

Raketech Enters into Agreement to Settle Casumba Earnout for EUR 8.2 Million, Against EUR 20.3 Million Payable

Raketech Group Holding P.L.C ("Raketech" or the "Company") announces that it has entered into an agreement with the sellers of Casumba Media Ltd to settle the remaining earnout obligation in full for EUR 8.2 million, compared with approximately EUR 20.3 million payable under the current terms, including accrued interest. The Company has signed a sanction letter with Bank of Valletta for financing of EUR 5.5 million, which will be used together with EUR 2.7 million of existing cash to pay the settlement. With the settlement agreement signed and the financing approved, the Company is now awaiting the completion of the bank's loan disbursement process to finalise the settlement.

Following completion, the Company's only borrowings will be loans from Bank of Valletta of approximately EUR 8.5 million, to be repaid over three years. Against this, approximately EUR 12 million remains to be received from the divestments of the Casumba assets and the US assets. Provided these payments are received in full, they would be sufficient to cover the bank debt, without taking into account the cash generated by the Company's operations.

Raketech acquired Casumba Media Ltd in August 2019. In May 2025, the Company agreed with the sellers to extend the remaining earnout payment period from September 2026 to March 2028, subject to interest charges and with all payments to be made in cash. The earnout liability was recognised at EUR 21.3 million in the Company's balance sheet as of 30 June 2026. Since then, the Company has paid EUR 1.3 million to the sellers, while interest has continued to accrue, resulting in approximately EUR 20.3 million payable at the date of the agreement. Upon payment of the settlement amount in full, all outstanding obligations to the sellers of Casumba are extinguished, and Raketech has no remaining earnout obligations.

In September 2025, Raketech sold the Casumba assets for a fixed consideration of EUR 12.0 million, payable in monthly instalments through December 2029 and bearing interest at 8%. The deferred consideration had a carrying value of EUR 6.8 million as of 30 June 2026, with approximately EUR 11 million outstanding plus interest. It is separate from the earnout to the sellers, is not affected by the settlement, and continues to be recognised as an asset on the Company's balance sheet. Raketech thereby keeps the future payments from the sale of the Casumba assets, while the obligation related to their acquisition is settled at a substantial discount. The deferred consideration has been pledged as security for the Bank of Valletta financing.

Magnus Alebo, member of the Board of Directors of Raketech, is a beneficial owner of one of the sellers and therefore has an interest in the agreement. In accordance with the Company's procedures for handling conflicts of interest, he did not participate in the Board's deliberations or decision regarding the agreement, which was approved by the other members of the Board.

Settlement Details:

- **Settlement amount:** EUR 8.2 million, in full and final settlement of the remaining earnout, including accrued interest
- **Amount payable under the earnout:** Approximately EUR 20.3 million including accrued interest, at the date of the agreement
- **Reduction in amount payable:** Approximately EUR 12.1 million, being the difference between the amount payable under the current terms and the settlement amount
- **Payment:** EUR 3.0 million within two business days of signing, paid from existing cash, and EUR 5.2 million paid directly by Bank of Valletta to the sellers upon drawdown of the financing. The remaining EUR 0.3 million of the financing reimburses existing cash, resulting in a net cash outflow of EUR 2.7 million
- **Conditions:** The second instalment depends on Bank of Valletta releasing the approved loan. If, contrary to expectations, the loan has not been released by 31 December 2026, the quarterly payments under the previous terms resume. Any such payments are deducted from the second instalment. If the loan is not released by 31 March 2027 or if the financing is cancelled, then each seller may terminate the agreement in respect of its share and return to the previous earnout terms, with payments already made credited against the amount payable under those terms. Such termination does not affect the agreement with the other sellers

Financial Effects:

- **Income statement:** Upon completion, the settlement is expected to result in a significant non-recurring, non-cash gain in the fourth quarter of 2026, corresponding to the difference between the carrying amount of the earnout liability at the date of settlement and the settlement amount. The gain will be recognised below operating profit and will not affect EBITDA or adjusted EBITDA
- **Finance costs:** The notional interest on the earnout liability, amounting to EUR 0.9 million in the first half of 2026, will cease. Interest on the Company's total borrowings from Bank of Valletta, including the new financing, amounts to approximately EUR 0.4 million in the first year, decreasing as the loans are repaid, resulting in a substantial reduction in net finance costs going forward
- **Balance sheet:** Upon completion, the carrying amount of the earnout liability is derecognised against EUR 5.5 million of additional bank borrowings and a reduction in cash of EUR 2.7 million, reducing net interest-bearing debt by approximately EUR 12 million. Equity will increase by the amount of the gain

- **Deferred consideration from the sale of the Casumba assets:** Carrying value of EUR 6.8 million as of 30 June 2026, unaffected by the settlement

Financing from Bank of Valletta:

- **New term facility:** EUR 3.5 million, 3-year term, interest rate of 6.65% per annum
- **Existing revolving credit facility:** EUR 2.0 million utilised for the settlement and repaid over 3 years, at the interest rate of 6.65% per annum
- **Security:** Customary security, including a pledge over the deferred consideration from the sale of the Casumba assets
- **Financial covenant:** Debt Service Coverage Ratio of not less than 1.1x
- **Share buybacks:** Future share buybacks are subject to the Bank's approval

"This marks a significant milestone for Raketech, as we have reached an agreement to settle the Casumba earnout, substantially strengthening our balance sheet. The favourable financing terms also provide us with a solid financial foundation, allowing us to fully focus on executing our product strategy across Affiliation Marketing and SubAffiliation through AffiliationCloud", said Johan Svensson, CEO of Raketech.

For more information, please contact:

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About Raketech Group

Raketech is a leading online affiliate and content marketing company, with expertise in delivering comparison services for sports and gaming, online guides, communities, and social media products. Raketech guides sports and gaming enthusiasts to the best possible services, while also delivering high-quality traffic and leads to its partners. Raketech grows both organically and via acquisitions and operates its business in accordance with a clear framework for responsible affiliate marketing services. The company's shares are listed in Nasdaq First North Premier Growth Market with ticker RAKE. DNB Carnegie Investment Bank AB (publ) is the company's Certified Adviser. For more information, visit www.raketech.com.

This information is information that Raketech is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2026-10-19 15:30 CEST.

Attachments

Raketech Enters into Agreement to Settle Casumba Earnout for EUR 8.2 Million, Against EUR 20.3 Million Payable