

RAKETECH

Q2| Interim Report

2021

Interim report APR–JUN 2021

SECOND QUARTER 2021

- Revenues totalled EUR 8.8 million (EUR 7.0 million) representing an increase of 25.0%
- Organic growth amounted to 25.7% (-1.2%)
- NDCs (New Depositing Customers) amounted to 34,839 (40,847), representing a decrease of 14.7%
- EBITDA amounted to EUR 3.4 million (EUR 2.8 million), corresponding to a margin of 38.7% (40.2%)
- Operating profit amounted to EUR 1.6 million (EUR 1.5 million), corresponding to a margin of 18.2% (21.8%)
- Profit for the period amounted to EUR 1.2 million (EUR 1.2 million)
- Earnings per share amounted to EUR 0.03 (EUR 0.03)

FIRST SIX MONTHS 2021

- Revenues totalled EUR 17.1 million (EUR 13.6 million) representing an increase of 25.8%
- Organic growth amounted to 16.0% (-7.1%)
- NDCs (New Depositing Customers) amounted to 74,713 (73,125), representing an increase of 2.2%
- EBITDA amounted to EUR 6.6 million (EUR 5.5 million), corresponding to a margin of 38.7% (40.2%)
- Operating profit amounted to EUR 3.2 million (EUR 2.9 million), corresponding to a margin of 18.5% (21.4%)
- Profit for the period amounted to EUR 2.4 million (EUR 2.3 million)
- Earnings per share amounted to EUR 0.06 (EUR 0.06)

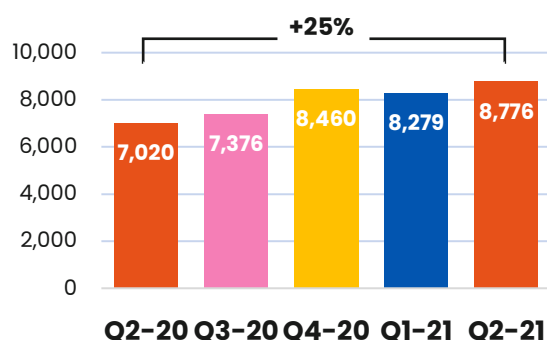
EVENTS DURING SECOND QUARTER 2021

- There were no significant events during the quarter.

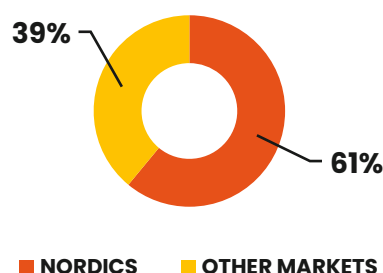
SUBSEQUENT EVENTS AFTER THE END OF THE PERIOD

- On July 7, 2021, Raketech announced the acquisition of P&P Vegas Group Inc and all assets from QM Media AB, a sports focused acquisition, delivering growth in primarily the US and Indian markets. The total purchase price amounts to EUR 16 million, payable in cash and through the issuance of new shares as at closing as per 15 September 2021.
- On July 9, 2021, Raketech announced that the Company has signed a one-year revolving credit facility of EUR 15 million with Avida Finans AB. The credit facility includes an extension option and can thus be renewed annually from its first date of utilization subject to certain conditions.
- On July 19, 2021, Raketech announced the acquisition of the organic casino affiliation marketing company, Infinileads S.L. Through the acquisition, Raketech takes a position in several Latin American emerging markets in addition to Spain, Italy and Portugal. The agreed purchase price amounts to EUR 4.5 million of which EUR 2.5 million was settled as per Closing (31 July 2021) and EUR 2 million will be payable as per 31 January 2022. A possible additional earnout payment will be measured over a period of 24 months post-Closing.
- Revenues in July 2021 amounted to EUR 2.9 million (EUR 2.4 million).

REVENUES, EUR thousands



GEOGRAPHICAL SPLIT, Q2 2021



Consolidated Key Data and Ratios

Some financial measures presented in this report, including key data and ratios are not defined by International Financial Reporting Standards (IFRS). These measures will not necessarily be comparable to similarly titled measures in the reports of other companies. Further definitions can be found on page 19 of this report. These non-IFRS measures may provide valuable additional information to investors and management although they should not be considered as substitutes for financial reporting measures prepared in accordance with IFRS.

EUR thousands	Apr-Jun 2021	Apr-Jun 2020	Change	Jan-Jun 2021	Jan-Jun 2020	Change	Jan-Dec 2020
Financial Data							
Revenue (IFRS)	8,776	7,020	25.0%	17,055	13,558	25.8%	29,394
<i>Organic growth</i>	25.7%	(1.2%)	26.9	16.0%	(7.1%)	23.1	0.7%
<i>Revenue share</i>	40.5%	44.0%	(3.5)	40.5%	46.4%	(5.9)	43.8%
<i>Upfront payment</i>	43.3%	43.0%	0.3	43.0%	39.9%	3.1	40.5%
<i>Flat fee</i>	16.2%	13.0%	3.2	16.5%	13.7%	2.8	15.7%
<i>Casino of total revenue</i>	84.3%	89.0%	(4.7)	83.5%	83.8%	(0.3)	85.1%
<i>Sport of total revenue</i>	15.2%	8.0%	7.2	16.0%	12.1%	3.9	11.5%
<i>Other of total revenue</i>	0.5%	3.0%	(2.5)	0.5%	4.1%	(3.6)	3.4%
<i>Revenue from the Nordics</i>	60.7%	81.0%	(20.3)	62.8%	84.1%	(21.3)	80.4%
<i>Revenue from other markets</i>	39.3%	19.0%	20.3	37.2%	15.9%	21.3	19.6%
EBITDA	3,393	2,825	20.1%	6,598	5,453	21.0%	12,031
EBITDA margin	38.7%	40.2%	(1.6)	38.7%	40.2%	(1.5)	40.9%
Operating profit	1,600	1,532	4.4%	3,161	2,898	9.1%	6,624
Operating margin	18.2%	21.8%	(3.6)	18.5%	21.4%	(2.8)	22.5%
Other Performance Measures							
New depositing customers (NDC)	34,839	40,847	(14.7%)	74,713	73,125	2.2%	177,572
Full time employees	72	79	(8.9%)	72	79	(8.9%)	78
Net interest-bearing debt	(5,467)	(1,380)	296.1%	(5,467)	(1,380)	296.1%	(3,034)
Net debt-to-adjusted EBITDA LTM	(0.41)	(0.14)	204.4%	(0.41)	(0.14)	204.4%	(0.25)
Earnings per share before dilution (EUR) (IFRS)	0.03	0.03	0.3%	0.06	0.06	3.6%	0.15
Earnings per share after dilution (EUR) (IFRS)	0.03	0.03	(0.9%)	0.06	0.06	2.7%	0.15
Weighted average number of shares, before dilution	37,413,633	37,413,633	0.0%	37,413,633	37,413,633	0.0%	37,413,633
Weighted average number of shares, after dilution	38,672,343	38,228,273	1.2%	38,552,382	38,228,500	0.8%	38,567,489

