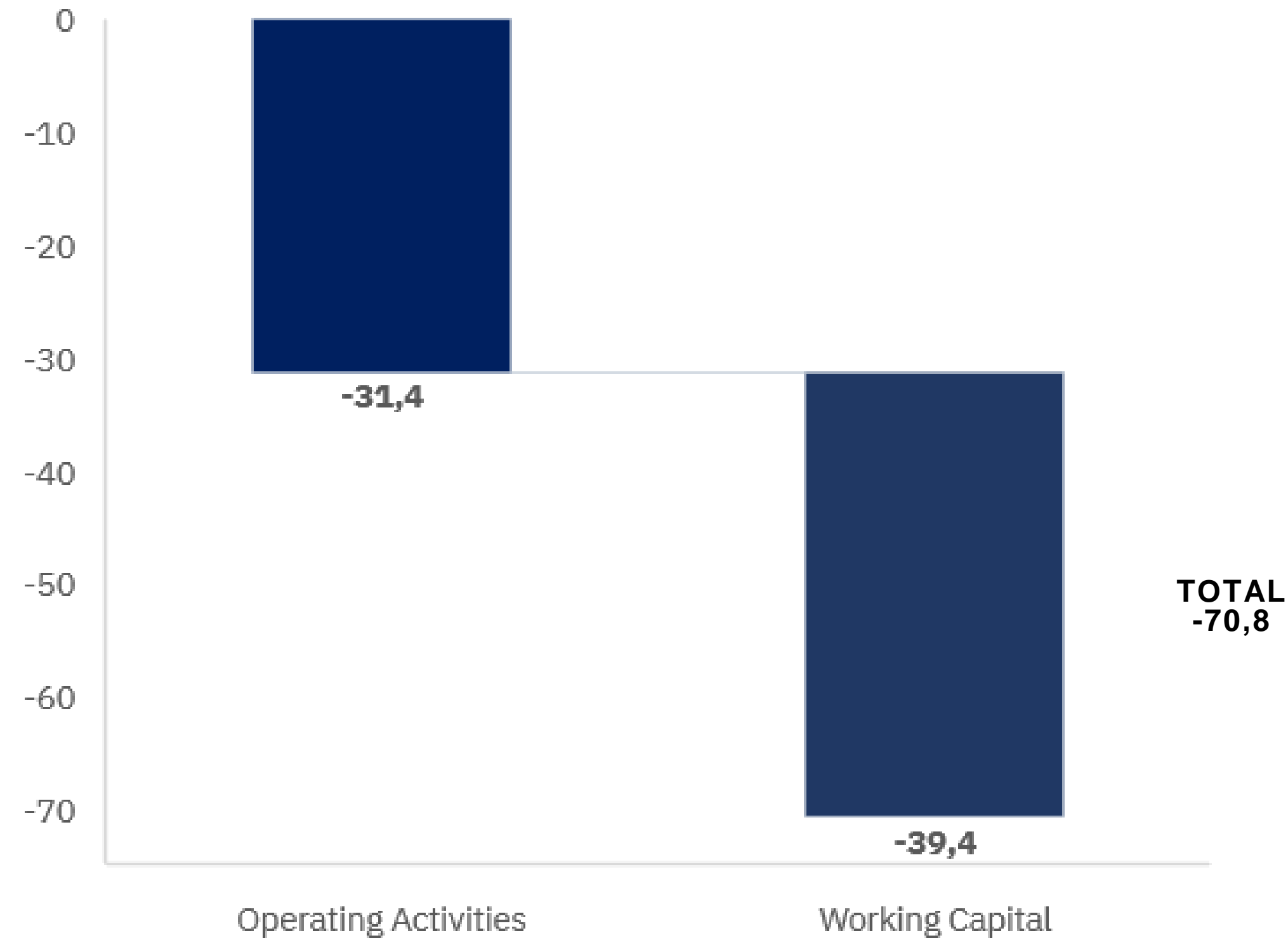


Cash Flow impacted by phasing of working capital

Q3-21

Operating Cash Flow (SEKm)

