

XL MEDIA PLC **WEBCAST** **FULL YEAR 2021**

29 MARCH 2022

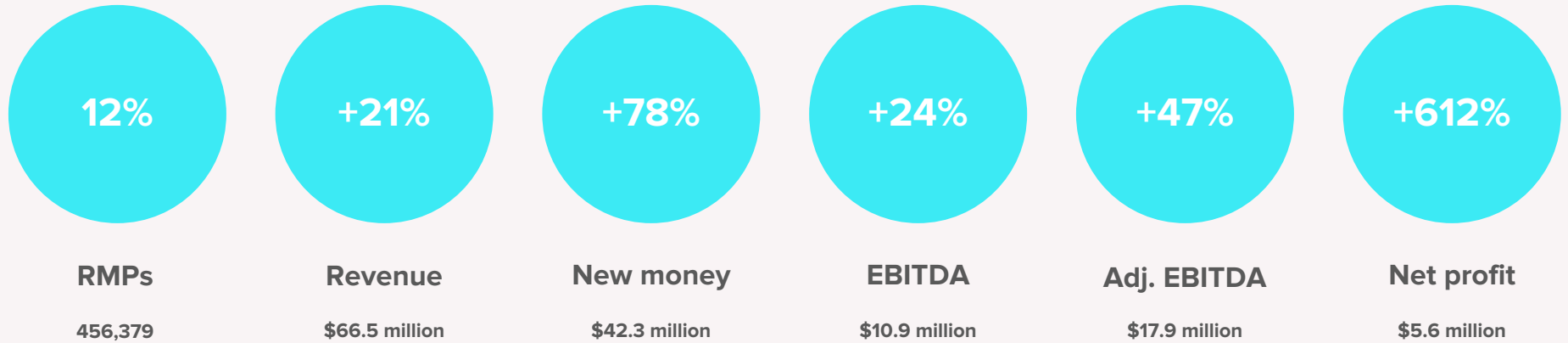




1.

BUSINESS HIGHLIGHTS

The Group: Financial highlights FY21



Business highlights



- **Robust financial performance across FY21, underpinned by strong performance from Sports**
- **North America year-on-year revenue increase of 178%**
 - Seasonal growth in 20/21 was 574%
 - Strategic acquisitions (Sports Betting Dime & Saturday Football Inc) creating infrastructure to capitalise upon ongoing legalisation of North American sports gaming market
 - Investment in new revenue streams with media partnerships
- **Financial performance bolstered by a renewed focus on cost reduction**
 - On track to complete organisational redesign and rationalisation in H1 2022
 - Rightsized and focused on addressing high growth regulated markets
 - Delivering annualised gross cost savings of \$5-6 million
- **Acquisition of BlueClaw, multi award-winning SEO and digital PR agency**
- **Group focus on expanding portfolio of premium branded assets whilst delivering operational efficiencies**

A strong start to 2022



- **Signed key commercial and partnership agreements in North America**
 - AMNY, leading news site in Manhattan and New York City
- **North American Sports season YOY revenue increase of 574%**
 - 20/21 season generated \$5.7 million
 - 21/22 season (yet to conclude) stands at \$38.4 million; positively impacted by New York state legalisation





2.

FINANCIAL PERFORMANCE

Verticals: Revenue highlights FY21*

Reshaping growth focus

Sports

Revenue	Share of Group Revenue
+178% <i>\$31.4 million</i>	+23% <i>50%</i>
New Money	Old Money
+760% <i>\$24.6 million</i>	-19% <i>\$6.8 million</i>
RMPs	Rev / RMPs
+125% <i>102,405</i>	+24% <i>\$307</i>

Personal Finance

Revenue	Share of Group Revenue
+4% <i>\$8.7 million</i>	-2% <i>13%</i>
New Money	Old Money
+4% <i>\$8.7 million</i>	- <i>\$0 million</i>
RMPs	Rev / RMPs
+10% <i>318,727</i>	-5% <i>\$27</i>

