

# INVESTOR PRESENTATION

March 2024





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## Non-GAAP Financial Measures

This Presentation includes key performance indicators and non-GAAP financial metrics that we use to help us evaluate our business, identify trends affecting our business, formulate business plans, and make strategic decisions. Adjusted EBITDA and Adjusted EBITDA margin are financial measures that are calculated and presented on the basis of methodologies other than in accordance with generally accepted accounting principles in the United States of America ("GAAP"). Definitions for such non-GAAP measures and a reconciliation of each of non-GAAP measures to their nearest GAAP measure can be found in our most recent Annual Report on Form 20-F and other documents we file with or furnish to the SEC. Any non-GAAP financial measures used in this Presentation are in addition to, and not meant to be considered superior to, or as substitute for, the Company's financial statement prepared in accordance with GAAP.

The Company believes these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to our financial condition and results of operations. The Company's management uses these non-GAAP measures to compare our performance to that of prior periods for trend analyses and for budgeting and planning purposes. These measures are used in monthly financial reports prepared for management and our board of directors. We believe that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends in and in comparing our financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. Management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by GAAP to be recorded in our financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. Undue reliance should not be placed on these measures as the Company's only measures of operating performance, nor should such measures be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP. Non-GAAP financial measures as used in respect of the Company may not be comparable to similarly titled amounts used by other companies.

Additional information with respect to DDI is contained in documents filed with or furnished to the SEC and are available at the SEC's website, <http://www.sec.gov>, and on DDI's website, [www.doubledowninteractive.com](http://www.doubledowninteractive.com).



Leading mobile game developer with high value player base

Access to multiple sources of high-performing casino content

Recent SuprNation acquisition diversifies offerings to real-money i-Gaming

Superior monetization capabilities leads to attractive financial profile

Free cash flow has created strong balance sheet to drive growth & shareholder returns

*A leading developer and publisher of digital games  
for mobile and web-based platforms*