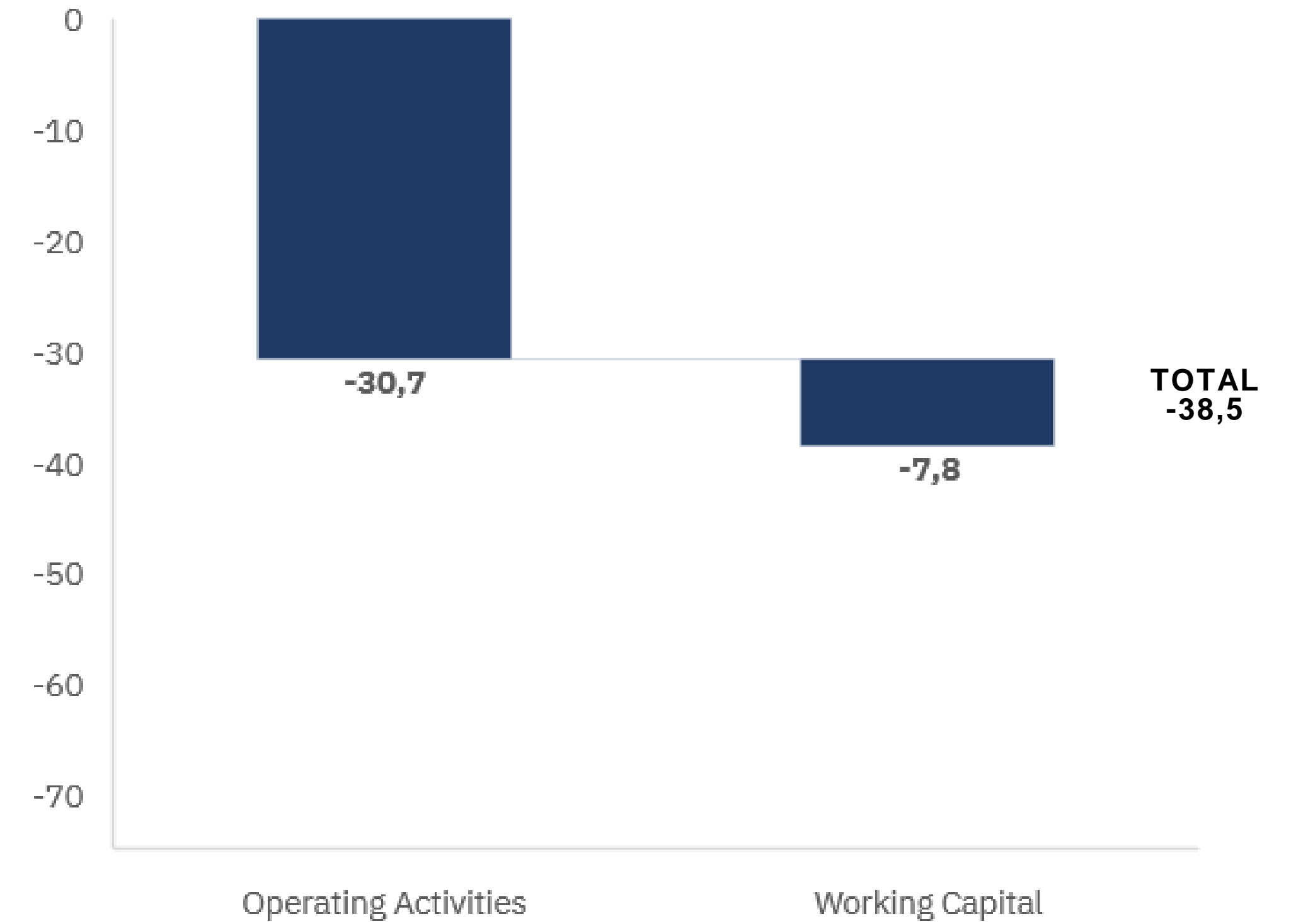
Increase
Decrease



Q3-20

Operating Cash Flow (SEKm)