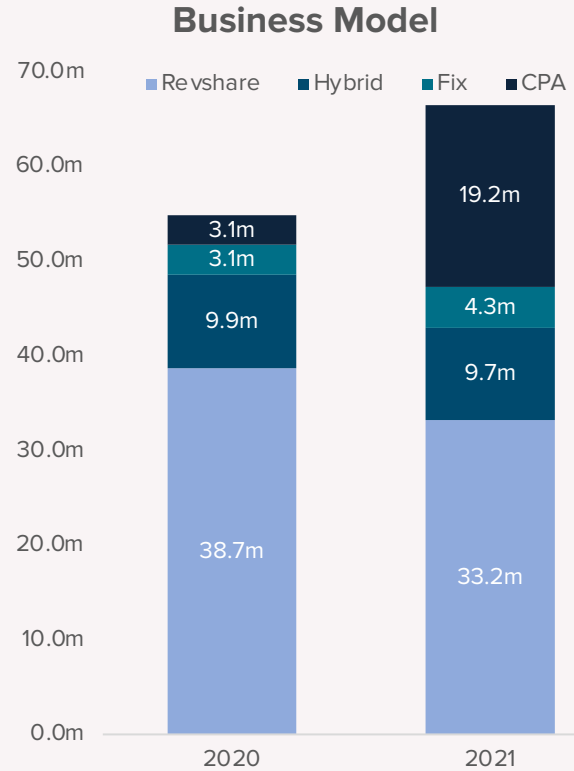
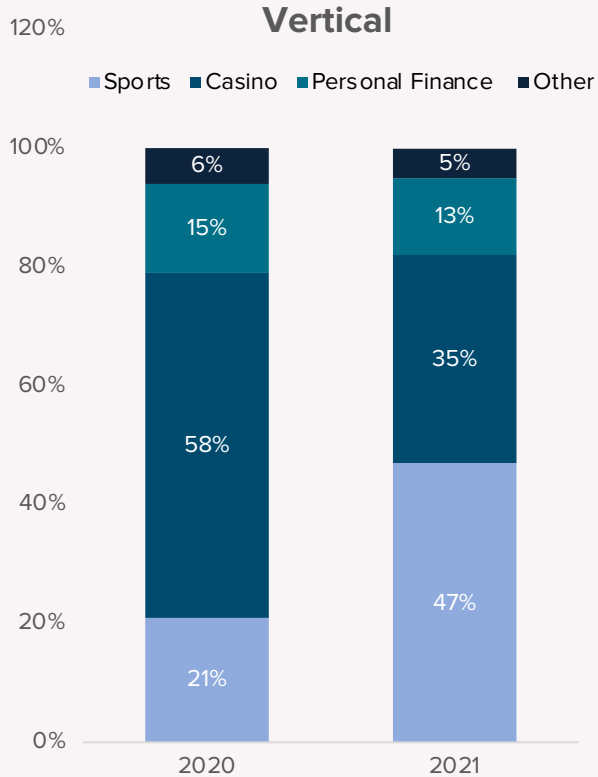
Casino

Revenue	Share of Group Revenue
-27% <i>\$23.2 million</i>	-21% <i>37%</i>
New Money	Old Money
-36% <i>\$5.8 million</i>	-23% <i>\$17.4 million</i>
RMPs	Rev / RMPs
-52% <i>35,247</i>	-5% <i>\$659</i>

*\$3.1m of Reef & Blue Claw excluded

Revenue Mix

Diversifying Revenue Streams



EBITDA to Adj. EBITDA Reconciliation

Transformation is driving the adjustments to EBITDA





3.

BUSINESS REVIEW

Strategy to date

Delivering on our strategy to develop a best-in-class asset base – connecting consumers and brands in high, growth, large, regulated markets

FROM

TO

Non-regulated territories

Fully regulated territories, minimising risk of penalisation

European based business

Global business inclusive of Europe, US, LATAM & Asia

Strategy concentrated on **Casino** with low single-digit growth

Strategy diversified into high growth verticals – **NA Sports & Network**

Audience led with a focus on many sites ('000s)

Brand-led with sub-40 focus sites

Reliance on maintaining and retaining **old money**

Focus on **generating new money** through new business models

Inefficient organisation design and location strategy

Right-sized organisational design teams located closer to the audience and the brands

Our Sports business



Achieving meaningful scale in fast growing North American market

- **Strong performance across NA assets in FY21 (outperformed expectations)**
- **Revenue of c. \$31.4 million in FY21 (more than double FY20 revenue)**
- **Live in 15 states, including New York (the No. 1 market for legalised sports betting)**
- **Blueprint to both leverage and scale the opportunity as more States and provinces legalise online sports betting in FY22/23**
- **Publisher partnerships increasing coverage and scale**
- **European Sports vertical delivered solid 7% uplift**

