

FINANCIAL RESULTS 2019



April 2020

BOOMBIT



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Executive Summary.

HYPERCASUAL

Higher revenue 2020



Will It Shred?



Ramp Car Jumping



Stunt Truck Jumping

2019:
Scaling funded by IPO
Year of transformation

- PLN 23M IPO proceeds - increase in UA to PLN 13.6M PLN, +6x vs 2018
- PLN 49.7M Revenue, +33% y/y
- adapting to market conditions: pipeline review and production optimisation

2020:
Revenue increase from HC
Improved financials

- steep increase of revenue in Q1 2020 - PLN 37M
- success of HC games, beneficial monetisation model
- efficient production - lower expenditures
- expecting improved financial results and cash flow

2019 FINANCIALS

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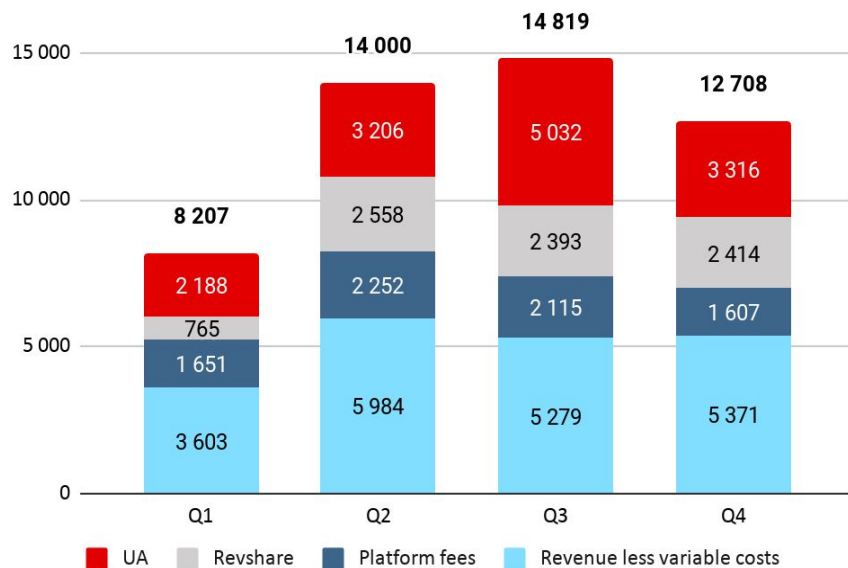


Key Consolidated Financial Data.

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019
Revenue	8 207	14 000	14 819	12 708	49 734
Cost of products and services sold	(6 910)	(11 381)	(14 130)	(12 687)	(45 108)
<i>of which: main variable costs</i>	<i>(4 604)</i>	<i>(8 016)</i>	<i>(9 540)</i>	<i>(7 337)</i>	<i>(29 497)</i>
General and administrative costs	(2 210)	(2 954)	(2 270)	(2 142)	(9 576)
EBITDA	153	744	302	(5 545)	(4 346)
<i>of which: one-offs (IPO, write-offs)</i>	<i>(162)</i>	<i>(281)</i>	<i>(246)</i>	<i>(5 785)</i>	<i>(6 474)</i>
adjusted EBITDA	315	1 025	548	240	2 128
Net profit (loss)	(456)	(849)	(1 626)	(6 947)	(9 878)
Capex	5 364	5 997	4 501	3 560	19 422
Cash (as of period-end)	1,348	11,996	7 796	3 530	3 530

Increase of Revenue Less Main Variable Costs.

Revenue Less Main Variable Costs (PLN k)



PLN 49.7M – Revenue 2019

Revenue Less Main Variable Costs – increase from PLN 3,6 in Q1 to over PLN 5M per Quarter

