

# BOOMBIT

Q3 2021 RESULTS

NOVEMBER 2021



BOOMBIT

# Highlights.

- Dynamic development of all 3 business lines
- 6 months with revenue above the USD 5M threshold
- The lifetime total number of downloads exceeded 1B

**177.8M**  
Downloads in Q1-Q3 2021



**USD**  
**45.2M**

Record level of revenue from games\*



**USD**  
**3.4M**

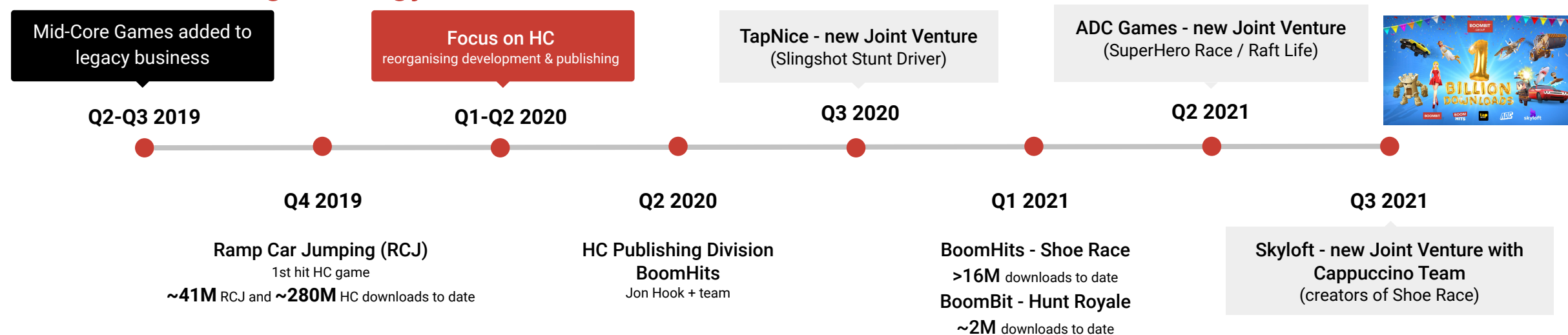
Net profit adjusted

# BoomBit.

- One of the fastest growing mobile gaming companies
- Over 10 years in free-to-play segment
- 1 billion downloads
- Focused on Hyper-Casual Games
- Recognized globally, strong presence in the US, UK and Poland
- Strong team: over 250 people worldwide



## Business Scaling Strategy



# 3 Pillars of Diversified Revenue.

- In-House game development and publishing
- Growing external publishing division: BoomHits
- Expanding portfolio of successful Joint Ventures
- 22 mobile games released in 2021 by all 3 business lines



## INTERNAL DEVELOPMENT

- Developer and Publisher of Hyper-Casual, Mid-Core and Driving Simulator games
- Competence Hub for the BoomBit Group (Tech Tools, UA, BI, Support)

## EXTERNAL PUBLISHING



## JOINT VENTURES

BoomBit works with external producers in the form of Joint Ventures



# BoomHits.

- Named one of the hottest gaming startups in Europe\*
- Executives recognized in the industry  
(ex. AppLovin, Voodoo, Homa, Rollic)
- Vehicle to create Joint Ventures with the best studios  
(PlayEmber and SkyLoft created so far)
- Current headcount: 19, supported by UA and monetization experts from BoomBit
- >50 studios tested

## Top games released so far

- Shoe Race (no.1 in the US, >1M USD Reve-UA so far)
- Kiss in Public (top 10 in the US)
- Hyper Cards (collectible card game, >500k USD potential)
- Super Hero Race (>10M downloads)

## Financial performance of BoomHits and JVs (YTD EBITDA in USD)

**BOOM  
HITS**

**-1.8M**

**ADC**   
playEmber

live 5 months

**+0.4M**

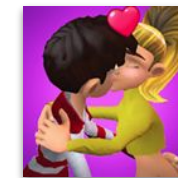
  
**skyloft**

established just recently

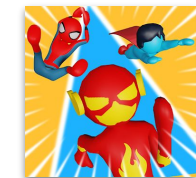
**n/a**



Shoe Race



Kiss in Public



Superhero Race!

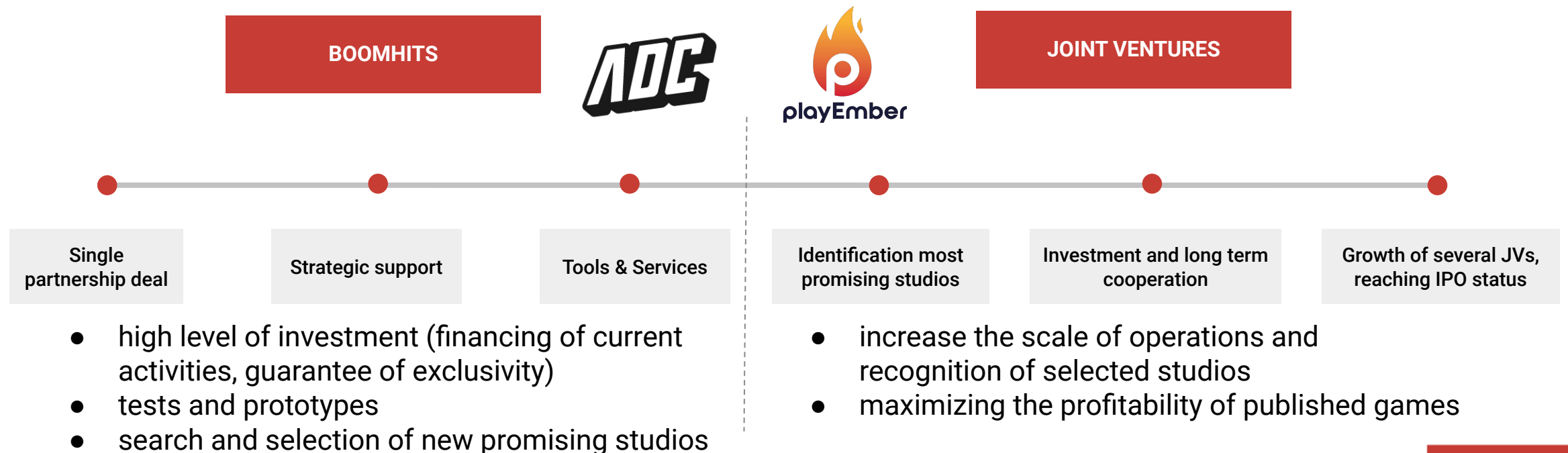


Hyper Cards

\*<https://www.cledara.com/blog/the-37-hottest-gaming-startups-in-europe>

# Joint Venture Strategy.

- JV is the target form of cooperation with the most promising studios after testing stage in BoomHits
- PlayEmber is an excellent example of the JV success

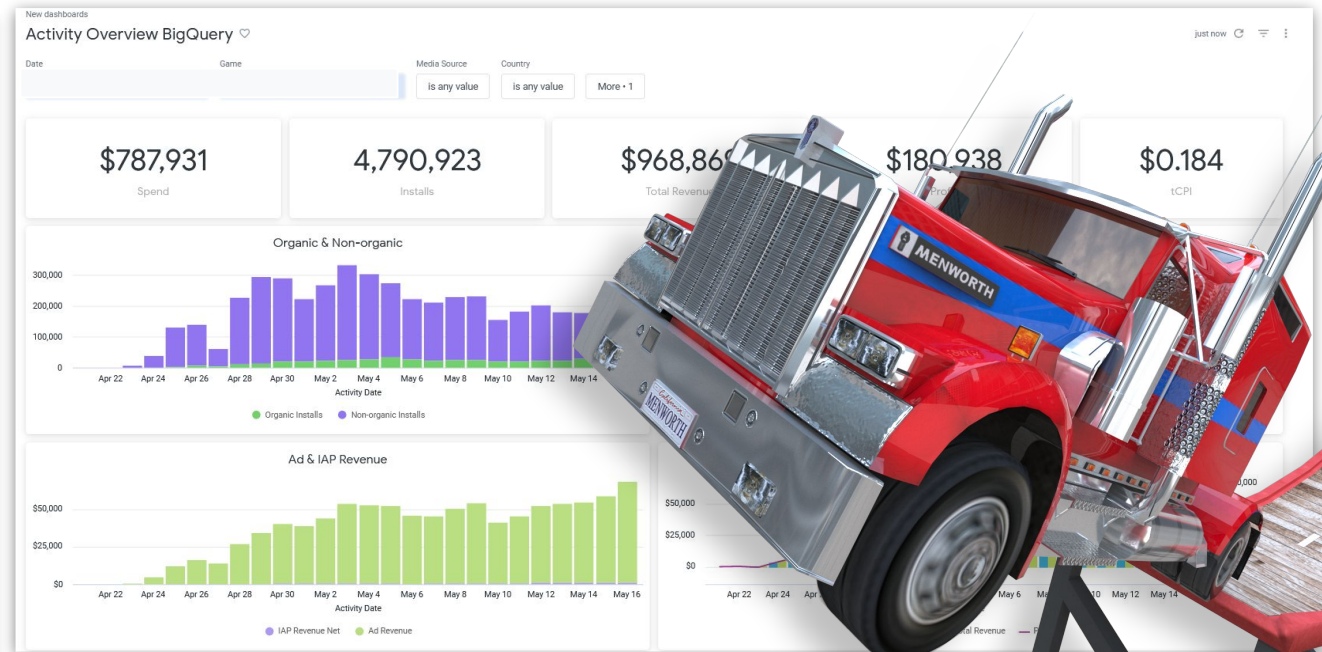


# User Acquisition.

BoomBit uses proprietary tools and algorithms to optimize UA costs and maximize game returns

- More UA = more profits. Expenditure on user acquisition has to provide a positive return on the game.
- Different sources of user acquisition have different costs and quality of players.
- BoomBit focuses on maximizing game profit, not maximizing downloads or position in rankings.

