

Acast

Interim Report Jan-Jun 2024

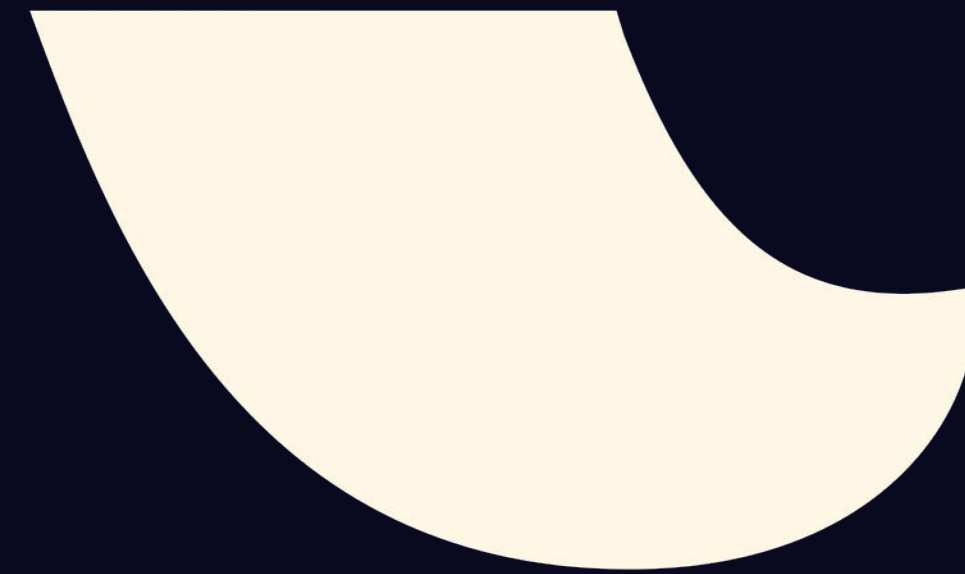
26 July 2024

www.acast.com





Hello!
We're Acast.



In The “Room”