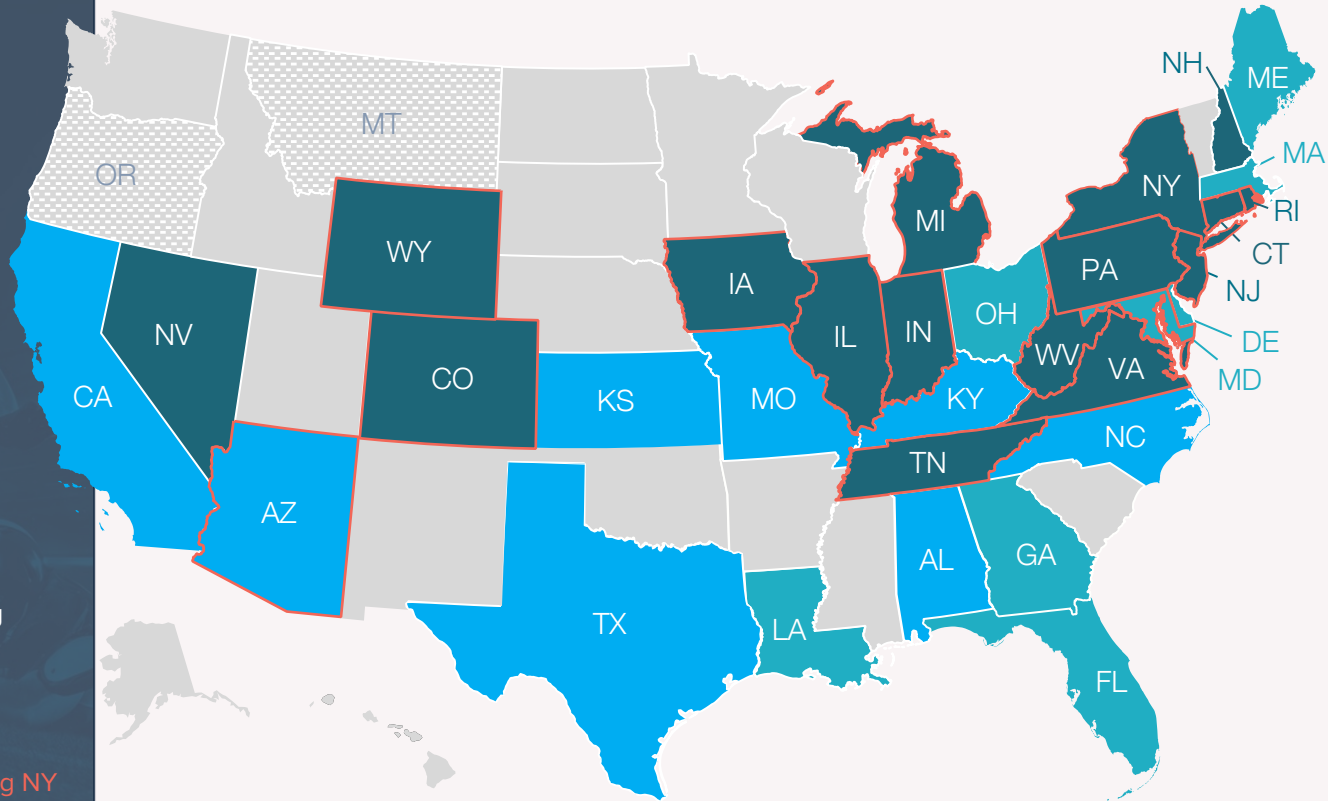
Immense NA market potential

- A solid platform for further NA expansion as the number of regulated states increases
- Benefiting from a friendlier legal infrastructure since PASPA was overturned in 2018

- Live fully mobile sports betting
- Possible 2022 mobile sports betting launch with affiliate market
- Discussions about potential mobile sports betting bill
- XLMedia footprint: 15 states including NY

Sports betting industry predicted
to reach in revenue by 2025
(source: Morgan Stanley)

\$7bn



2020

H1 2021

H2 2021

Jan 2022

ACQUIRE CBWG & ENTER MARKET

ACQUIRE SPORTS BETTING DIME & GROW MEDIA PARTNERSHIPS

ACQUIRE SATURDAY INC. & ADD AMNY & MILE HIGH SPORTS TO MEDIA PARTNERSHIPS

EXPAND MEDIA PARTNERSHIPS AND CAPITALISE ON REGULATORY TAILWINDS



BET NEW JERSEY



Live in 8 States

2020

Live in 10 States

H1 2021

Live in 13 States

H2 2021

Live in 15 States

JAN 2022

**States with legalised mobile sports betting*

Update on other business areas



- **European Casino business delivered performance in line with expectations**
 - Smaller, more efficient cost base
 - Ongoing trading pressures alongside expected tail revenue decline
 - Finnish Casino assets, as previously highlighted, continue to face trading pressures
- **Personal Finance delivered a flat performance in FY21**
 - FY22 revenue expected to be less than FY21, with trading challenging yet profitable
 - Migration of Personal Finance team to North America from Israel completed
 - Key Personal Finance assets being re-platformed during FY22 for improved site, SEO and CX performance



4.

KEY

TAKEAWAYS

Key Takeaways

The NA business is
outperforming expectations

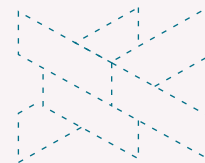
Regulations drive
new business opportunities

Positioned to further
capitalise on NA market
opportunity

Strategic publisher
partnerships in place

Good progress in
rationalisation &
de-risking of Group

Attractive growth prospect
as undervalued stock



Thank you for your attention

Upcoming events

19/05/2022
Annual Report 2021

10/06/2022
Annual General Meeting

Contact

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