Campaign / Adset	GEO	Bid	eCPI	Budget	Bdg usg	Spend	Installs	Impre	IPM	eCPM	Inst diff	ARPU D0	ARPU D7	ROI D0	ROI D1	ROI D7	Profit D7
UA-48877-MFF-CP-US-VIDEO-20210428	US	\$0.48	\$0.58			\$16695.6	28778	714771	41.9	\$23.4	4%	\$0.34	\$0.57	-41.1%	-23.4%	-2.3%	-\$377
UA-48877-MFF-CP-US-VIDEO-20210510	US	\$0.5	\$0.54			\$8038.7	14986	347005	46.1	\$23.2	7%	\$0.35	\$0.55	-35.3%	-18.6%	3.2%	\$255
FB-MFF-CP-USA-BROAD-PHONE-VIDEO-NORMAN-20210425-MED-CP	??	\$0.06	\$0.05	\$2600	39%	\$7168.8	133982	13199708	9.8	\$0.5	-3%	\$0.03	\$0.05	-36.6%	-26.4%	-12.3%	-\$881
FB-MFF-CP-US-TEK1-BROAD-PHONE-VIDEO-NORMAN-20210425-3L	US	\$1.15	\$0.8	\$1800	52%	\$6611.5	8229	594719	13.7	\$11.1	-1%	\$0.68	\$1.02	-15.3%	3.8%	27.1%	\$1792
FB-MFF-CP-US-TEK1-BROAD-PHONE-VIDEO-NORMAN-20210425-3L	US	\$1.1	\$0.8	\$1900	48%	\$6330.5	7929	633057	12.6	\$10	1%	\$0.66	\$0.98	-17.1%	0.2%	22.6%	\$1429
FB-MFF-CP-US-TEK1-BROAD-PHONE-VIDEO-NORMAN-20210425-3L	US	\$1.1	\$0.77	\$2200	38%	\$5878.4	7586	543524	13.9	\$10.8	0%	\$0.65	\$1	-16.2%	3.6%	29.5%	\$1733
Mileage-MFF-US-CP-BROAD-20210427-3L	US	\$0.49	\$0.68			\$4359.5	6382	1415146	4.6	\$3.1	3%	\$0.47	\$0.72	-31.5%	-14.8%	5.6%	\$245
FB-MFF-CP-DE-TEK1-BROAD-PHONE-VIDEO-NORMAN-20210425-3L	DE	\$0.57	\$0.41	\$840	69%	\$4030.6	9932	602403	16.8	\$6.7	2%	\$0.34	\$0.49	-16.7%	-0.8%	21.1%	\$850
FB-MFF-CP-US-TEK1-BROAD-PHONE-VIDEO-NORMAN-20210425-3L	US	auto	\$1.06	\$850	63%	\$3748.5	3538	319754	11	\$11.7	0%	\$0.95	\$1.41	-10.4%	9.2%	33%	\$1235
FB-MFF-CP-GB-TEK1-BROAD-PHONE-VIDEO-NORMAN-20210425-3L	GB	\$0.68	\$0.49	\$780	56%	\$3054.6	6261	470773	12.9	\$6.5	-3%	\$0.42	\$0.63	-14.6%	3.7%	29%	\$886
FB-MFF-CP-BR-TEK1-BROAD-PHONE-VIDEO-NORMAN-20210425-3L	BR	\$0.1	\$0.08	\$600	72%	\$3040.8	36942	2705553	13.6	\$1.1	-1%	\$0.06	\$0.08	-29.6%	-18.2%	-1.9%	-\$59
FB-MFF-CP-BR-TEK1-BROAD-PHONE-VIDEO-NORMAN-20210425-3L	BR	\$0.1	\$0.08	\$600	72%	\$3029	36945	2634098	13.9	\$1.1	-1%	\$0.06	\$0.08	-30.5%	-19.5%	-3.1%	-\$94
FB-MFF-CP-FR-TEK1-BROAD-PHONE-VIDEO-NORMAN-20210425-3L	FR	\$0.41	\$0.26	\$550	55%	\$2111.1	8166	530359	15.3	\$4	0%	\$0.22	\$0.33	-14.8%	2.9%	27.3%	\$576
FB-MFF-CP-MX-TEK1-BROAD-PHONE-VIDEO-NORMAN-20210425-3L	MX	\$0.08	\$0.07	\$600	49%	\$2061.5	29422	1986215	14.6	\$1	-1%	\$0.05	\$0.07	-29.7%	-16.8%	0.9%	\$19
FB-MFF-CP-KR-TEK1-BROAD-PHONE-VIDEO-NORMAN-20210425-3L	KR	\$0.73	\$0.61	\$500	58%	\$2038.3	3354	285201	11.5	\$7.1	-2%	\$0.57	\$0.77	-6%	7.2%	26.9%	\$547
UA-48877-MFF-CP-USA-VIDEO-20210428	US	\$0.31	\$0.31			\$2016.7	6580	159542	42.6	\$12.6	3%	\$0.21	\$0.35	-31.6%	-11.5%	15.1%	\$304
FB-MFF-CP-GB-TEK1-BROAD-PHONE-VIDEO-NORMAN-20210425-3L	GB	\$0.68	\$0.47	\$600	45%	\$1870.7	4021	279096	13.8	\$6.7	-5%	\$0.41	\$0.62	-12.7%	6.8%	32.8%	\$614
UA-48877-MFF-CP-USA-VIDEO-20210428	KR	\$0.36	\$0.34			\$1715.4	5005	92614	54.8	\$18.5	1%	\$0.26	\$0.37	-24.3%	-5.2%	8.2%	\$141



**BOOMBIT**

# BOOMBIT

## FINANCIAL RESULTS

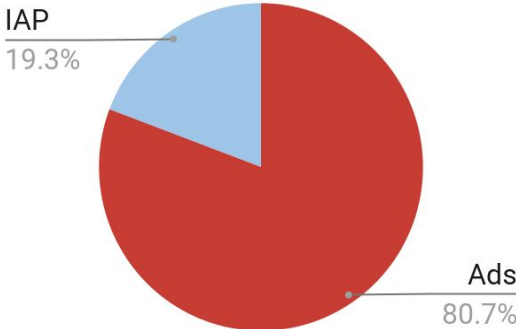




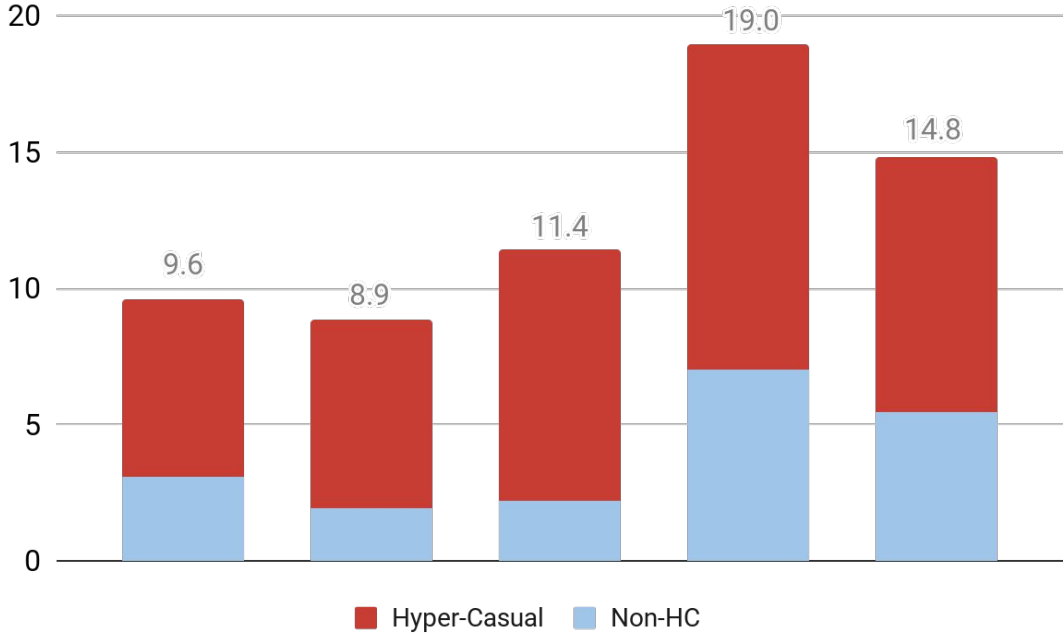
# Revenue From Games.