Ross Adams

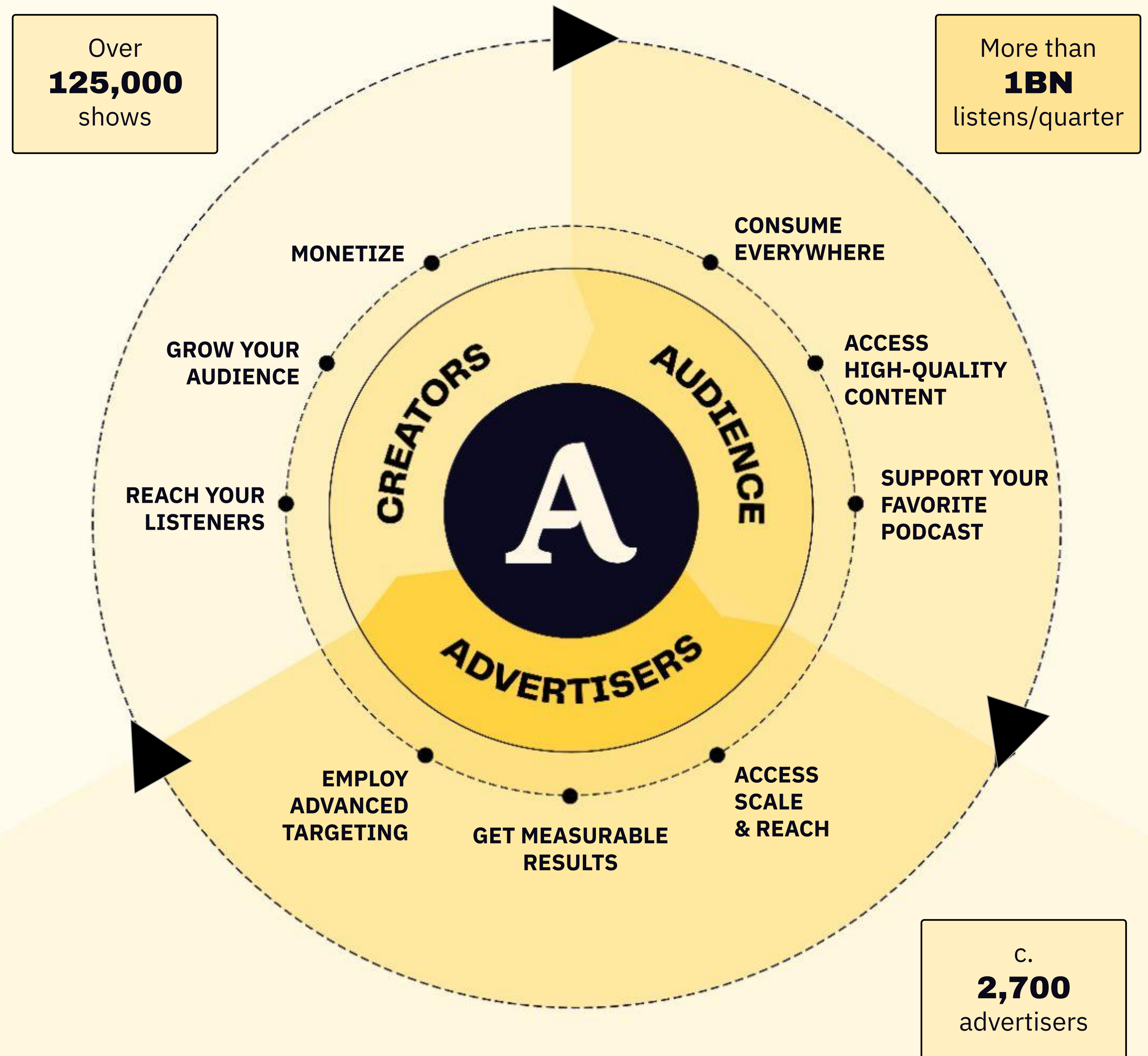
CHIEF EXECUTIVE OFFICER



Emily Villatte

CHIEF FINANCIAL OFFICER & DEPUTY CEO

Uniquely positioned at the center of the podcasting value chain

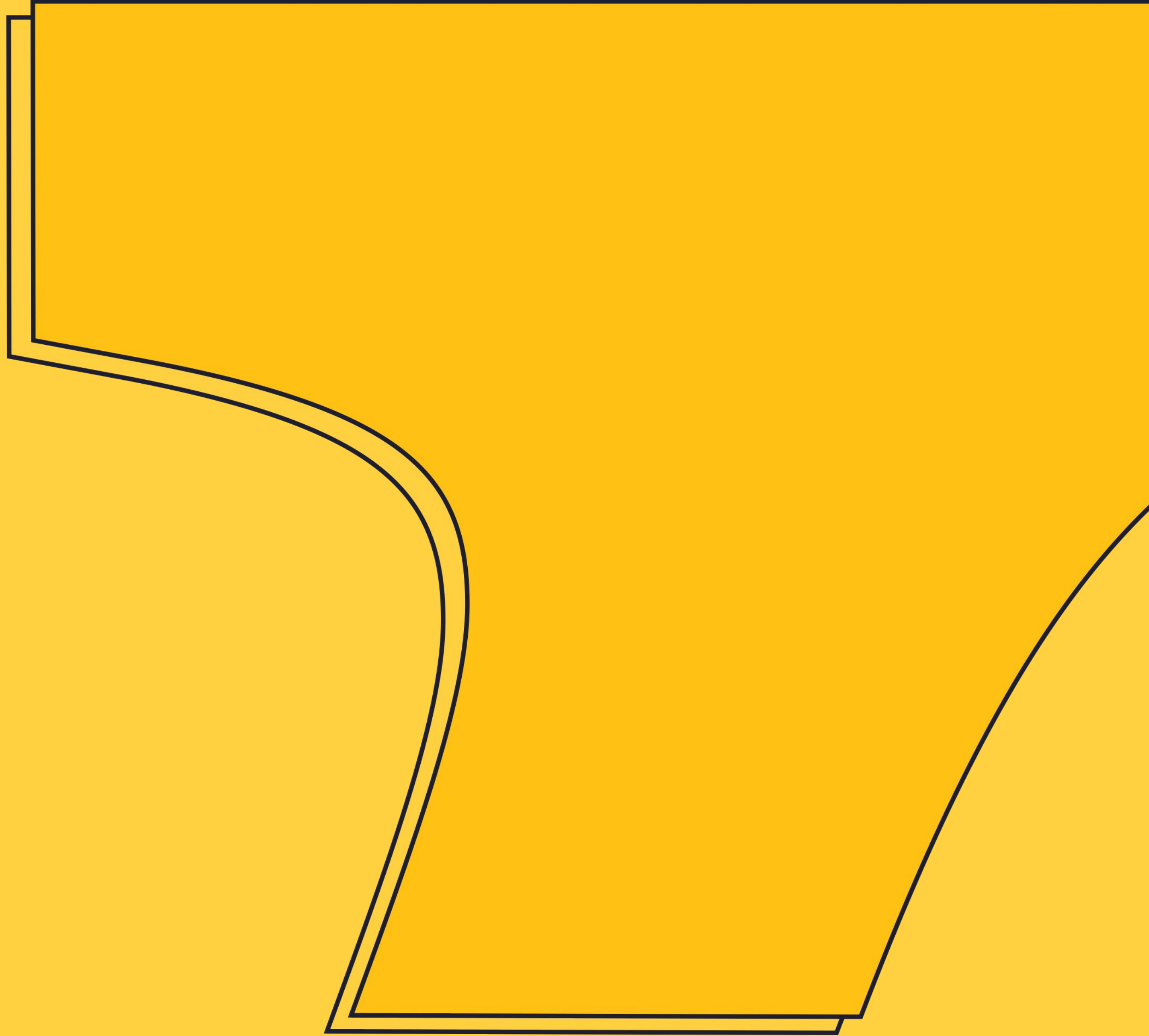


The largest podcast network globally



1

CEO Update



Financial highlights Q2 2024

24%

**NET SALES
GROWTH**

39%

**GROSS
MARGIN**

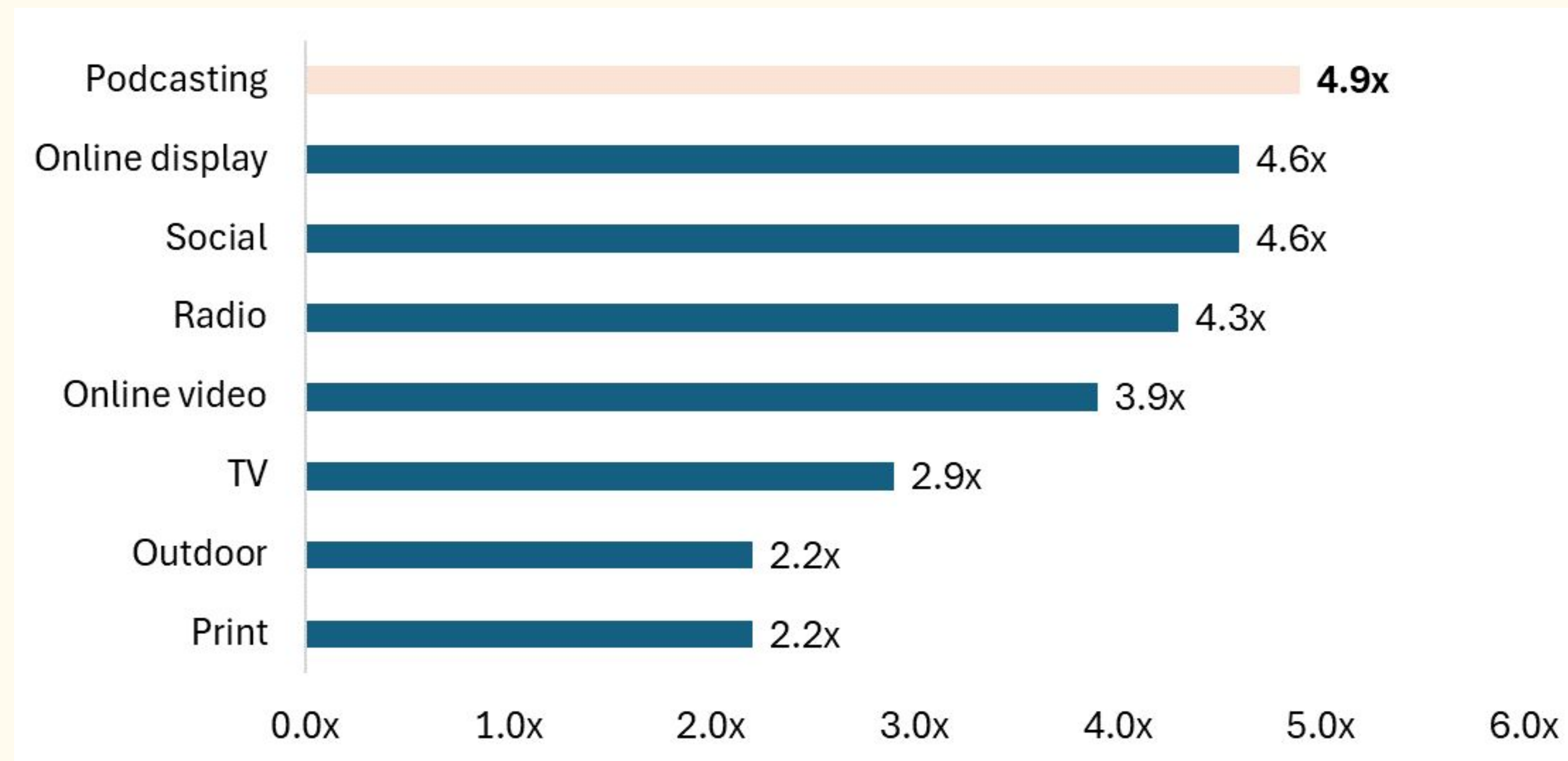
-2%

**EBITDA
MARGIN**

Another step closer to profitability

Championing one of the most efficient media channels

Long-term ROAS



**ROAS is defined as direct sales from an ad investment*

Podcast advertising found to be 34% more cost-effective in driving brand awareness compared to other media average ROAS

Multichannel is gaining traction

Acast's integrated marketing campaigns for podcast advertisers

Acast is leading new approaches to integrated marketing campaigns for podcast advertisers around the globe.

A recent study by Cumulus Media and Signal Hill Insights found half of weekly podcast consumers follow their favourite podcasters on social media. According to the same study, this number increases to 68% when looking specifically at podcast listeners between the ages of 18 and 34.




The image shows a promotional graphic for Acast. At the top, it says "Acast leads multichannel advertising campaigns". Below this, there are three devices: a smartphone displaying a podcast cover for "Mrs Robinson's Red Rice", another smartphone displaying a social media post, and a laptop showing a video podcast recording session with two people. The Acast logo is prominently displayed on the left.

Acast benefits from the increasing popularity of video podcasts

The company recorded a 46% growth in the number of brands launching podcasts as part of multichannel campaigns in 2023.

By Andrea Hernandez 5 hours ago



The image shows a person in a public space, possibly a train or bus, wearing large headphones and holding a smartphone. They appear to be listening to a podcast. Other people are visible in the background, some also looking at their phones.

campaign

LATEST > CREATIVE WORK > TOP BRANDS & AGENCIES > EXPERIENCES > THE KNOWLEDGE > EVENTS

TRENDING: CANNES 2024 FEATURES & ANALYSIS THE A LIST SCHOOL REPORTS PODCASTS

Campaign Audio Advertising Awards 2024 winners: Best Advert

The winner in this category is Acast/TFL's Tour of Soho

by Staff



The image shows a promotional graphic for the Campaign Audio Advertising Awards 2024. It features a man's face in a circular frame, with the text "HOMO SAPIENS" and "WINNER" overlaid. Above the frame, it says "TFL'S TOUR OF SOHO" and "ACAST FOR TRANSPORT FOR LONDON". The background has a blue and green wavy pattern.

radioinfo

NEWS PODCASTINFO JOBS CHARTS MENU

Acast providing beyond the podcast advertising solutions

10 March 2024 · Podcastinfo

Independent podcast company **Acast** continues to create innovative "beyond the podcast" advertising solutions to help brands reach audiences across the world through traditional and emerging media channels.

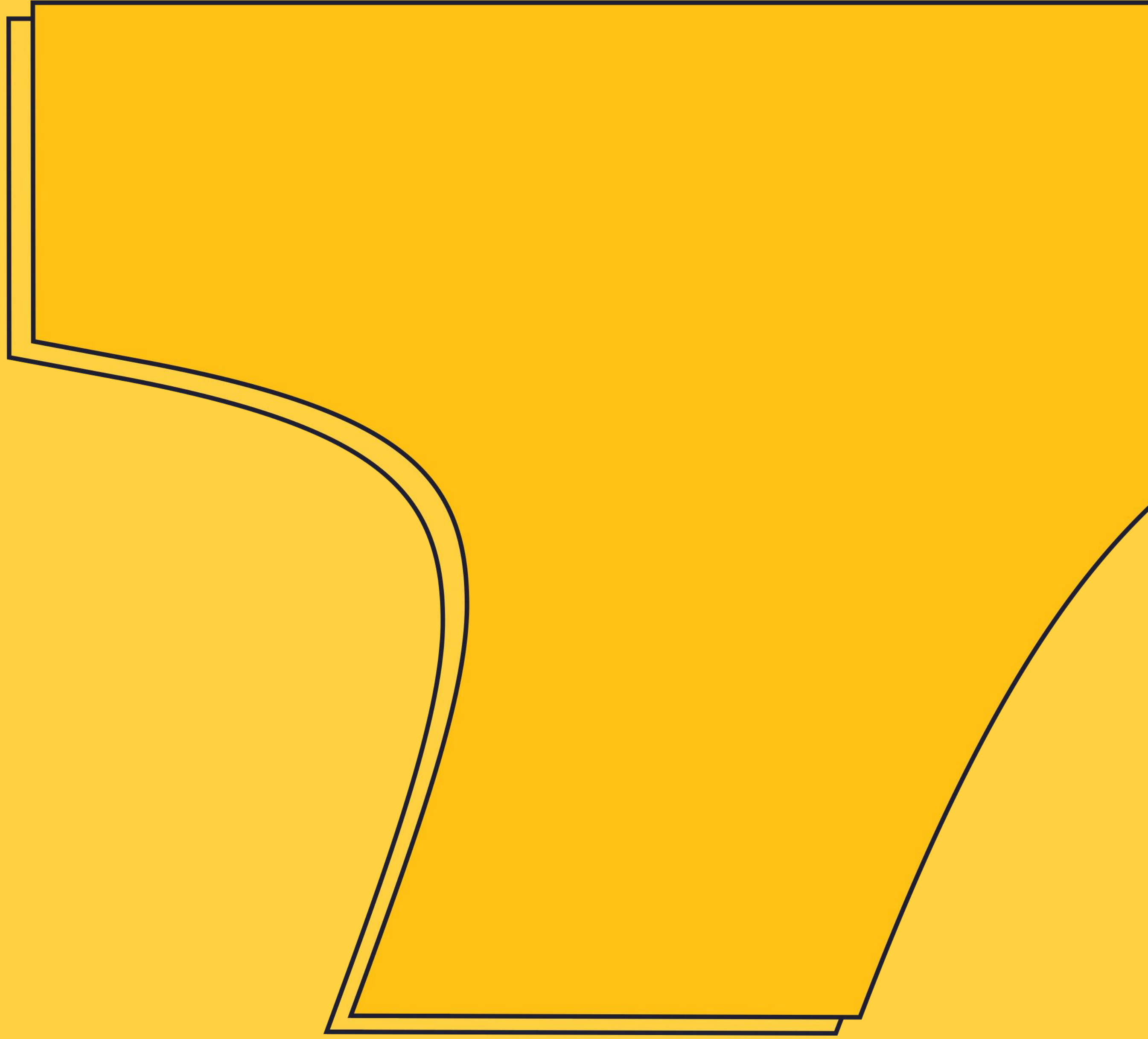
Examples of recent signings



The image displays four examples of recent signings for Acast. Each example is a promotional graphic for a different podcast or brand. 1. "Have a word THE PODCAST" featuring two men in a studio setting. 2. "THE FELLAS PODCAST" featuring two men, one wearing a blue cap and the other an orange hard hat. 3. "SHXTS N GIGS With James & Fuhad" featuring two men in a studio setting. 4. "sweat daily with Kayla Itsines" featuring a woman wearing sunglasses and holding a smartphone.

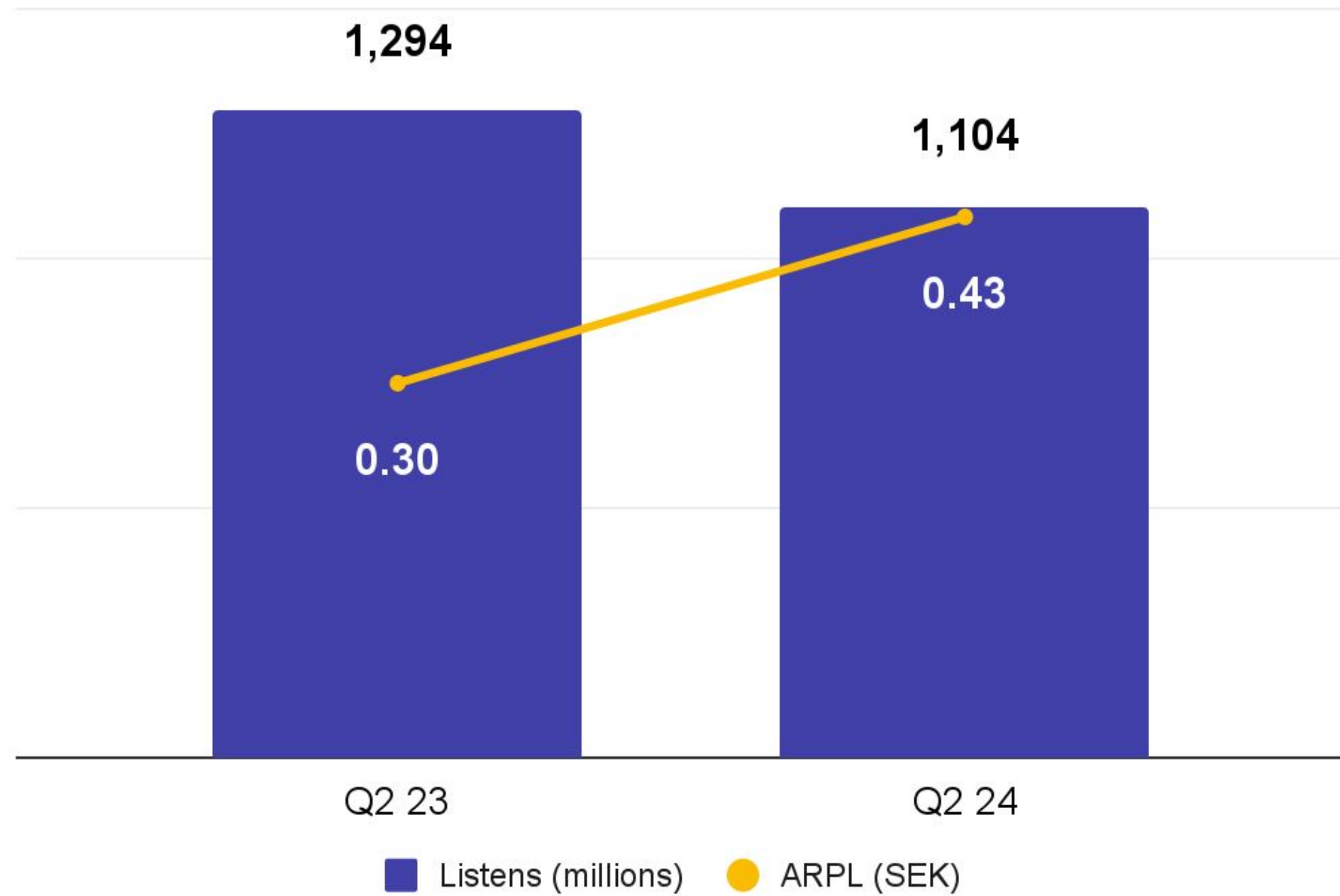
***Multichannel advertising: using multiple platforms to reach customers beyond just podcasting**