**2023 Revenue  
\$309 million**

**2023 AEBITDA  
\$119 million**

**2023 AEBITDA  
Margin 38.5%**

**Net Cash &  
ST Investments  
~\$235 million  
(12/31/23)**

Source: Company information





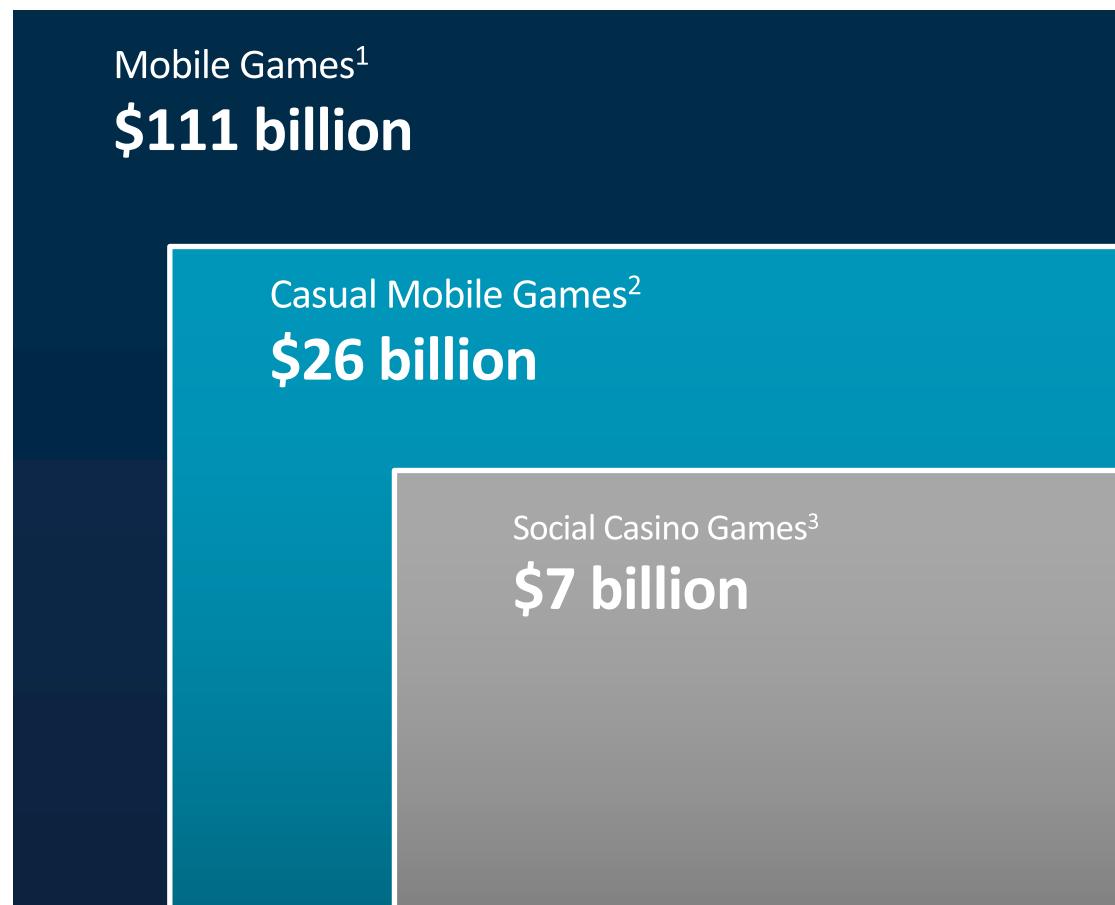
# Casual / Free-to-Play Business





# Large market opportunity

## Mobile Gaming Market Size Breakdown



Note: <sup>1</sup> IDC Worldwide Mobile and Handheld Gaming Forecast for 2023, <sup>2</sup> Eilers & Krejcik Total projected global market in 2020 for social casino mobile games and other casual mobile games such as puzzles, cards, and match three games;

<sup>3</sup> Eilers & Krejcik Total estimated market in 2023 for social casino games.

# Social Casino Highlights

## Leading content portfolio

**Top 5**

social casino game for the past  
several years<sup>1</sup>

**250+**

casino game titles

## High-value player base

**1.5 million**

MAU  
(Q4 2023)

**0.7 million**

DAU  
(Q4 2023)

**94%**

2023 revenue generated  
by 2010-2023 cohorts



## Superior monetization

**\$1.24**

ARPPU  
(Q4 2023)

**\$279**

ARMPU  
(Q4 2023)

**6.4%**

Payer conversion  
(Q4 2023)

Source: Company information, Eilers&Krejcik, AppAnnie  
Note: <sup>1</sup> Ranking refers to DoubleDown Casino, Ranking based on annual revenue



# Access to multiple casino content development capabilities

Access to over 2,000 slot titles through our partnerships with IGT and DUG,  
and growing proprietary catalog of internally developed original slot titles