Increase
Decrease

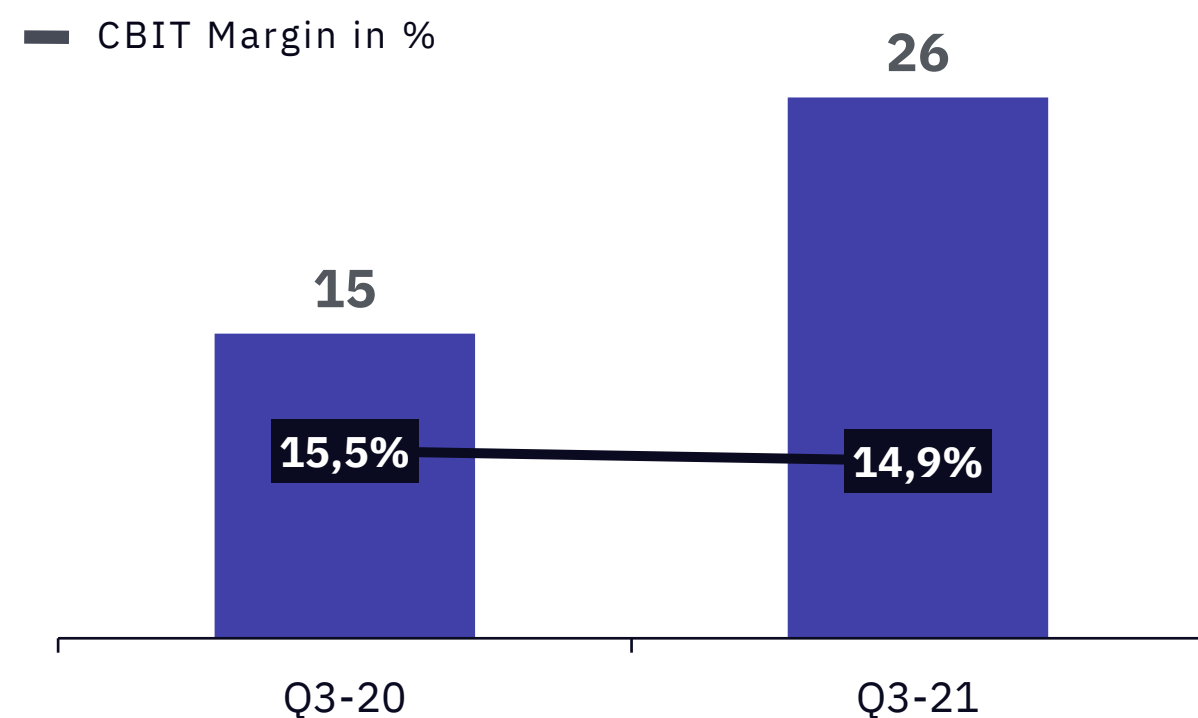