Financials



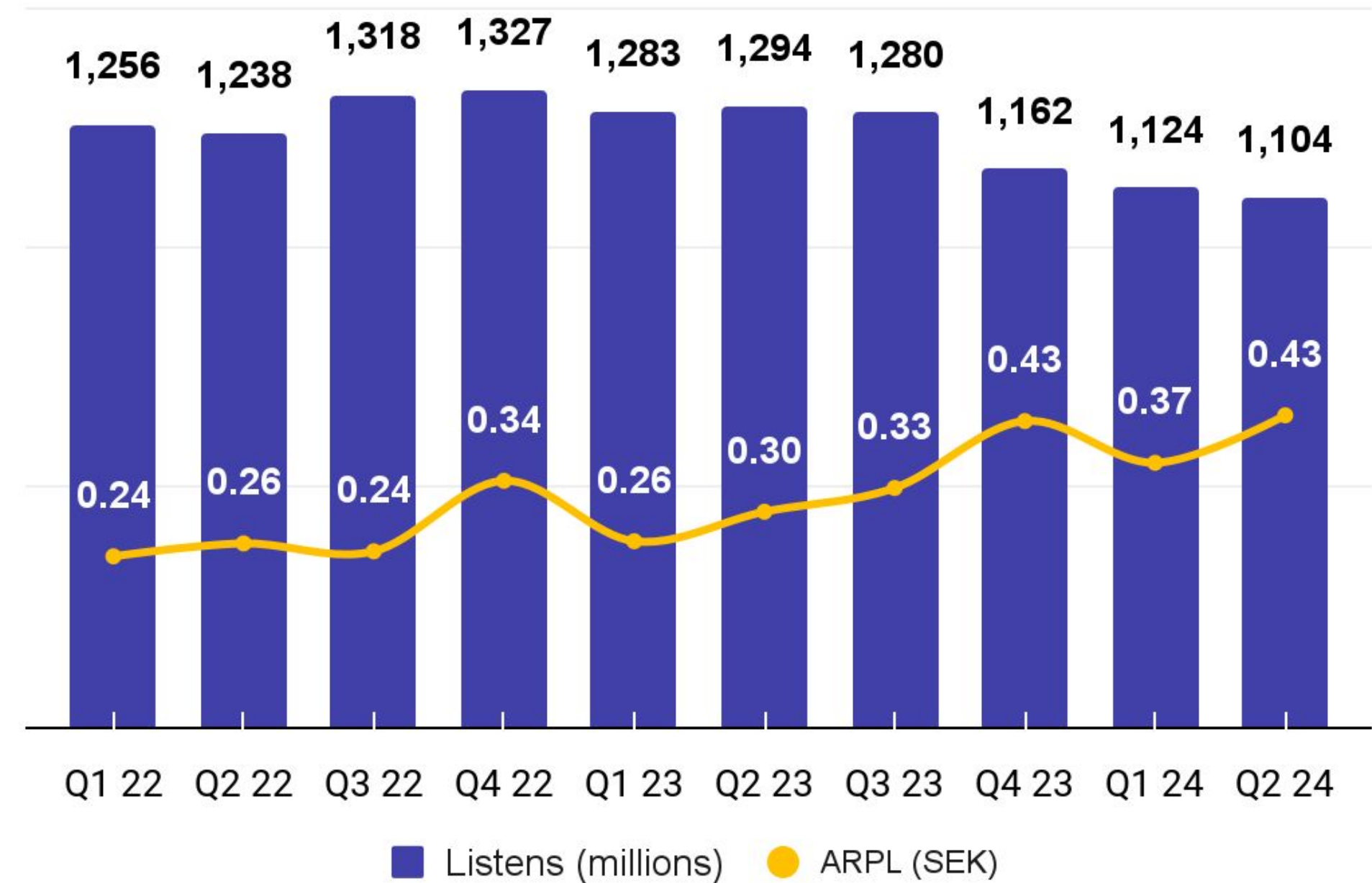
ARPL up 45% Y/Y

Listens (m)



- Listens down 15% Y/Y due to the previously mentioned iOS17 rollout
- ARPL increased by 45% compared to last year

Quarterly Listens and Average Revenue Per Listen

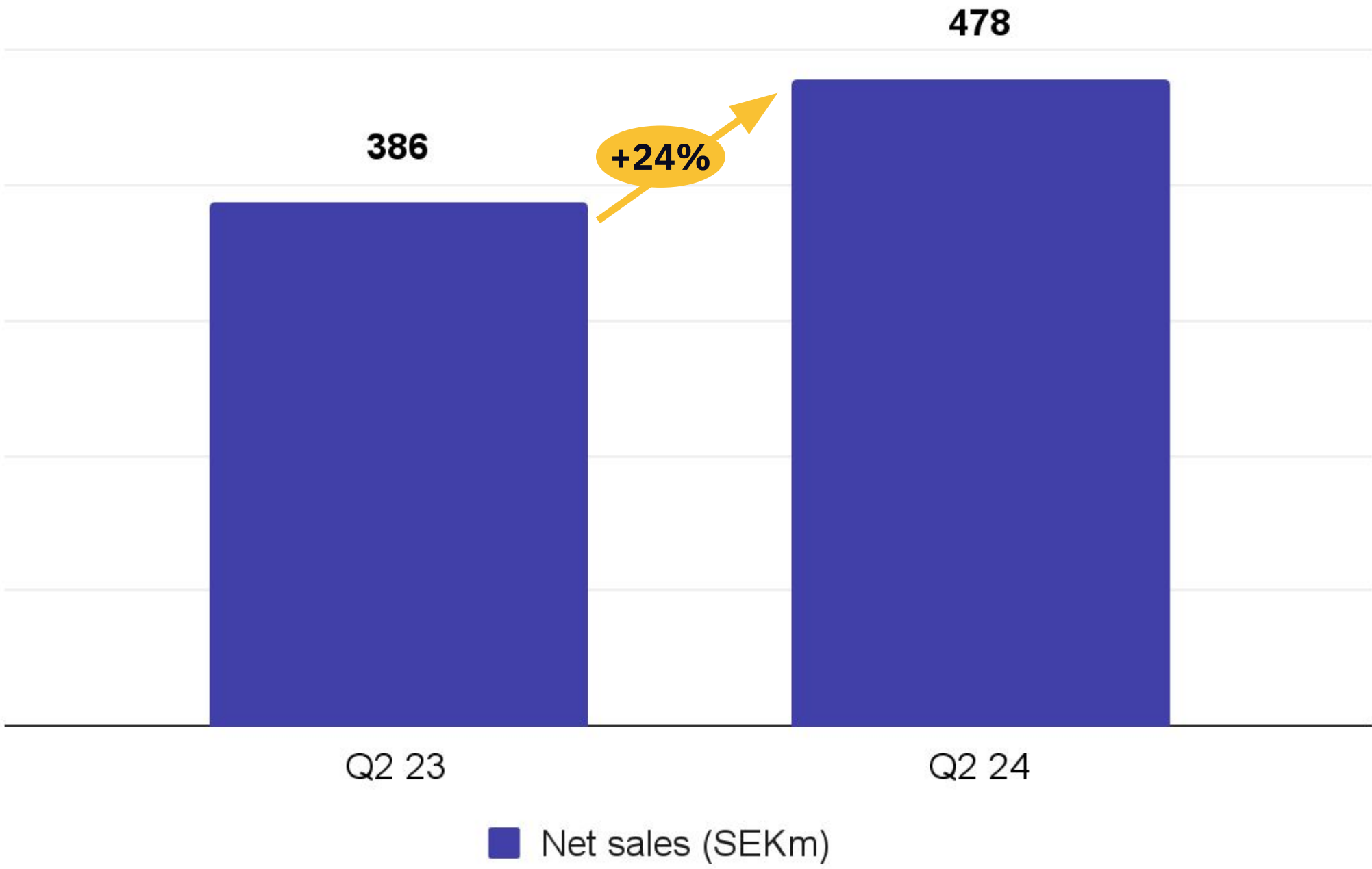


- ARPL continues to trend positively

Note: Number of listens 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.
ARPL: Average Revenue Per Listen measured in SEK

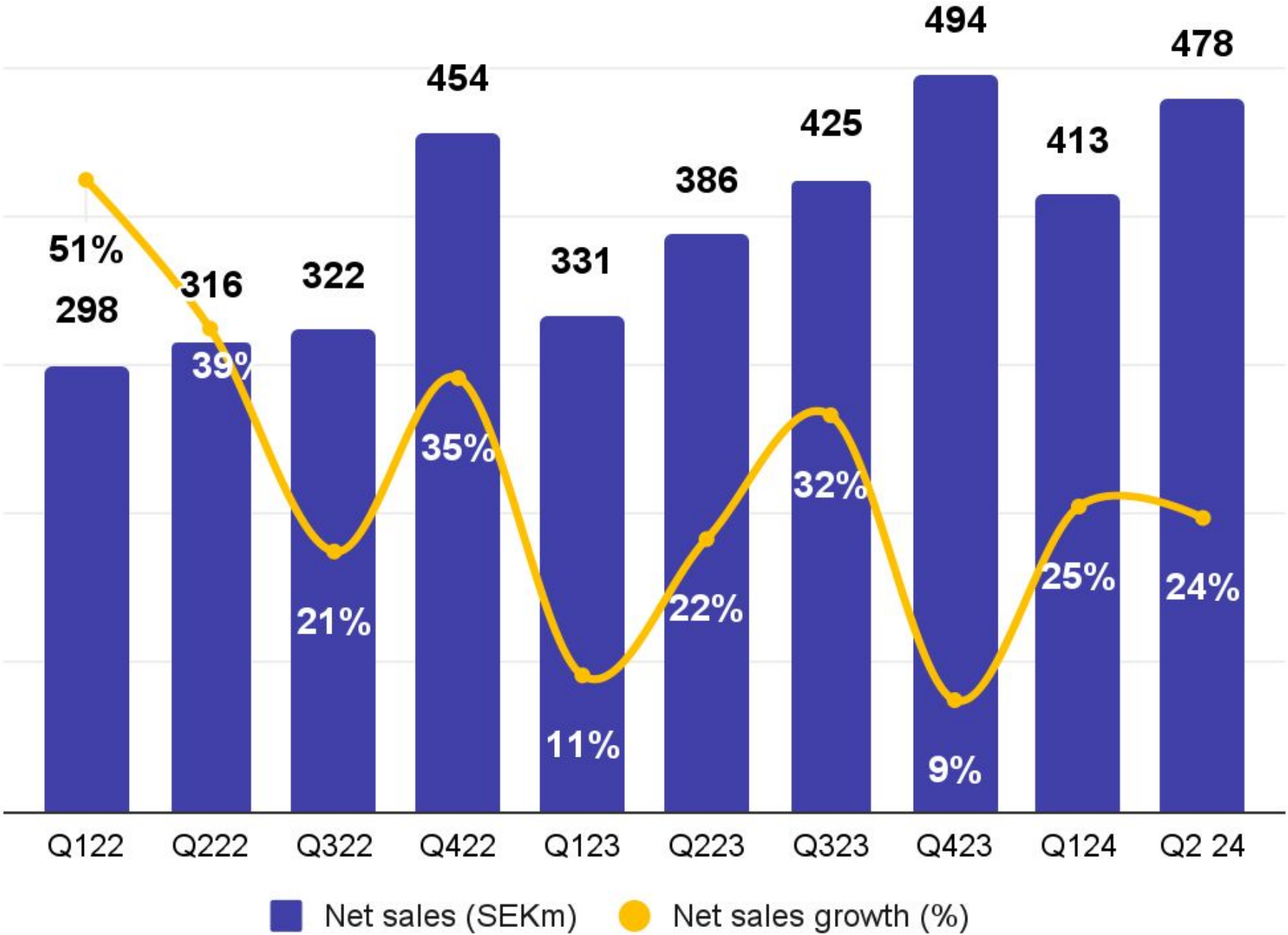
24% net sales growth

Net Sales YoY (SEKm)