Successful, authentic land-based casino  
content from IGT



**IGT**

**2,000+**  
slot titles



Proven online social  
casino content developed by DUG



**DOUBLEU  
GAMES**

**400+**  
slot titles



Proprietary IP developed by DDI's  
in-house game development team

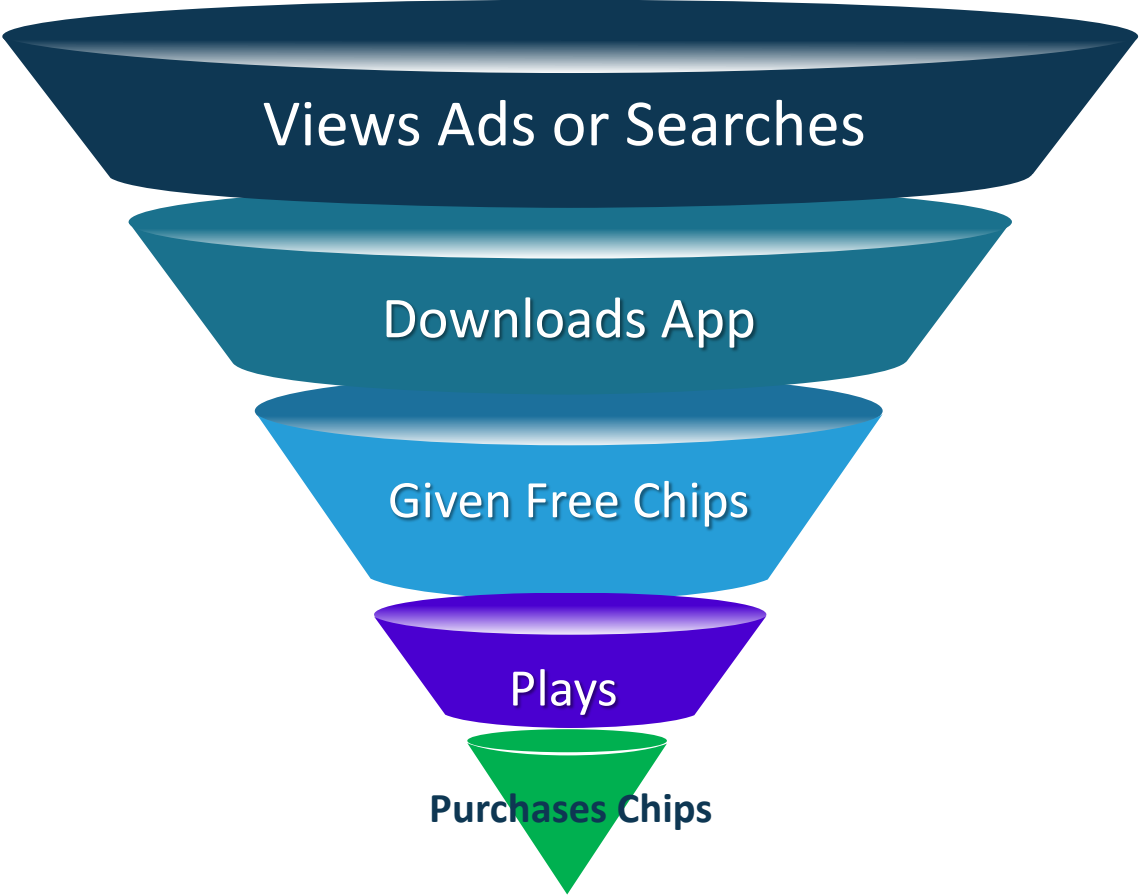


**75+**  
slot titles

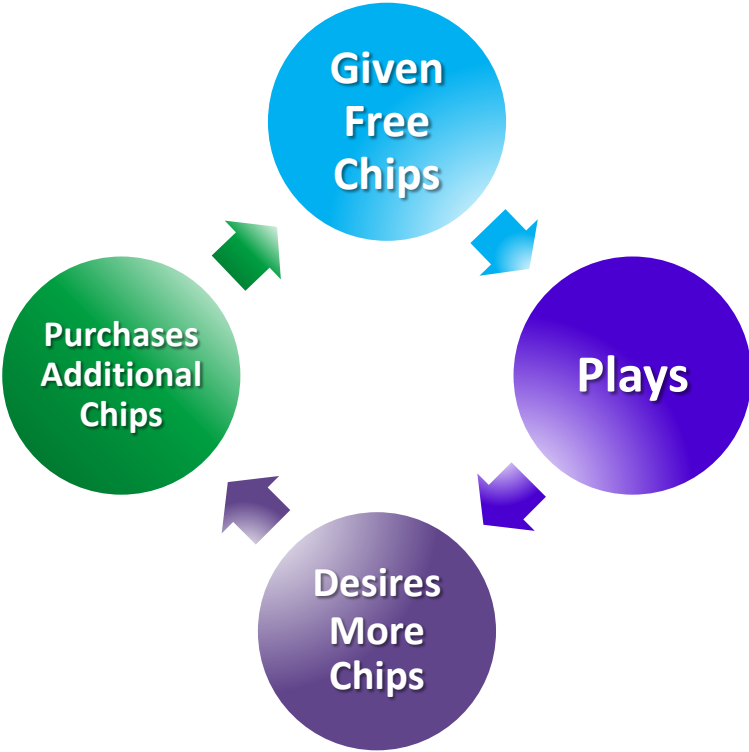


