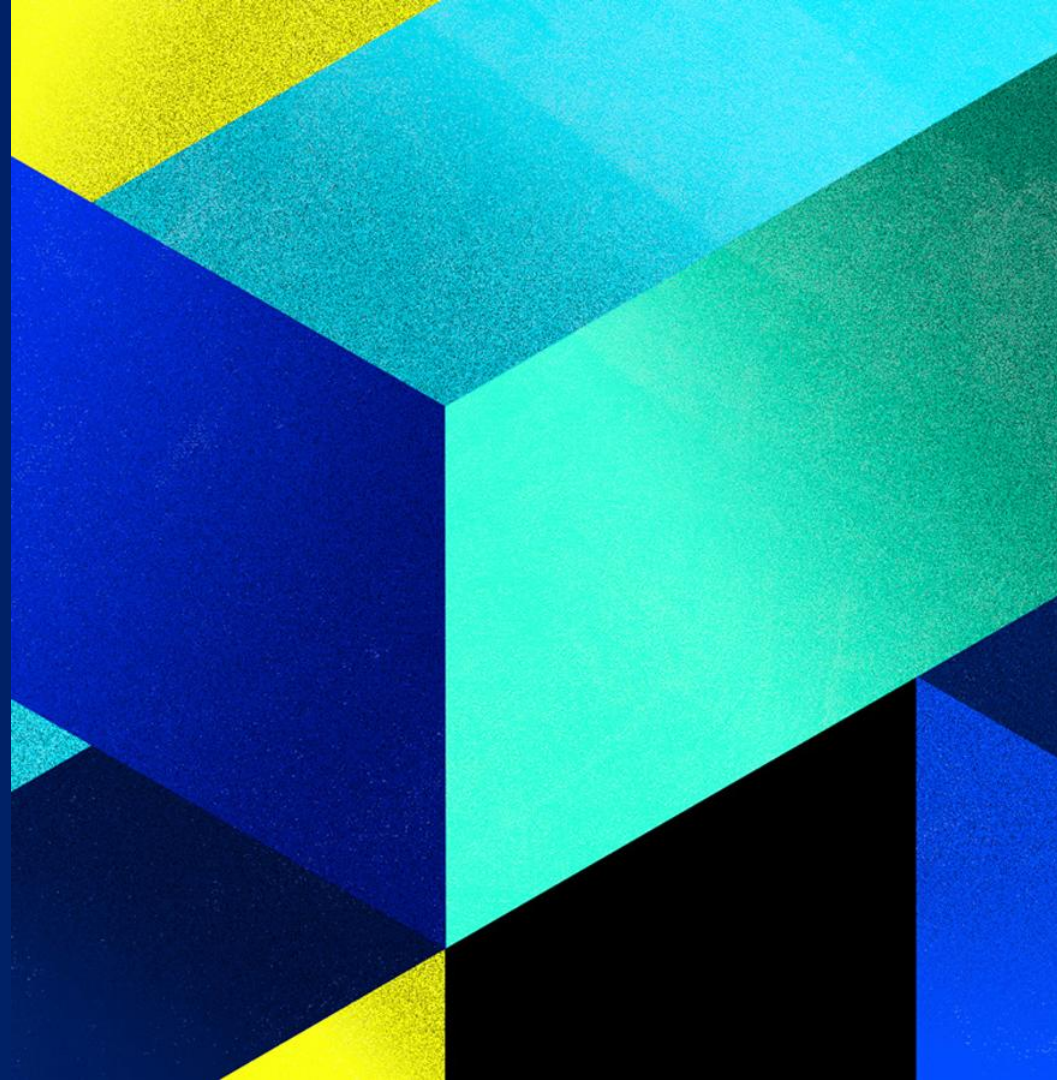


# XL MEDIA CAPITAL MARKETS DAY

1 February 2023



# SPEAKERS FROM THE XLMEDIA TEAM



**DAVID  
KING**  
CEO

Joined July 2022



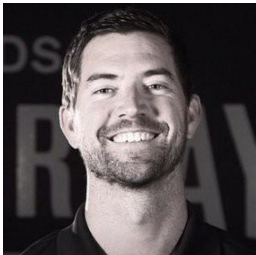
**CAROLINE  
ACKROYD**  
CFO

Joined March 2022



**KAREN  
TYRRELL**  
CP&OO

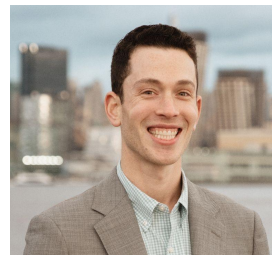
Joined Sept 2022



**KEVIN DUFFEY**  
President, XLM North America



**MIKE WERNER**  
VP, Partnerships



**CODY DARWICK**  
Sr. Director, Media Partnerships



**ROMAN ISRAELI**  
VP, Gaming

## TABLE OF CONTENTS

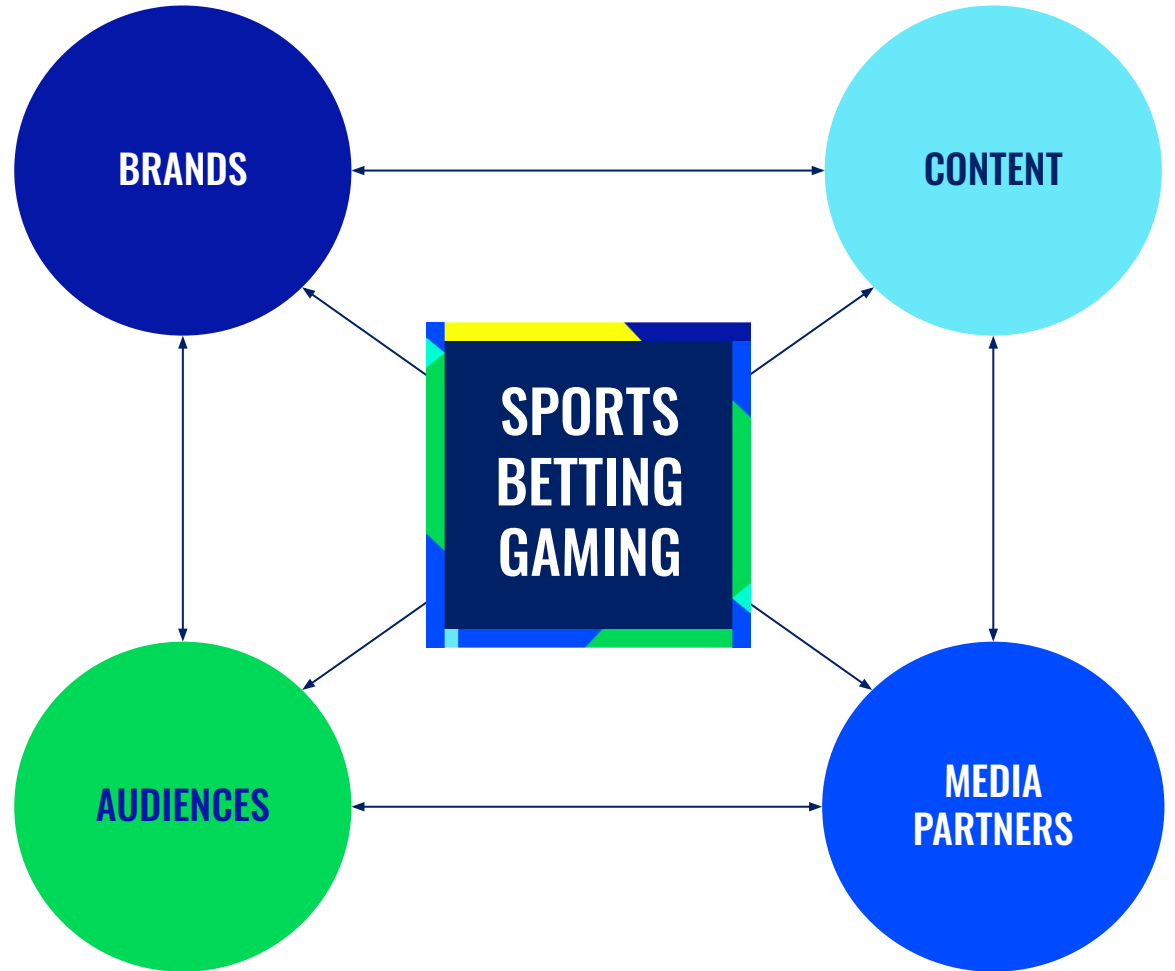
- 1 Introduction (David King, CEO)
- 2 EU/UK Portfolio and Initiatives (Karen Tyrrell, CP&OO)
- 3 NA Portfolio and Plans (Kevin Duffey, President of XLMedia North America)
- 4 Media Partnerships (Cody Darwick, Senior Director of Media Partnerships)
- 5 Revenue Diversification (Mike Werner, VP of Partnerships)
- 6 Gaming Portfolio Approach (Roman Israeli, VP of Gaming)
- 7 Financial Approach & Capital Allocation (Caroline Ackroyd, CFO)
- 8 Summary (David King, CEO)
- 9 Q&A