- Organic net sales growth 22% adjusted for currency effects

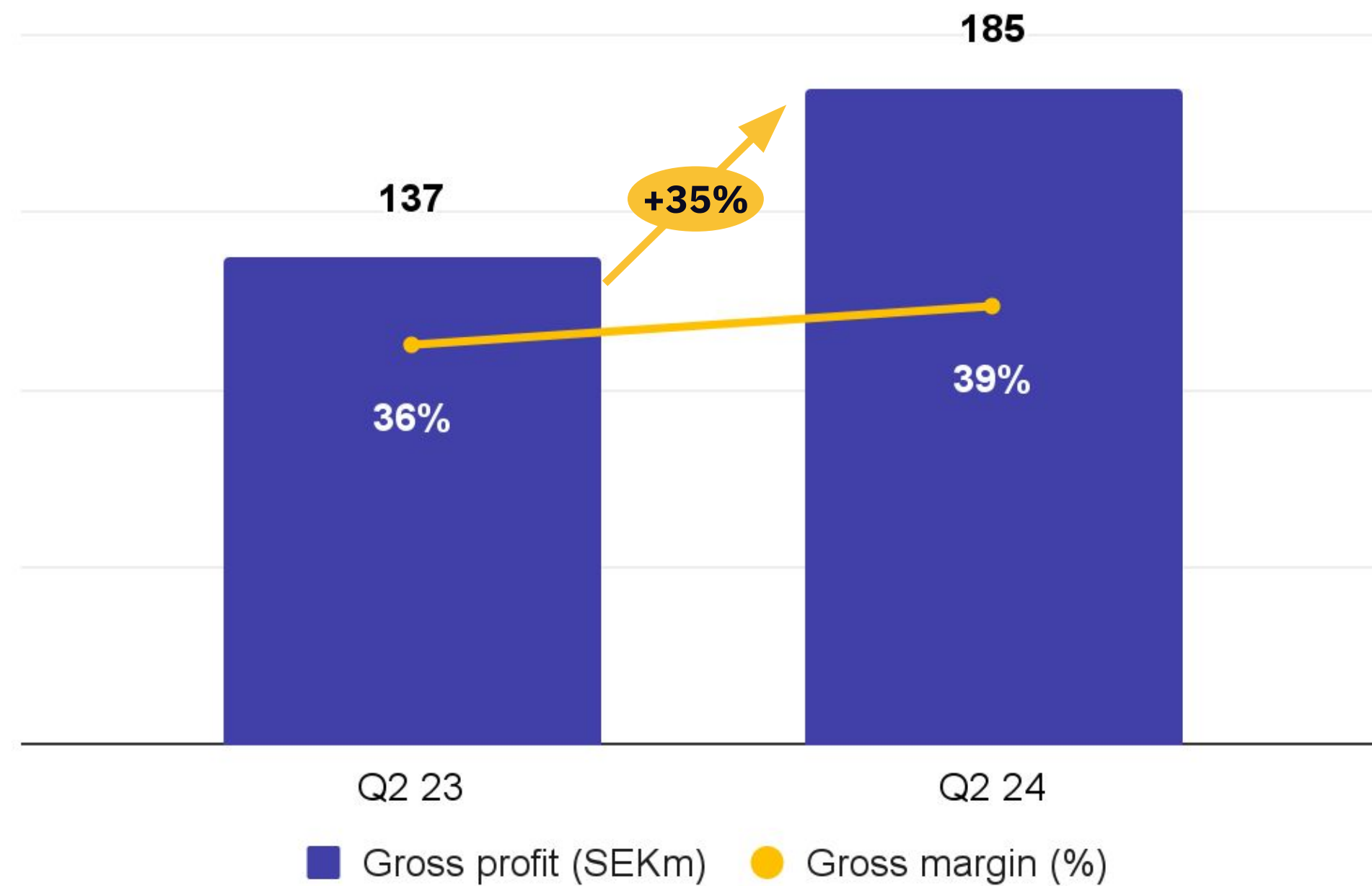
Quarterly Net Sales (SEKm)



- Solid growth performance in both North America and Europe during the quarter

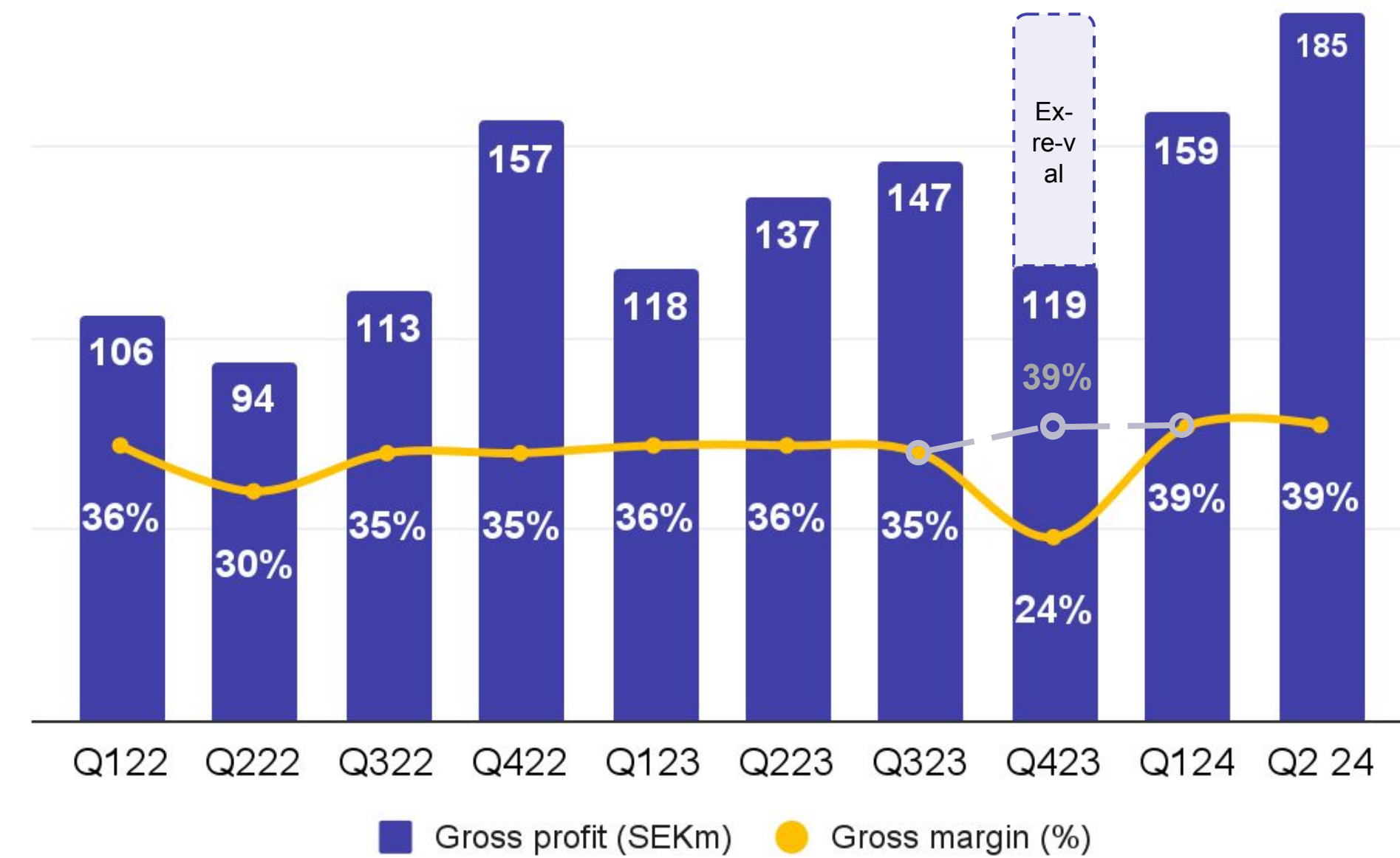
Gross margin at 39%

Gross Profit (SEKm)



- The gross profit grew by 35% compared to Q2 23, reflecting a 3%-p margin improvement Y/Y
- The positive development is primarily due to Podchaser contribution and a favourable product mix

Quarterly Gross Profit (SEKm)

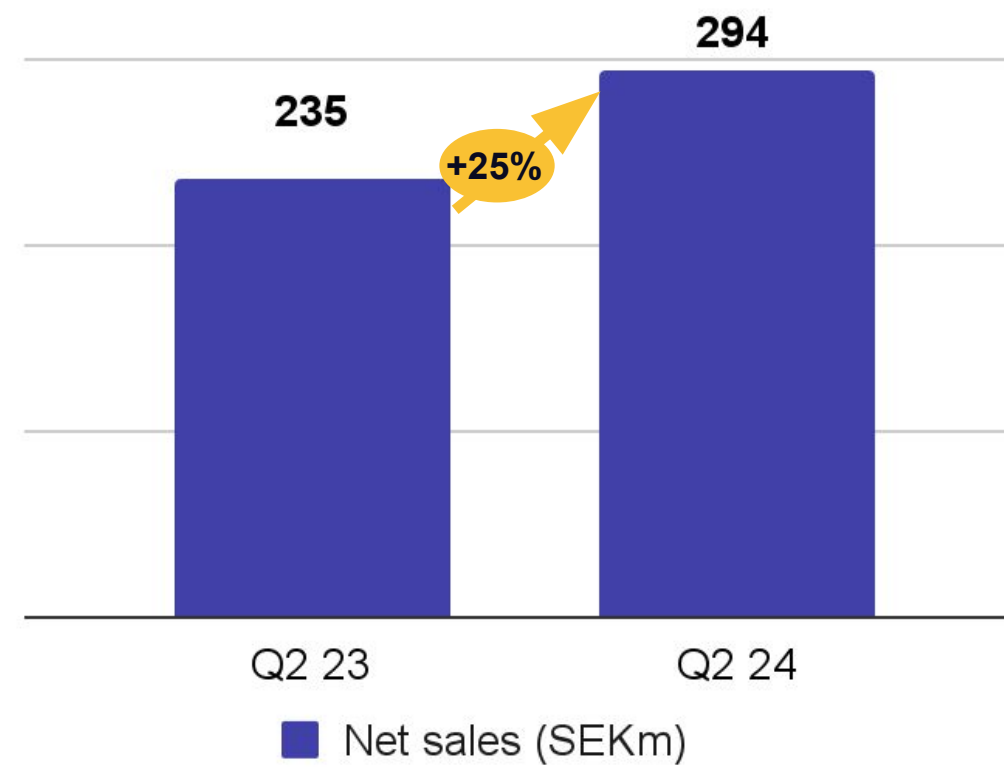


- Gross margin in line with the underlying level seen in the past two quarters

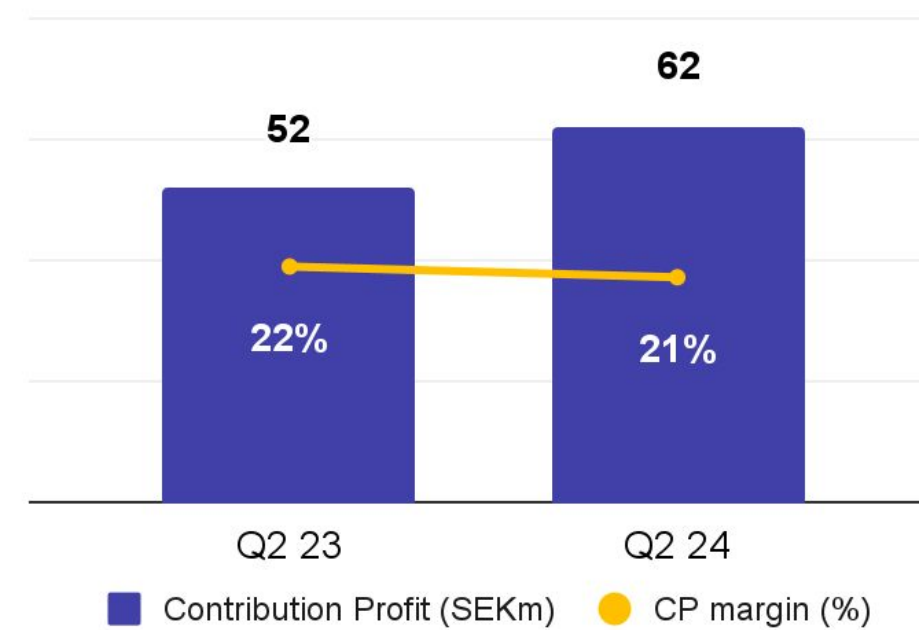
Broad-based profitability improvements

Europe

Net Sales (SEKm)