# Social casino player engagement & monetization processes

## Player Engagement Process



## Player Monetization

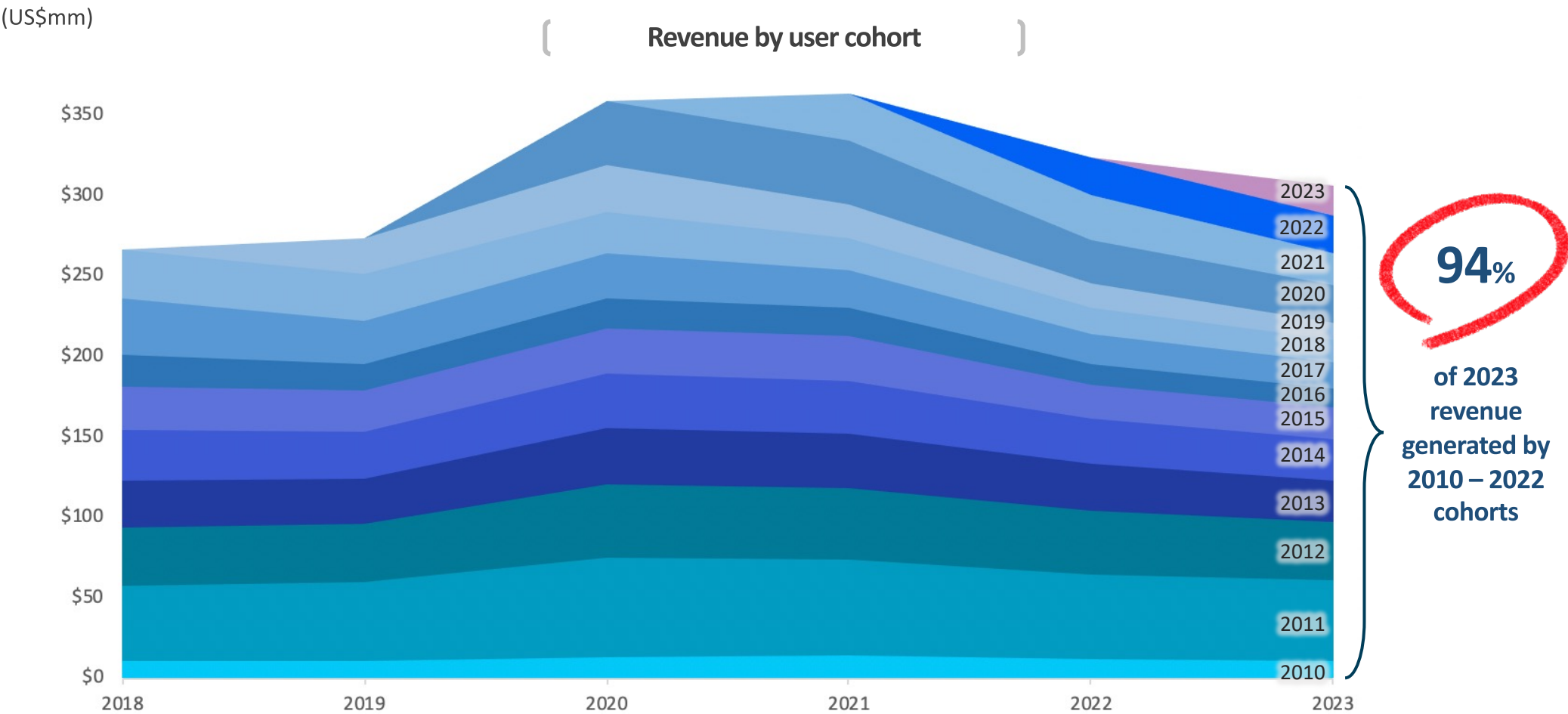




# Loyal and committed social casino players & payers



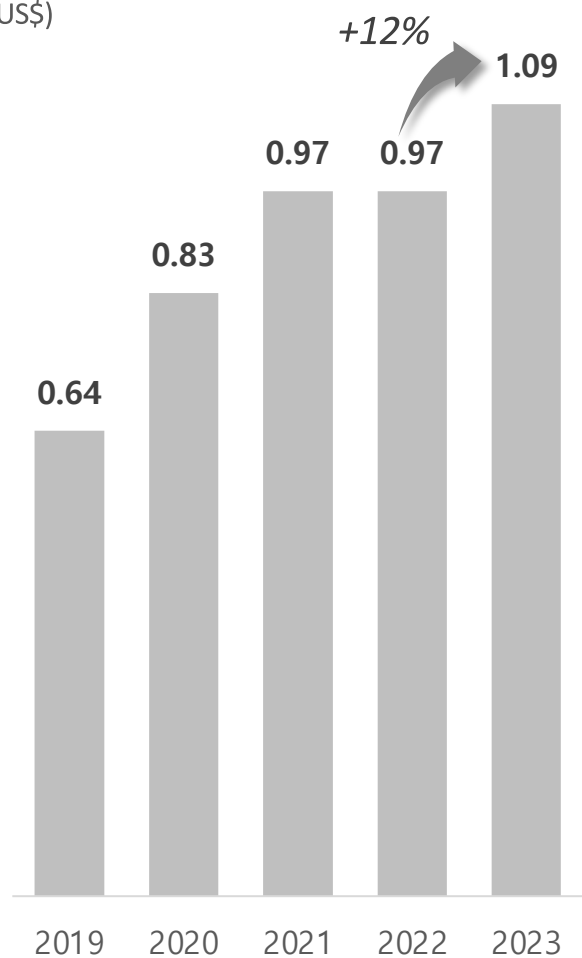
## Our Stable and Predictable Revenue Driven by Our Ability to Retain and Monetize Players Over Time



# Best-in-class player monetization

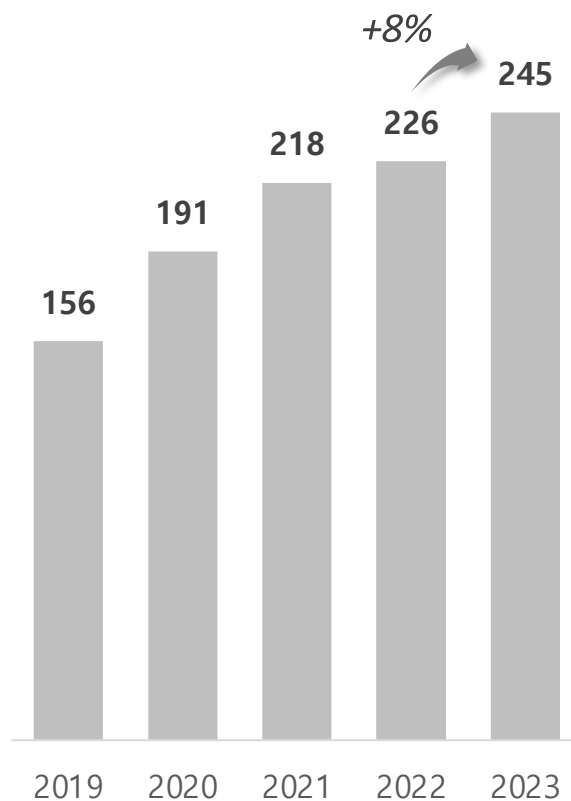
## ARPPDAU

(US\$)