# **XL MEDIA IS A LEADING GLOBAL DIGITAL MEDIA COMPANY**

**We create compelling content that attracts highly engaged audiences and connect them to relevant advertisers**

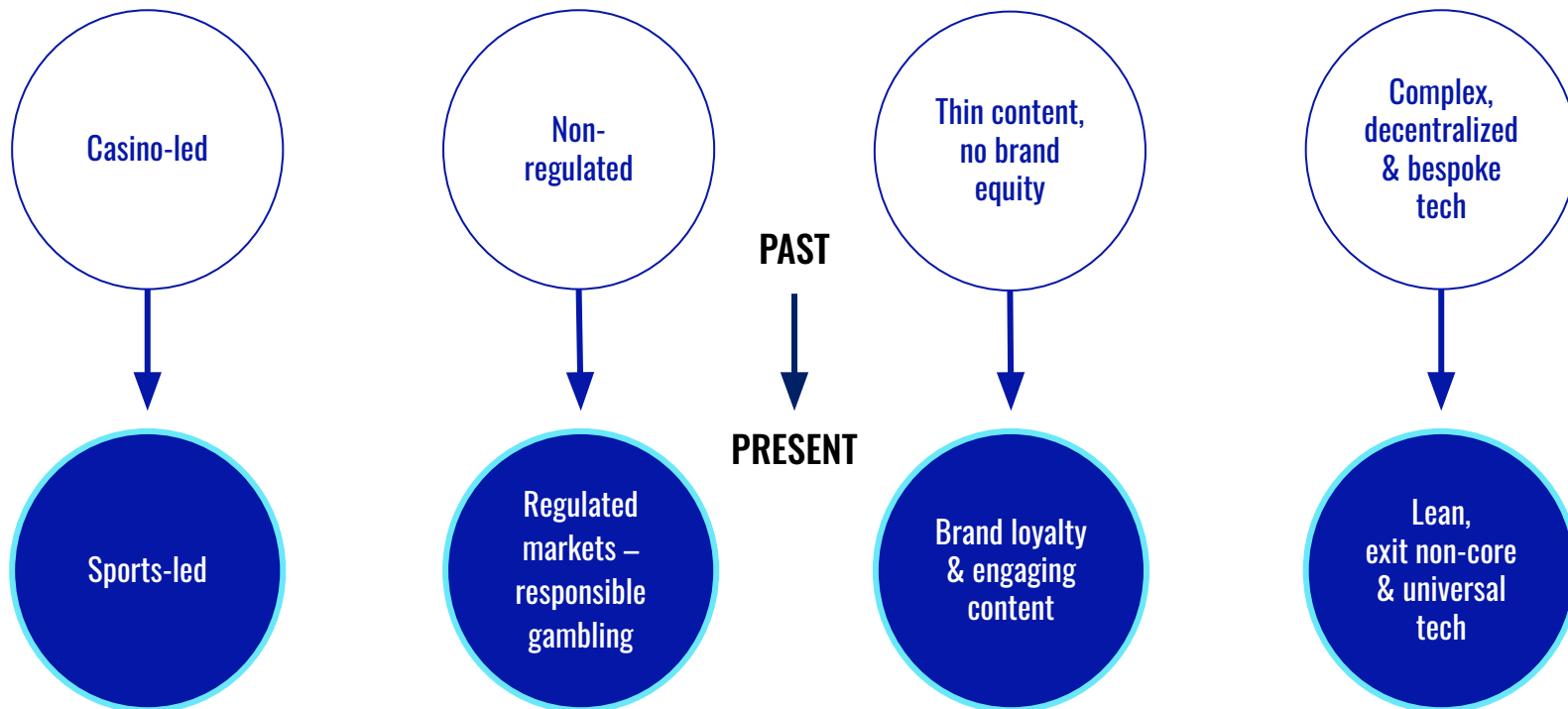
# MEDIA MEETS BETTING





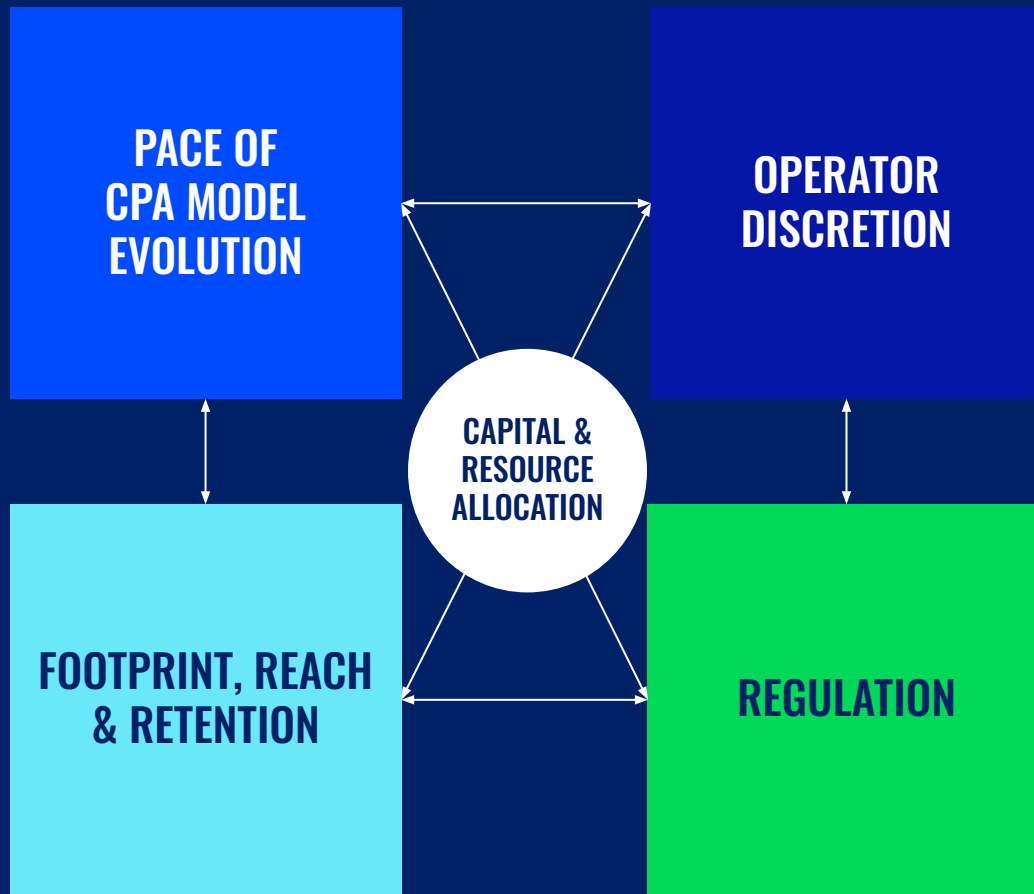
# XL MEDIA HAS BEEN RE-ENGINEERED

Right knowledge, assets, footprint, plans and people



# WE UNDERSTAND THE MARKETS & ENVIRONMENTS IN WHICH WE OPERATE

Increasing sustainable revenue will come from **audience retention** and **revenue diversification**.