CEO Comment

The second quarter of 2021 was a record quarter for Raketech with general solid performance across most assets and regions, in particular from our Network sales and from our efforts in Japan. Total revenue amounted to an all-time high of EUR 8.8M, corresponding to a growth rate of 25% whereof 25.7% was organic. The EBITDA margin was stable at 38.7%, in line with previous quarter.

The strong numbers from outside of the Nordics made our non-Nordic revenues increase as share of total. Total non-Nordic revenues amounted to 39%, compared to 35% previous quarter and 19% previous year. The development is in line with our ambition to increase our global footprint.

In June we experienced an uplift in terms of traffic and users on our sports related assets in connection with the European Championships in Football (the Euros). In time for the Euros, it is also worth mentioning that we launched our very first Free-to-Play product with which we offered a 100,000 EUR prize pool for the championships as well as several daily game tipping competitions, embedded on our popular TV-sportsguide asset on multiple markets. Being our first, but not our last, Free-to-Play offering, this is a major milestone on our quest of adding even more user-friendly, engaging, and sticky assets to our portfolio.

Following a very strong Q1, our US sport revenues, as expected, declined slightly due to seasonality, landing the overall sports share at 15% of the group's total compared to 17% during Q1. As highlighted before, the US is expected to be more volatile, not only due to the nature of the market but also due to the fact that the vast majority of revenues is CPA driven.

After the end of the quarter, several important milestones were passed. A key activity was that we managed to secure access to additional funding to help us continue, and to some extent also accelerate our M&A efforts, in the form of a new and increased Revolving Credit Facility (RCF) from Avida Finance. This new RCF will be replacing the existing one during the fourth quarter, but we will also continue to evaluate further long-term financing opportunities, in line with our growth strategy and M&A agenda.

And with regards to M&A, we also announced two acquisitions in July: Infinileads and QM Media. Both are ticking several strategic boxes; giving us new and increased presence on strategically important markets, as well as technical and operational competence in addition to new types of revenue streams.

The Infinileads acquisition grants us access to primarily Italy, Spain and Portugal but also to significant growth opportunities in South America. The south of Europe is interesting to us as the region is regulated, which lowers volatility, while it also requires long term focus and high-quality, user-friendly assets to succeed. Something which we believe the Infinilead acquisition brings to the table. The agreed purchase price is EUR 4.5m to be paid in cash, with a earn out based on the performance during the upcoming 24 months.

The QM Media acquisition is the largest acquisition in Raketech's history, which significantly increases our presence on the US market as well as on the Indian market. On the US market, QM Media offers tipster services where users pay a subscription fee to receive notifications with detailed information before betting on a particular game. This is a new and very interesting dimension for us, that we hope to be able to accelerate even further. In addition to the existing business model, we intend to add traditional affiliation and marketing models to accelerate growth in all regulated states. In addition to this, I am also very pleased to, as from September having Raketech-boots on the ground on the strategically important American market. The transaction totals EUR 16m, of which EUR 9m will be paid with cash and the remaining part in shares with a 24-month lock-up. There is no earn out.

These acquisitions are expected to add approximately EUR 6m in revenue and increase the group's overall margin by as much as up to 4 percentages after integration. They are furthermore expected to generate additional positive cash flow to the group from day one, including potential future performance based earn-outs.

OUTLOOK

Besides being happy with our operational performance I am also content with the fact that we continue to deliver on our strategic and operational goals. We have also made important and strategic acquisitions whereby we increase our footprint on important growth markets such as the US. At the same time as we have managed to secure a new and increased credit facility that enables us to not only continue but to accelerate our M&A efforts.

Our focus in the short term is to integrate our latest acquisitions. This to ensure we reap all potential positive synergy effects we possibly can. Mid-term to long-term our focus is however unchanged; we will continue to deliver on our growth strategy which includes product

diversification, geographical expansion, increased monetization through R&D as well as M&A, with a specific focus on the US.

In July we saw a somewhat different composition in our overall product mix between Network and traditional affiliation and marketing revenues. This due to slightly reduced Network revenues from Germany as an effect of the Interstate Treaty implemented on July 1st, and strong performance from our other high margin assets, such as Casinofeber which has regained ground again after it's temporary setback in December of last year. With that said, July revenues amounted to EUR 2.9m with an adjusted margin of 43%, where the increased margin primarily relates to the product mix composition. And for clarity, this does not include recent acquisitions.