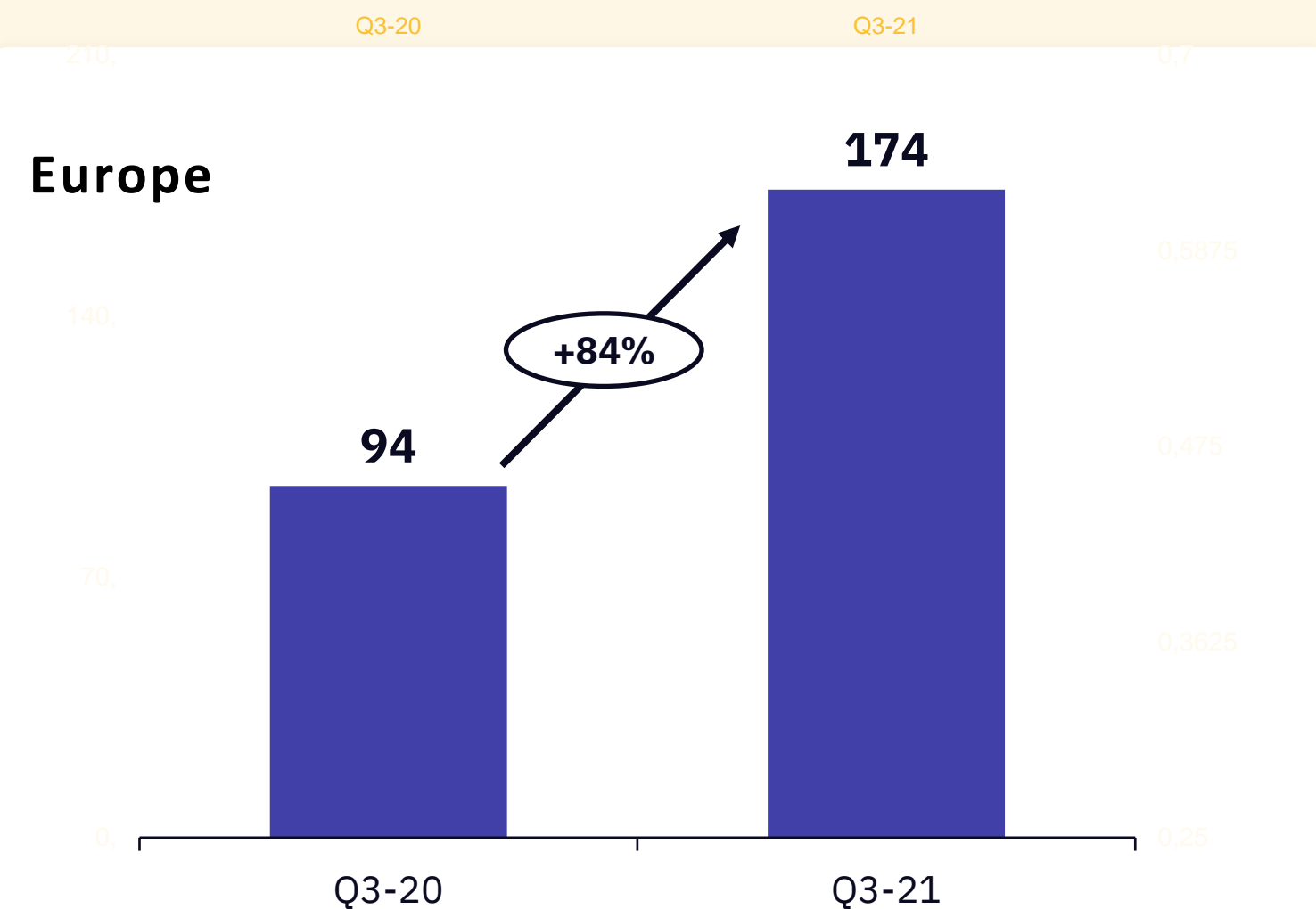