# INSIGHT INTO US STATE LAUNCH PREPARATION & PATTERNS

## PRE LEGISLATION

- Monitor state legislation progress and initial selection of approved Operators
- Assess existing footprint of portfolio brands and media partners
- Evaluate new partner or small, targeted acquisition opportunities

## LEGISLATION PASSES

- Content teams strategically plan, build and distribute content for portfolio brands and media partners
- Implement strategic keyword targeting to capture audience interest and intent for sports betting

## STATE LAUNCH

- Enjoy healthy CPA during initial state launch
- Portfolio teams engage audiences throughout the fan cycle layering in sports betting content
- Commercial teams shift emphasis to commercial content for media partners

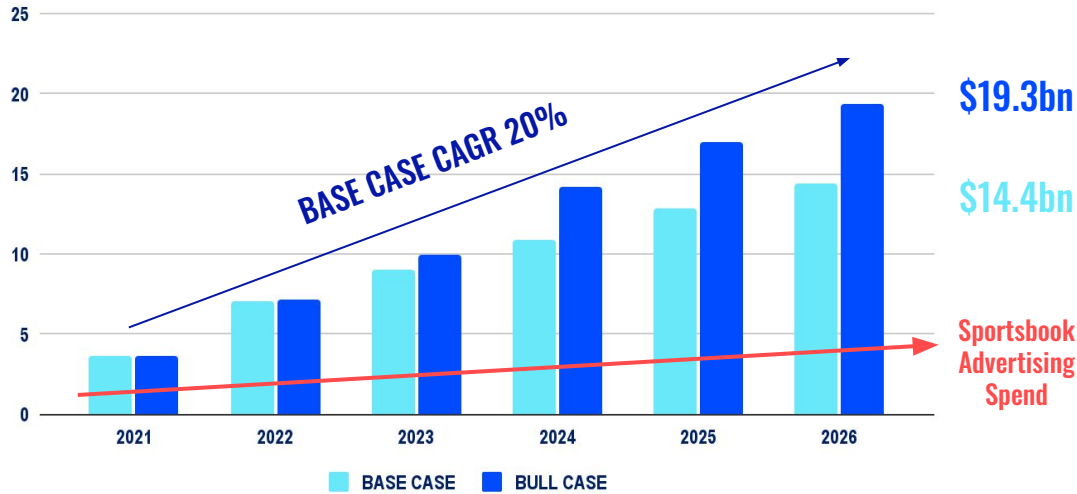
## POST LAUNCH

- State revenue runs to a normalised rhythm
- Optimize SEO for greater returns
- Review/expand deals with existing operators
- Prepare for new operators and the introduction of casino legalisation



# XLMEDIA TO PARTICIPATE IN THE ACQUISITION OF THE BETTOR & IN THE “BET”

PROJECTED US ONLINE SPORTS BETTING GROSS GAMING REVENUE (US\$bn)



Currently, in the US, we are paid for each customer we deliver to each operator, i.e., we participate in the sportsbook advertising spend. We do not get a share of the betting revenue.

In Europe, we are paid a smaller initial acquisition fee but earn a percentage of the revenue from a customer’s betting activity (hybrid deals).

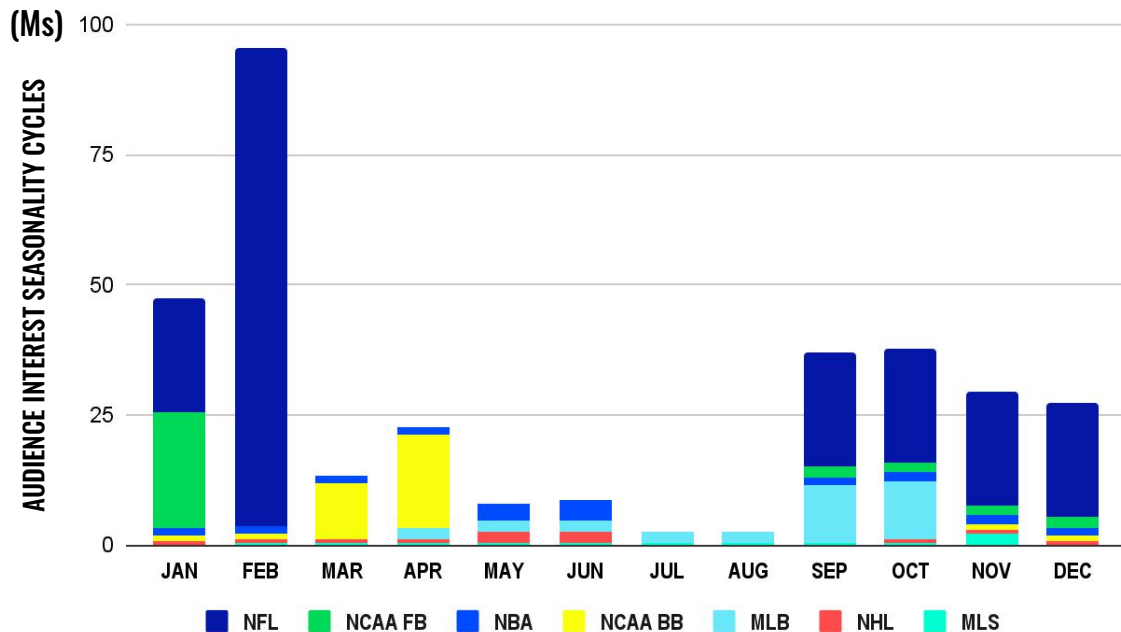
**PROJECTED US SPORTS BETTING REVENUE DISTRIBUTION BY 2026**

**88%** Online

**12%** Landbased & Retail

SOURCE: VIXIO Gaming Compliance US Sports Betting and iGaming Dashboard. Forecasts reflect VIXIO Gambling Compliance assumptions as of the week commencing August 1, 2022.

# US SPORTS CALENDAR BY AVERAGE HISTORIC TV VIEWERSHIP ESTIMATES PER GAME



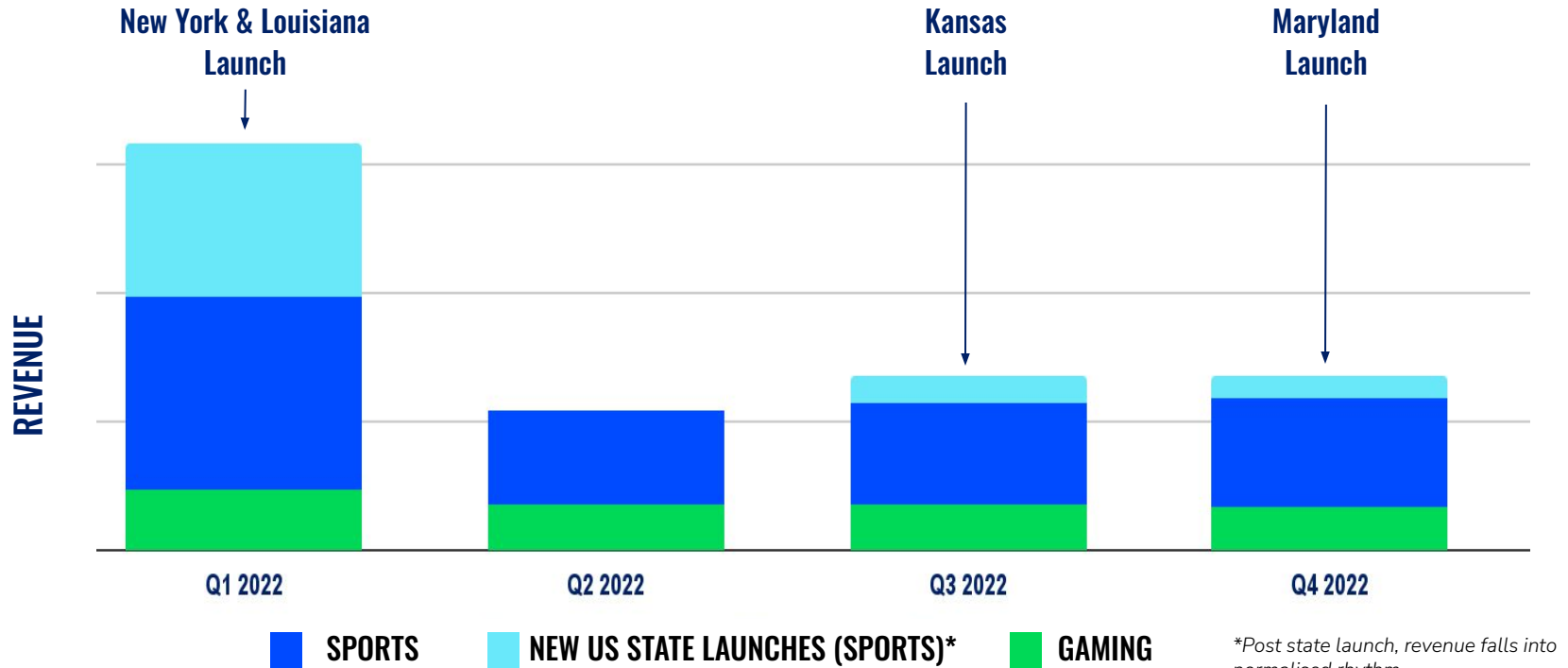
LEAGUE	# OF REGULAR SEASON GAMES	AVG PER GAME
NFL	272	22M
NBA	1230	1.6M
NCAA F	1560	2M
NCAA B	3700	1M
MLB	2430	2.1M
NHL	1312	0.8M
MLS	952	0.3M