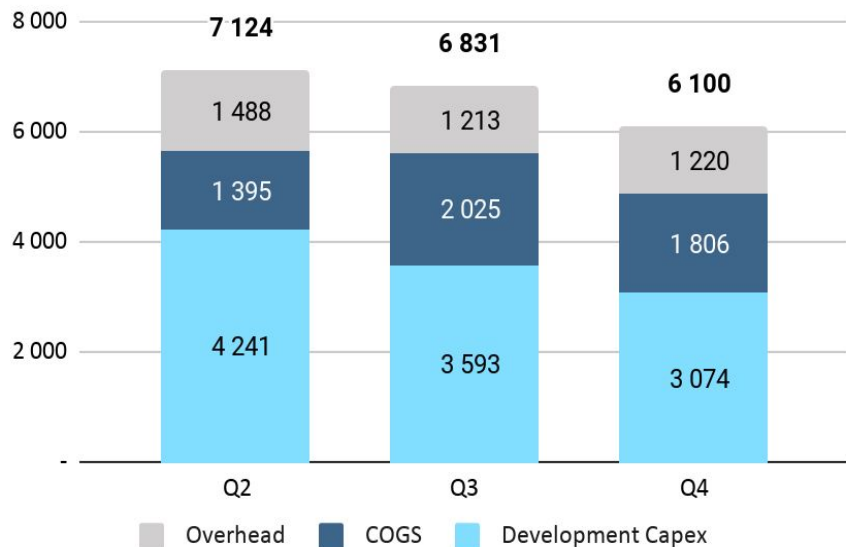
User Acquisition – higher UA spend thanks to funds raised in the IPO

Rev Share – increase from Q2 as a result of higher revenue in GaaS

Platform Fees – lower cost in H2 as a result of higher share of ads revenue

Improved Cost Efficiency.

Personnel Costs as part of P&L and Development Capex (PLN k)



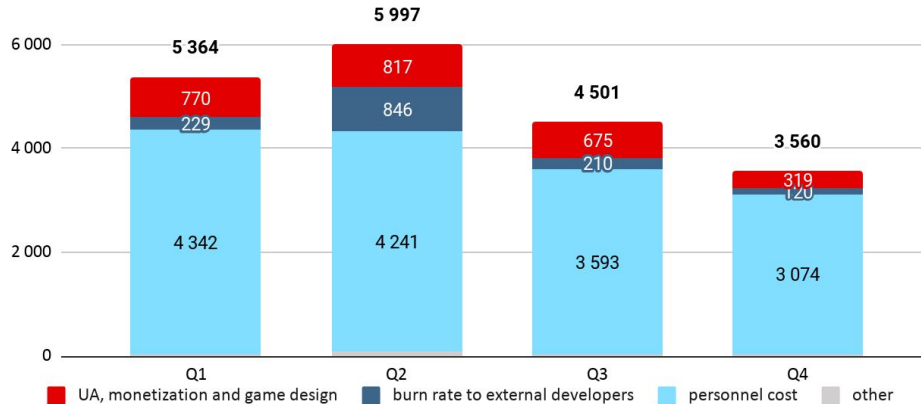
Cost Efficiency Improvement thanks to Optimised Production

- Team's Re-Organisation - adaptation to market conditions and production requirements
- Total personnel cost lowered by c. PLN 1M vs Q2
- Full Effect in Q1 2020:
 - Target headcount ~170
 - Estimated quarterly savings extra PLN ~0,4M (vs. Q4), visible mostly in Development Capex

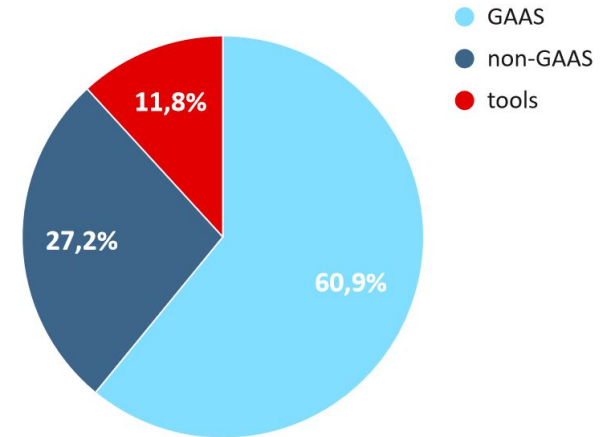
Capital Expenditure Under Control.

- Adapting Capex to production requirements - in H2 2019 decreasing quarterly capex to PLN 3,6M vs. PLN 6M in Q2
- PLN 6M write-off - resulting from publishing pipeline revision
- PLN 19.4M - total development capex in 2019

Capex (PLN k)



Capex Share by Category of Development Costs (%)



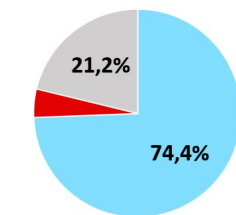
2019 OPERATIONS

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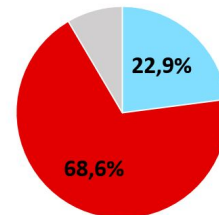
2019 Revenue.

