



azerion

Q4 and preliminary full year 2022 results

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Delivery on 2022 targets with profitable growth outlook

Solid strategy delivery

- Delivery of 2022 targets for Revenue and Adj. EBITDA
- Q4 2022 record performance in Platform, starting to harvest benefits of scale
- Strong profitable growth outlook
- Cancellation of 95% treasury shares and increased focus on deleveraging the balance sheet

Strong financial performance

453M

Revenue
FY 2022

52M

Adj EBITDA
FY 2022

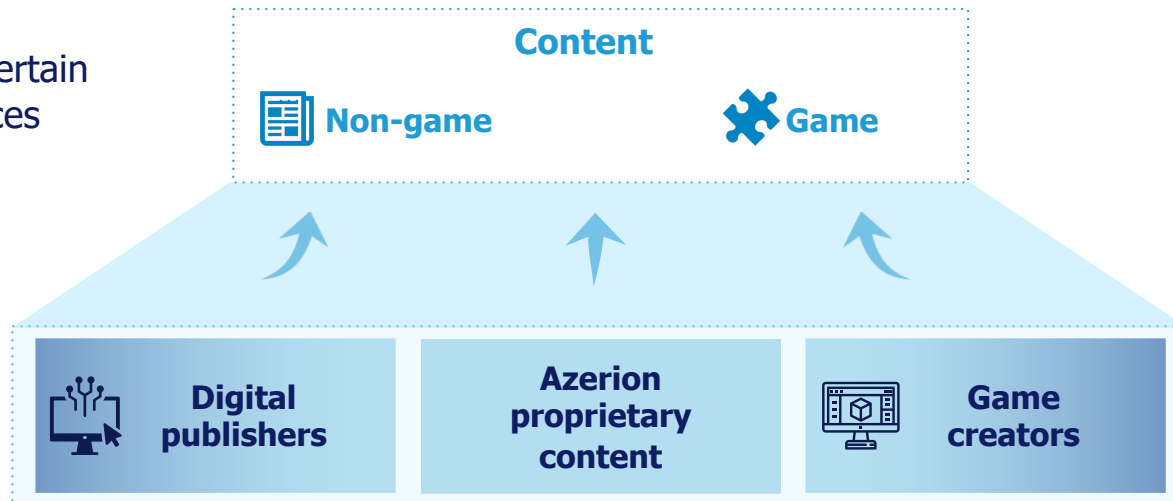
The Azerion mission

We help brands improve the way they engage with audiences

Advertisers

Consumers

We entertain audiences



“Our **mission** is to be the **go-to-partner for advertisers** for an easy-to-use, competitively-priced and **brand-safe** digital environment”

Strategy delivery

Becoming the go-to-partner for advertisers for an easy-to-use, competitively priced and brand-safe digital environment