*Data is indicative of seasonality and to be used for illustrative purposes only. Data pulled from multiple sources.*

*NFL is professional football.  
 NBA is professional Basketball.  
 NCAA F is college football.  
 NCAA B is college basketball.  
 MLB is professional baseball.  
 NHL is professional hockey.  
 MLS is professional soccer.*

- Chart is illustrative of audience interest and US sports seasonality.
- Super Bowl is the largest sporting event in the US with 91M+ US viewers (Feb 2021).
- Engaging audience in off-season with alternative coverage and offers is key to bolster revenue.
- NCAA College Football ratings have a large variance in viewership leading to a lower overall average or 2M viewers per game.

# NEW STATE LAUNCHES CREATE AN INITIAL SPIKE IN REVENUE BEFORE RETURNING TO A NORMALISED RHYTHM



*\*Post state launch, revenue falls into normalised rhythm.*

# UK/EU Portfolio and Initiatives



# EU/UK SPORTS PORTFOLIO UPDATE

Having undergone a significant change in the last few years,  
experience and expertise lead

## REFINED PORTFOLIO

**FREEBETS.COM**



**PONTURI (9B) BUNE**

## XLMEDIA CREDENTIALS

- Established in markets
- Retained brand equity
- Quality content
- Replatformed
- Profitable
- Hybrid deals

## OPERATOR RELATIONSHIPS

**bet365** 

**PADDYPOWER.** 

**betsson** 

# MATURE MARKETS CAN ACT AS INCUBATORS FOR PRODUCT DEVELOPMENT & INNOVATION

## UNIVERSAL TECHNOLOGY

First to move websites to a cutting edge **dynamic platform** (ArcXP) to facilitate faster and better:

- Content production & maintenance
- Site development
- Product feature roll out
- Cross-brand collaboration

## DATA & MEASUREMENT

Providing the business with actionable audience data and intelligence to:

- Enable automated, targeted **personalisation** for content and offers
- **Maximise engagement & retention**

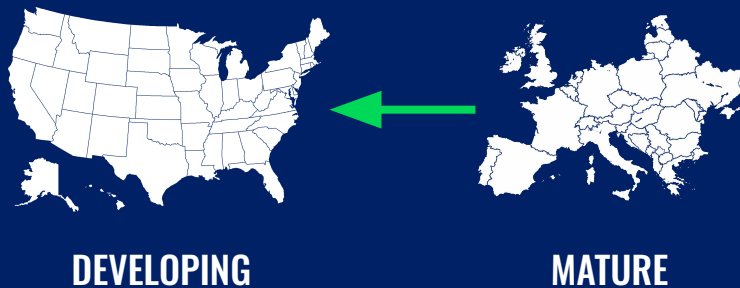
## NEW AD FORMATS AND CONTENT MANAGEMENT

Innovation & automation focus:

- Dynamic ads
- Content targeted at outcomes
- Prioritise ad experience
- **Align right ad, right person, right time** (data enabled)



# EXPERIENCE IN UK/EU PROVIDES LEARNING AND INSIGHTS INTO LIKELY FUTURE US MARKET TRAJECTORY



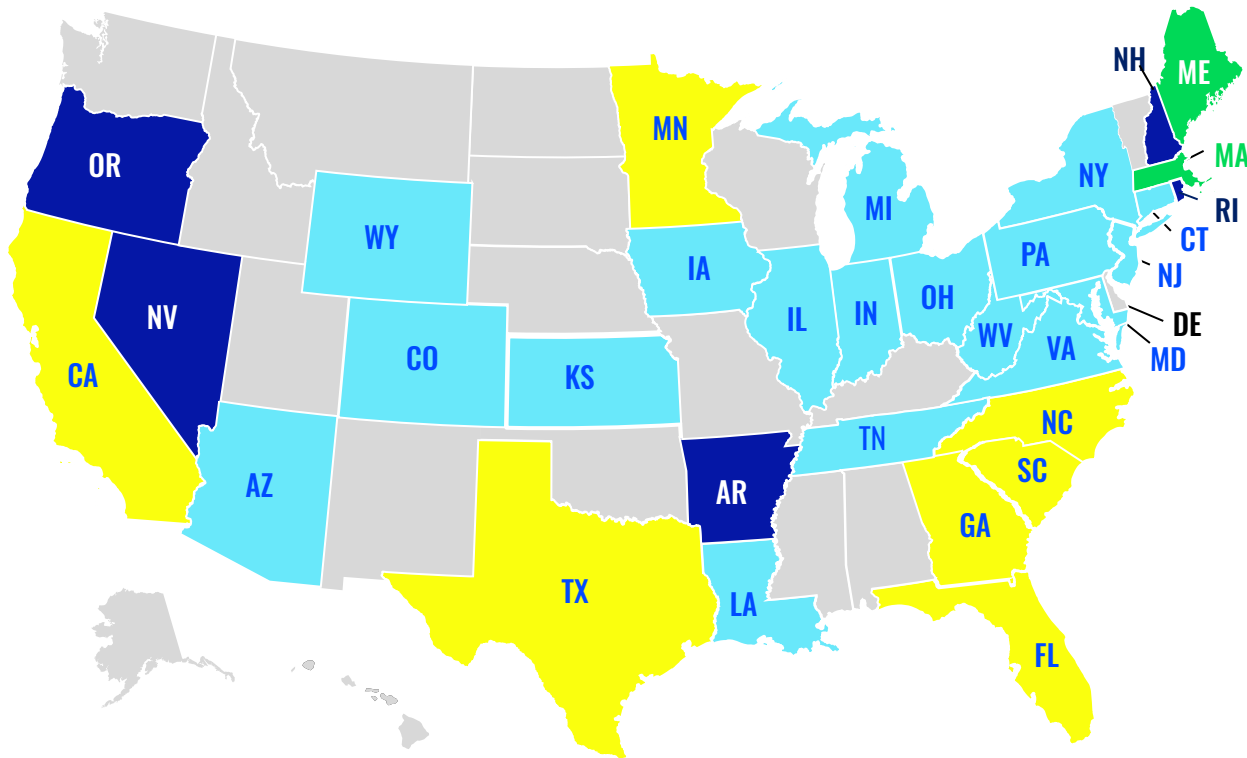
- XLM now uses the UK as an incubator for further expansion
- Continues to attract new bettors in mature markets
- Partner with EU/UK operators in US market (hybrid deals)
- Advocate for responsible gaming

# North America Portfolio and Plans



# US ONLINE SPORTS BETTING MARKET

XLMedia 'Live, Legal' market presence.