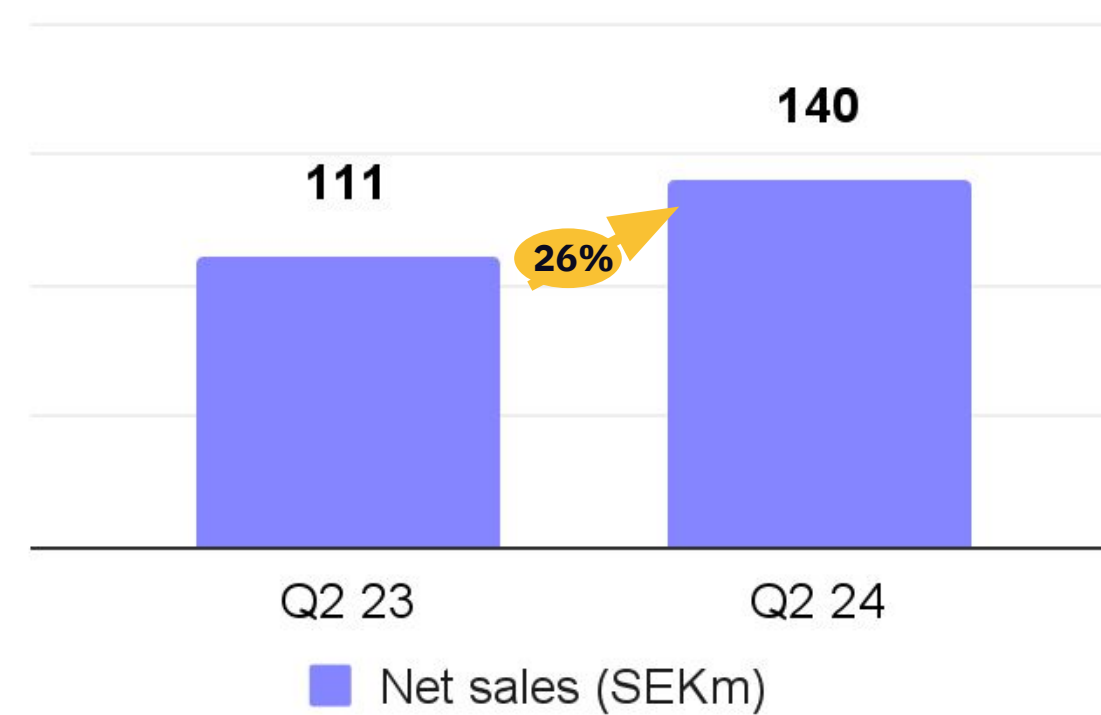
Contribution Profit⁽¹⁾ (SEKm)



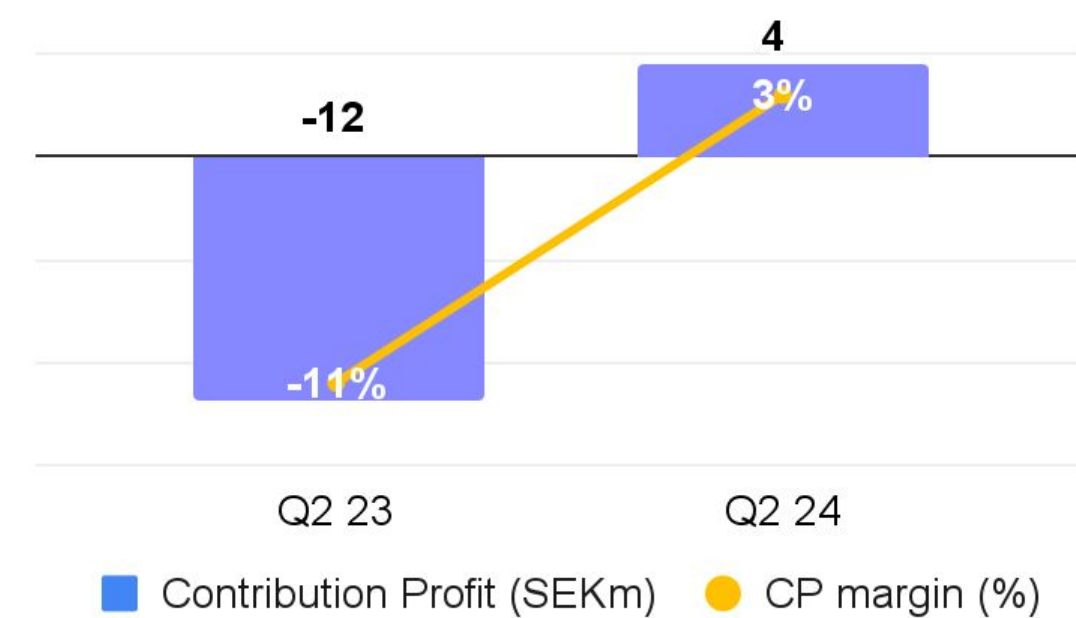
- Improved growth at 25% Y/Y

North America

Net Sales (SEKm)



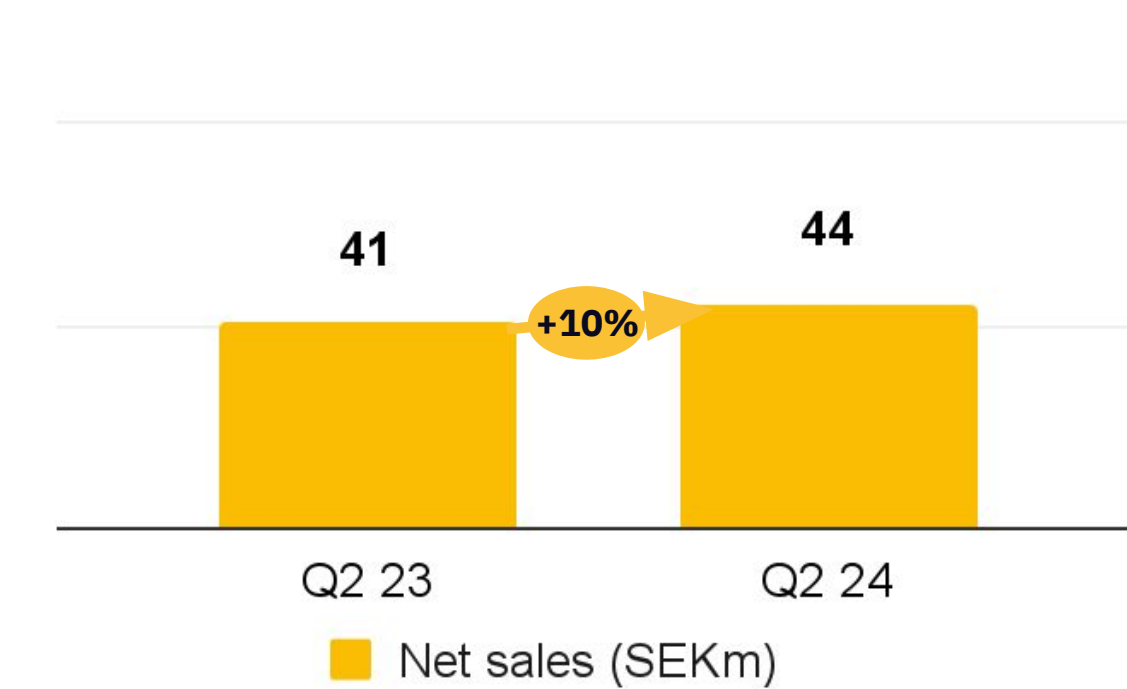
Contribution Profit⁽¹⁾ (SEKm)



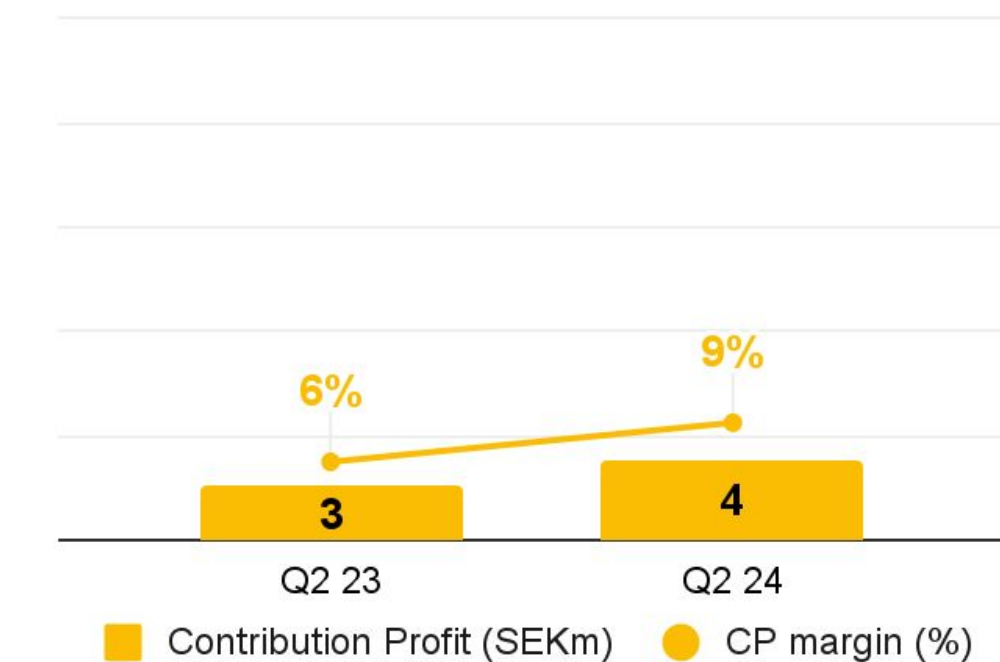
- Continued advancement at 26% growth
- Back to generating positive contribution profit

Other Markets

Net Sales (SEKm)



Contribution Profit⁽¹⁾ (SEKm)