- USD 14.8M revenue in Q3 (-22% Q/Q, +55% Y/Y)
- Second best quarter despite post-IDFA market adaptation
- Six months with revenue above USD 5M
- HC games responsible for 2/3 of revenues

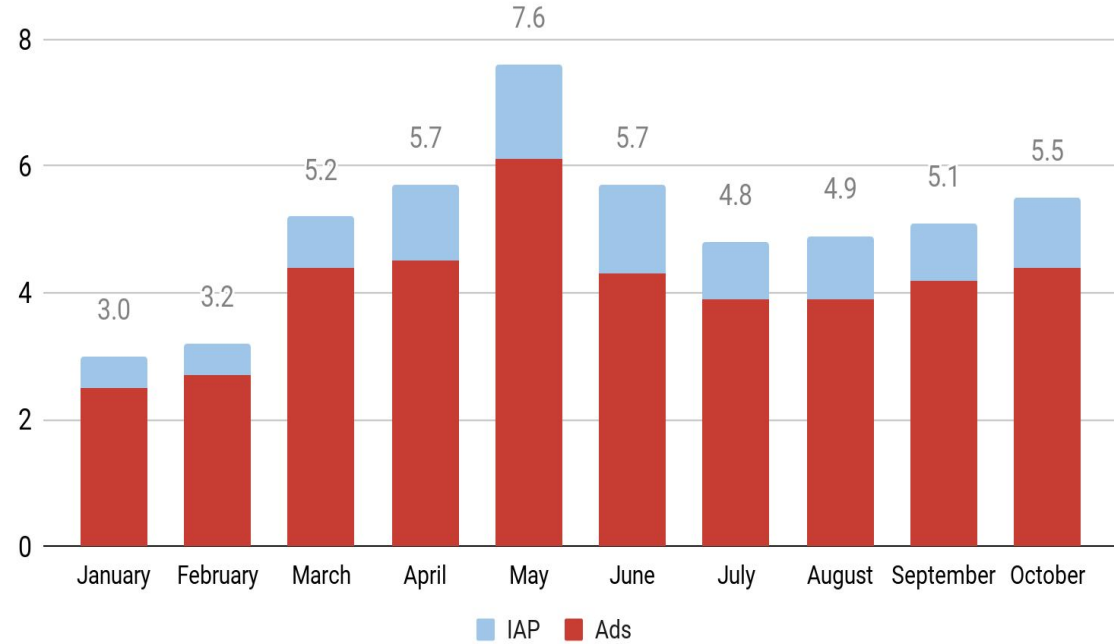
Revenue Q3 2021



Revenue\* (USD M)



Revenue\* (USD M)

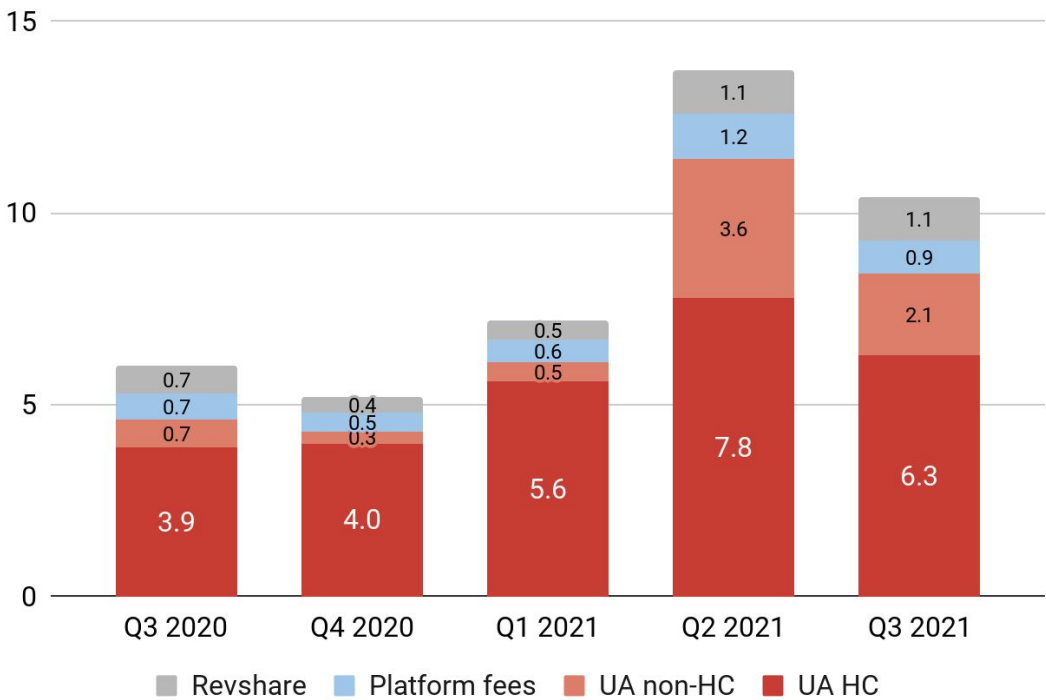


\*Presented revenue includes revenue from soft launch, which according to Groups' accounting policy are capitalised as development costs.

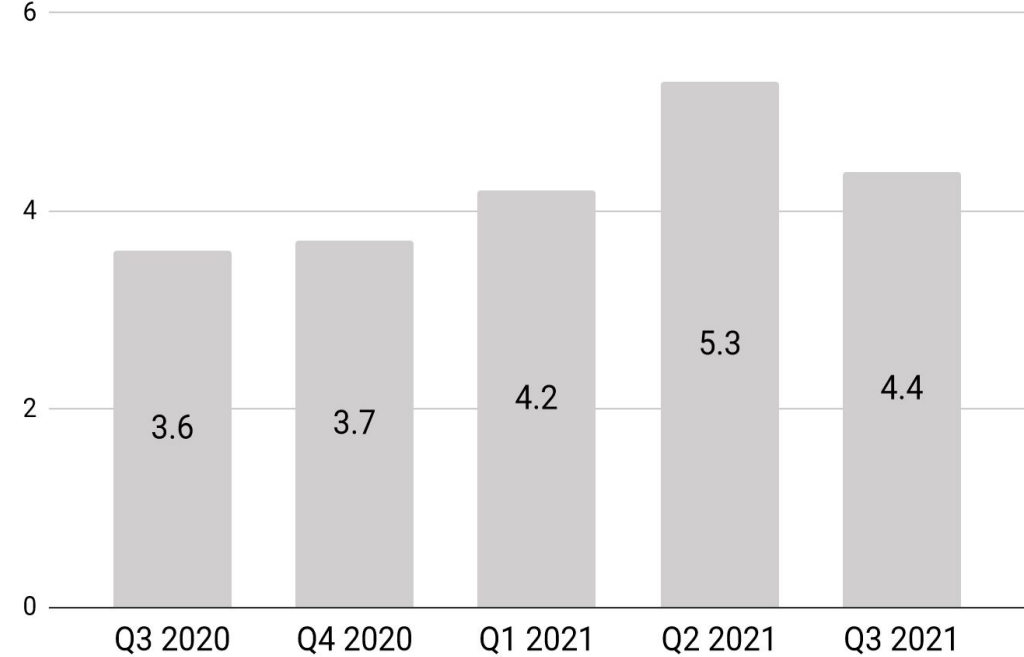
# Revenue From Games And Main Variable Costs.