LIVE, LEGAL HIGH PRIORITY

LIVE, LEGAL DATE PENDING

LIVE, LEGAL OTHER

KEY STATES PENDING 2023+

# PORTFOLIO BRANDS



# MEDIA PARTNERS



# NATIONAL COVERAGE ACROSS ALL 50 STATES

EST. 2010  
**SATURDAY DOWN SOUTH**     **Saturday Tradition**

**SATURDAY ROAD**

**SATURDAY OUT WEST**

CROSSING  
**BROAD**

**ESNY**

**SBD**

**CSB**

**ACTION NEWS**

National college and professional sports coverage

**Newsweek**     **amny**

**MASS LIVE**



**metro**

**PGH HOCKEY NOW**

**MILE HIGH SPORTS**

**PGH SN**

**BLEACHER:NATION**

**RSR**  
RUSSELL STREET REPORT

**INSIDE THE HALL**

**PRO FOOTBALL**

Authoritative, high quality, well-known publishers



# PORTFOLIO MIX TO CAPITALISE ON THE MARKET

## OWNED & OPERATED BRANDS (BUY & BUILD)

O&O brands are **sports media and sports betting sites** that tap into fandoms providing news, insights, and sports-tainment. And when the time is right, help people make smarter bets.

**High-quality, high-performing content to generate audience growth, retention and action.**

Our brand teams are locally rooted and live within the communities they cover sharing the passion of their readers – they're fans too.

## MEDIA PARTNERSHIP BUSINESS (PARTNER)

MPB is a collective of **leading sports media and news publishers** that benefit from our quality content, industry experience and operator access.

**Provides immediate access to a substantial footprint with diversified audiences (speed & scale).**

# NATIONAL COLLEGE SPORTS COVERAGE

Brands that cover every region to reach fans across the country

**182m+**

individuals have a favourite college team they follow regularly

**65.5%**

of teen/adult population identify as college sports fans

**1.6x**

more likely to have incomes higher than \$100K

**Spend  
~\$3.5bn**

annually on college apparel & merchandise



**SATURDAY  
DOWN SOUTH**  
EST 2010

Next 3 big states to watch (TX, FL, GA) with major college teams have a **combined market size of 63 million**



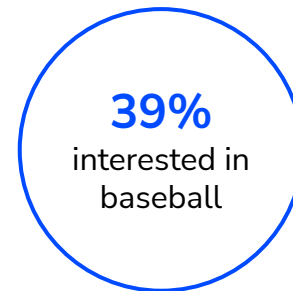
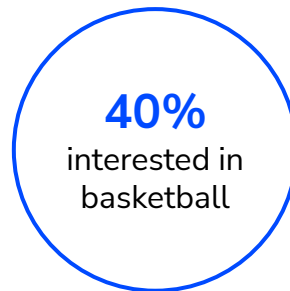
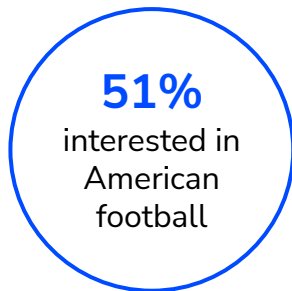
# NATIONAL PROFESSIONAL SPORTS COVERAGE



Covers PA, NY & NJ for a  
combined market size of 42 million

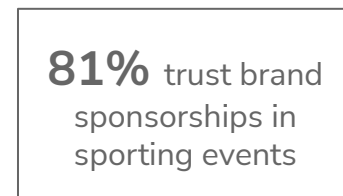
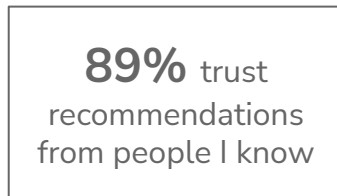
## MOST POPULAR SPORTS AMONG FANS IN THE UNITED STATES

AS OF APRIL 2022\*



## MOST TRUSTED ADVERTISING CHANNELS WORLDWIDE

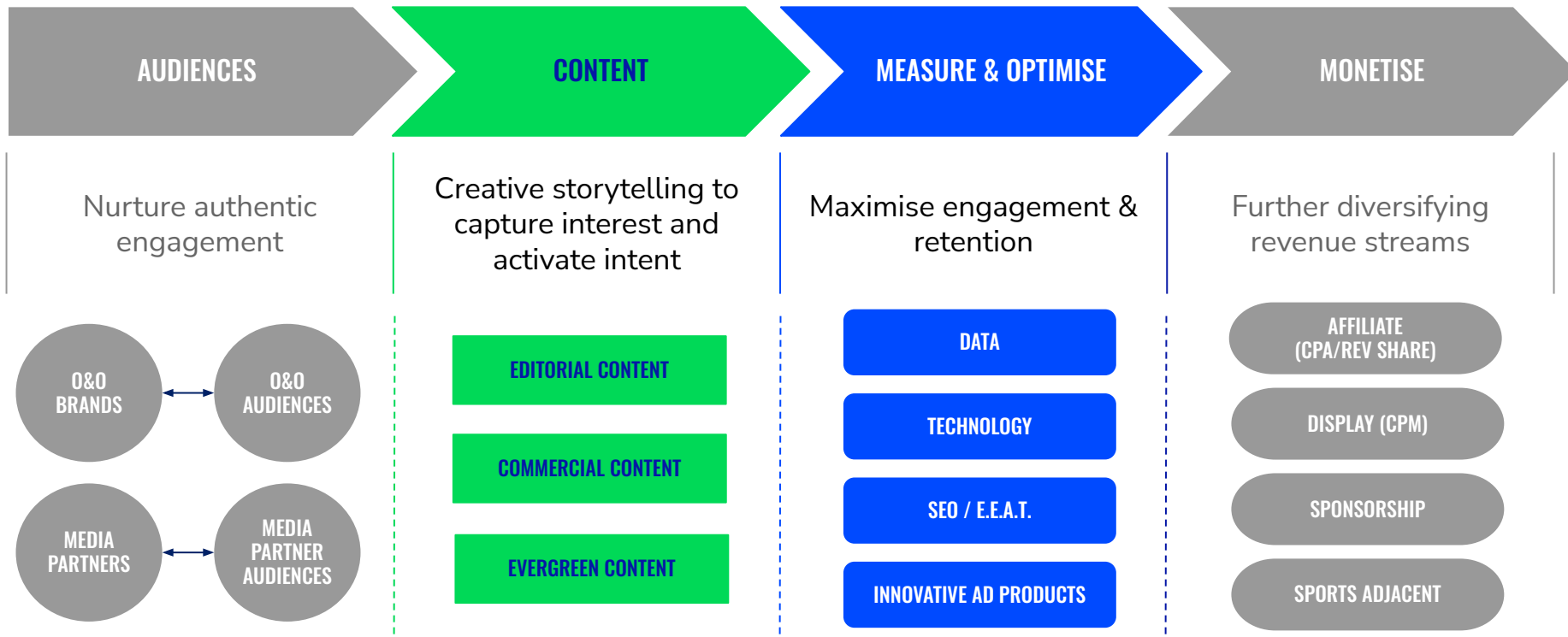
AS OF SEPTEMBER 2021\*\*



\*Source: Nielsen. (July 31, 2022). Most popular sports among fans in the United States as of April 2022

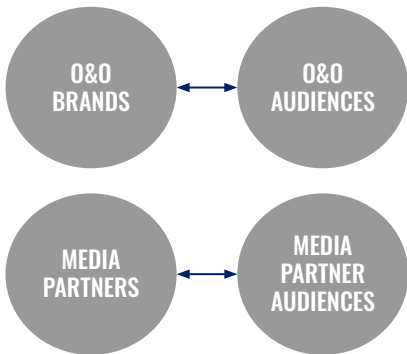
\*\*Source: Nielsen (niensensports.com). (April 7, 2022). Most trusted advertising channels worldwide as of September 2021. Percentages represent "completely trust" and "somewhat trust"