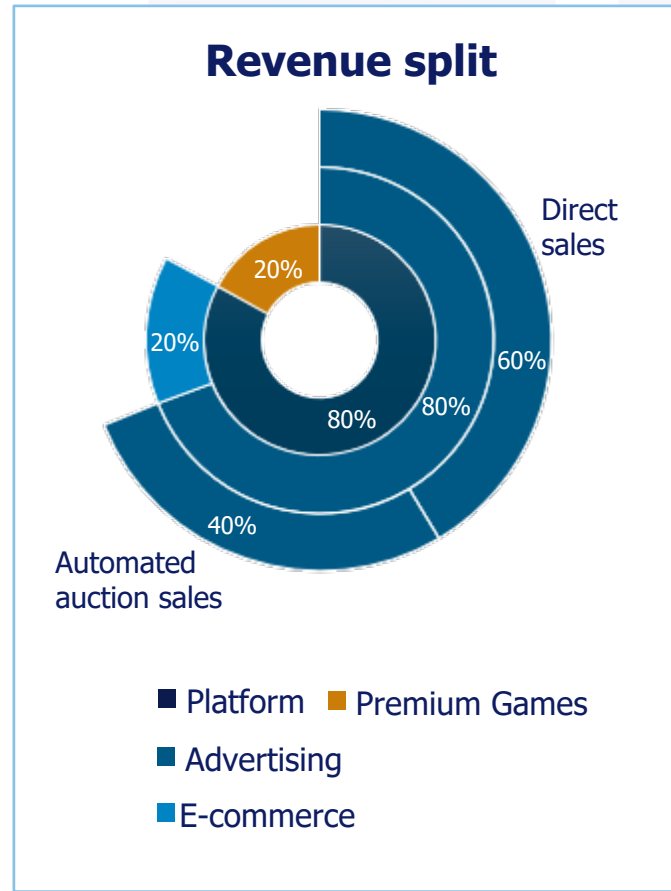
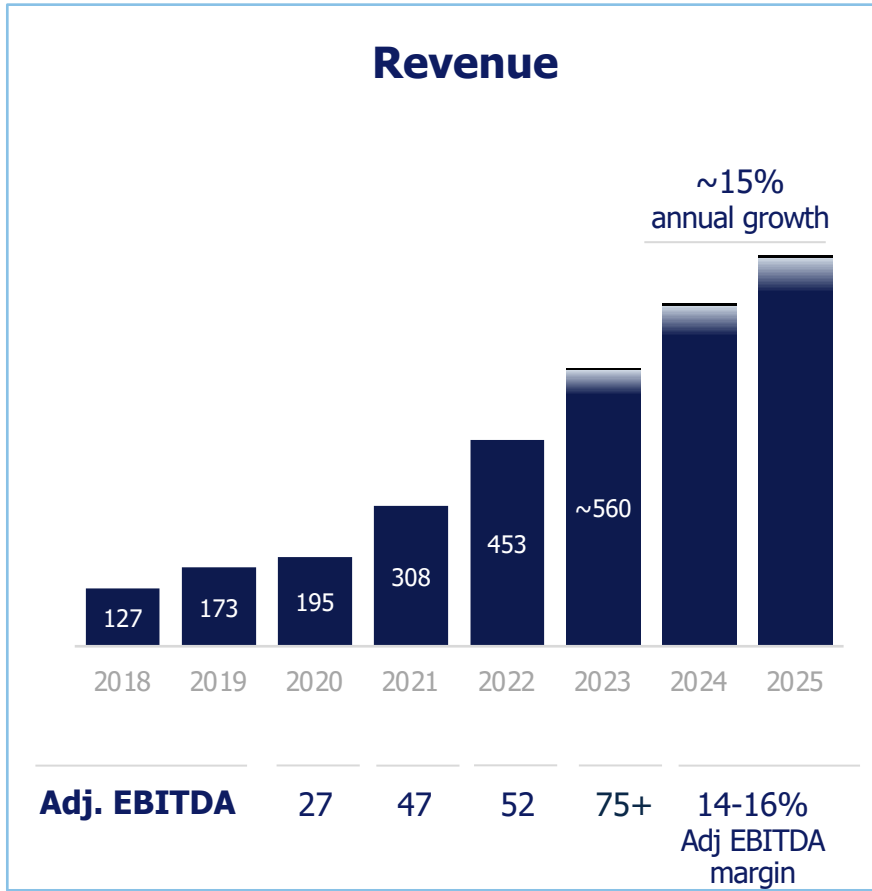
Strategic priorities

Ad sales	Local expert teams that help our clients achieve results
Ad tech	Efficient and easy to use Platform Creative proprietary ad formats
Curated Content	Grow exclusive publishers through monetisation services Expand partnerships in our casual game distribution Develop innovative business models connecting advertisers with targeted audiences Optimise our E-commerce business to strengthen relationship with advertisers
Premium Games	Strengthened our position in the metaverse and offer an extended value proposition to advertisers to connect with digital audiences in innovative ways

Q4 proof points

- Highest direct sales results across the group, demonstrating the added value of local teams working hand in hand with clients to successfully advertise to their audiences
- 50%+ reduction in cost per ad request compared to Q4/21, due to optimisation of computing resources on high-performing ads slots, increasing platform efficiency
- Expanded integration with Google's demand-side platform, enabling Google's Audience targeting and unlocking additional demand to Azerion's advertising auction platform
- Direct integration of Azerion's advertising platform with Amazon's demand side platform
- Entered high-growth digital audio, enabling audio ad formats across the platform through the acquisition of Radionomy (Targetspot and Shoutcast)
- Launched new product 'Azerion Fanzone', improving the way sports clubs engage with their fan base in the digital space
- Strengthened our position in the Metaverse by creating more partnerships with brands such as DR Sports and successfully selling out a collection of 1,300 unique rooms in Habbo X.