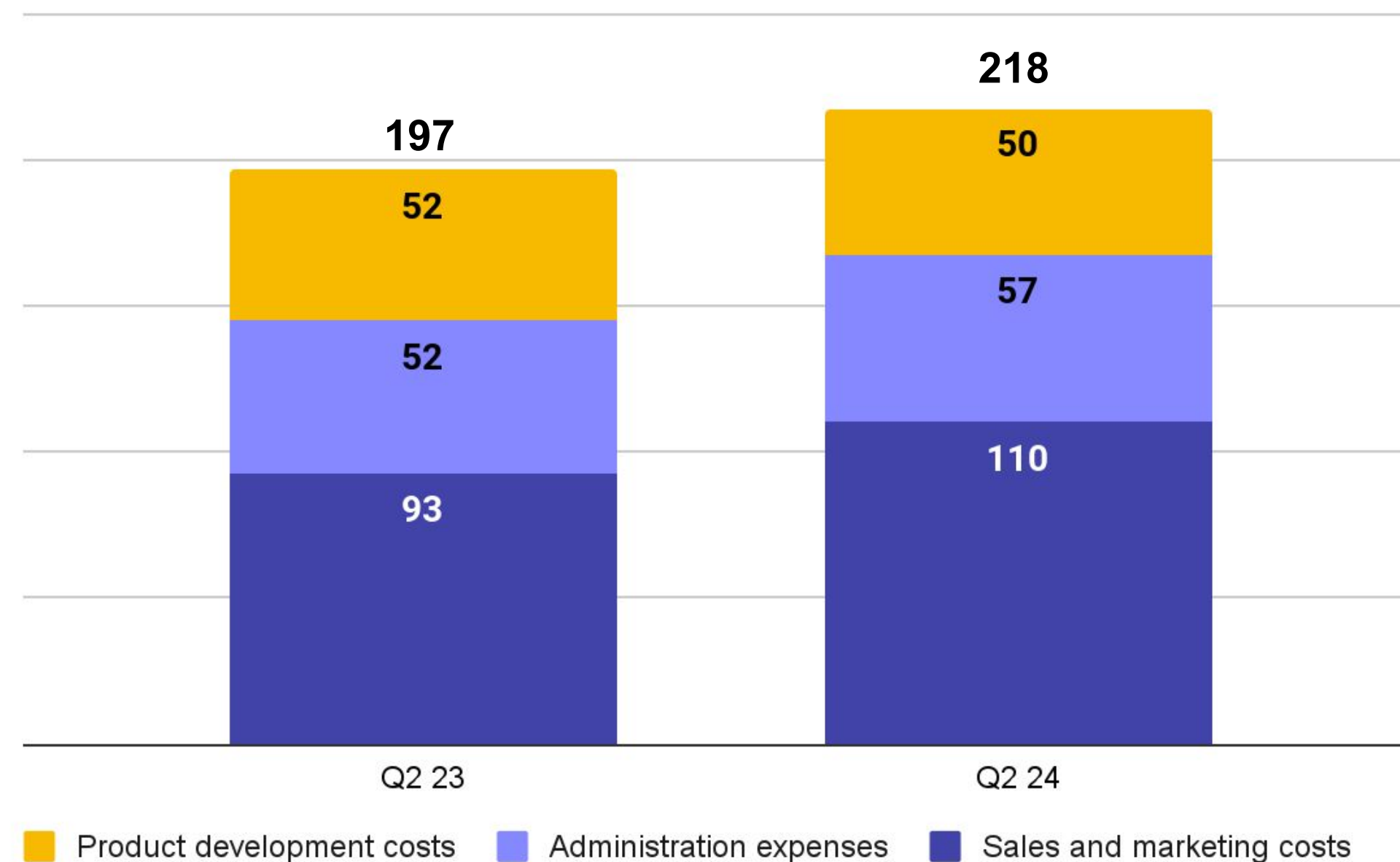


- Continued progress in Other Markets

(1) Contribution Profit (previously CBIT) refers to a local market or segment EBIT (operating profit) before allocation of global costs

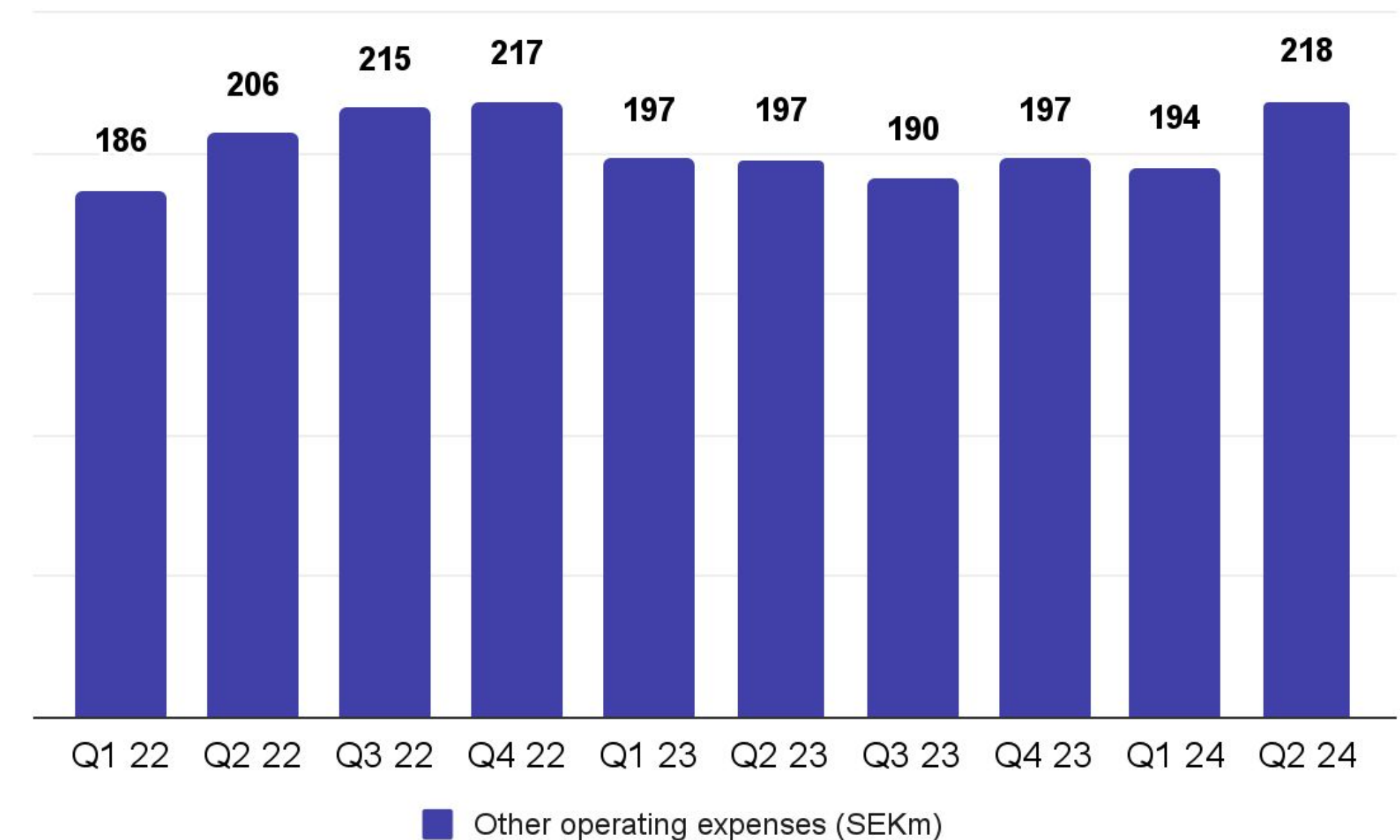
Continued measured investments

Other Operating Expenses (SEKm)



- Other operating expenses (incl. D&A) increased by 11% Y/Y
- Continued deliberate investments primarily in North America
- Also affected by FX changes and incentive program costs linked to increased share price

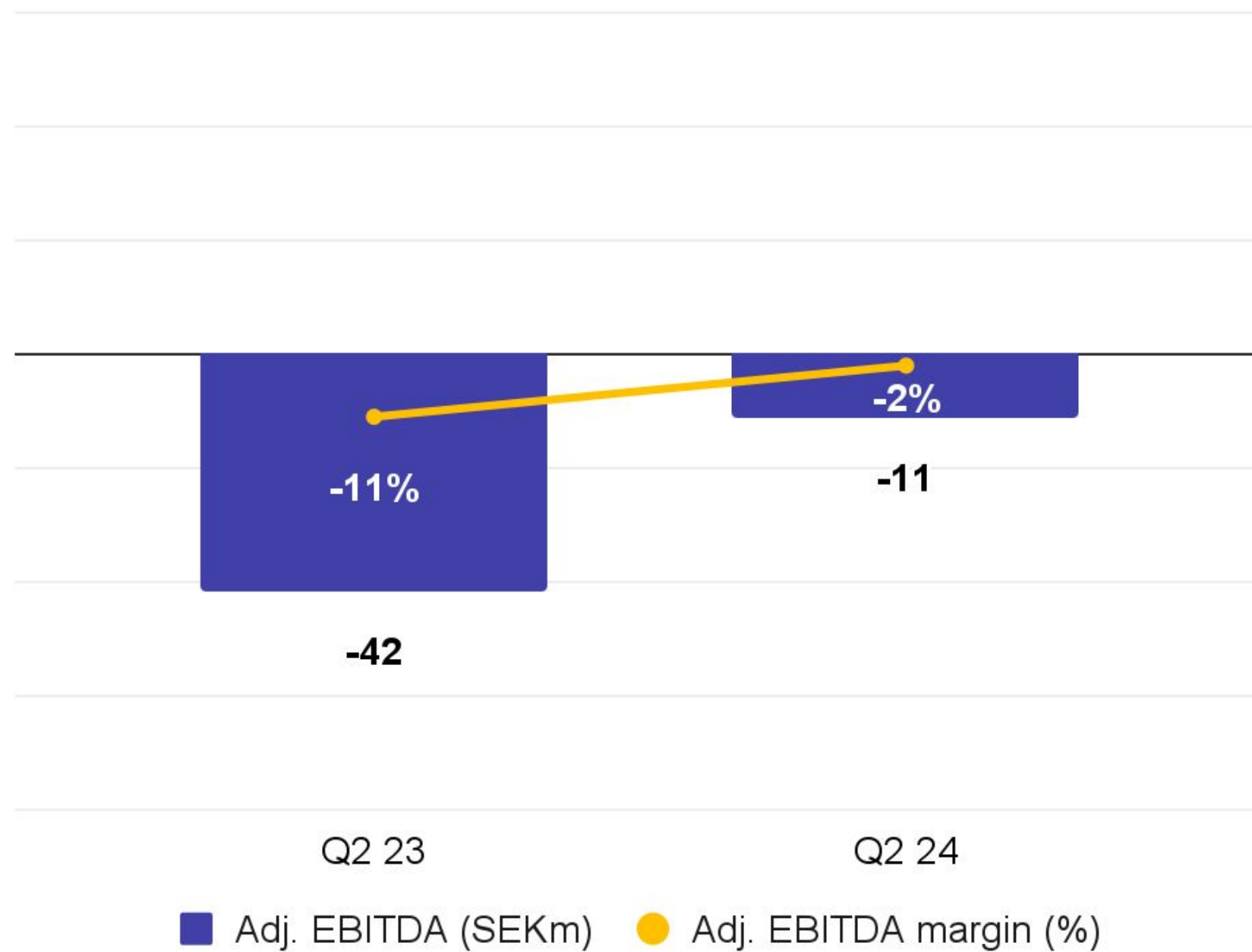
Quarterly Other Operating Expenses (SEKm)