- High level of revenue less variable costs (USD 4.4M in Q3, -17% Q/Q, +22% Y/Y)
- USD 8.4M of investment in UA (-26% Q/Q)
- Second best quarter despite post-IDFA market adaptation

**Main Variable Costs (USD M)**



**Revenue Net of Variable Costs\* (USD M)**

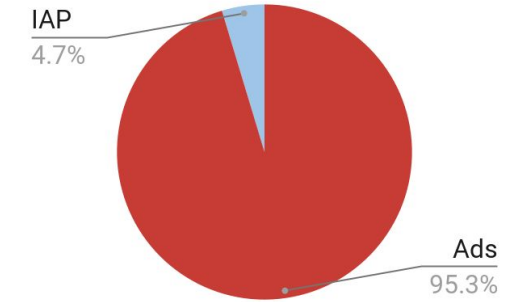


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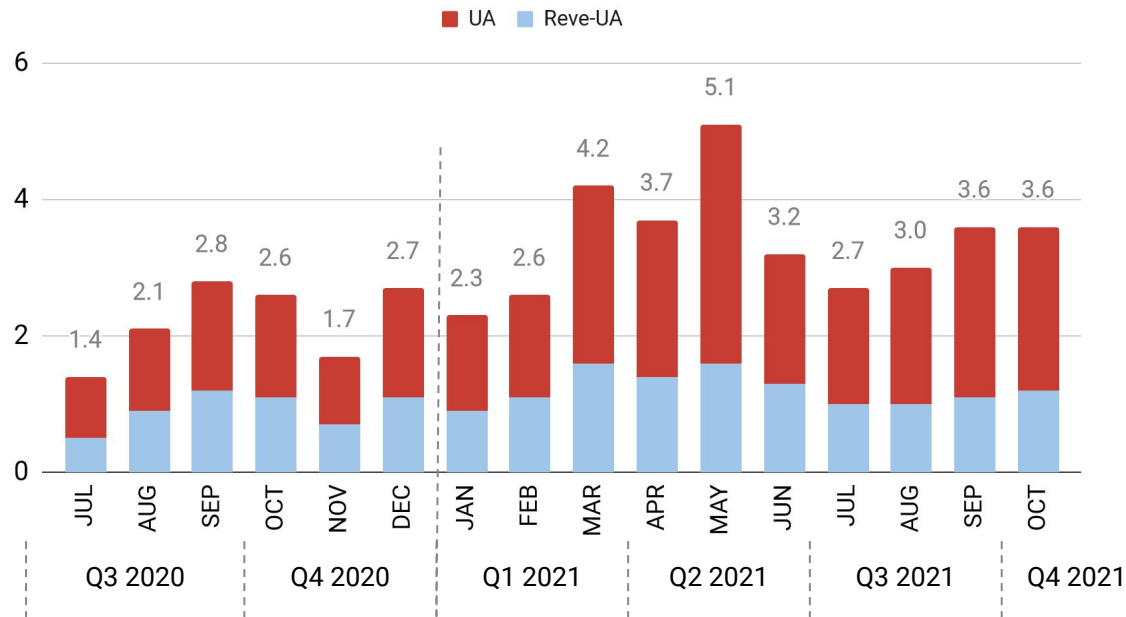
# Hyper-Casual.

- USD 9.3M revenue in Q3 2021 (-19% Q/Q and +48% Y/Y)
- Improvement in September and October after slightly weaker summer months
- Outlook: working on new games in all three business pillars

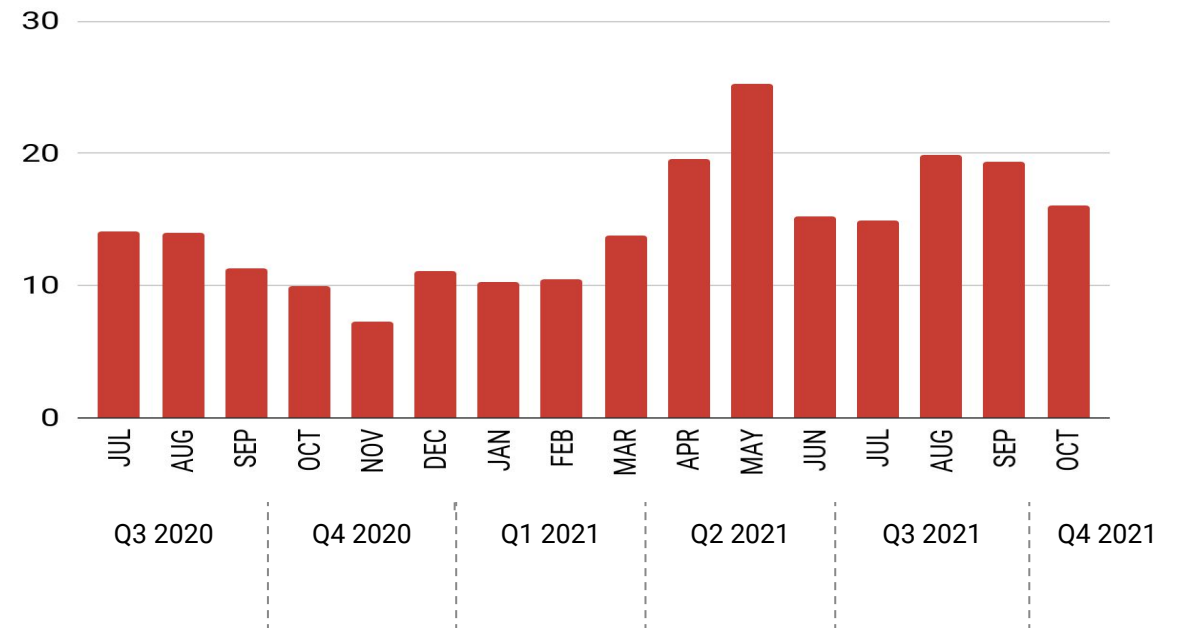
Revenue Q3 2021



Revenue and User Acquisition\* (USD M)



Downloads (M)

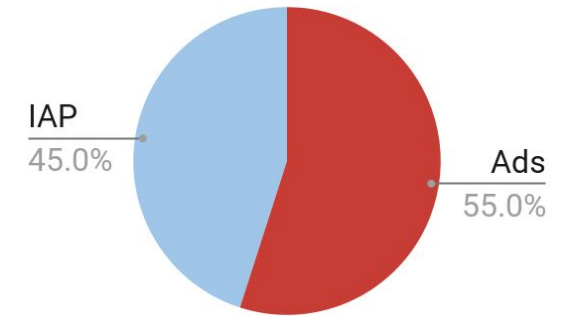


\*Presented revenue includes revenue from soft launch, which according to Groups' accounting policy are capitalised as development costs.

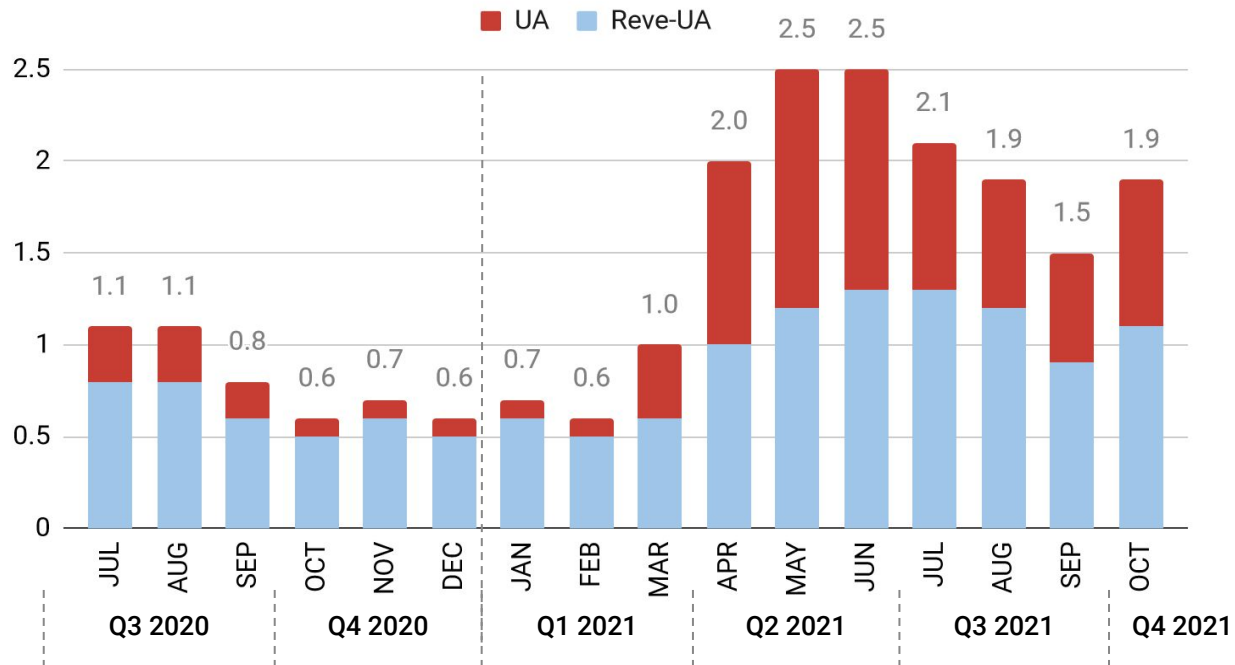
# Non-HC.