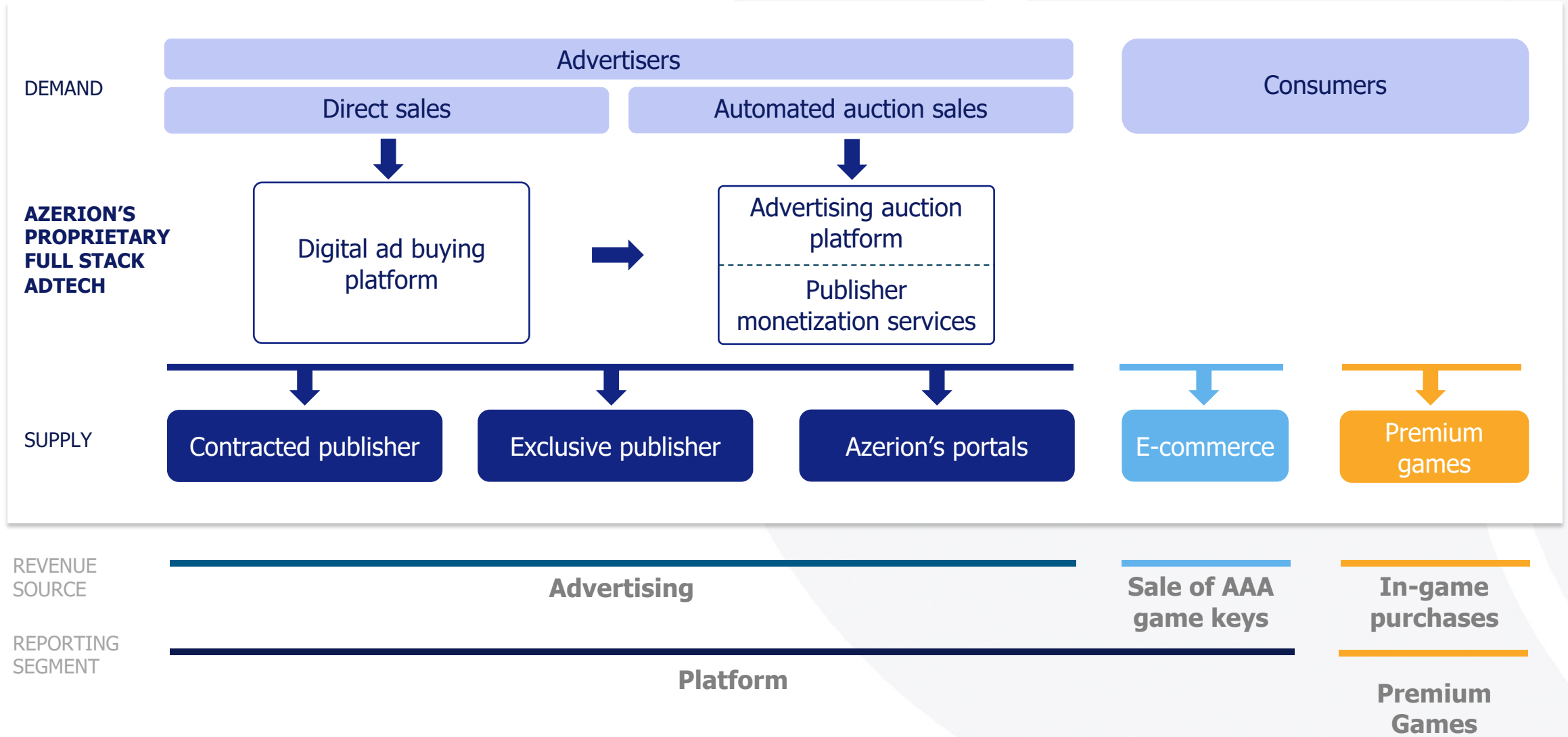
Strong historical performance underpinning growth outlook



Value drivers

- Continued integration of past acquisitions driving synergies and efficiencies
- Increase volume of direct sales
- Increase volume of publisher monetization services
- Continuously developing new features and innovating with our technology