Lastly, I wish to highlight that our stable performance and continuous strategic delivery is the result of a true team effort. It is therefore extra rewarding to be able to announce that Raketech has been crowned the EGR Affiliate Employer of the year for 2021.

With this and the fact that we are delivering more now than ever before, I am looking forward to seeing the results from onboarding our recently acquired talents, markets, and assets to the Raketech family.

Oskar Mühlbach, Group CEO

Financial Performance during the Second Quarter of 2021

REVENUES

Revenues totalled EUR 8.8 million (EUR 7.0 million) representing an increase of 25.0%. The increase was driven by organic growth of 25.7% (-1.2%) primarily within Network sales as well as continued strong growth in Japan. Furthermore, revenues increased through the recently acquired AmericanGambler which to some extent was offset by a reduction in revenues following the disposal of the consumer finance assets which both took place in Q4 of 2020. NDCs decreased with 14.7%, an effect of Raketechn actively working with fewer operators that generate higher value players as well as the disposal of the consumer finance assets.

EXPENSES

Direct expenses increased to EUR 3.1 million (EUR 1.9 million) driven by increased activity in paid media within Network sales as well as through the expansion and the recent acquisition targeting the US.

Employee benefit expenses amounted to EUR 1.1 million (EUR 1.4 million). The decrease relates to a minor shift of employees to contractors. Full-time employees totalled 72 (79) at the end of the period.

Other expenses amounted to EUR 1.1 million (EUR 0.9 million), representing a slight increase primarily as an effect of a minor shift of employees to contractors.

Depreciation and amortisation amounted to EUR 1.8 million (EUR 1.3 million). The increased amortisation was primarily attributable to the upward adjustments to amounts committed on acquisitions relating to CasinoFeber and Casumba.

PROFITABILITY

Reported EBITDA increased to EUR 3.4 million (EUR 2.8 million) with higher revenues through organic growth in new product categories, within the existing portfolio and geographical expansion.

The EBITDA margin amounted to 38.7% (40.2%), somewhat lower as an effect of continued growth within the lower margin Network sales.

The profit for the period amounted to EUR 1.2 million (EUR 1.2 million), largely affected by increases in amortisation following upward adjustments to amounts committed on acquisitions relating to CasinoFeber and Casumba.

CASH AND CASH EQUIVALENTS, FINANCING AND FINANCIAL POSITION

Cash flow from operating activities decreased to EUR 3.1 million (EUR 3.2 million), improved profitability was offset by timing effects from trade payables.

Cash flow from investing activities amounted to EUR -1.6 million (EUR -1.6 million) as a result of the settlement of earn-outs during the quarter.

Cash flow from financing activities amounted to EUR -0.03 million (EUR -1.6 million).

Cash and cash equivalents at the end of the quarter amounted to EUR 5.5 million (EUR 3.3 million).

THE PARENT COMPANY

Raketechn Group Holding PLC is the parent company. Total operating costs amounted to EUR 0.1 million (EUR 0.2 million). Loss for the period was EUR 0.2 million (EUR 0.2 million).

Financial Performance during the First half of 2021

REVENUES

Revenues totalled EUR 17.1 million (EUR 13.6 million) representing an increase of 25.8%. The increase was driven by organic growth of 16.0% (-7.1%) primarily within Network sales as well as continued strong growth in Japan. Furthermore, revenues increased through the recently acquired AmericanGambler which to some extent was offset by a reduction in revenues following the disposal of the consumer finance assets which both took place in Q4 of 2020. NDC growth was in line with last year.

EXPENSES

Direct expenses increased to EUR 6.0 million (EUR 3.5 million) driven by paid media through growth in our Network sales as well as through the geographical expansion targeting the US.

Employee benefit expenses amounted to EUR 2.3 million (EUR 2.7 million). The decrease relates to a shift of employees to contractors. Full-time employees totalled 72 (79) at the end of the period.

Other expenses amounted to EUR 2.2 million (EUR 1.8 million), representing an increase primarily as an effect of a shift of employees to contractors.

Loss allowance net of bad debts written-off amounted to EUR 0.0 million (EUR 0.1 million).

Depreciation and amortisation amounted to EUR 3.4 million (EUR 2.6 million). The increased amortisation was primarily attributable to the upward adjustments to amounts committed on acquisitions relating to CasinoFeber and Casumba.

PROFITABILITY

Reported EBITDA increased to EUR 6.6 million (EUR 5.5 million) with higher revenues through the addition of new product categories, growth within the existing portfolio and geographical expansion.

The EBITDA margin amounted to 38.7% (40.2%), somewhat lower as an effect of the continued growth within the lower margin Network sales.

The profit for the period amounted to EUR 2.4 million (EUR 2.3 million), largely affected by increases in amortisations following upward adjustments to amounts committed on acquisitions relating to CasinoFeber and Casumba.

CASH AND CASH EQUIVALENTS, FINANCING AND FINANCIAL POSITION

Cash flow from operating activities increased to EUR 6.8 million (EUR 5.8 million), driven by higher profitability.

Cash flow from investing activities amounted to EUR -4.3 million (EUR -5.0 million) as a result of the settlement of earn-outs during the quarter.

Cash flow from financing activities amounted to EUR -2.1 million (EUR -1.7 million). During the period, the utilised amount of the credit facility with Swedbank amounting to EUR 2.0 million was repaid in full.

Cash and cash equivalents at the end of the period amounted to EUR 5.5 million (EUR 3.3 million).

THE PARENT COMPANY

Raketech Group Holding PLC is the parent company. Total operating costs amounted to EUR 0.4 million (EUR 0.3 million). Loss for the period was EUR 0.5 million (EUR 0.5 million).