- USD 5.5M revenue in Q3 2021 (-21% Q/Q and +83% Y/Y)
- Revenue - UA second best quarter in history
- October picking up after new updates for Hunt Royale

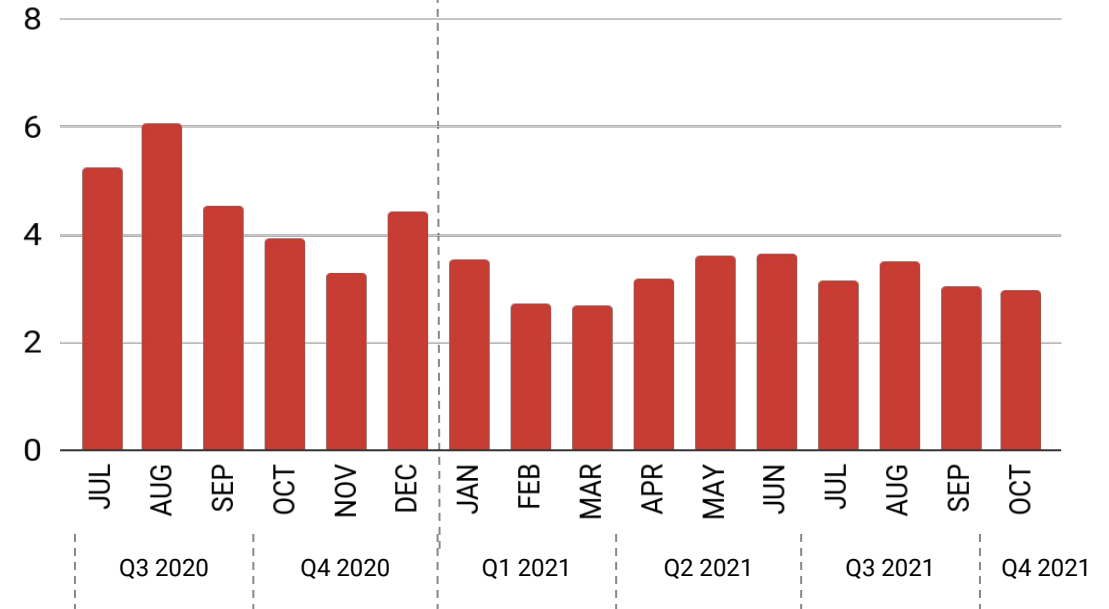
Revenue Q3 2021



Revenue and User Acquisition\* (USD M)



Downloads (M)

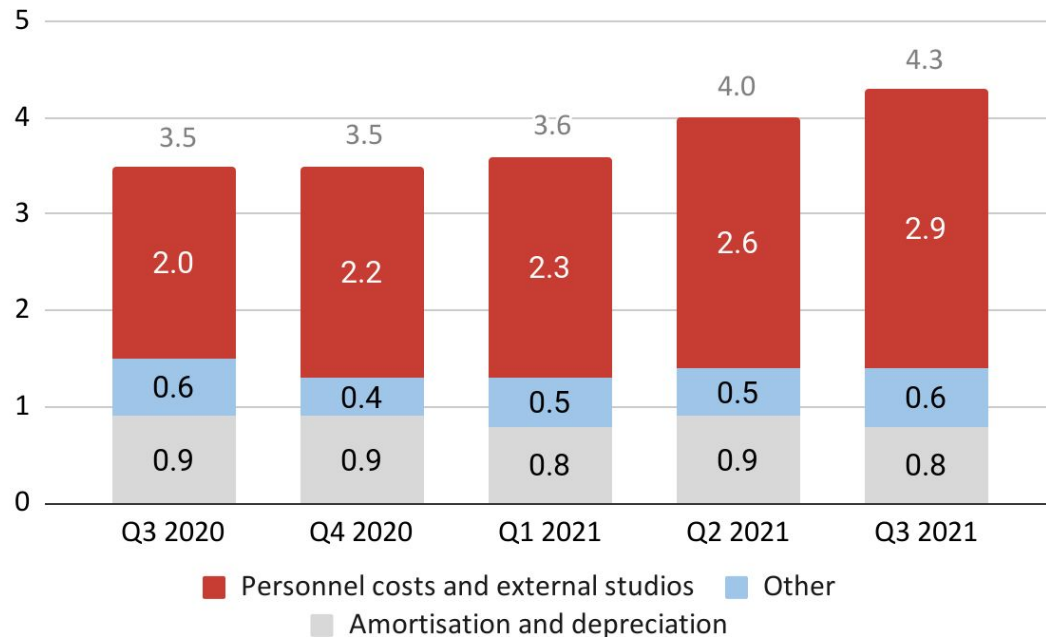


\*Presented revenue includes revenue from soft launch, which according to Groups' accounting policy are capitalised as development costs.

# Cost.

- In Q3 2021 costs as a percentage of revenue kept at the safe level of 29% (25% in H1 2021).
- Main costs categories under control.
- Further increase in personnel costs and external studios:
  - Cooperation with bigger HC studios
  - Talent Acquisition (game developers, creative designers, business intelligence)which we expect to translate to higher revenue in the future

Cost categories other than main variable costs (USD M)

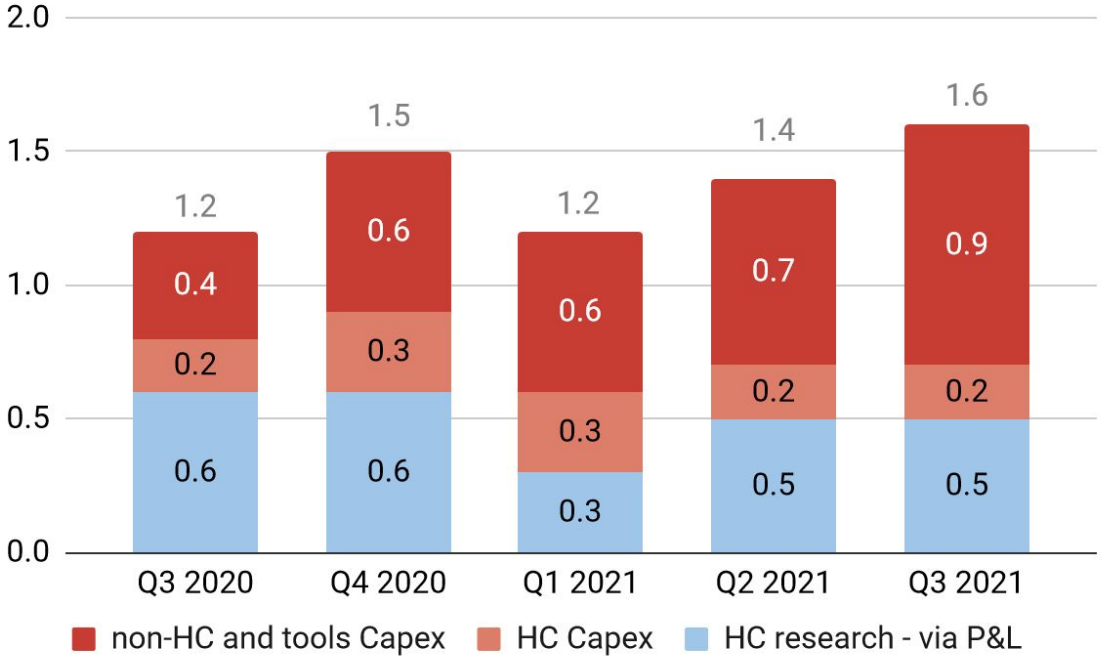


# Product Development.

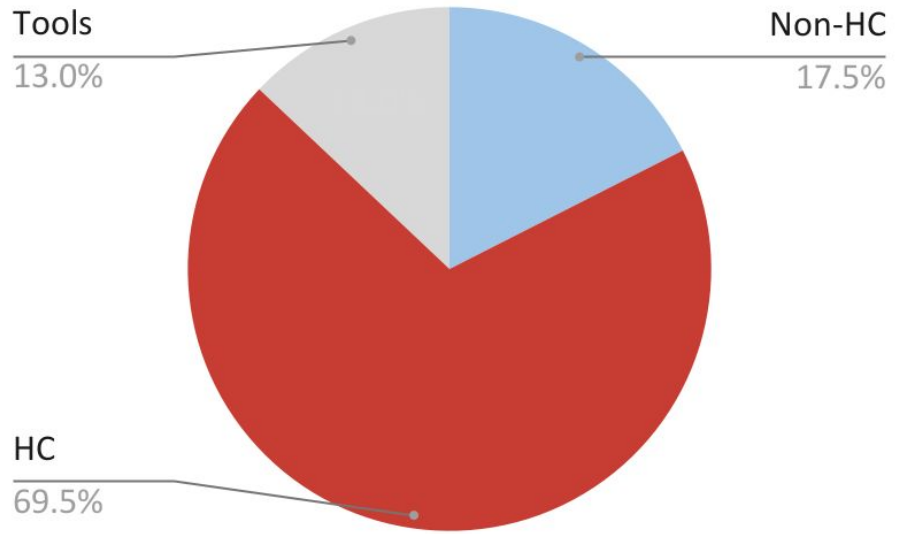
- Increase in investment on HC games - internal and BoomHits
- Stable development cost of Mid-Core games and BI tools
- P&L development costs vs. CAPEX related to:
  - HC production cycle (testing of prototypes)
  - Investment in cooperation with multinational studios



CAPEX and Investment (USD M)