Our resilient model has value drivers on both demand and supply sides



Q4/22: Delivery on 2022 targets with record Platform performance

EUR 149m

Revenue
Q4 2022

+18%

vs Q4 2021

- Record performance in the Platform segment, reflecting improved efficiencies and starting to harvest benefits of scale

EUR 22m

Adj. EBITDA
Q4 2022

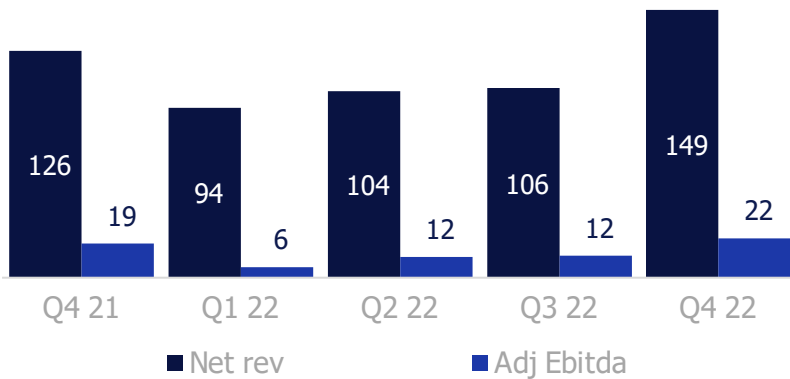
+15%

vs Q4 2021

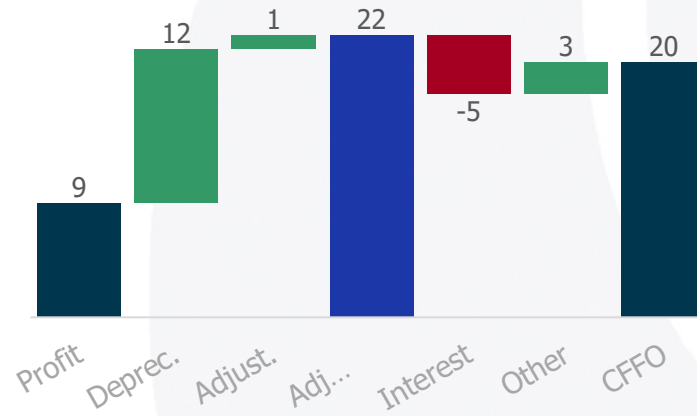
- Continuous focus on integration of past acquisitions
- Continued growth in the Platform segment at increased margins