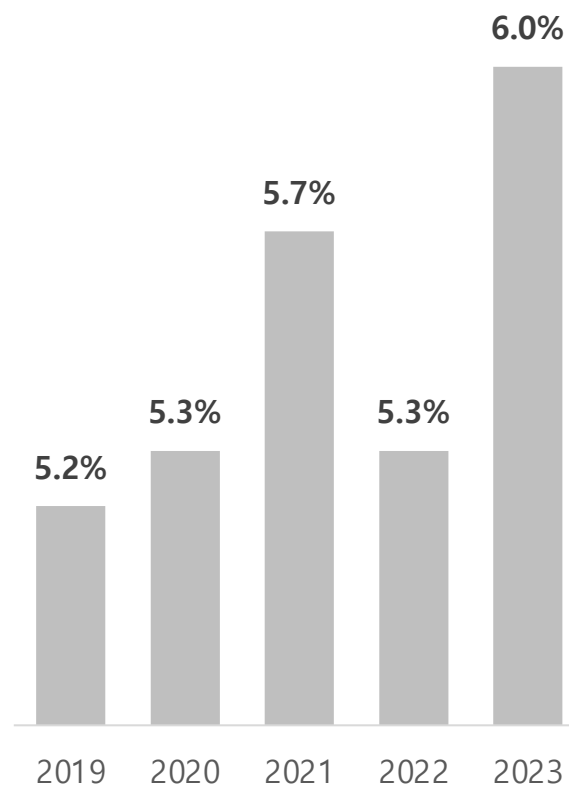
## Average Monthly Revenue per Payer

(US\$)



## Payer Conversion Rate

(%)





# Focus on Optimizing Product & Marketing Investments

- **Deliver innovative & differentiated product enhancements to *DoubleDown Casino* players**
  - Frequent release of new slot games
  - Exciting new “metagame” features (e.g., jackpots, quests, VIP rewards, etc.)
- **Intelligently make marketing investments to acquire new players and retain existing high-value payers**
- **Use best-in-class business intelligence tools & expertise to tailor incentives & purchase offers for key player segments**
- **Expand into complementary game categories such as casual, action or skill-based**
  - Recently launched first skill-based game: Cash Me Out Bingo



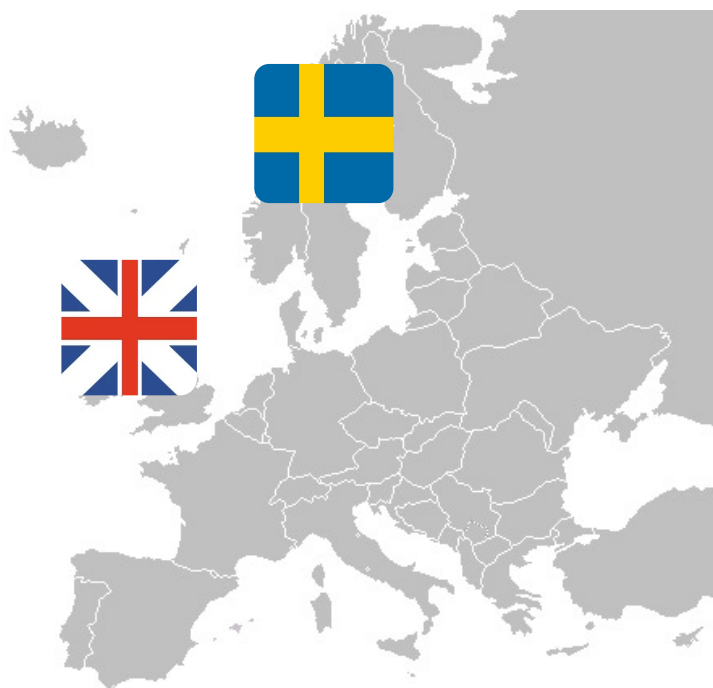
# Real-Money / iGaming Business



# Pursuing iGaming opportunity with SuprNation acquisition

Acquired in October 2023 for  
~\$35 million in cash

## SUPRNATION



### Highlights

- **Founded in 2015**; based in Malta with approximately 50 employees
- **“Fun first” casino iGaming strategy** focused on “entertainment” players in W. Europe
- **Exited 2023 with revenue run rate** of approximately \$6.5 million per quarter<sup>1</sup>
  - 2/3rds in Sweden and the U.K.
  - Approximately 80% mobile
- European iGaming market expected to **exceed \$40 billion** in 2023<sup>2</sup>
- **Significant DDI synergy opportunities** in marketing, technology & casino gaming content