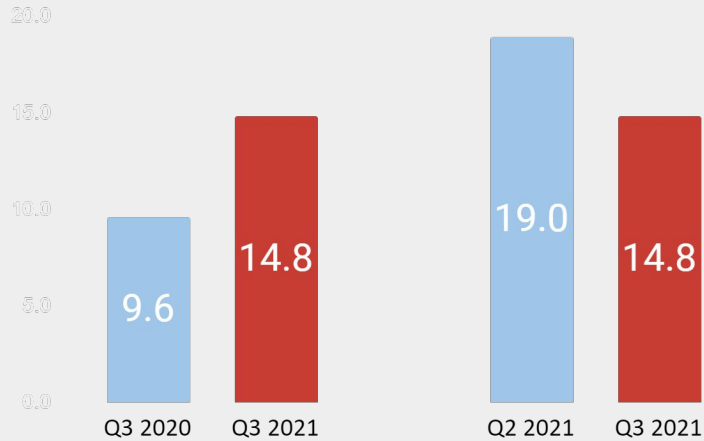


Product Development (CAPEX and P&L) in Q3 2021

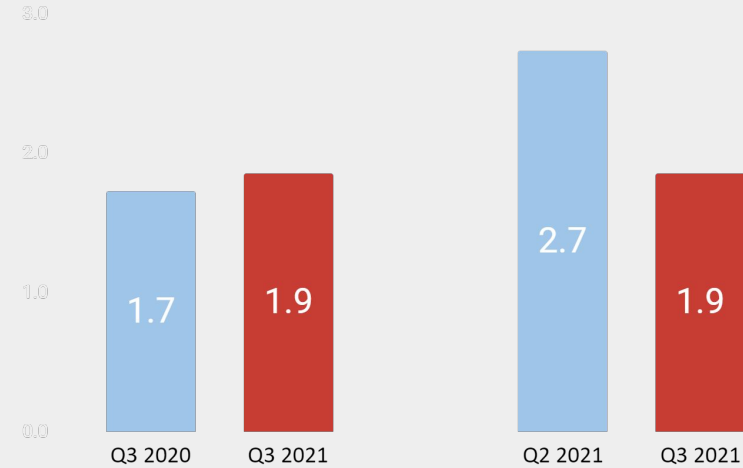


# Results.

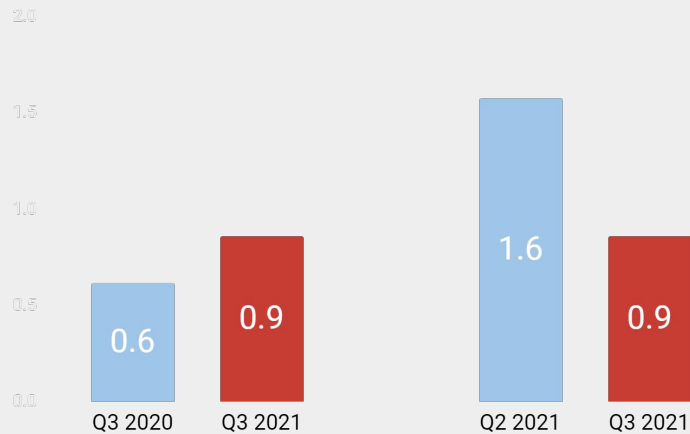
## Revenue From Games\* (USD M)



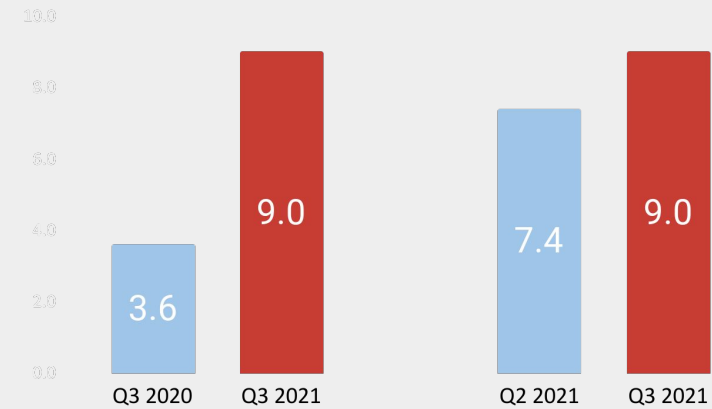
## EBITDA Adj.\*\*\* (USD M)



## Net Profit Adj.\*\* (USD M)



## Cash (End Of Quarter) (USD M)



\*Presented revenue includes revenue from soft launch, which according to Groups' accounting policy are capitalised as development costs.

\*\*Adjusted for one-off effects in Q2 2021 - valuation of call option for Level-Up First S.à.r.l. Investment Fund to acquire 112 shares in SuperScale from the Company (127 USD k). In Q3 2020 - advisory costs for SuperScale investment agreement and Gamelnn support program (100 USD k).

\*\*\*Adjusted for one-off effects in Q3 2020 - advisory costs for SuperScale investment agreement and Gamelnn support program (100 USD k).

# BOOMBIT

## OUTLOOK

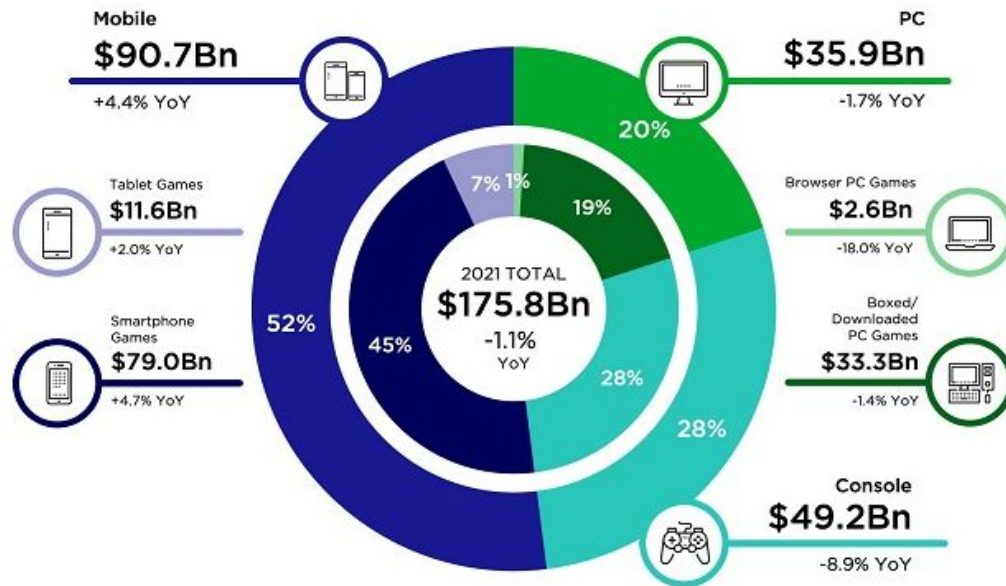




# Growing Gaming Market.

Mobile games the most important part of gaming market Selected Recent Transactions:

2021 Global Games Market per device and segment (USD B)



# USD 90.7B

mobile game revenues in 2021

From	To	Transaction Details
Beachbum <b>TESKIN</b>	→ <b>Voodoo</b>	USD 300M undisclosed
zerosum CREA SAUR ByteTyper	→ <b>follic</b>	undisclosed
<b>HOMA GAMES</b>	↑ <b>Northzone</b>	USD 50M issue of shares
<b>CrazyLabs</b> (incl. 7 iother studios)	→ <b>EMBRACER+ GROUP</b>	USD 313M + USD 232M (earn outs)
<b>tap NICE</b> playEmber skyloft	→ <b>BOOMBIT</b> → <b>BOOM HITS</b>	Controlling Stake Low Risk Seed Capital

# Hyper-Casual Is Here To Stay.

Number one genre for downloads worldwide

Millennials and Gen Z spend more time on games than on any other activity

3.5<sub>B</sub>

### Hyper-Casual games downloads

(Source: App Annie's Game IQ analytics, Q3 2021)

+15%

### Increase in global consumer spending in Mobile Apps and Games for Q3 2021

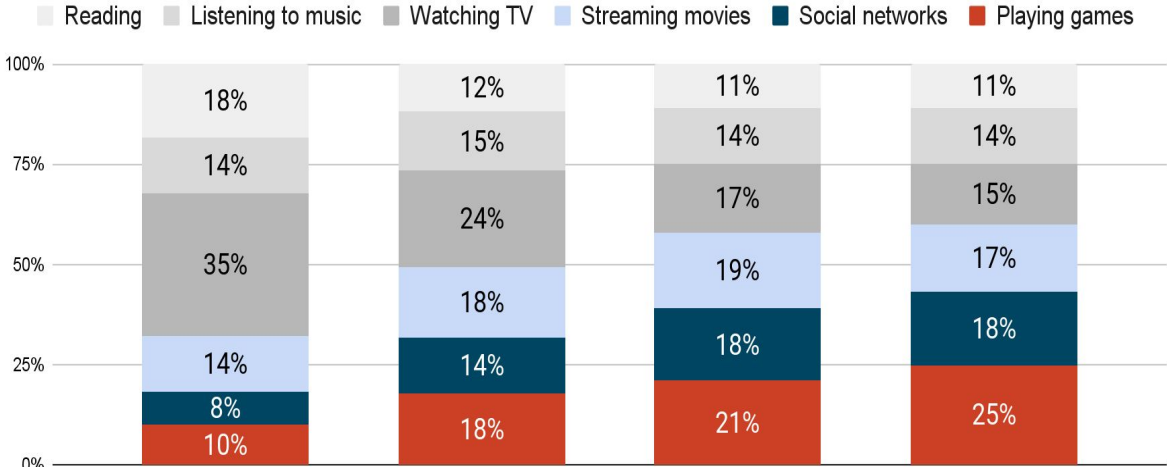
(Source: Sensor Tower)