- Sharp increase in sales from Q2
- Increasing share of ads revenue in consecutive quarters
- Revenue increased from December 2019 thanks to HC games
- PLN 37 m revenue in Q1 2020, approx. 75% of total 2019 revenue



● GAAS ● HC ● Other

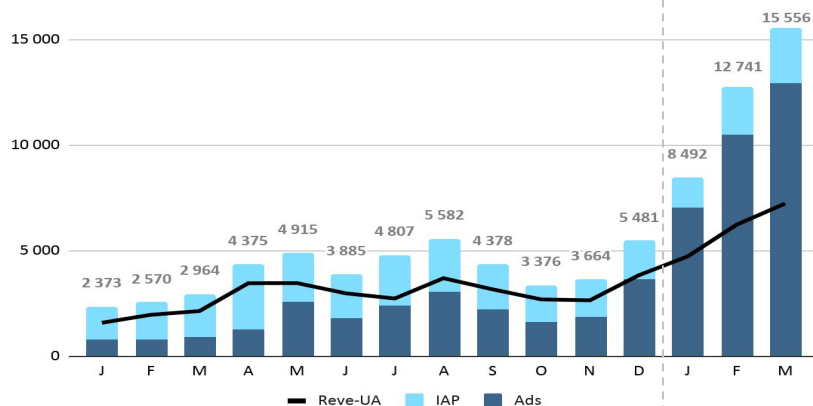
2019



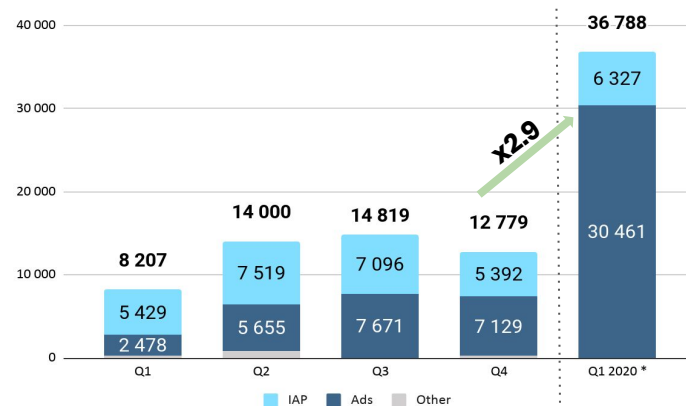
● GAAS ● HC ● Other

Q1 2020

Revenue and User Acquisition (PLN k)*



Revenue (PLN k)*



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*Q1 2020 - estimated revenue from games

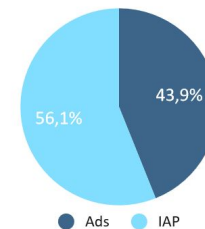
* Figures presented in the chart include revenues from soft launch, which according to Groups' accounting policy are capitalised as development costs

GaaS Games.

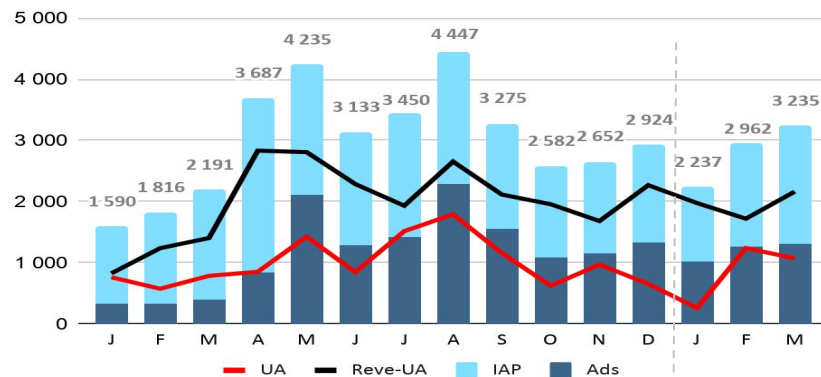
- Revenue less UA at a stable level
- Revenue Increase from Q2 onwards in GaaS
- UA increased in Q1 2020 - promoting Archery Club and Tanks a Lot!