Other

RAKETECH IN BRIEF

Raketech is a marketing tech company combining performance marketing and traditional performance-based affiliation by offering a wide portfolio of advertising space as well as data analysis tools to allow advertisers to maximise the value of their media spend. Our customers span from sports streaming providers and game studios to the largest segment, international betting and casino operators. Raketech's primary role is to generate high quality leads and targeted advertisement space by providing relevant and engaging content to users interested in sports, gaming, gambling and betting.

STOCK MARKET

Raketech Group Holding PLC is listed on Nasdaq First North Premier Growth Market. Raketech's shares commenced trading on 29 June 2018 and the outstanding number of shares is 37,413,633. The Raketech shares are traded under the ticker (RAKE) and ISIN code (MT0001390104).

SIGNIFICANT RISKS AND UNCERTAINTIES

The remote gaming industry, where the Group has its main customers, continues to undergo regulation and is therefore subject to political and regulatory risk. The Group operates in the emerging online gaming industry. Although Raketech is a performance marketing company and not an iGaming operator, the legislation concerning online gambling could directly or indirectly affect Raketech's operations. Changes to existing regulations in various jurisdictions might impact the ability for the remote gaming operators to operate and accordingly, revenue streams from these customers may be adversely impacted. The Group may also be exposed to measures brought against customers by public authorities or others, which could be extended to

any third-party having abetted the business of such remote gaming operators.

The Group monitors regulatory changes within the European market, and also changes in the North American, South American and the Asian markets. The Group's strategy to also operate in grey markets might increase exposure to regulatory risks. If any new regulatory regimes come into force, the Group will conform with such requirements by applying for the necessary licenses in the respective jurisdiction. As the Group continues to embark on its growth strategy with the ambition to enhance the global footprint in both regulated and grey markets, the exposure to different regulatory frameworks continues to increase.

In addition to the above, the Board of Directors also consider the following risks to be relevant to the Group:

- Credit risk being the risk that customers do not pay for the services rendered.
- Market risk being the risk arising from an adverse movement in foreign exchange rates and interest rates.
- Operational risk which can arise in the SEO environment if search engines, such as Google, change their structure.
- Risk related to the reliance on third-party information, due to limited visibility of the traffic sent to Raketech's customers.

SUPPLEMENTAL INFORMATION

This report has not been subject to an audit or review by the Group's auditors.

Erik Penser Bank acts as the Group's certified advisor.

Upcoming Dates

10 NOV

INTERIM REPORT JUL-SEP 2021

The interim reports are drawn up in line with Nasdaq's guidance for interim management statements which the Group is obliged to make public according to the EU Market Abuse Regulation

Condensed Consolidated Statement of Comprehensive Income

EUR thousands	Notes	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Total Revenue	3	8,776	7,020	17,055	13,558	29,394
Direct costs relating to fixed fees and commission revenue		(3,140)	(1,888)	(6,015)	(3,473)	(7,923)
Employee benefit expense		(1,131)	(1,397)	(2,284)	(2,738)	(5,334)
Depreciation, amortisation and impairment		(1,793)	(1,292)	(3,437)	(2,553)	(5,407)
Loss allowance on trade receivables		-	-	-	(123)	389
Bad debts written-off		(5)	(2)	(8)	(2)	(604)
Other operating expenses		(1,107)	(910)	(2,150)	(1,771)	(3,891)
Total operating expenses		(7,176)	(5,489)	(13,894)	(10,660)	(22,770)
Operating profit		1,600	1,532	3,161	2,898	6,624
Other non-operating income	4	-	-	-	-	360
Revaluation of financial liabilities at fair value through profit or loss	6	-	-	(61)	-	-
Finance costs		(295)	(217)	(602)	(452)	(930)
Profit before tax		1,305	1,315	2,498	2,446	6,054
Tax expense		(66)	(82)	(127)	(157)	(459)
Profit for the period/ year – Total comprehensive income		1,239	1,233	2,371	2,289	5,595
Total comprehensive income attributable to:						
Equity holders of the Parent Company		1,240	1,239	2,373	2,316	5,617
Non-controlling interest		(1)	(6)	(2)	(27)	(22)
Earnings per share attributable to the equity holders of the Parent during the period/year (expressed in Euro per share)						
Earnings per share before dilution		0.03	0.03	0.06	0.06	0.15
Earnings per share after dilution		0.03	0.03	0.06	0.06	0.15

The notes on pages 12 to 15 are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Financial Position

EUR thousands	Notes	30 Jun 2021	30 Jun 2020	31 Dec 2020
Assets				
Non-current Assets				
Goodwill	4	286	286	286
Intangible assets	4	82,440	73,791	80,868
Right of use assets		-	231	-
Property, plant and equipment		30	78	28
Other receivables		-	-	260
Total non-current assets		82,756	74,386	81,442
Current assets				
Trade and other receivables		4,647	3,844	4,916
Cash and cash equivalents		5,467	3,284	4,966
Total current assets		10,114	7,128	9,882
TOTAL ASSETS		92,870	81,514	91,324
Equity & Liabilities				
Equity				
Share capital	7	75	75	75
Share premium		39,387	39,387	39,387
Other reserves	8	657	506	599
Retained earnings		33,135	27,404	30,765
Equity attributable to owners of the Company		73,254	67,372	70,826
Non-controlling interests		1	55	1
TOTAL EQUITY		73,255	67,427	70,827
Liabilities				
Non-current liabilities				
Borrowings	5	-	1,904	-
Deferred tax liability		1,678	1,251	1,552
Lease liabilities		-	62	-
Amounts committed on acquisition	6	9,706	4,517	8,679
Total non-current liabilities		11,384	7,734	10,231
Current liabilities				
Borrowings	5	-	-	1,931
Amounts committed on acquisition	6	6,180	4,521	5,913
Lease liabilities		-	176	-
Trade and other payables		2,051	1,640	2,422
Current tax liabilities		-	16	-
Total current liabilities		8,231	6,353	10,266
TOTAL LIABILITIES		19,615	14,087	20,497
TOTAL EQUITY AND LIABILITIES		92,870	81,514	91,324

The notes on pages 12 to 15 are an integral part of these condensed consolidated financial statements.