31%

### Share of downloads in gaming

(Worldwide, AppStore & Google Play, January-April 2021), Source: Hypercasual, Market Overview June 2021, Google

% Time Spent per Entertainment Platform



Average playtime per week: Baby Boomers 2:30h, Gen X 4:25h, Millennials 6:50h, Gen Z 7:20h

### Hyper-Casual Audience Sources:



# Summary & Outlook 2021+.



## RESULTS

- Diversified revenue streams: Internal Development, BoomHits, Joint Ventures
- 6 Months Above USD 5 Million
- The lifetime total number of downloads exceeded 1 Billion

- **Successful New Releases** (Construction Ramp Jumping, Kiss in Public, Jump into the Plane, High School First Day)
- **Promising pipeline** (dozens of games in testing process)
- **Efficient UA & Monetization: new tools for automation**



## GAMES SUCCESS



## GROWING MARKET

- Hypercasual is the fastest growing segment of gaming market
- Testing new gaming platforms: Facebook Cloud, Skillz

- PLN 3.2M advance dividend
- Strategic options overview
- Potential IPO of JVs



## SHARES

# BOOMBIT

## APPENDICES



# Key Financial Data.

USD k	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Revenue*	9,470	7,993	9,519	8,980	11,250	18,846	14,808
Revenue - variable costs	3,615	2,842	3,641	3,659	4,197	5,342	4,457
EBITDA	2,608	1,393	1,625	33	2,144	2,732	1,859
Net profit	1,594	496	533	1,103	1,018	1,474	861
one-off effects**	-	-	100	(602)	-	127	-
EBITDA adj.	2,608	1,393	1,725	1,675	2,144	2,732	1,859
Net profit adj.	1,594	496	615	615	1,018	1,577	861
CAPEX	730	647	640	533	529	642	688
Cash (end of quarter)	1,342	2,805	3,641	5,520	6,033	7,452	9,038

\*Presented revenue *does not include* revenue from soft launch, which according to Groups' accounting policy are capitalised as development costs.

\*\*In 2020 impairment, Super Scale transaction effect and Gamelnn project subsidy acquisition costs. In 2021 valuation of call option (less deferred tax) for Level-Up First S.à.r.l. Investment Fund to acquire 112 shares in SuperScale from the Company.

# High Performance Every Day.

BoomBit's mobile games are popular across the world and among a broad spectrum of people

**~800k**

installs daily

**~2M**

daily active users

**~33M**

monthly active users

**~28M**

ads displayed each day

**~60k**

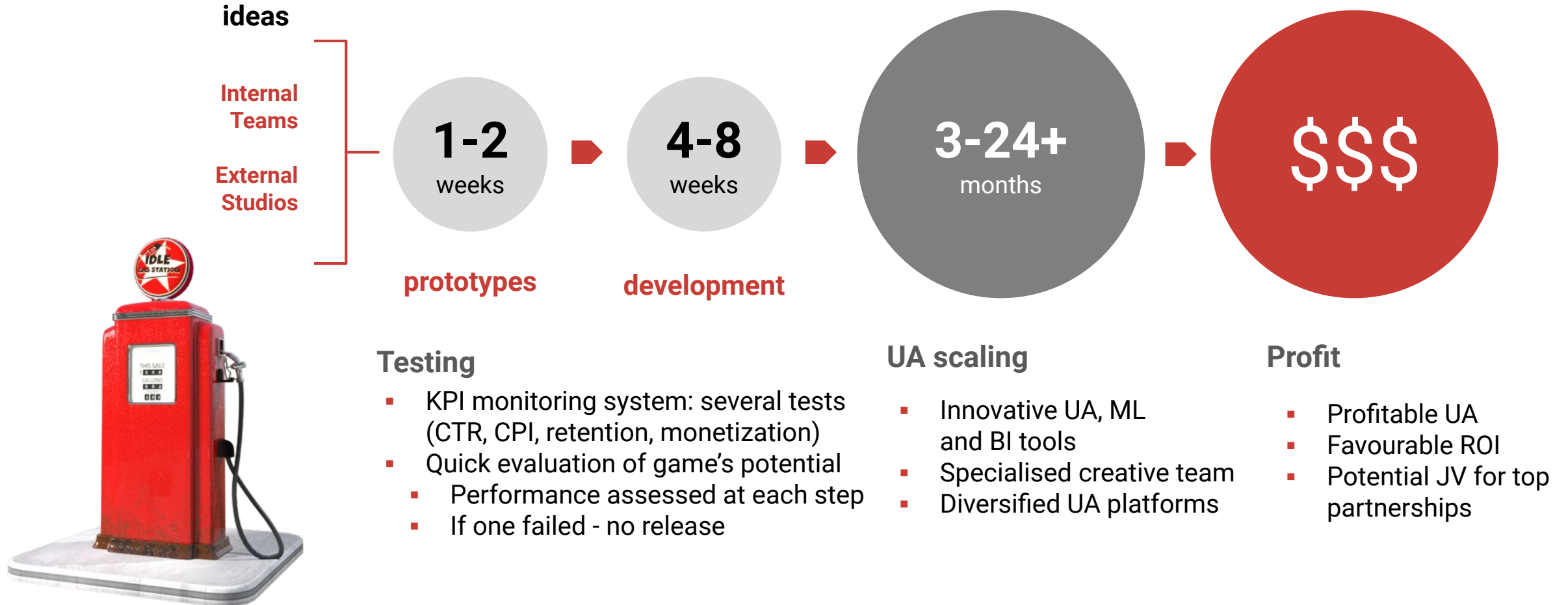
hours of full-screen ads  
every day (7 years for 1 person)