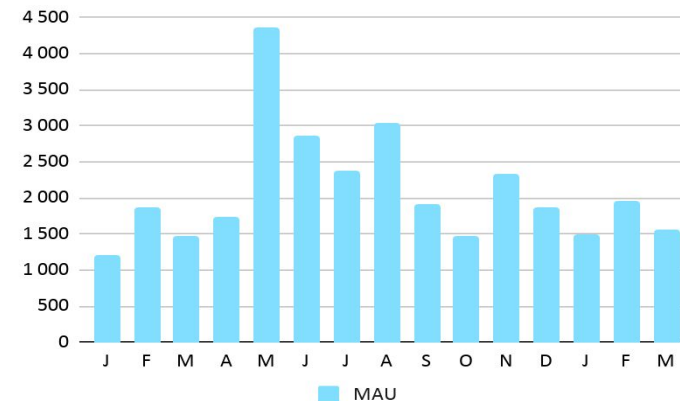
Revenue Q4 2019



Revenue and User Acquisition (PLN k)*



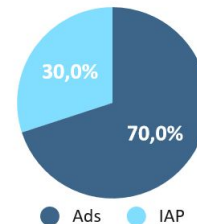
MAU (k)



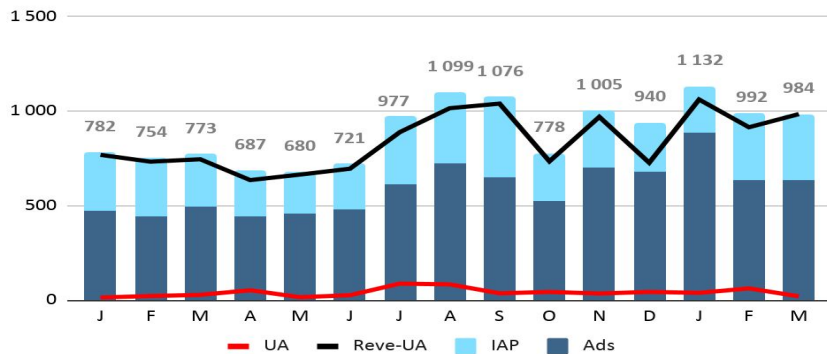
Legacy Games*



Revenue Q4 2019



Revenue and User Acquisition (PLN k)**



- Stable source of revenue: PLN 1M monthly average

OUTLOOK 2020

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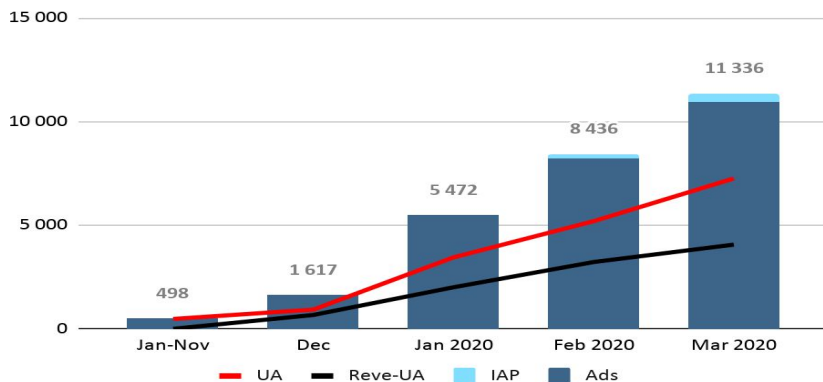


Our HyperCasual Games.

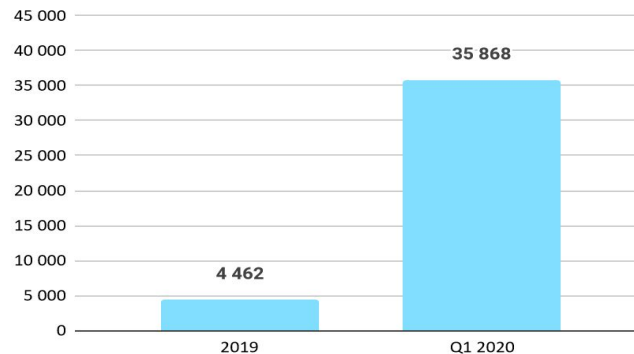
- New titles launched Q4 2019 & Q1 2020 – several in testing
- Revenue model based on Ads but Increasing % of IAP income
- **March 2020 – BoomBit ranked in Global TOP 25 Publishers (by downloads)***
- Higher visibility to attract games and studios to our HC publishing division