The condensed consolidated financial statements on pages 8 to 17 were approved for publication by the Board of Directors on 17 August 2021 and were signed on the Board of Directors' behalf by:

Erik Skarp, Board member

Johan Svensson, Board member

Condensed Consolidated Statement of Changes in Equity

EUR thousands	Note	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Equity attributable to Owners of the Company	NCI	Total Equity
Balance at 1 January 2021		75	39,387	599	30,765	70,826	1	70,827
Comprehensive income								
Profit for the year		-	-	-	2,373	2,373	(2)	2,371
Other comprehensive income		-	-	-	(1)	(1)	-	(1)
		-	-	-	2,372	2,372	(2)	2,370
Transactions with owners								
Equity-settled share-based payments		-	-	58	-	58	-	58
Other transactions with NCI		-	-	-	(2)	(2)	2	-
Total transactions with owners		-	-	58	(2)	56	2	58
Balance at 30 June 2021		75	39,387	657	33,135	73,254	1	73,255
Balance at 1 January 2020		76	39,387	428	25,115	65,006	55	65,061
Comprehensive income								
Profit for the year		-	-	-	2,316	2,316	(27)	2,289
Transactions with owners								
Equity-settled share-based payments		-	-	77	-	77	-	77
Acquisition of treasury shares	7	(1)	-	1	-	-	-	-
Other transactions with NCI		-	-	-	(27)	(27)	27	-
Total transactions with owners		(1)	-	78	(27)	50	27	77
Balance at 30 June 2020		75	39,387	506	27,404	67,372	55	67,427
Balance at 1 January 2020		76	39,387	428	25,115	65,006	55	65,061
Comprehensive income								
Profit for the year		-	-	-	5,617	5,617	(22)	5,595
Transactions with owners								
Equity-settled share-based payments		-	-	180	-	180	-	180
Acquisition of treasury shares	7	(1)	-	1	-	-	-	-
Acquisition of NCI		-	-	(10)	55	45	(54)	(9)
Other transactions with NCI		-	-	-	(22)	(22)	22	-
Total transactions with owners		(1)	-	171	33	203	(32)	171
Balance at 31 December 2020		75	39,387	599	30,765	70,826	1	70,827

The notes on pages 12 to 15 are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Cash Flows

EUR thousands	Notes	Apr- Jun 2021	Apr- Jun 2020	Jan- Jun 2021	Jan- Jun 2020	Jan- Dec 2020
Cash flows from operating activities						
Profit before tax		1,305	1,315	2,498	2,446	6,054
Adjustments for:						
Depreciation, amortisation and impairment		1,793	1,292	3,437	2,553	5,407
Loss allowance		-	-	-	123	(389)
Bad debts written-off		5	2	8	2	604
Net finance cost		295	217	602	452	930
Equity-settled share-based payment transactions		29	19	58	77	180
Revaluation of financial liabilities at fair value through profit or loss	6	-	-	61	-	-
Profit/loss on disposal of intangible assets		-	-	-	-	(348)
Profit/loss on disposal of property, plant and equipment		-	(1)	-	(1)	-
Net exchange differences		(2)	-	(1)	-	-
		3,425	2,844	6,663	5,652	12,438
Net income taxes paid		(1)	-	(1)	-	(313)
Changes in:						
Trade and other receivables		332	512	521	181	(460)
Trade and other payables		(700)	(131)	(349)	(34)	750
Net cash generated from operating activities		3,056	3,225	6,834	5,799	12,415
Cash flows from investing activities						
Acquisition of property, plant and equipment		(5)	(7)	(11)	(12)	(23)
Acquisition of intangible assets		(1,574)	(1,601)	(4,242)	(5,015)	(13,199)
Proceeds from sale of property, plant and equipment		-	-	-	1	1
Proceeds from sale of intangible assets		-	-	-	-	3,414
Net cash used in investing activities		(1,579)	(1,608)	(4,253)	(5,026)	(9,807)
Cash flows from financing activities						
Repayments of borrowings		-	(1,500)	(2,000)	(1,500)	(1,500)
Transactions with NCI		-	-	-	-	(10)
Lease payments		-	(45)	-	(90)	(120)
Interest paid		(34)	(35)	(80)	(90)	(202)
Net cash used in financing activities		(34)	(1,580)	(2,080)	(1,680)	(1,833)
Net movements in cash and cash equivalents		1,443	37	501	(907)	775
Cash and cash equivalents at the beginning of the period/year		4,024	3,247	4,966	4,191	4,191
Cash and cash equivalents at the end of the period/year		5,467	3,284	5,467	3,284	4,966

The notes on pages 12 to 15 are an integral part of these condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

1 REPORTING ENTITY

Raketech Group Holding PLC is a public limited company incorporated in Malta, having company registration number C77421. The condensed consolidated financial statements include the financial statements of Raketech Group Holding PLC and its subsidiaries, (together, the "Group").

Raketech Group Holding Limited was incorporated on 29 September 2016 under the terms of the Maltese Companies Act (Cap. 386). Subsequently, on 13 February 2018, the Company changed its legal status from a private limited company to a public limited company, and as a result, changed its name to Raketech Group Holding PLC.