- Total staffing (FTE+FTC) as at end Q2 24 amounted to 378

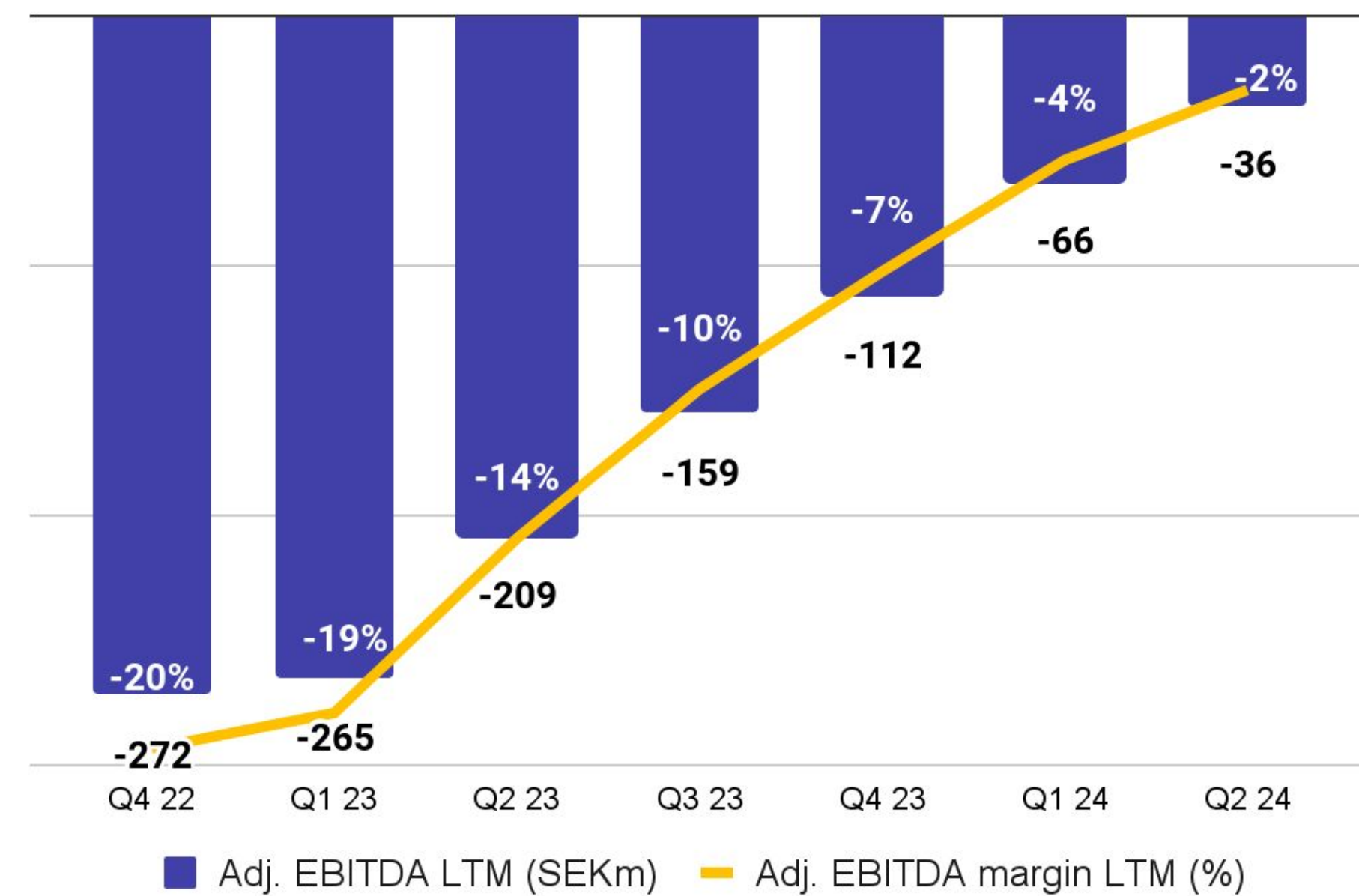
Improved EBITDA result

Quarterly Adj. EBITDA (SEKm)



- Major EBITDA margin improvement of 9%-p Y/Y stems from the combination of sales growth, the increased gross margin and continued cost control

Adj. EBITDA LTM* (SEKm)

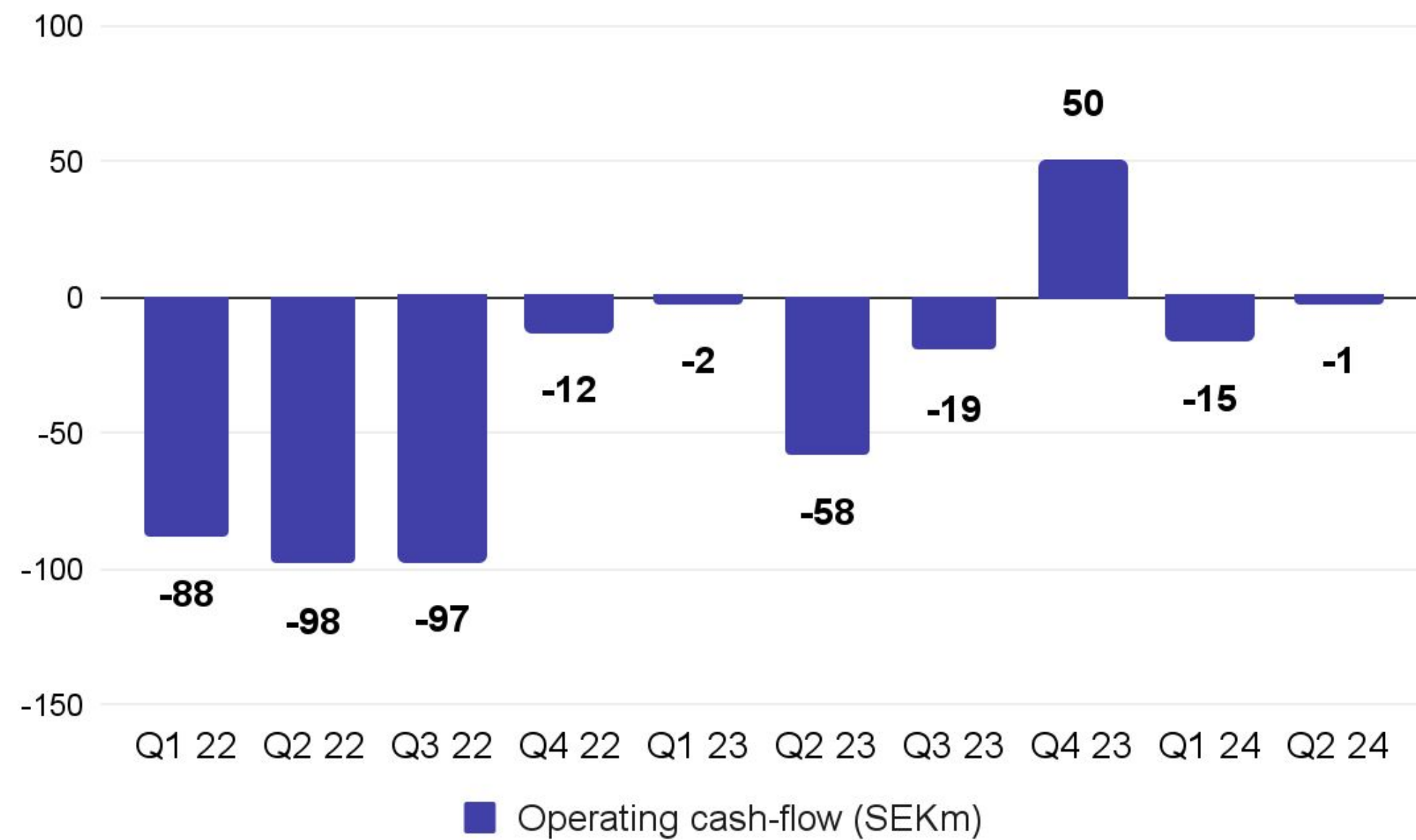


- On track towards EBITDA profitability in full year 2024

*Last Twelve Months

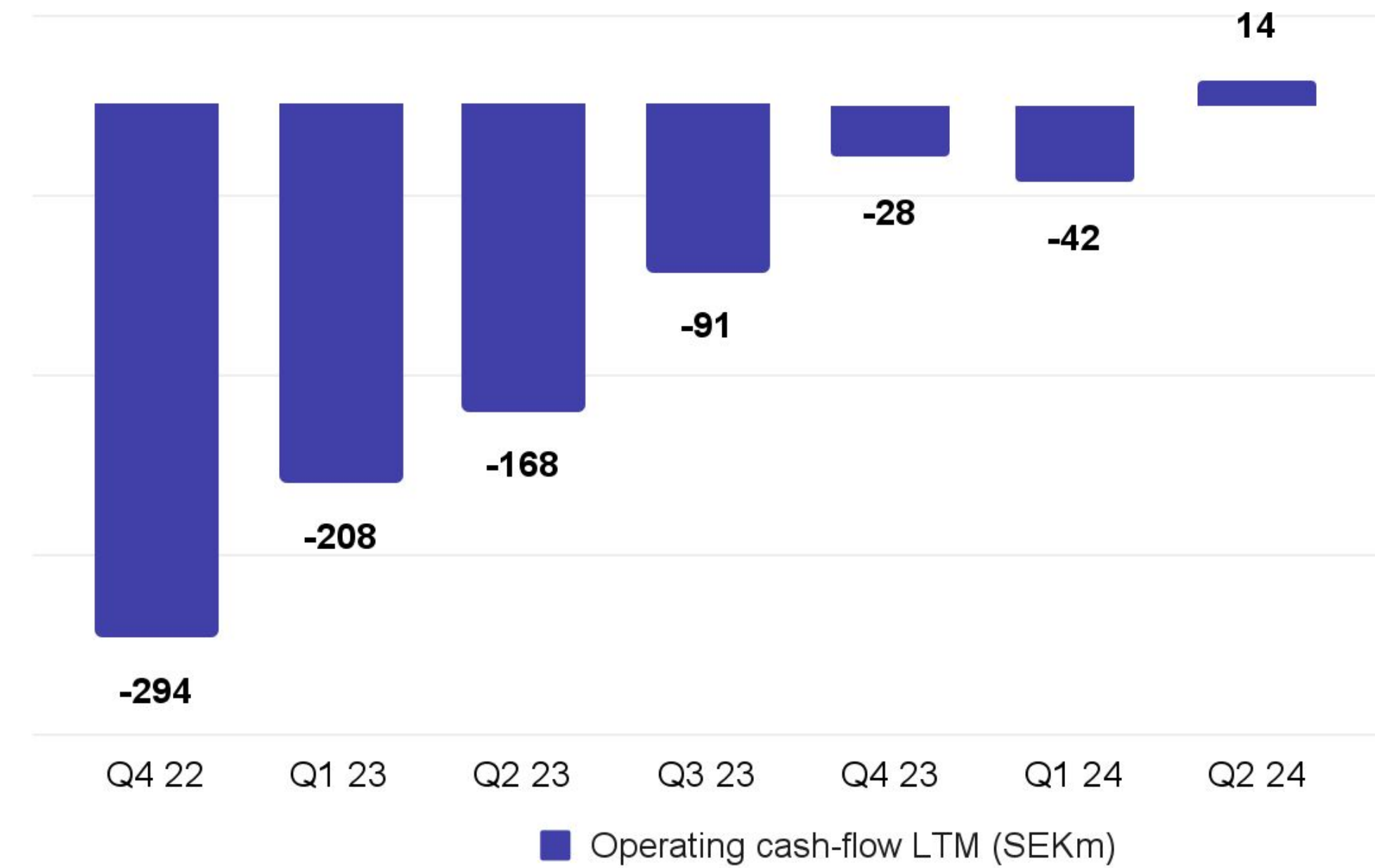
Positive operating cash flow on LTM basis

Cash flow from operating activities (SEKm)



- Operating cash flow of SEK -1 m, including negative working capital changes of SEK -5 m

Cash flow from operating activities LTM* (SEKm)