Revenue and User Acquisition (PLN k)*



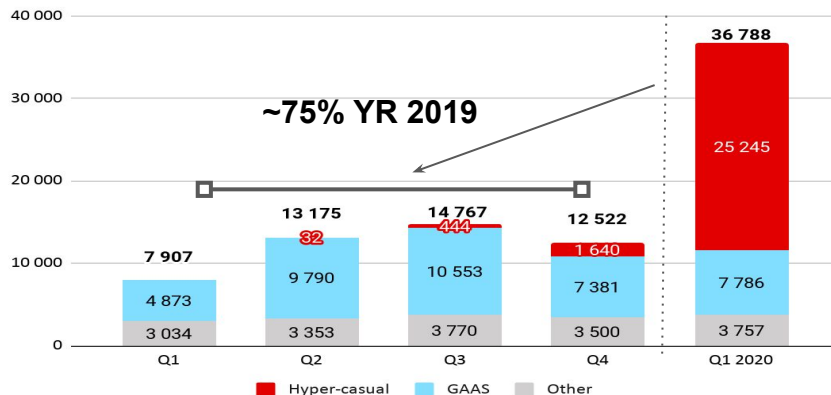
Downloads (k)



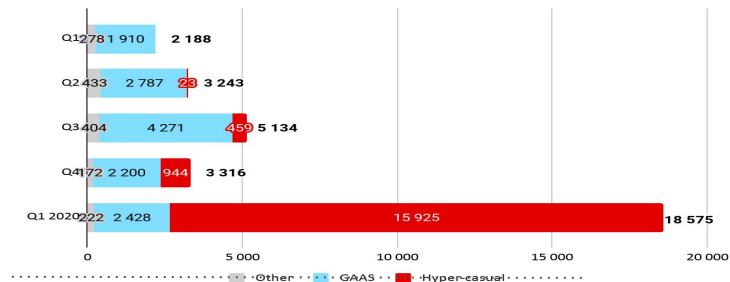
HC Impact in Q1 2020.

- In Q1 2020 HC Generated PLN 25,2M in Revenue
- That is 50% of Q1 2020 "Revenue-UA" Income
- Non-HC Portfolio Stable income in Q1 2020 despite lower UA spend in Q4 2019
- Q1 2020 is around 76% of the Entire 2019 Year**

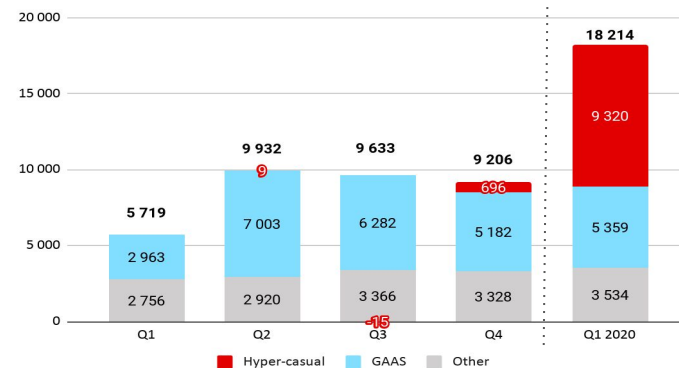
Revenue from Games (PLN k)*



UA by game genre (PLN k)