2 ACCOUNTING POLICIES

Raketech prepares its financial statements in accordance with the International Financial Reporting Standards (IFRS) as approved by the European Union. These condensed financial statements are prepared in accordance with IAS 34, Financial Reporting, and under the historical expense convention, as modified by the fair valuation of financial liabilities measured at fair value through profit and loss. The principal accounting policies applied in the preparation of the Group's condensed consolidated financial statements are consistent with those presented in the Annual Report for the year ended 31 December 2020 which is publicly available. The Parent Company applies the same accounting principles as the Group.

Other than the earnings per share before and after dilution which are expressed in Euro (EUR), all other amounts are expressed in thousand Euro (EUR) or as otherwise indicated. Amounts or figures in parenthesis indicate comparative figures for the corresponding period last year. The 2020 Annual Report is available on Raketech's website.

2.1 New and amended standards adopted by the Group and changes in IFRS not yet applied

The new and amended standards issued by IASB effective from 2021, were not deemed to have a significant impact on Raketech's financial statements.

2.2 Critical accounting estimates – impairment assessment

IFRS requires management to undertake an annual test for impairment of intangible assets with an indefinite useful life. Impairment testing is an area involving management judgement. It requires assessments as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections that have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain estimates are required to be made in respect of highly uncertain matters, including management's expectation of growth in revenues. The Group will continue to carry out regular impairment testing and does not consider that the intangible assets as of 30 June 2021 are impaired. Further, IFRS 9 also requires impairment considerations to be performed for trade receivables on an ongoing basis. Judgement for these is highly subjective and needs to be done in the light of the payment patterns and current market conditions. Continued assessments are being done by management of the adequacy of the provisions to assess the carrying amount of trade receivables.

More information on where critical judgements are generally applied and where estimation uncertainty exists can be found in the Annual Report 2020, Note 3.

3 REVENUES

The Group targets end-users and generates revenue by driving organic traffic through various channels to generate customer leads for its business partners. The Group also generates revenue through acquisitions. All revenue generated via acquisitions and through the different marketing methodologies is categorised as one revenue segment in line with internal management reporting.

The revenue for Raketech in the respective periods in 2021 and 2020 is further analysed as follows:

EUR thousands	Apr-Jun 2021	Apr-Jun 2020	Change	Jan-Jun 2021	Jan-Jun 2020	Change	Jan-Dec 2020
Revenue	8,776	7,020	25.0%	17,055	13,558	25.8%	29,394
Commissions ¹	7,272	6,202	17.3%	14,182	11,801	20.2%	24,878
Flat fees	1,504	818	83.9%	2,873	1,757	63.5%	4,516

¹ The total amount of commissions includes revenue from Rapidi, which is classified as revenue share

4 INTANGIBLE ASSETS

Assets that have been identified as having a definite lifetime value are amortised between 3–5 years. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ('CGUs'). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use, is based on the estimated future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Management has concluded that the acquired assets are a single cash-generating unit for the purposes of IAS 36. This conclusion is based on the fact that the Group monitors and manages its operations as one business unit. For further description, please refer to the Annual Report Note 15.

EUR thousands	Domains and websites	Player databases	Other intellectual property	Technical platform	Software	Goodwill	Total
Cost at 1 January 2021	69,806	7,036	13,704	1,062	562	286	92,456
Additions (including adjustments arising as a result of a change in estimates)	1,658	933	2,408	-	-	-	4,999
Cost as at 30 June 2021	71,464	7,969	16,112	1,062	562	286	97,455
Accumulated amortisation and impairment 1 January 2021	(40)	(4,411)	(6,231)	(177)	(443)	-	(11,302)
Amortisation charge	-	(861)	(2,421)	(106)	(39)	-	(3,427)
Amortisation and impairment as at 30 June 2021	(40)	(5,272)	(8,652)	(283)	(482)	-	(14,729)
Carrying amount as at 30 June 2021	71,424	2,697	7,460	779	80	286	82,726
Carrying amount as at 30 June 2020	64,516	2,253	5,813	1,047	162	286	74,077

On November 6, 2020 Raketech announced that the company has divested its consumer finance assets to ROI Media UK, an unrelated third party, for a total consideration of EUR 4.2 million, with an upfront payment of EUR 3.4 million and a deferred consideration of EUR 0.8 million payable in three instalments over the upcoming 18 months. During May 2021, the first instalment of EUR 0.3 million was received, leaving a balance of EUR 0.5 million at the end of this quarter. The

consumer finance assets were acquired by Raketech in 2017 and 2018 for a total consideration of EUR 3.8 million. The gain from the sale of the asset was reported under Other non-operating income in the fourth quarter of 2020.

As already disclosed in Note 2, the Group's conclusion is that the recoverable amount is in excess of the intangible assets carrying amount. The assessment includes cash flows projections reflecting actual income over current period, expected cash flows going forward, growth rate and a pre-tax discount rate, which is based on the Group's pre-tax weighted average cost of capital. The directors are satisfied that the judgments made are appropriate to the circumstances relevant to these assets and their cash-generation.

5 BORROWINGS

In December 2018, Raketech entered into an agreement with Swedbank for a revolving credit facility of EUR 10 million. The termination date for the credit facility is December 20, 2021. In March 2021, the utilised amount of the credit facility amounting to EUR 2.0 million was repaid in full, and the utilised credit as of 30 June 2021 amounts to EUR 0.0 million (EUR 2.0 million).

In July 2021, Raketech entered into an agreement with Avida Finans AB for a one-year revolving credit facility of EUR 15 million. The credit facility will as from its first date of utilization, which contractually will not be later than October 15, replace the existing facility with Swedbank. The credit facility with Avida Finans AB includes an extension option and can thus be renewed annually from its first date of utilization subject to certain conditions.