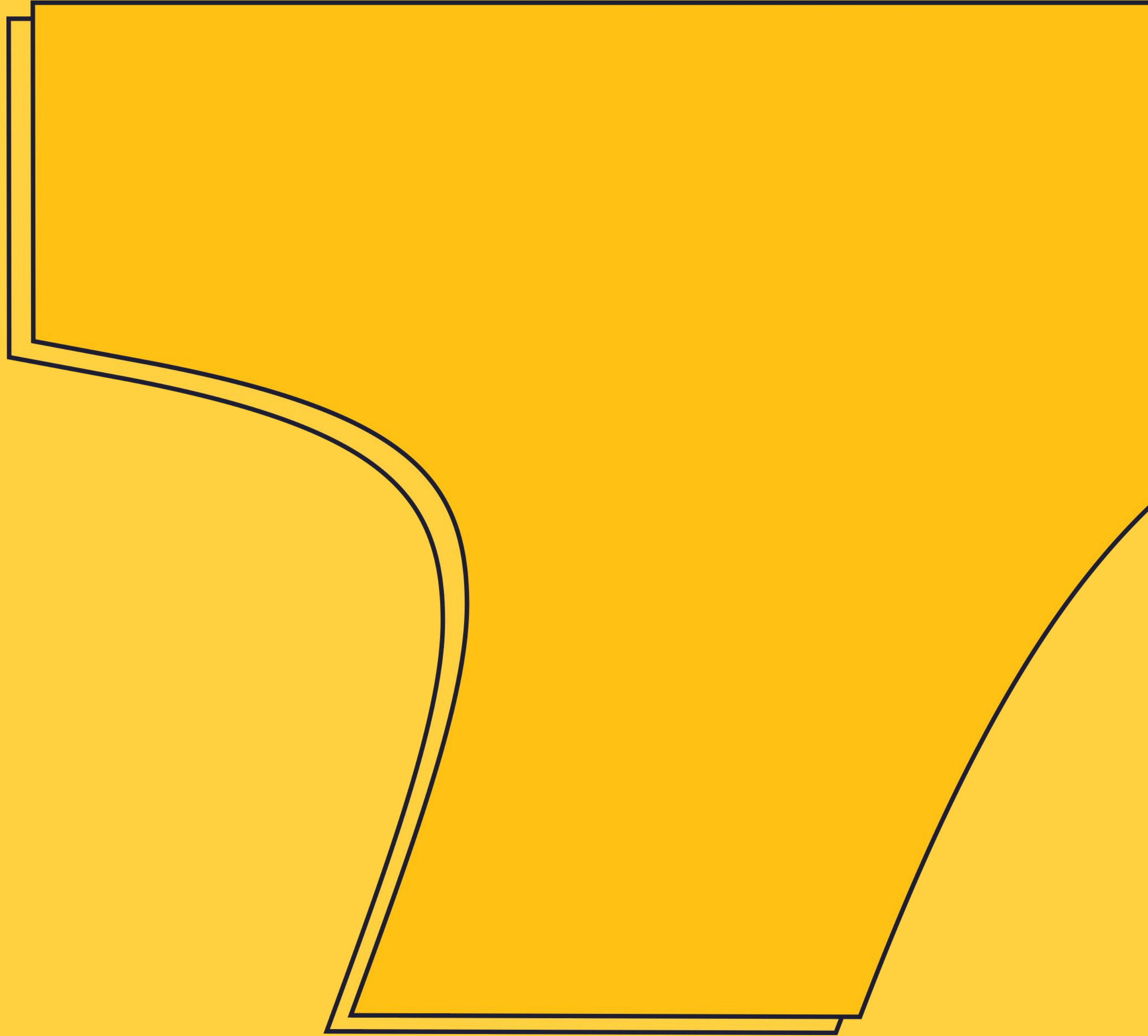


- Robust cash position at SEK 712 m per 30 June, 2024

*Last Twelve Months

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Wrap Up

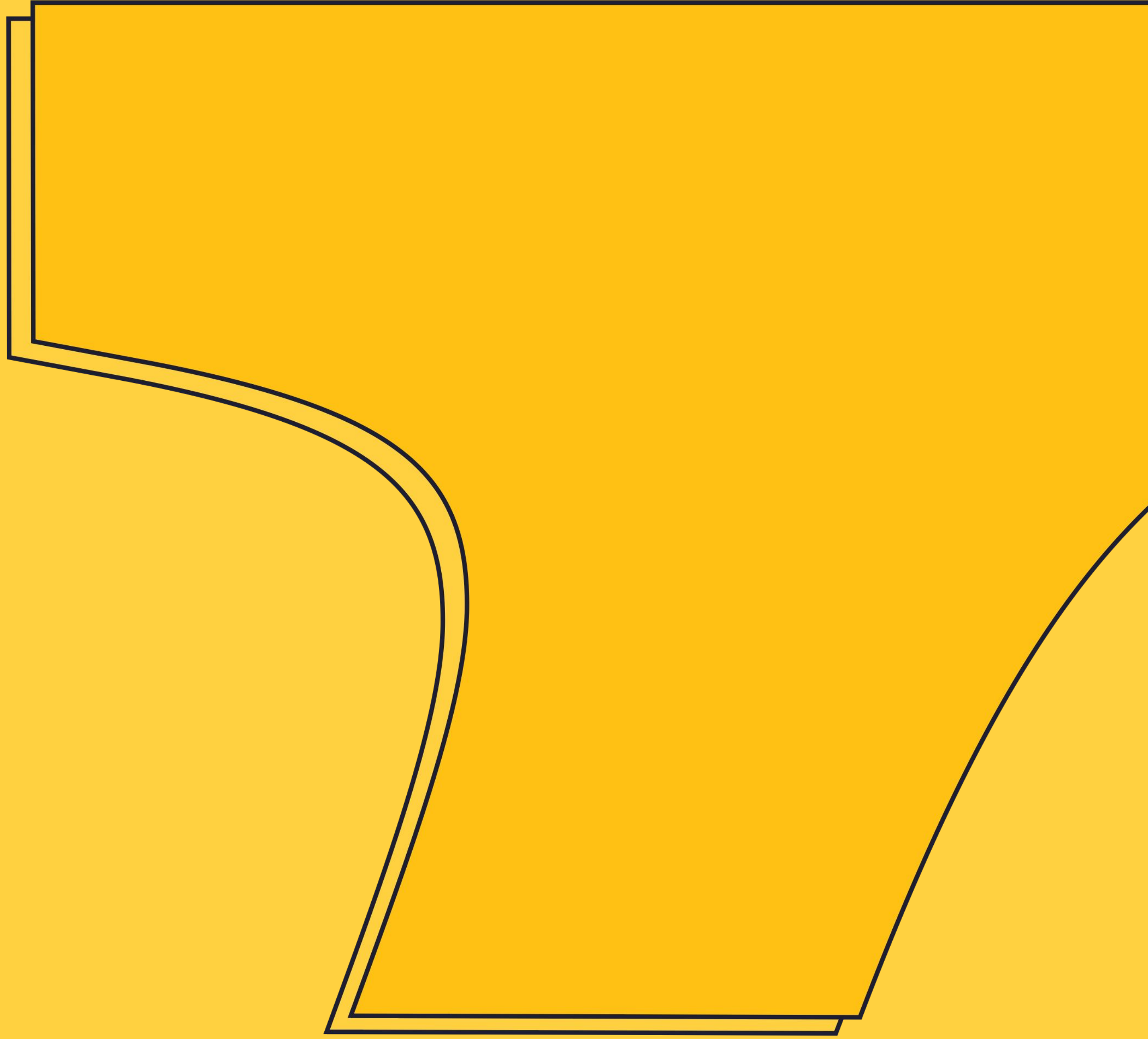


Acast stands strong as the leading player in podcasting



4

Q&A



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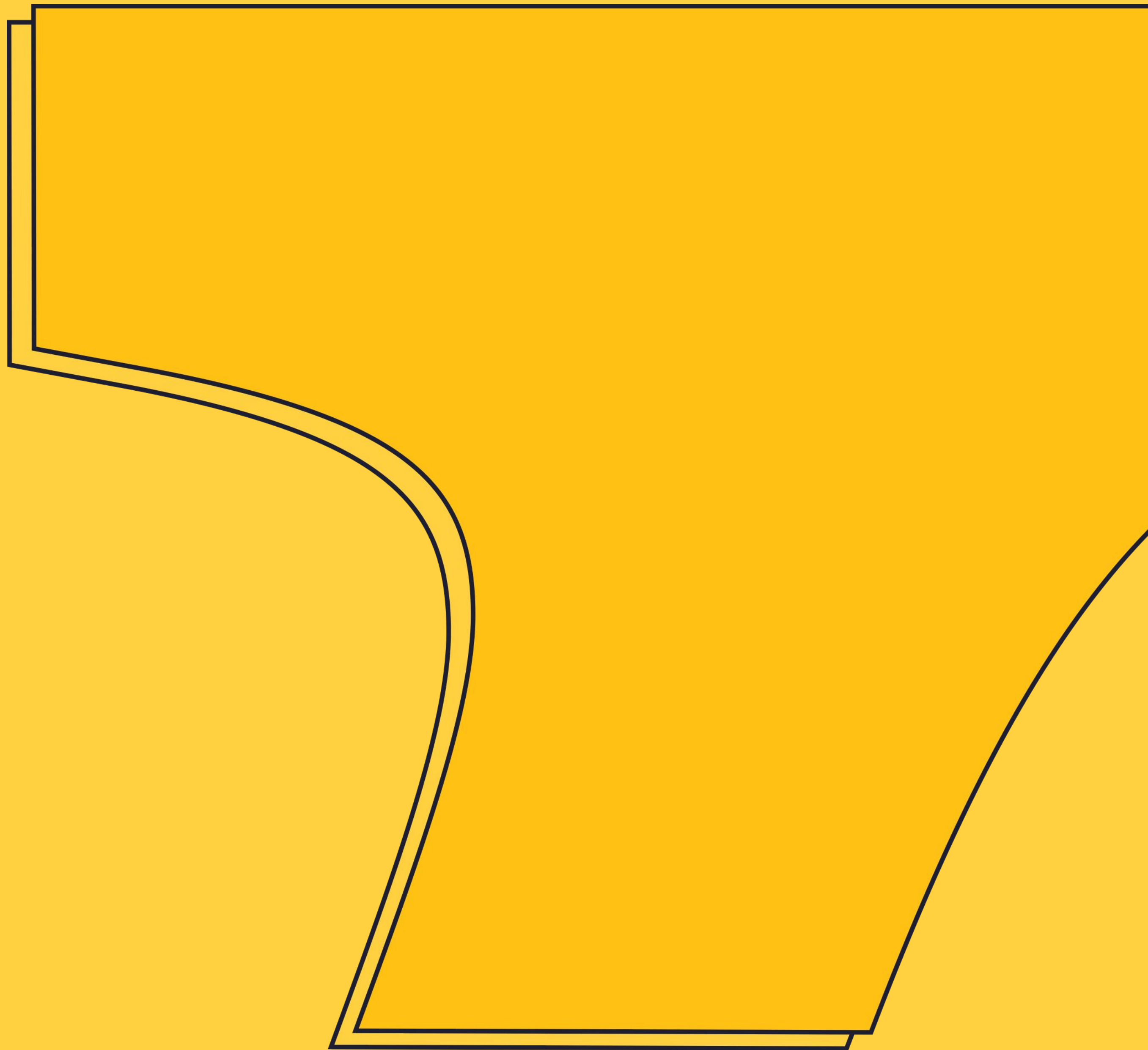
**Interim report for the period
July 1 - September 30, 2024**

Acast

For The Stories.

Appendix

Financial KPIs



Group financial KPIs and alternative performance measures

SEK thousand	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Jan-Dec
Net sales	477,905	386,301	890,791	717,597	1,636,371
Cost of content	-292,963	-249,095	-546,876	-462,022	-1,115,531
Gross profit	184,941	137,205	343,915	255,575	520,840
Total operating expenses excl D&A	-196,218	-178,871	-370,274	-357,957	-708,136
EBITDA	-11,276	-41,666	-26,359	-102,382	-187,296
Depreciation and amortization	-20,985	-17,662	-40,693	-34,967	-71,322
EBIT (Operating profit/loss)	-32,261	-59,328	-67,053	-137,349	-258,618
Financial items	6,154	46,976	47,549	54,163	87,711
Income tax expense	-788	-1,870	-2,195	-3,045	-8,772
Profit/Loss for the period	-26,895	-14,221	-21,698	-86,231	-179,679
Net sales growth (%)	24%	22%	24%	17%	18%
Organic net sales growth (%)	22%	15%	23%	11%	13%
Gross margin (%)	39%	36%	39%	36%	32%
EBITDA margin (%)	-2%	-11%	-3%	-14%	-11%
Adj. EBITDA*	-11,276	-41,666	-26,359	-102,382	-111,725
Adj. EBITDA margin (%)*	-2%	-11%	-3%	-14%	-7%
EBIT margin (%)	-7%	-15%	-8%	-19%	-16%
Adj. EBIT*	-32,261	-59,328	-67,053	-137,349	-183,047
Adj. EBIT margin (%)*	-7%	-15%	-8%	-19%	-11%
Items affecting comparability*	-	-	-	-	75,571
Cash flow from operating activities	-1,253	-57,542	-16,752	-59,200	-28,135
Basic and diluted earnings per share (SEK)	-0.15	-0.08	-0.12	-0.48	-0.99
Listens (millions)	1,104	1,294	2,228	2,577	5,019
Average revenue per listen, ARPL (SEK)	0.43	0.30	0.40	0.28	0.33

*Items affecting comparability for the full year 2023 relate to costs for revaluation of podcast contracts due to Apple's update to iOS17.

For definitions and purpose see note 8, and for reconciliations see note 9.

Acast

For The Stories.