# OUR BRANDS ARE DESIGNED TO ENGAGE AUDIENCES, BUILD TRUST AND DRIVE RETENTION



AUDIENCES

Nurture authentic engagement



CONTENT

Creative storytelling to capture interest and activate intent

- EDITORIAL CONTENT
- COMMERCIAL CONTENT
- EVERGREEN CONTENT

MEASURE & OPTIMISE

Maximise engagement & retention

- DATA
- TECHNOLOGY
- SEO / E.E.A.T.
- INNOVATIVE AD PRODUCTS

MONETISE

Further diversifying revenue streams

- AFFILIATE (CPA/REV SHARE)
- DISPLAY (CPM)
- SPONSORSHIP
- SPORTS ADJACENT

# CONTINUOUS CYCLE THAT TAPS INTO AUDIENCE ENGAGEMENT & DRIVES RETENTION

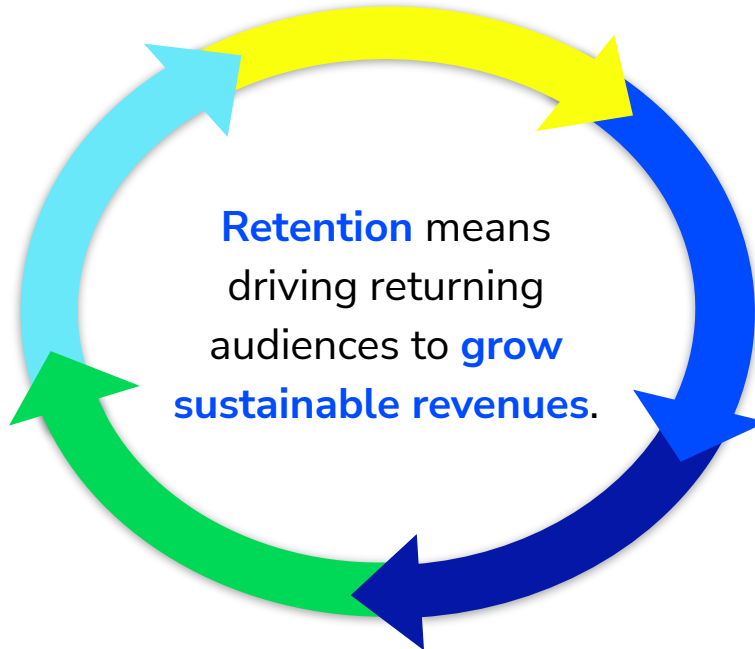


**BETWEEN GAME**

Layer coverage with off-field content to add deeper engagement seeding next game excitement.

**POST GAME**

Bridge game recap with anticipation for following week.



**PRE-GAME**

Lead-up to build excitement and anticipation for upcoming game in authentic fan voice.

**GAME**

Join in the conversation as a fan via social media.

# Media Partnerships



# MEDIA PARTNERSHIP BUSINESS

Combines **our commercial sports betting content** with our partners' great sports coverage to **engage their audiences**.

The Group is now an industry leader in partnering with media businesses.

Newsweek

amny

MASS LIVE



metro

PGH HOCKEY NOW

MILE HIGH  
SPORTS

PGH SN

BLEACHER NATION



INSIDE  
THE HALL

Q-PRO  
FOOTBALL  
NETWORK

# COMMITMENT TO DELIVERING IMPACTFUL RESULTS FOR OUR PARTNERS

## WHAT WE DELIVER TO MEDIA PARTNERS

Highly engaging  
sports betting content

Excellent client service

New revenue streams

Manage commercial deals with  
regulated operators

New content offering for  
audiences

Portfolio support

Proven promotional strategies

Enhanced SEO

Superior market intelligence

Tracking, reporting and  
payments



# CURRENT NORTH AMERICA FOOTPRINT

Monthly Uniques (MUs) is defined as the number of individuals (browsers) who visit a site at least once in a 30-day period.

## LEGAL, LIVE & LEGALISED PENDING LAUNCH STATES

O&O Monthly Uniques*	5m+
MPB Monthly Uniques**	41m+
<b>TOTAL MUs</b>	<b>46m+</b>

## POTENTIAL FUTURE STATES

O&O Monthly Uniques*	6.3m+
MPB Monthly Uniques**	40m+
<b>TOTAL MUs</b>	<b>46.3m+</b>

## TOTAL ACROSS 50 STATES

O&O Monthly Uniques*	11.3m+
MPB Monthly Uniques**	81m+
<b>TOTAL MUs</b>	<b>92.3m+</b>

\*O&O average MUs from Sept 2022 - Dec 2022

\*\* MPB average MUs from Jan 2022 - Dec 2022

# North America Revenue Growth and Diversification



# BUILDING A SUSTAINABLE CONTINUOUS STREAM OF MONETISABLE ENGAGEMENT



# DIVERSIFICATION FOR SUSTAINABLE REVENUE

## MARKET

CPA-led revenue

Limited number of operators in the US

US sports seasonality

Maturing footprint

## OPPORTUNITY

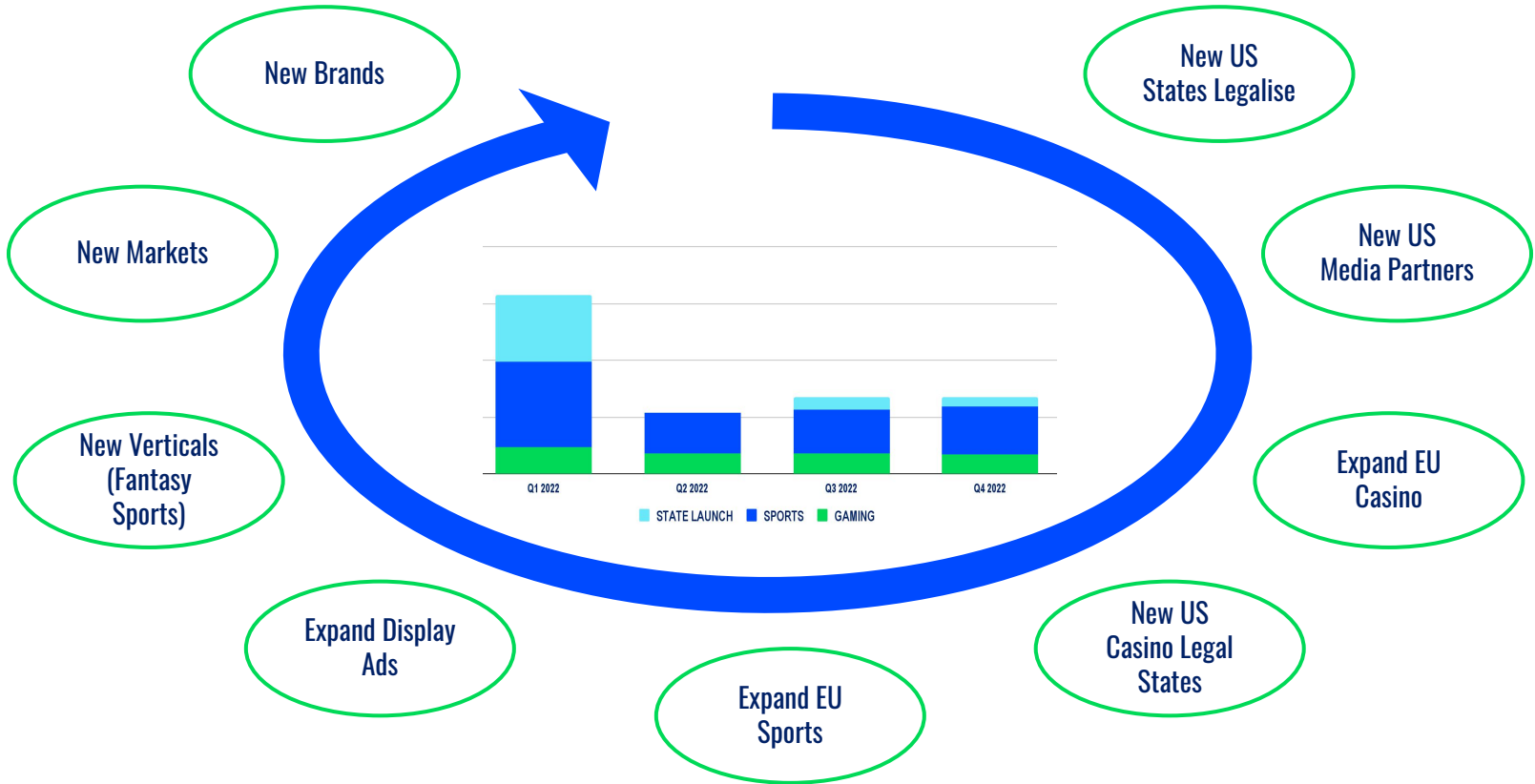
Develop hybrid and rev share, provide new offerings (daily sports fantasy), new ad products (contextual ads)