6 AMOUNTS COMMITTED ON ACQUISITION

Amounts committed on acquisitions consist of contractual obligations resulting from acquisitions of intangible assets from third parties. Some of the obligations have a predetermined value, while others include future payments of performance-based amounts. The latter are further referred to as contingent consideration. This contingent consideration is measured at fair value and is included in Level 3 of the fair value hierarchy. The fair value is determined on the date of purchase and subsequently, at each reporting date, by calculating the expected cash outflow on each purchase agreement.

EUR thousands	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Opening balance	16,192	9,633	14,592	10,682	10,682
Acquisitions during the period/year	0	0	0	372	372
Settlements/setoffs	(1,575)	(1,556)	(4,242)	(3,570)	(6,723)
Notional interest charge	246	143	477	303	648
Adjustments arising as a result of a change in estimates	1,023	818	5,059	1,251	9,613
Closing balance	15,886	9,038	15,886	9,038	14,592

The earn-out condition related to Lead Republik Ltd is uncapped, based on future performance up until 28 February 2022. Management's best estimate of the total contingent consideration for these assets amounted to EUR 0.1 million (EUR 0.4 million) as of 30 June 2021.

The earn-out condition relating to Casumba is partly capped to a maximum of EUR 0.8 million until 31 December 2021, and part of the earnout is uncapped, based on future performance up until 31 July 2024. Management's best estimate of the total contingent consideration for these assets amounted to EUR 9.2 million (EUR 3.6 million) as of 30 June 2021.

The contingent consideration related to Casinofeber is uncapped, based on future performance up until 28 February 2023. Management's best estimate of the total contingent consideration for these assets amounted to EUR 6.6 million (EUR 5.0 million) as of 30 June 2021.

All contingent considerations for the assets have been recognised in the condensed consolidated statement of financial position according to management's best estimate. The change in estimates according to the table above is related to contingent consideration for Casinofeber, Casumba and Lead Republik. The increase in the contingent consideration for Lead Republik amounting to EUR 0.1 million was recognised in the condensed consolidated statement of comprehensive income as Revaluation of financial liabilities at fair value through profit or loss, during the first quarter.

The adjustment to reflect the total impact of discounting in the condensed consolidated statement of financial position, amounted to EUR 0.5 million (EUR 0.3 million) by the end of the period. Of the amounts recognised in the condensed consolidated statement of financial position at 30 June 2021, EUR 6.2 million is considered to fall due for payment within less than 12 months from the end of the reporting period. The current debt will be settled through expected cash generation during 2021.

7 TREASURY SHARES

During 2019, a programme to buy-back shares was initiated and was terminated until further notice, after the decision taken by the Board of Directors during the fourth quarter of 2019. On 23 June 2020, all 487,000 shares were cancelled. The cancellation of shares has been reflected in Other reserves.

8 RELATED PARTY TRANSACTIONS

In view of its shareholding structure, the Group has no ultimate controlling party. All companies forming part of the Group and other entities under common control are considered by the directors to be related parties.

The following transactions were carried out with related parties during the respective periods:

EUR thousands	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Revenue	317	549	654	1,045	1,744
Expenses					
Compensation (including salaries, consultancy fees and recharges by a related entity) including fees to executive management and directors	563	653	1,238	1,317	2,421
Amounts owed to related parties	32	201	32	201	137
Amounts owed by related parties	117	342	117	342	146

Condensed Statement of Comprehensive Income – Parent Company

EUR thousands	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Employee benefit expense	(130)	(142)	(335)	(284)	(517)
Other operating expenses	(9)	(13)	(22)	(53)	(99)
Total operating expenses	(139)	(155)	(357)	(337)	(617)
Operating loss	(139)	(155)	(357)	(337)	(617)
Finance costs	(49)	(71)	(125)	(141)	(279)
Loss for the period/year – total comprehensive expense	(188)	(226)	(482)	(478)	(896)

Condensed Statement of Financial Position – Parent Company

EUR thousands	30 Jun 2021	30 Jun 2020	31 Dec 2020
Assets			
Non - current assets			
Investment in subsidiaries	3,152	3,152	3,152
Trade and other receivables	37,554	40,243	39,904
Total non-current assets	40,706	43,395	43,056
Current assets			
Cash and cash equivalents	70	69	70
Total current assets	70	69	70
TOTAL ASSETS	40,776	43,464	43,127
Equity & Liabilities			
Equity			
Share capital	75	75	75
Share premium	41,603	41,603	41,603
Other reserves	(281)	(443)	(377)
(Accumulated losses) / Retained earnings	(655)	246	(172)
Total Equity	40,742	41,481	41,128
Liabilities			
Non-current liabilities			
Borrowings	0	1,904	0
Total non-current liabilities	0	1,904	0
Current liabilities			
Trade and other payables	34	79	67
Borrowings	0	0	1,931
Total current liabilities	34	79	1,998
Total liabilities	34	1,983	1,998
TOTAL EQUITY AND LIABILITIES	40,776	43,464	43,127

Assurance

The Board of Directors and the CEO affirm that this report provides an accurate overview of the operations, financial position and performance of the Group and the Parent Company, and describes the significant risks and uncertainties faced by the Group.

Malta, 17 August 2021

OSKAR MÜHLBACH

CEO

ULRIK BENGTTSSON

Chairman of the Board

JOHAN SVENSSON

Board member

MAGNUS GOTTFÄS

Board member

FREDRIK SVEDERMAN

Board member

ERIK SKARP

Board member

ANNIKA BILLBERG

Board member

Presentation for investors, analysts and the media: CEO Oskar Mühlbach and CFO Måns Svalborn will present the report and answer questions at 09.00 a.m. CET on 17 August 2021.