Revenue Less UA (PLN k)*

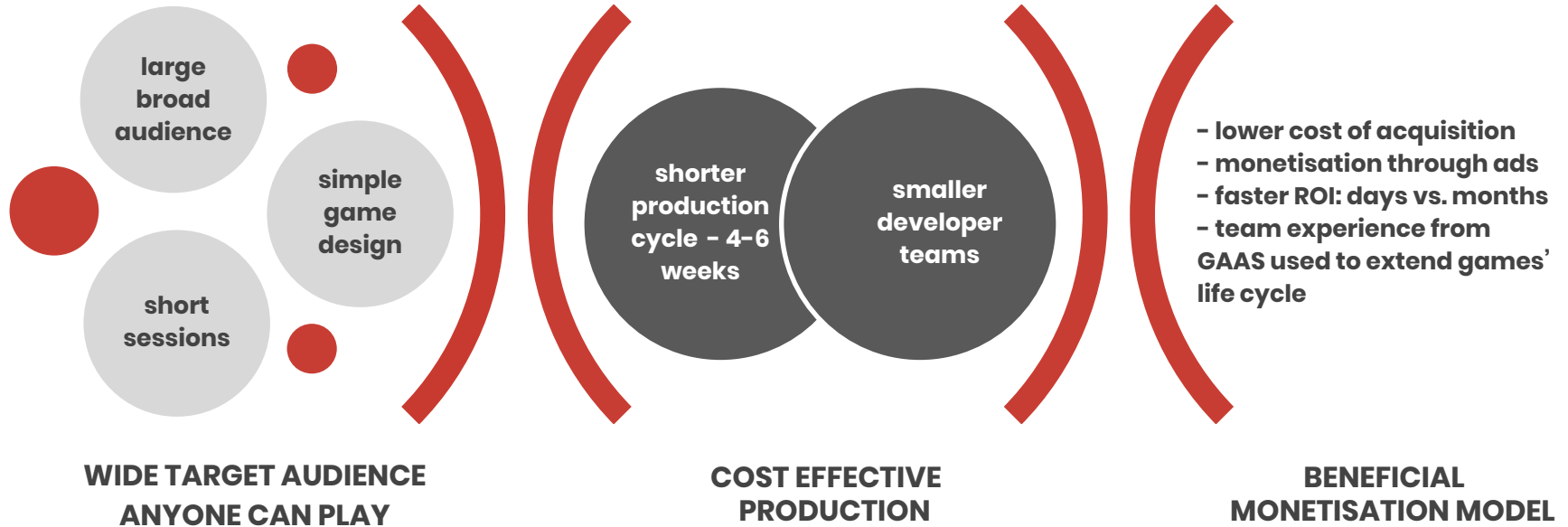


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*Q1 2020 - estimated revenue from games

** Wartości prezentowane na wykresach zawierają przychody z fazy soft launch, które zgodnie z zasadami księgowości w Grupie są kapitalizowane jako koszty rozwoju

HC - High Scaling Potential.



Publishing Plans.

1

DIVERSIFIED PORTFOLIO

- Wide variety of Projects
- Production focused on most promising titles
- Optimising and updating key existing titles
- Several (10+) titles in testing

2

MAXIMUM FLEXIBILITY

- Analysing trends in gamers behaviour and needs
- Verifying publishing plans
- Organisation enabling agile changes to adapt production

Launched



Ramp car jumping



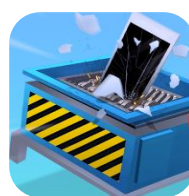
Ragdoll Car Crash



You crush!



Stunt Truck Jump



Will it shred?



Tug of War

Soft Launch



Cooking Festival

2020 Outlook Summary.

1

MAXIMUM FLEXIBILITY PRODUCTION AND PUBLISHING

- Experienced BI and UA Division
- Focus on most promising titles
- Diversifying portfolio and UA channels and portfolio – several (10+) titles in testing

2

INCREASED REVENUE

- HyperCasual games success
- No negative impact from COVID-19 in sales and operations

3

IMPROVED FINANCIALS

- Cost and capex under control
- Improving financial results (higher revenue and lower expenditures)



Will It Shred?



Ramp Car
Jumping



Stunt Truck
Jumping

APPENDIX

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P&L Statement.

(PLN k)	FY 2018	FY 2019
Revenues	37,525	49,734
COGS	(19,753)	(45,108)
Gross result	17,772	4,626
G&A Costs	(7,316)	(9,576)
Other operating revenues	501	154
Other operating costs	(428)	(6,176)
EBIT	10,529	(10,972)
Net financial costs	(73)	(144)
Share in net profits (losses) in joint ventures	(46)	(66)
Income before tax	10,410	(11,182)
Income tax	(2,038)	1,304
Net result	8,372	(9,878)

Balance Sheet.