Strong financial framework

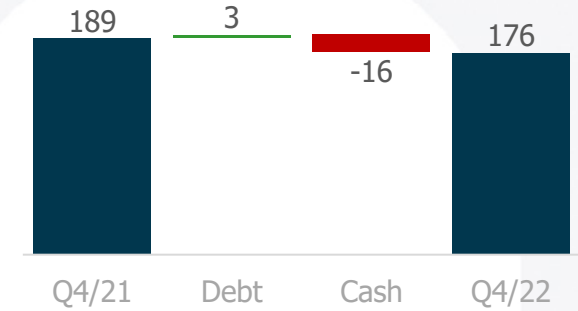
5-quarter rolling financial performance



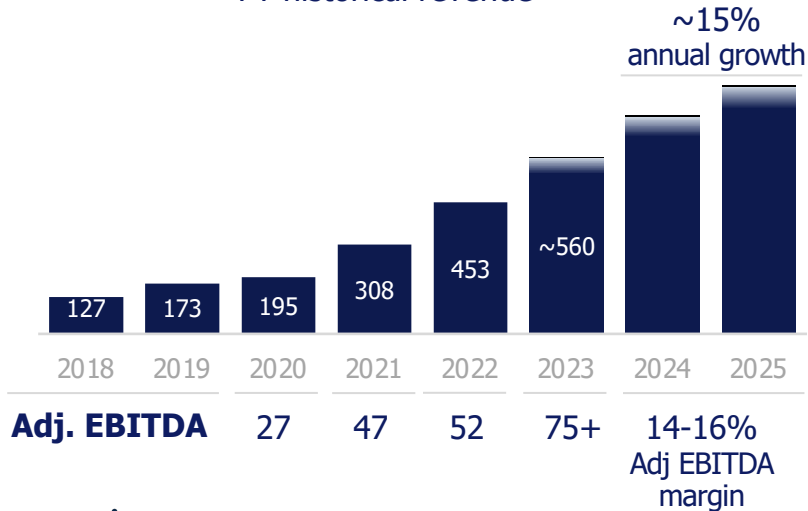
Q4/22 cash conversion



Q4/22 net debt

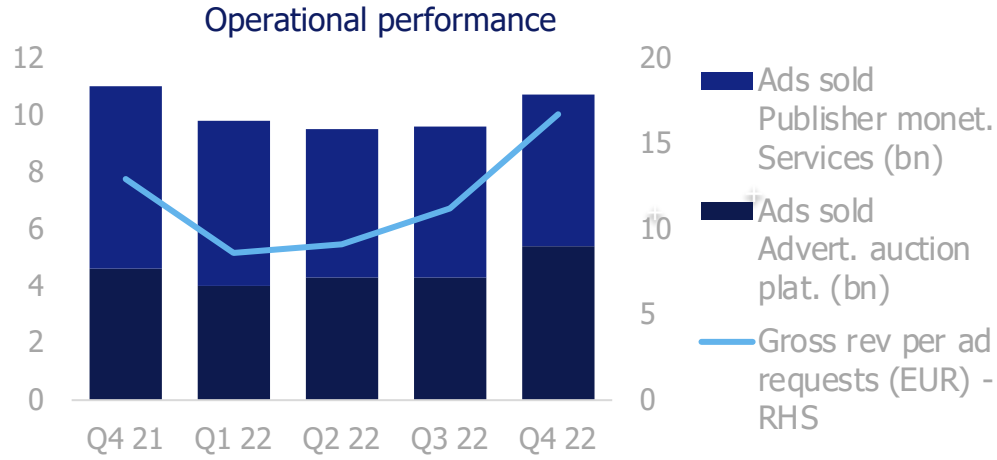


FY historical revenue



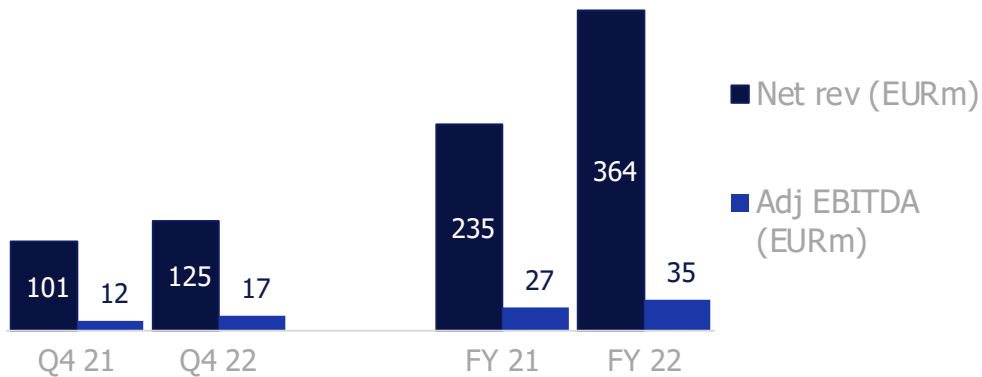
- Record quarterly Adj EBITDA in Q4 2022
- Strong cash conversion supporting net debt reduction
- Focus on profitable growth and deleveraging the balance sheet in 2023

Platform set to harvest benefits of scale



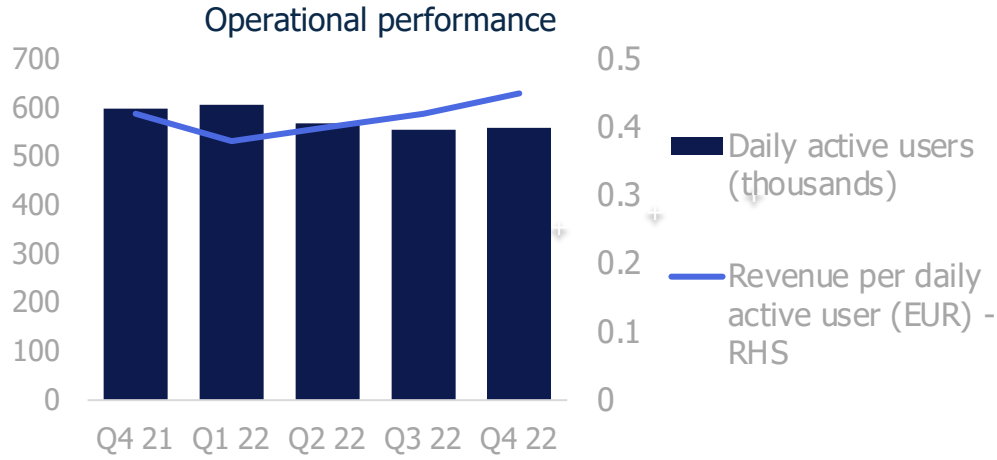
- Advertising auction platform boosted by increased local direct sales as well as improved integration with top 10 DSPs
- Steep increase in gross revenue per ad requests, demonstrating ad efficiency and profitability, despite the continued challenging macro-economic environment