The presentation will be held in English and can be followed online via: <https://tv.streamfabriken.com/raketech-q2-2021>

To participate in the call, please dial:

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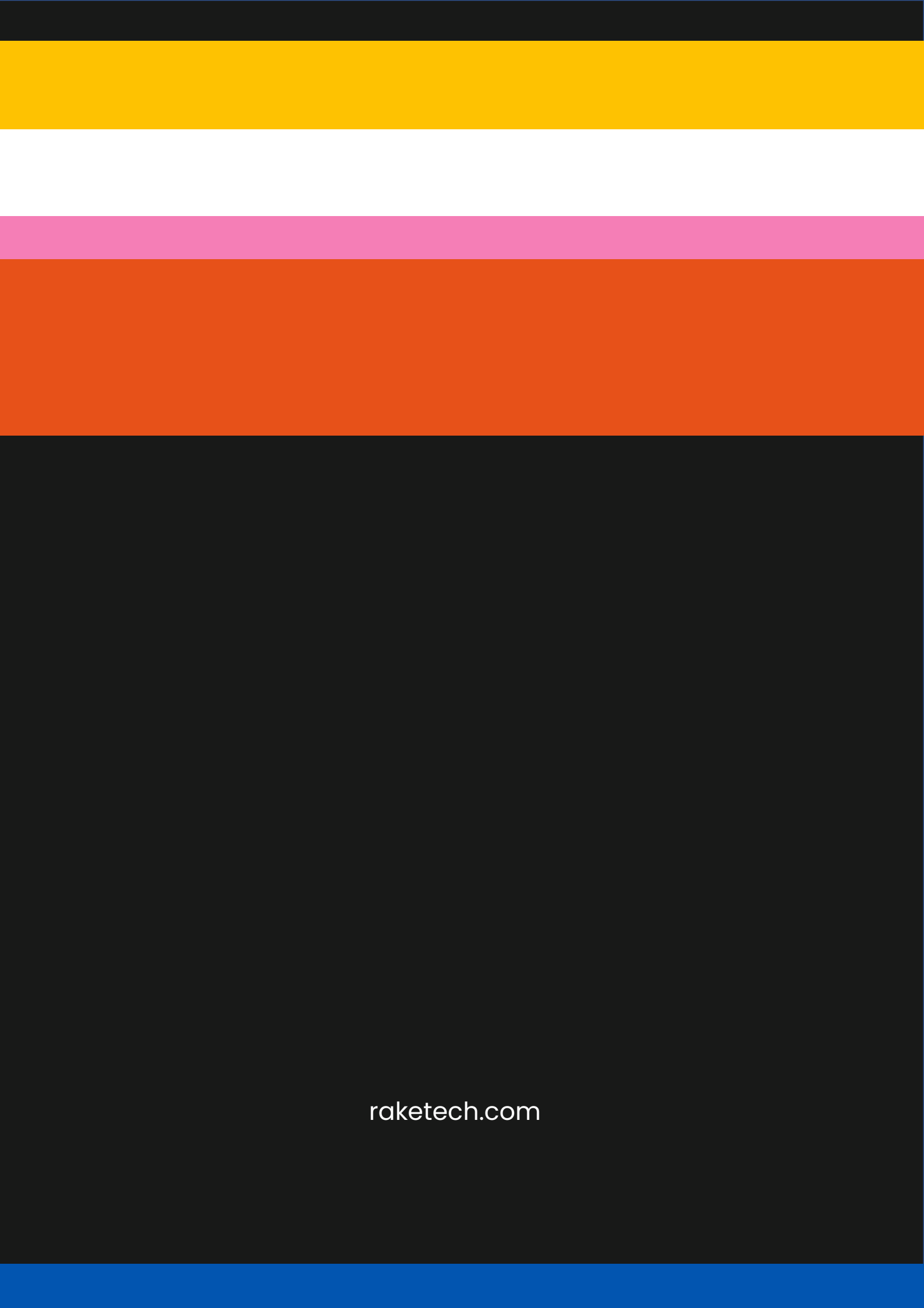
+1 646 722 4904 (US)

This information is such that Raketech Group Holding PLC is required to publish under the EU Market Abuse Regulation. The information was submitted under the auspices of the above contact person for publication at 8.00 a.m. CET on 17 August 2021.

Definitions of Alternative Performance Measures

Unless defined otherwise in this report, the terms below have the following definitions:

ADJUSTED EBITDA	EBITDA adjusted for exceptional costs
ADJUSTED EBITDA MARGIN	Adjusted EBITDA as a percentage of total revenue for the period/year
ADJUSTED OPERATING MARGIN	Operating margin adjusted for exceptional costs
ADJUSTED OPERATING PROFIT	Operating profit adjusted for exceptional costs
EBITDA	Operating profit before depreciation, amortisation and impairment
EBITDA MARGIN	EBITDA as a percentage of revenue for the period/year
LTM	Last twelve months
NDC (NEW DEPOSITING CUSTOMER)	A new customer placing a first deposit on a partners' website
NET DEBT-TO-ADJUSTED EBITDA	Net interest-bearing debt at the end of the period/year in relation to adjusted LTM EBITDA
NET INTEREST-BEARING DEBT	Interest-bearing debt at the end of the period/year, excluding earn-outs from acquisitions, minus cash and cash equivalents at the end of the period/year
OPERATING MARGIN	Operating profit as a percentage of revenue for the period/year
OPERATING PROFIT	Profit before financial items and taxes
ORGANIC GROWTH	Revenue growth rate adjusted for acquired portfolios and products. Organic growth includes the growth in existing products and the revenue growth related to acquired portfolios and products post acquisition
REVENUE GROWTH	Increase in revenue compared to the previous accounting period/year as a percentage of revenue in the previous accounting period/year
TRAFFIC	Relates to the number of visitors/users of Raketech's assets



raketechnology.com