(PLN k)	31/12/2018	31/12/2019
Fixed assets		
Property, plant and equipment	1,520	1,581
Development expenses	22,488	29,585
Goodwill	13,833	14,440
Investments in joint ventures	6	-
Other financial assets	205	393
Deferred income tax assets	931	1,471
Other receivables and accruals	1,070	512
	40,053	47,982
Current assets		
Accounts receivable	3,541	7,056
Income tax receivable	910	1,029
Other receivables and accruals	2,180	2,887
Other financial assets	474	4,211
Cash and cash equivalents	2,594	3,530
	9,699	18,713
Assets for sale	-	-
TOTAL ASSETS	49,752	66,695

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(PLN k)	31/12/2018	31/12/2019
SHAREHOLDER'S EQUITY		
Equity attributable to the shareholders of the parent company		
Equity capital	6,000	6,710
Capital from the sale of shares above the nominal price	9,205	32,063
Foreign exchange differences on the translation of a foreign entity	619	1,115
Other capitals	1,674	2,389
Retained earnings	17,283	8,761
	34,781	51,038
Capital attributable to non-controlling interests	(21)	(17)
TOTAL SHAREHOLDERS EQUITY	34,760	51,021
LIABILITIES		
Long Term liabilities		
Deferred income tax liabilities	3,338	2,387
Credit and loans	-	78
	3,338	2,465
Current liabilities		
Other financial liabilities	1,549	38
Trade liabilities	5,119	9,442
Income tax liabilities	204	140
Other liabilities	4,782	3,589
	11,654	13,209
TOTAL LIABILITIES	14,992	15,674
TOTAL EQUITY AND LIABILITIES	49,752	66,695

Cash Flow Statement.

(PLN k)	FY 2018	FY 2019
Result before tax	10 410	(11 182)
Adjustments:	(590)	14 168
Minority interest equity		
Share in profits (losses) in joint ventures	67	66
Amortization & Depreciation	4 332	6 626
Foreign exchange profits (losses)	533	(462)
Interest	(3)	141
Write off of expenditures on development projects	322	6 301
Result on investment activities		
Change in receivables	11 729	(3 904)
Change in liabilities, excluding loans and credits	(15 892)	4 810
Settlement of costs of share-based payments	-	588
Share based payment	-	715
Income tax	(1 678)	(412)
Net cash flow from operating activities	9 820	2 967

(PLN k)	FY 2018	FY 2019
Repayment of loans granted with interest	-	140
Interest received	-	4
Cash from the acquisition of companies	10 235	-
Acquisition of property, plant and equipment and intangible assets	(423)	(257)
R&D expenses	(16 256)	(19 442)
Loans granted	(676)	(3 979)
Purchase of shares	(52)	(60)
Net cash flow from investing activities	(7 172)	(23 574)
Capital increase	-	24 700
Expenses related to capital increase	-	(1 522)
Proceeds from loans	-	2 690
Proceeds from factoring	1 550	1 170
Dividends paid	(2 840)	-
Repayment of loans and borrowings	-	(2 690)
Payment of factoring obligations	-	(2 720)
Interest paid	-	(212)
Repayment of leasing	-	(2)
Net cash flow from financing activities	(1 290)	21 414
Total net cash flow	1 358	807
Net foreign exchange differences on cash and cash equivalents	(65)	129
Opening balance	1 301	2 594
Closing balance	2 594	3 530

Glossary.

Term	Abbreviation	Definition
Advertisement	Ads	Ads that are displayed in games and mobile apps.
Average Revenue Per User	ARPU	Average income per user in a given time period.
Cost per Install	CPI	The cost of marketing expenses incurred to acquire one user.
Game as a Service	GaaS	The game production and publishing model based on in-depth data analysis and optimization of key indicators.
Game as a Product	GaaP	The game production and publishing model based mainly on organic growth and advertising revenues.
Gross revenue		Revenues including platform costs (Google and Apple).
Hard Launch	HL	The moment when the product is made globally available via digital distribution platforms and its official promotion begins.
IAP Purchase	IAP	Micropayments in games.
Lifetime value	LTV	Estimated total revenues generated from a statistic player.
Monthly Active Users	MAU	The number of active users on a monthly basis.
Net revenue		Revenues excluding platform costs (Google and Apple).
Return on Advertising Spend	ROAS	Reimbursement of expenses incurred for advertising.
Soft Launch	SL	Release of a game for a limited group of recipients and/or on a limited number of platforms to collect ratings, examine end users' reactions to the proposed form and content of the game, and verify key monetization parameters before starting global promotion.
User Acquisition	UA	Player acquisition (paid).

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**THANK YOU
FOR YOUR
ATTENTION**

Relacje Inwestorskie

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