**~30k**

UA bids updated  
each iteration

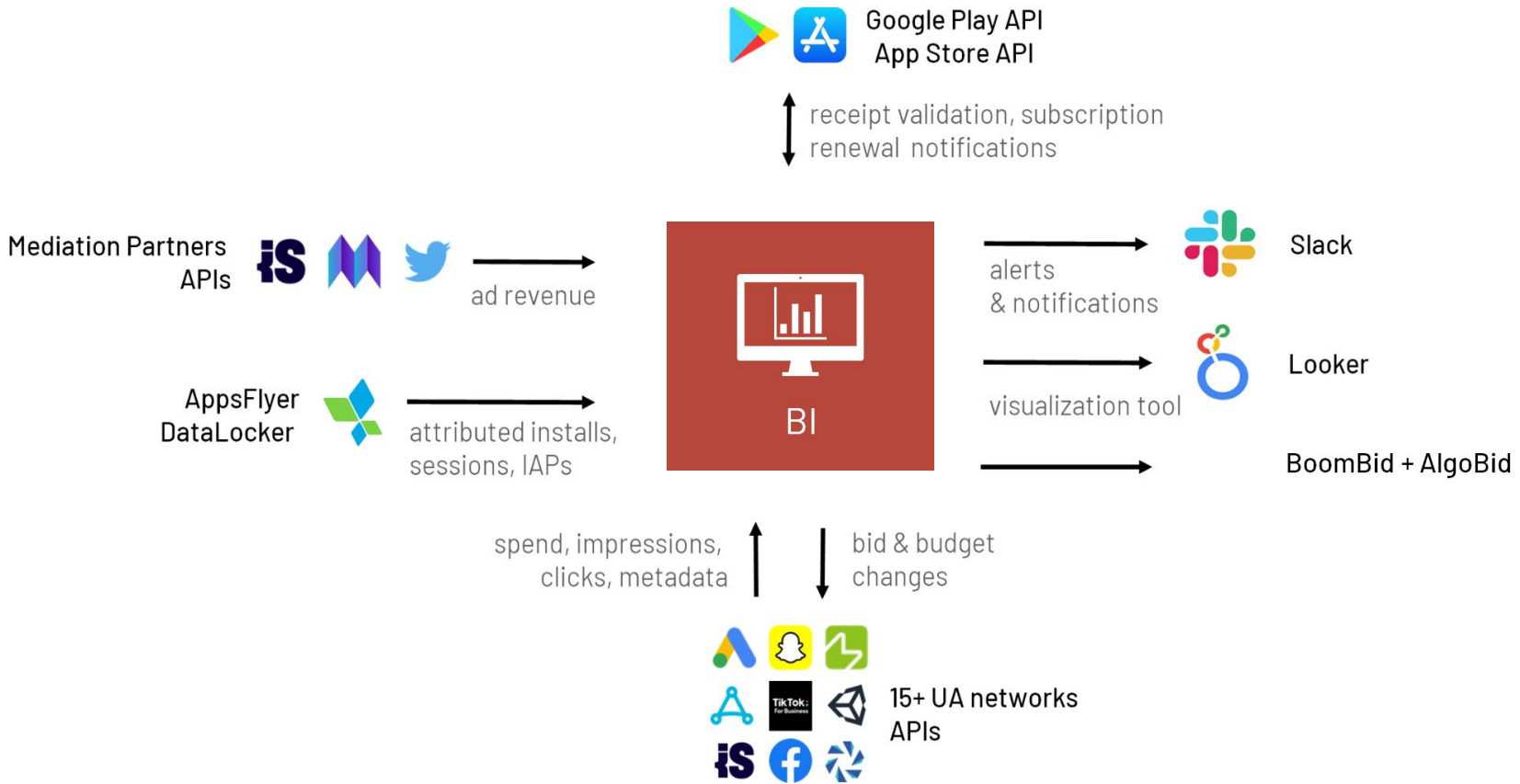
# HC Publishing Process

Teams expanded with experts in UA, BI, Data Science, Machine Learning, Creatives and internal tools



# UA Automation - Business Intelligence.

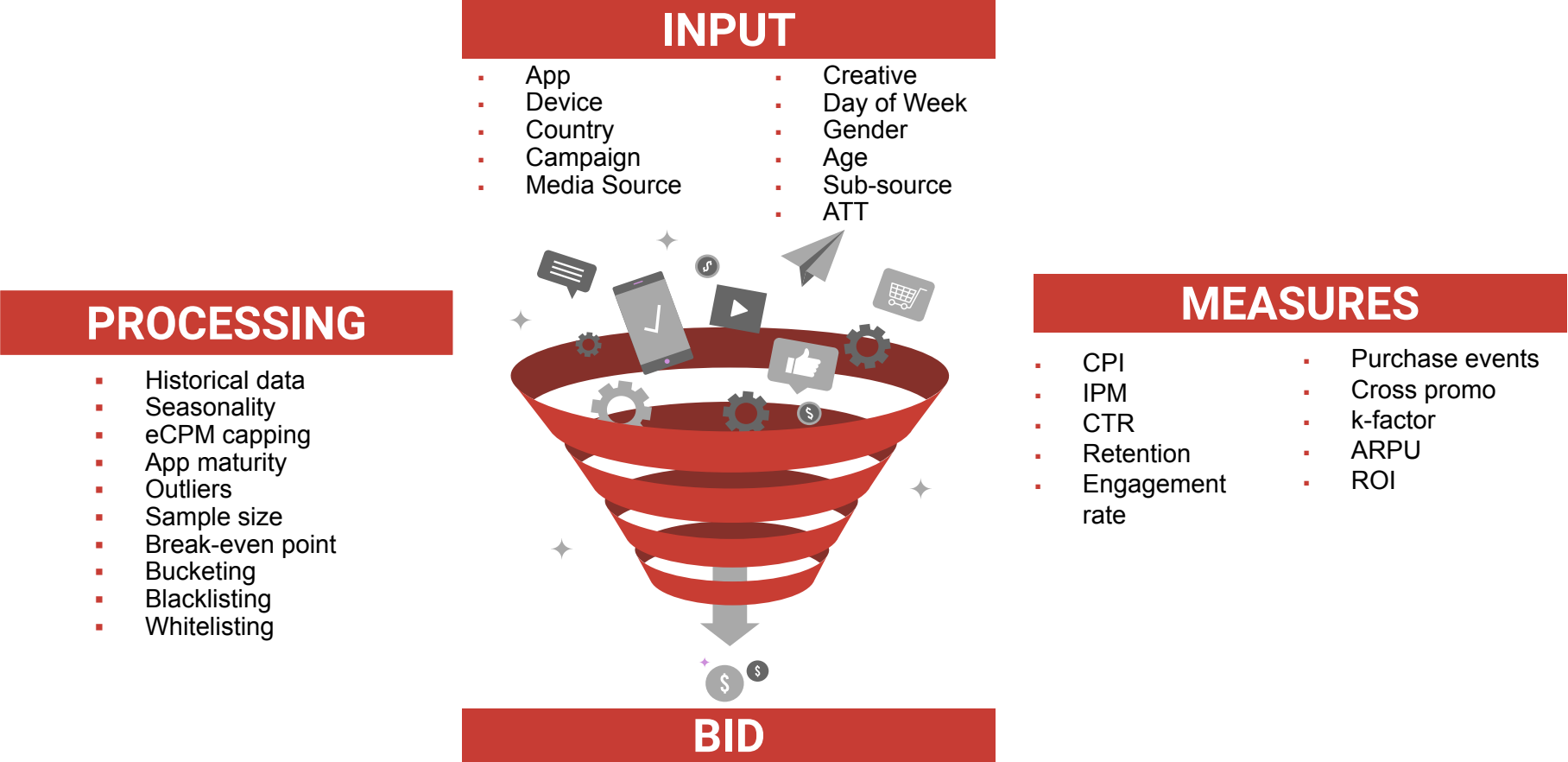
- BI: Complete data for the past cohorts' performance
- Real time monitoring of ongoing campaigns





# UA Automation - AlgoBid.

- AlgoBid: Tool for calculating bids aimed at maximizing profitability of UA campaigns



- ~30k bids each iteration
- less than 1% overridden by UA managers

# UA Automation - BoomBid.

- BoomBid: Tool for updating thousands of bids with one click.

# ~30k

UA bids updated each iteration

PREPARE AND UPLOAD BIDS

One file with bids to all networks and types of campaigns and types of campaigns

REVIEW CHANGES AND ADJUST

In case bid suggested by AlgoBid should be overwritten

CONFIRM DEPLOYMENT

All bids deployed in just a few minutes

Campaign / Adset	GEO	Bid	New Bid	Bid chg	tCPI
		\$0.3	\$0.3	0%	\$0.31
		\$0.48	\$0.471	-1.9%	\$0.58
		\$0.398	\$0.397	-0.3%	\$0.58
		\$0.51	\$0.47	-7.8%	\$0.51
		\$0.876	\$0.881	0.6%	\$0.87
		\$0.334	\$0.327	-2.1%	\$0.33
		\$0.26	\$0.27	3.8%	\$0.26
		\$0.45	\$0.441	-2.4%	\$0.45
		\$0.5	\$0.458	-9.2%	\$0.5
		\$0.3	\$0.29	-3.3%	\$0.3
		\$0.24	\$0.24	0%	\$0.24
		\$0.05	\$0.05	0%	\$0.05
		\$0.36	\$0.37	2.8%	\$0.36



Network	All bids	Valid	Changes	Deployment
ironSource	2242	100.0%	8	100.0%
Unity Ads	11343	100.0%	23	100.0%
AppLovin	9394	92.2%	17	100.0%

# Strong Global Team

## Internal Development Studios

We have a number of internal development teams, making games and tech for games on mobile.

## Publishing

This department publishes external HC games and develops them in cooperation with external studios.

## Joint Ventures

Partnerships in the form of joint ventures with external developers. In our Group we have subsidiaries such as TapNice and ADC Games involved in the production and publishing of games.

## Tech

We developed proprietary tools enabling us to drastically speed up the process of game development (“Core engine”) and game monetization (“Boombit SDK”). Our engine consists of over 160 modules allowing developers to focus on gameplay rather than working on mechanics. Our SDK is used in all our games powering our BI, UA and monetization tools.

We acquired NCBIr funding for the development of a proprietary artificial intelligence system that modifies game parameters during play.



# Strong Global Team

## Marketing and Game Creatives

Best games deserve the best promotion. Our World Class Marketing team works hard to put our games on the storefront of app stores, prepare creatives promoting our games and make them viral on social media.

## User Acquisition

Our games remain high in the charts for a reason. User Acquisition team is responsible for running our marketing campaigns and works side by side with the Business Intelligence team. Together they ensure that quality players install BoomBit games, and keep coming back.

## Business Intelligence

Our BI team is the best in class. Their tools and research provide us answers on game and user performance, helping us to constantly improve our Monetization, UA, Creatives in HC and provide foundation for high conversions in Mid-Core. This team gives us true leverage vs our peers.

## Ads Monetization

Our Ads Monetization team works closely with the leading advertising partners in the Mobile industry in order to maximize the revenue from every single ad impression, no matter where the end-user is residing.

## Quality Assurance

To reach the masses, game needs to run on as many devices as possible. We have an extensive QA team and technical support team to make sure that the whole world can play our games.



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Thank You

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