Partner with more operators & sports-adjacent advertisers

Add new verticals (daily sports fantasy), casino offers, and sports-adjacent offers

New/expanded media partnerships in new geographies, launch/expand O&O brands, consider smaller, targeted acquisitions

# REVENUE STREAMS TO BALANCE NORTH AMERICA SPORTS SEASONALITY

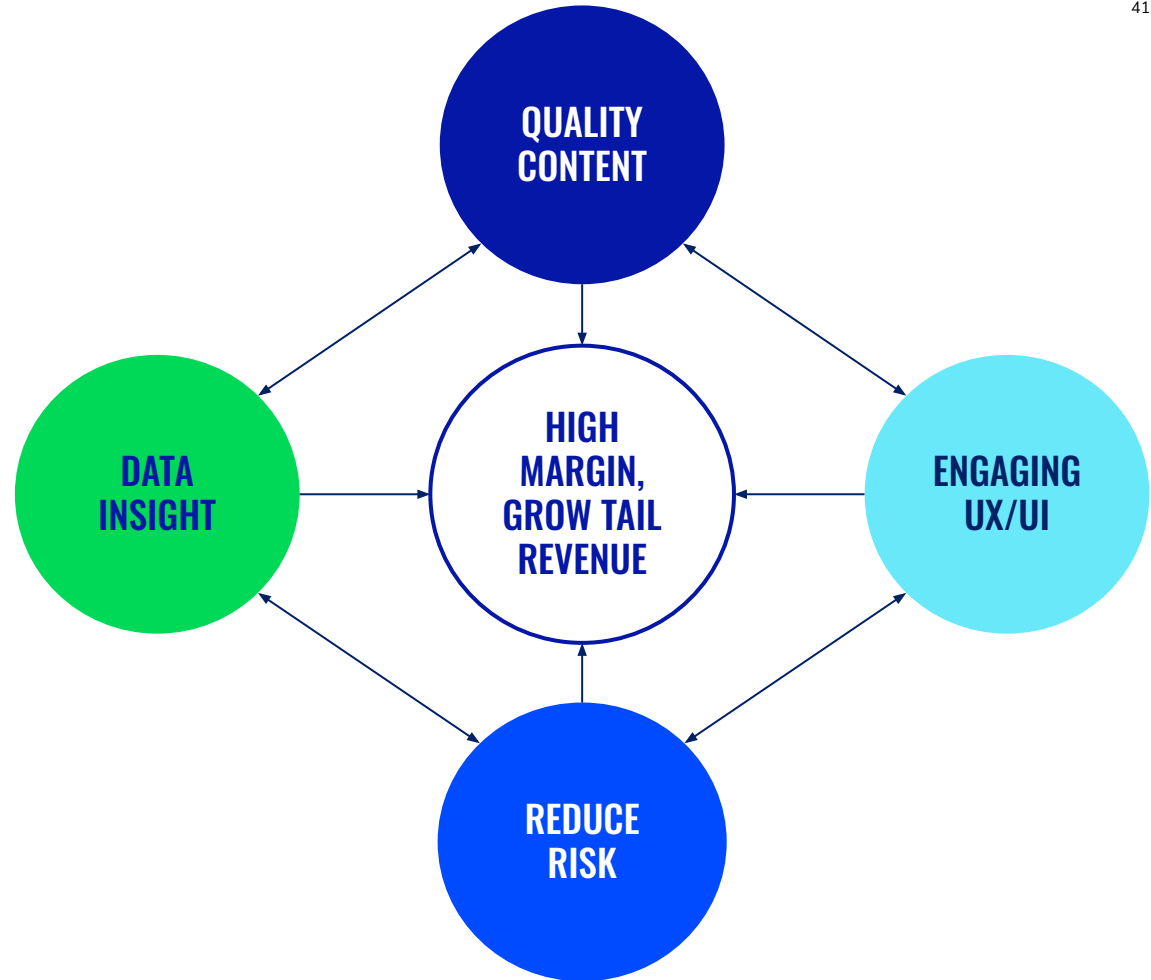


# Gaming Portfolio Approach

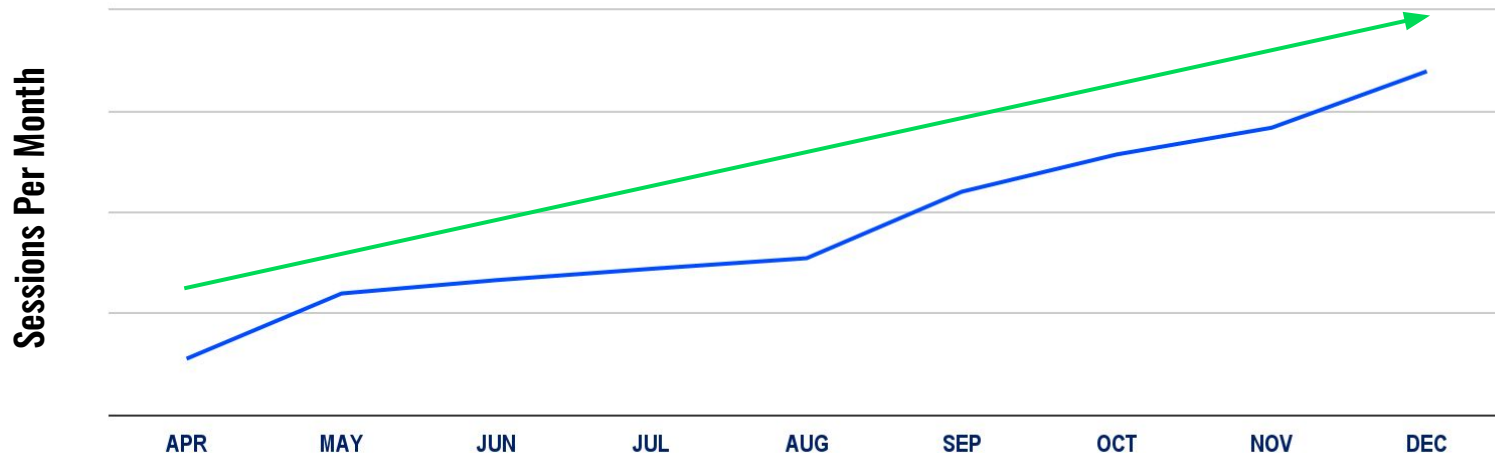




# GAMING: REDUCING RISK AND BUILDING SUSTAINABLE REVENUE



# COMBINED OUR MANAGEMENT METHOD IS ALREADY YIELDING NEW GROWTH AND RECOVERY



# GAMING PORTFOLIO UPDATE

## REFINED PORTFOLIO



NETTIKASINOT.COM



casino.se

**Caziwoo**

**WhichBingo**  
Find your new bingo site today

## US GAMING EXPANSION

- Legal in 5 states, already seeing steady growth in traffic
- Leverage US Sports brands and European expertise to drive US opportunity