In Q3-21 cash flow from operating activities was impacted by phasing of working capital, mainly from increased accounts receivables. Some of our largest agency clients in the UK have implemented a payments portal, which Acast has integrated to via an API. During the implementation technical issues resulted in a larger amount of overdue accounts receivable as at Q3-21. Once fully operational this API is envisaged to improve collections.



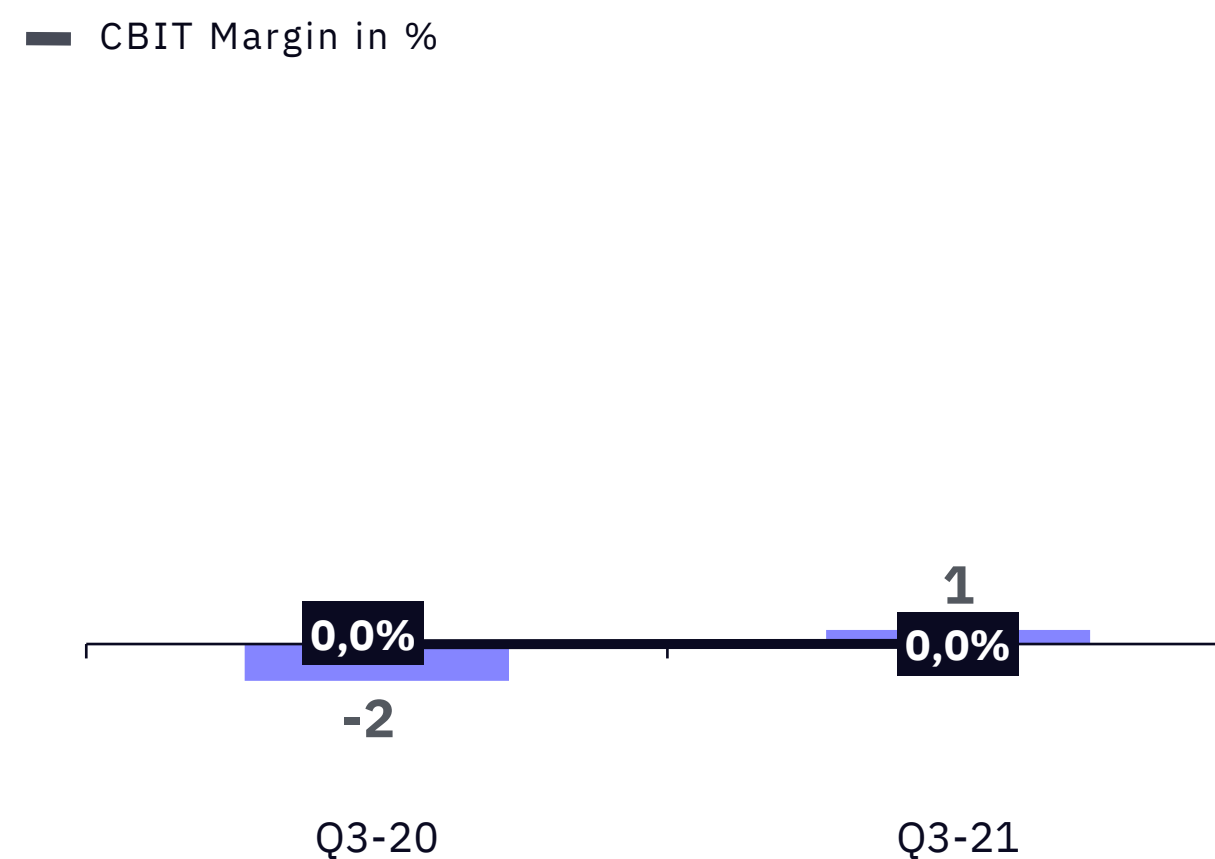
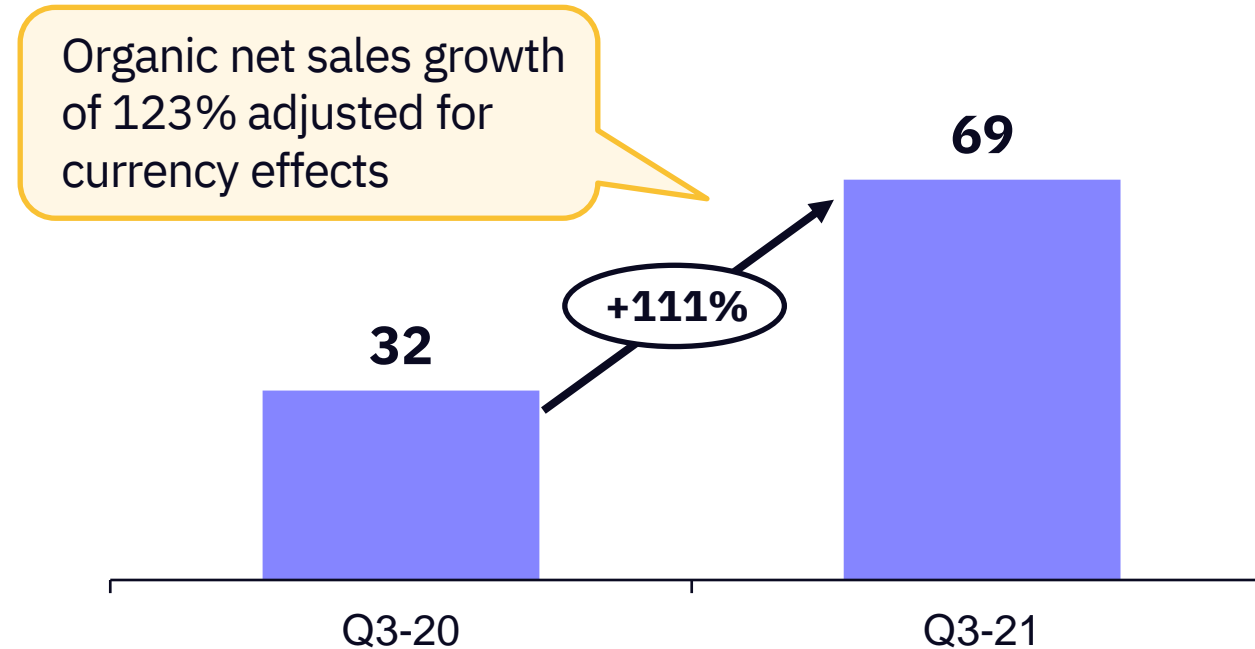
Americas Leading the Way for Growth