<sup>1</sup> Revenue is unreviewed, unaudited and preliminary

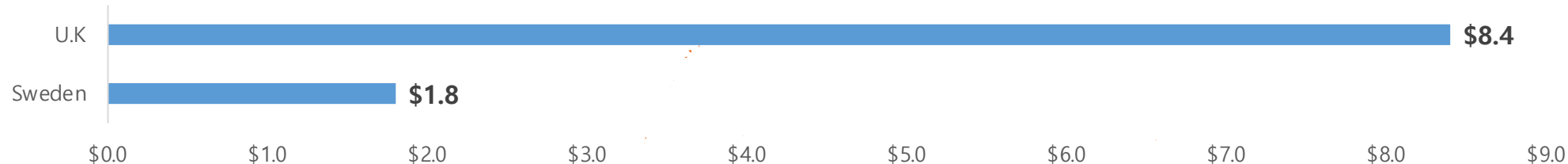
<sup>2</sup> European Gaming & Betting Association estimates



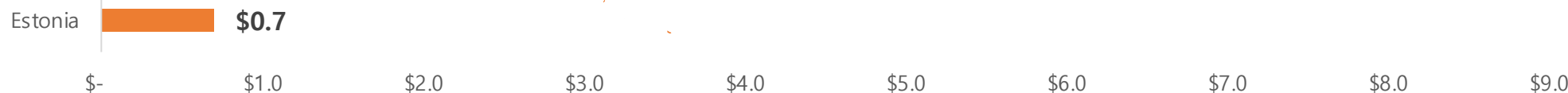
# Large addressable iGaming market opportunity in Europe

(estimated annual market sizes in billions\*)

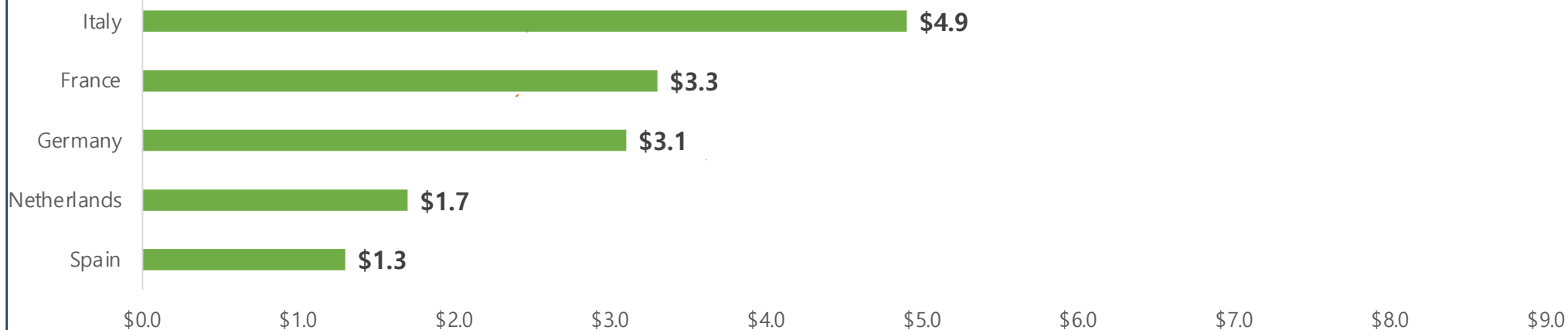
## Main Current Markets



## Newly Licensed Market



## Potential Future Market Expansion Opportunities



\* European Gaming & Betting Association estimates

# Products focused on “entertainment” player

- **Duelz** flagship iGaming website/app allows players to compete against one another to gain rewards as they simultaneously play slot games
- Flexible gamification engine enables enhanced features such as “peer-to-peer” competition & elimination tournaments
- Future opportunities to leverage DDI technology and game development strengths



# Marketing initiatives target consistent growth

- **New Player Acquisition**

- **Current focus on iGaming affiliates**

- Fixed cost upon first deposit
    - Hybrid model lowers fixed cost with ongoing revenue share

- **Opportunity to increase direct marketing**

- **Utilize “performance marketing” leveraging DDI’s experience & knowledge**

- SEO and direct advertising with Google, Facebook, etc.
    - Will result in lower CAC (customer acquisition cost)

- **Player Retention**

- In-house CRM engine enables customized marketing campaigns & offers based on data analytics & player segmentation
  - Tailored for new slot game promotion, “loyalty bonuses”, cashback, etc.