## FOCUS ON PERFORMANCE

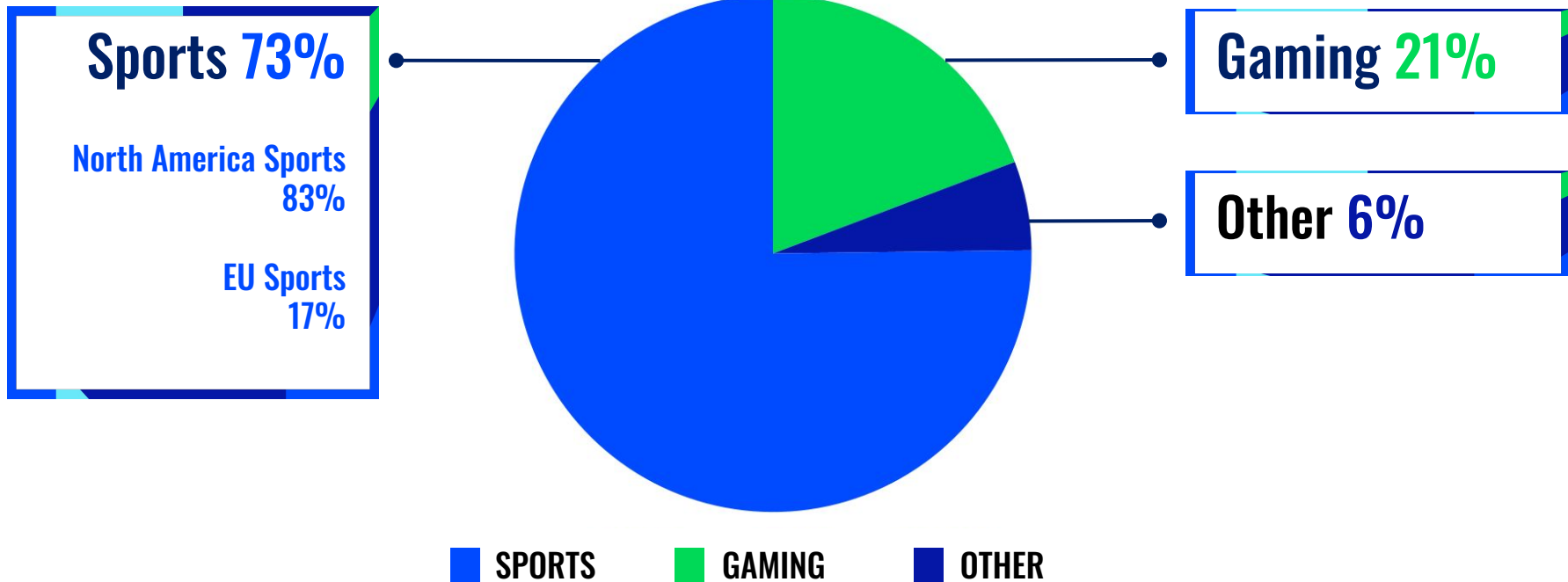
- Nettikasino.com saw YoY growth of 20% in sessions and 12% in clickouts
- Casino.se had YoY increase of 141% in traffic since April 2022 compared to the same period in 2021
- Offset sports cycles (less seasonal)
- Share learning across business
- Emphasis on generating new tail and hybrid deal partnerships

# Financial Approach & Capital Allocation

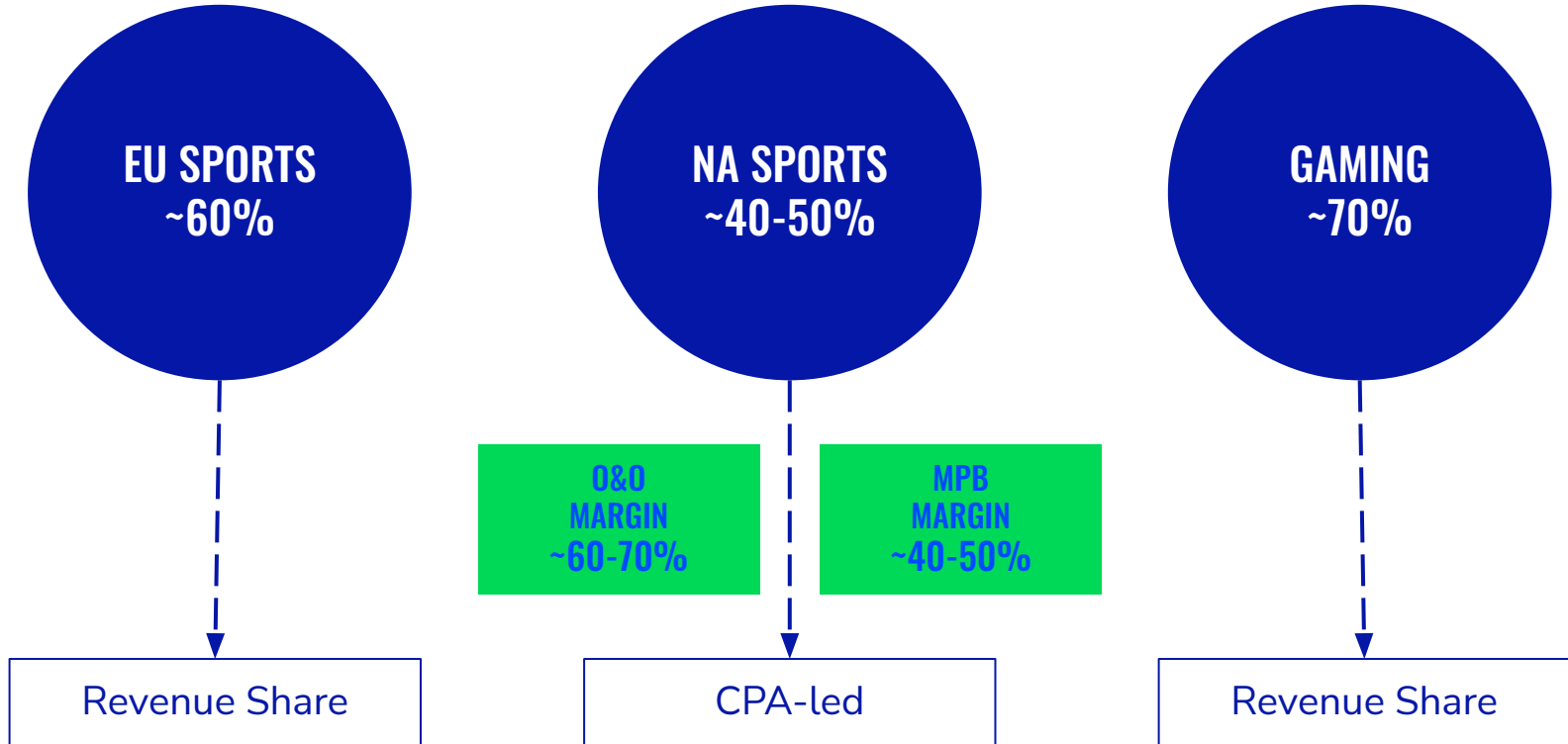


# BUSINESS REVENUE MIX

Sports and Gaming identified as core. Other identified as non-core.



# TARGET CORE BUSINESS GROSS MARGIN



# FINANCIAL APPROACH

Overall purpose is to deliver value to shareholders. Critical to all our plans is the financial health of the business. We are prudent with cash management.

## FOCUS

- Simplify business, exit non-core
- Remove management layers and centralise functions
- Invest in fewer, better brands with growth potential
- Direct resources to activities that promote innovation
- Prioritize cost-controls

## ENSURE THE GROUP HAS WORKING CAPITAL SUFFICIENT TO SUPPORT

- Acquisition deferred payments and earnouts
- Seasonal nature of sports betting market and state launch uncertainty
- Transition from CPA to hybrid revenue
- Possible market volatility

# Summary





# CLARITY + INNOVATION = GROWTH

Clarity to allow us to focus on innovation, innovation to promote growth, growth to drive shareholder value.

Quality content and best practice

Brands, engagement, trust and retention

North America market and Media Partnerships

Diversify revenue streams

Emphasise innovation

Grow UK sports and rebuild European gaming

# Q&A