Financial performance



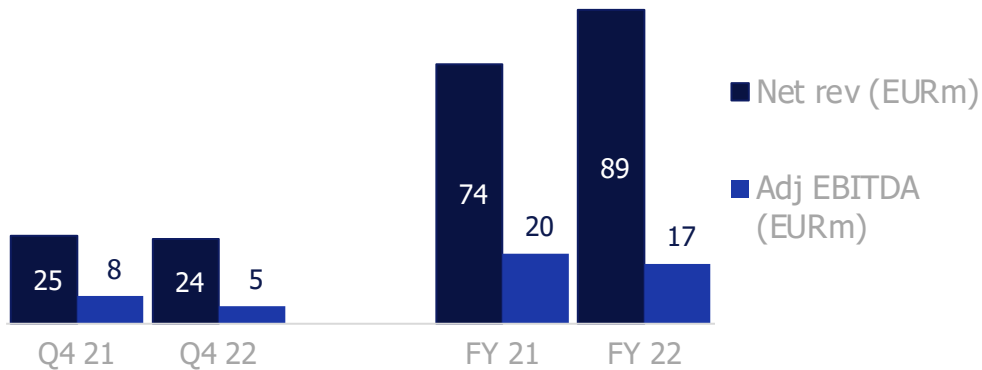
- Record revenue driven by acquisitions and organic growth
- Improvements in Adjusted EBITDA margins demonstrating increased platform efficiency and benefits of scale

Premium Games integrated with wider platform strategy



- Stable average daily active users in 2022 post Covid-19
- Average revenue per daily active user increasing steadily, reflecting improvements in user engagement driven by new features and events
- Time in game per day steady at around 80 min/day

Financial performance



- 2021 overall positively impacted by around EUR 6 million from the successful launch of NFTs in the Habbo metaverse in September 2021
- Q4 2021 benefited from the commission related to secondary market sales of the Habbo NFTs

Financial performance

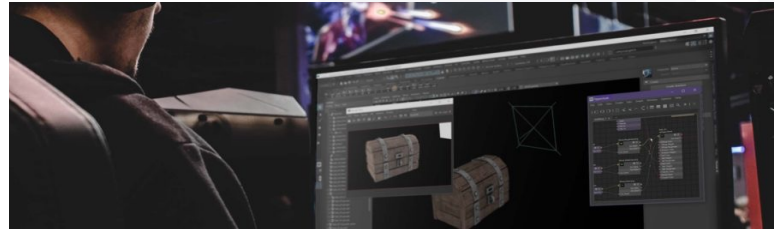
Continued focus on value optimisation**Contribution margin**

Increase volume through local direct sales

Continued migration of acquisitions to Azerion's DSP & SSP

Strategic commercial deals and increase publisher monetisation services

Increased efficiency in advertising auction platform with continuous optimisation of compute resources on high-performing ads slots

**Cost management**

Ongoing integration of acquisitions

- Hosting contracts
- Office leases
- Elimination of duplicate resources. E.g. functions, studios
- Legal entity consolidation
- Azerion branding

Reduction in headcount of approximately 9%

Focused investment and capex

**Organisational structure**

Reporting simplification with merger of legal entities

Significant reduction of treasury shares

Migrated to scalable regional sales and management model

Centralized management of all product and technology resources

Group wide financial KPI's: revenue, contribution margin, Adj. EBITDA, net profit

Expected annualised savings of over EUR 10m

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azerion

Becoming the go-to-partner for advertisers in the digital environment

easy-to-use

competitively-priced

brand-safe