Net Sales (SEKm)



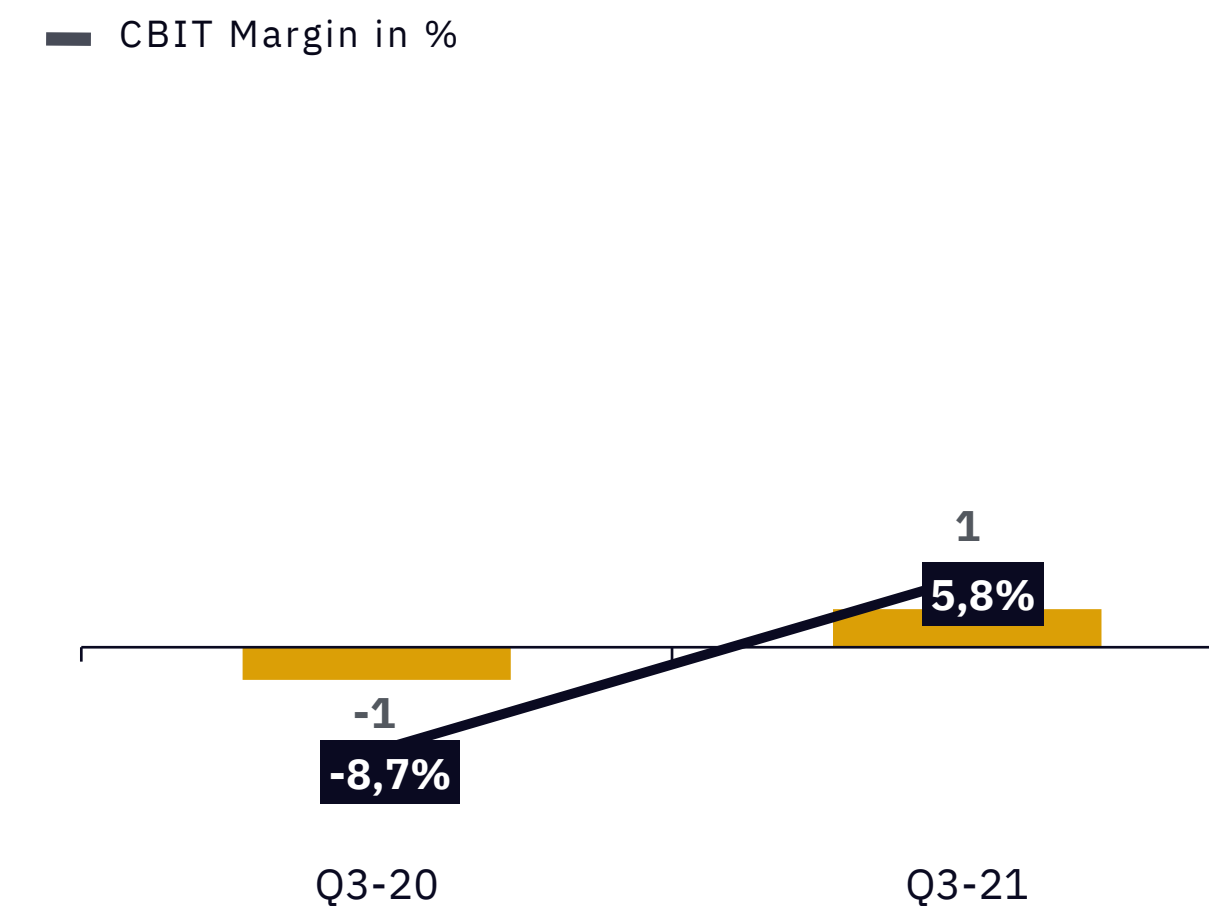
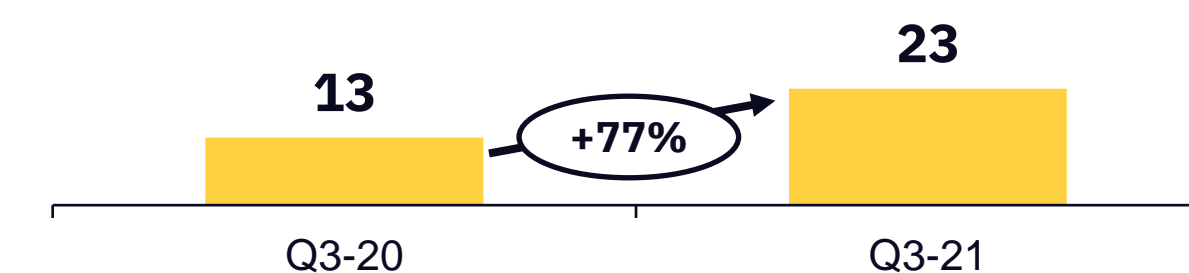
- Net sales in Europe increased by 84% in Q3-21 vs Q3-20
- All markets within Europe contributed to this growth
- Flat CBIT margin impacted by IFRS 9 credit loss model accruals in UK (see operating cash flows)
- Europe also includes newer growth markets such as Norway, Denmark, France, Germany and Ireland

Americas



- Americas growth was impacted by currency and underlying organic net sales growth for the segment was 123%
- Americas local operating profit positive in Q2-21.
- Americas mainly includes the US but also newer growth markets Mexico and Canada

Other Markets



- Other Markets include AU, NZ, and an international sales team.

CBIT⁽¹⁾ (SEKm)

04

Recent Events & Upcoming Areas
of Focus





Recent Events & Upcoming Areas of Focus

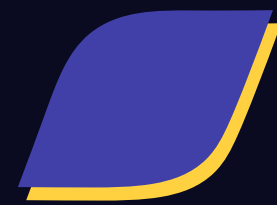


Three Year renewal of international deal with BBC



High-profile podcasters joined Acast

Sex with Emily (US), Flashback Forever (SE), Estas Rica (MX)



Strengthening leadership team

Johan Billgren Chief Innovation Officer, Matt McDonald CPO



Focus on expansion through new International Team

Pre-launched in 20 markets e.g. The Netherlands, Singapore and Italy



Q4 launch of Acast+

05

Q&A



Q&A



Emily Villatte

CHIEF FINANCE OFFICER & DEPUTY CEO

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