# SuprNation & iGaming growth strategies

- **Grow market share in Sweden & the U.K. through increased marketing investment & by leveraging DDI marketing expertise**
- **Fine-tune operational processes including “live ops” to scale business foundation**
- **Leverage DDI strengths in technology, game development & business intelligence/decision science**
- **Secure potential new licenses to drive expansion in Western Europe**



# Financial Highlights





# Financial Highlights



1 Steady growth at scale

2 Best-in-class player monetization

3 Efficient cost structure led by disciplined approach to UA and R&D

4 Track record of strong profitability

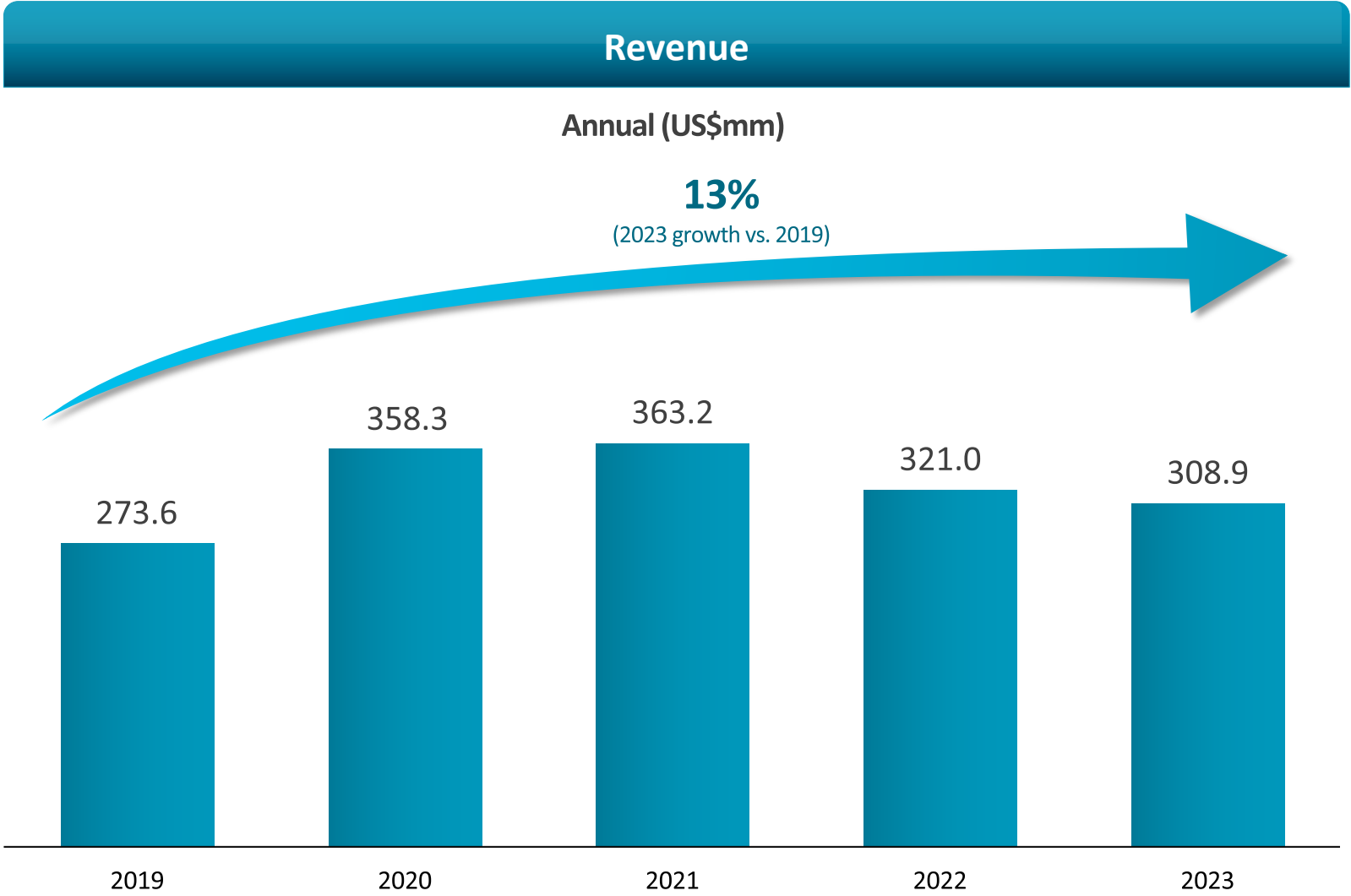


# Quarterly Results Summary

## Fourth Quarter 2023 Results

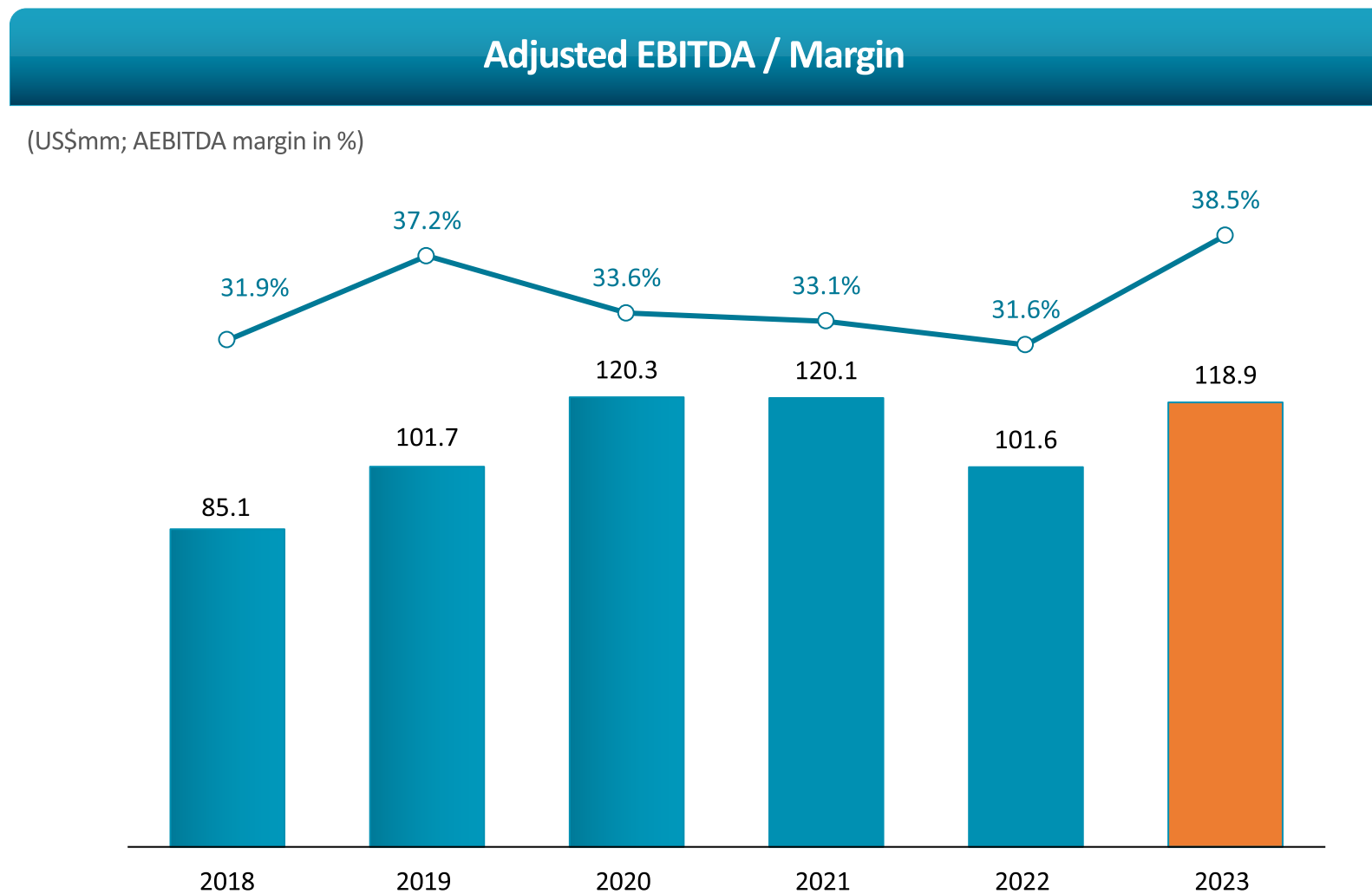
- Revenue: **\$83.1 million**
- Net Income: **\$25.5 million**
- Adjusted EBITDA: **\$36.2 million**
- Adjusted AEBITDA Margin: **43.5%**
- Average Revenue Per DAU: **\$1.24**
- Average Monthly Revenue Per Payer: **\$279**

# Top-line progression



Source: Company information

# Track record of strong profitability



Source: Company information, Company filing, Company IR material



# Investment Highlights

- **Compelling scale of core social casino business**
- **Generates consistent profitability & strong free cash flow**
- **SuprNation iGaming acquisition leverages core capabilities & diversifies markets to benefit top line growth**
- **Attractive monetization of loyal and committed social casino & casino iGaming players**
- **Possesses multiple growth opportunities including further expansion beyond core social casino business**
- **Capital efficient with cash equivalent of ~ \$4.75 per ADS (as of December 31, 2023)**
- **Attractive valuation**

# Investor Relations Contacts

Joseph Jaffoni or Richard Land

JCIR

(212) 835-8500

DDI@JCIR.com

