

RAKETECH

Q4 2024 Report Presentation

RAKETECH

Q4 2024

- 01. Highlights
- 02. Financials Q4 2024
- 03. Key takeaways
- 04. Q&A



Johan Svensson
Chief Executive Officer



Måns Svalborn
Chief Financial Officer

Q4 Financial Highlights

Focused on Overcoming Challenges: A Clear Strategy for Growth

- **Group revenue:** EUR 12.3 million in Q4, decrease of -45.9% yoy (-42.6% adj. for Advisory divestment)
- **Adjusted EBITDA:** EUR 3.2 million in Q4 (-46.2% yoy)
- **EBITDA:** EUR 3.0 million in Q4 (-49.7% yoy)
- Total revenue for the full year of 61.2 million EURO with an adjusted EBITDA of 15.7 million EURO and an EBITDA of 14.7 million EURO
- Free cash flow of EUR 14.7 million in 2024 inline with EBITDA, ensuring financial flexibility for earnout payments of EUR 8.0 million in H1 2025 and EUR 20.6 million by September 2026
- Operating model review delivered 29% cost savings in Q4 2024 (excl. publisher costs) vs. Q1 2024
- Non-cash impairment of EUR 48.5 million, mainly reducing the intangible book value of pre-IPO non-core assets
- As from this year going forward, we will report earlier and will as such adapt our trading update accordingly

Oct-Dec 2024

Jan-Dec 2024

12.3m

REVENUE

Y -45.9%

Q -4.4%

61.2m

REVENUE

Y -21.3%

3.2m

Adj. EBITDA

Y Adj. -46.2%

Q Adj. +3.9%

15.7m

Adj. EBITDA

Y Adj. -32.3%

3.0m

EBITDA

Y -49.7%

Q 0%

14.7m

EBITDA

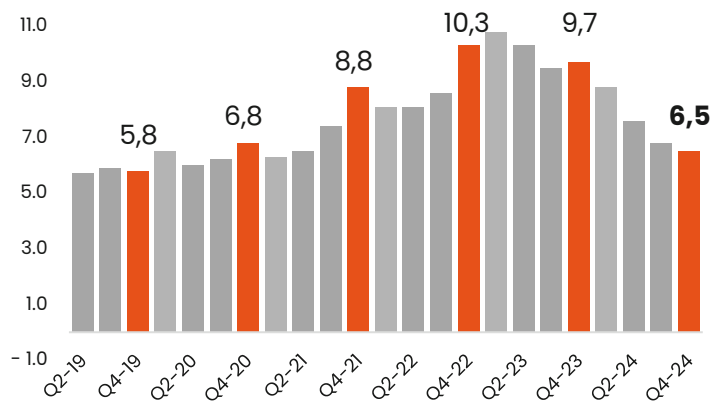
Y -37.8%

Q4 Performance by business area

Affiliation Marketing

Performance marketing and lead generation provided for operators via Raketech owned assets. CPA, Revshare, Listing fees

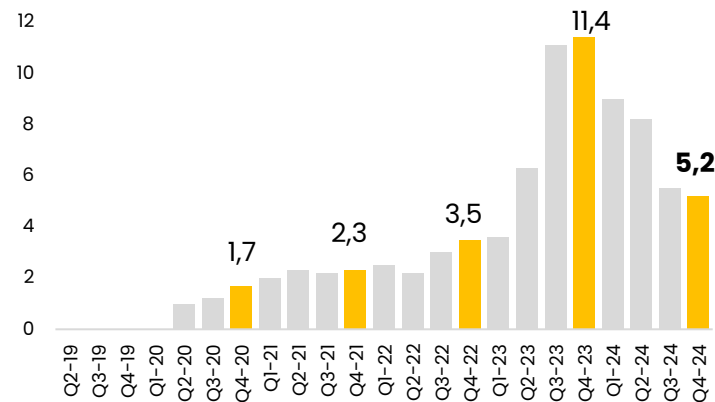
- **Portfolio grew 3% in Q4 compared to Q3 adjusted for Casumba decline**
- **Strong growth in Denmark**
- **Sports assets grew Q/Q**



SubAffiliation

Saas and managed solutions for administration, data analytics, reporting, payments and compliance for affiliates and operators. Commission + fees

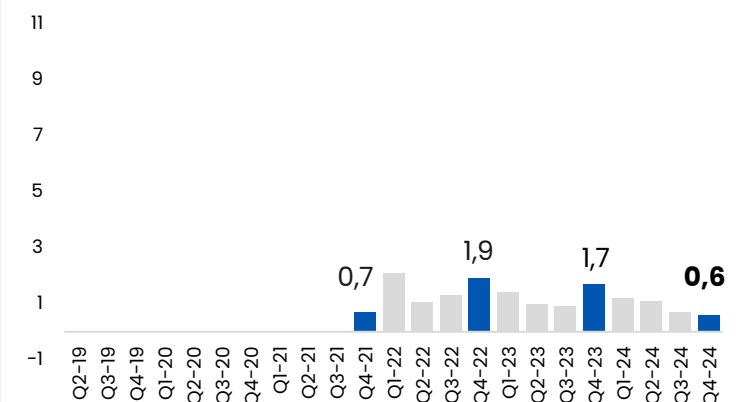
- **Network showed month-to-month improvement during Q4 but overall softer than Q3**
- **AffiliationCloud continues to deliver strong organic growth Y/Y with 74%**



Betting tips and subscription

Consumer services, tailored sports data insights, analytics and predictions for engaged bettors. Subscription fees

- **Focus on boosting conversion and monetization for digital tipster platforms after US land-based business sale**
- **Strategic review started in January 2025**

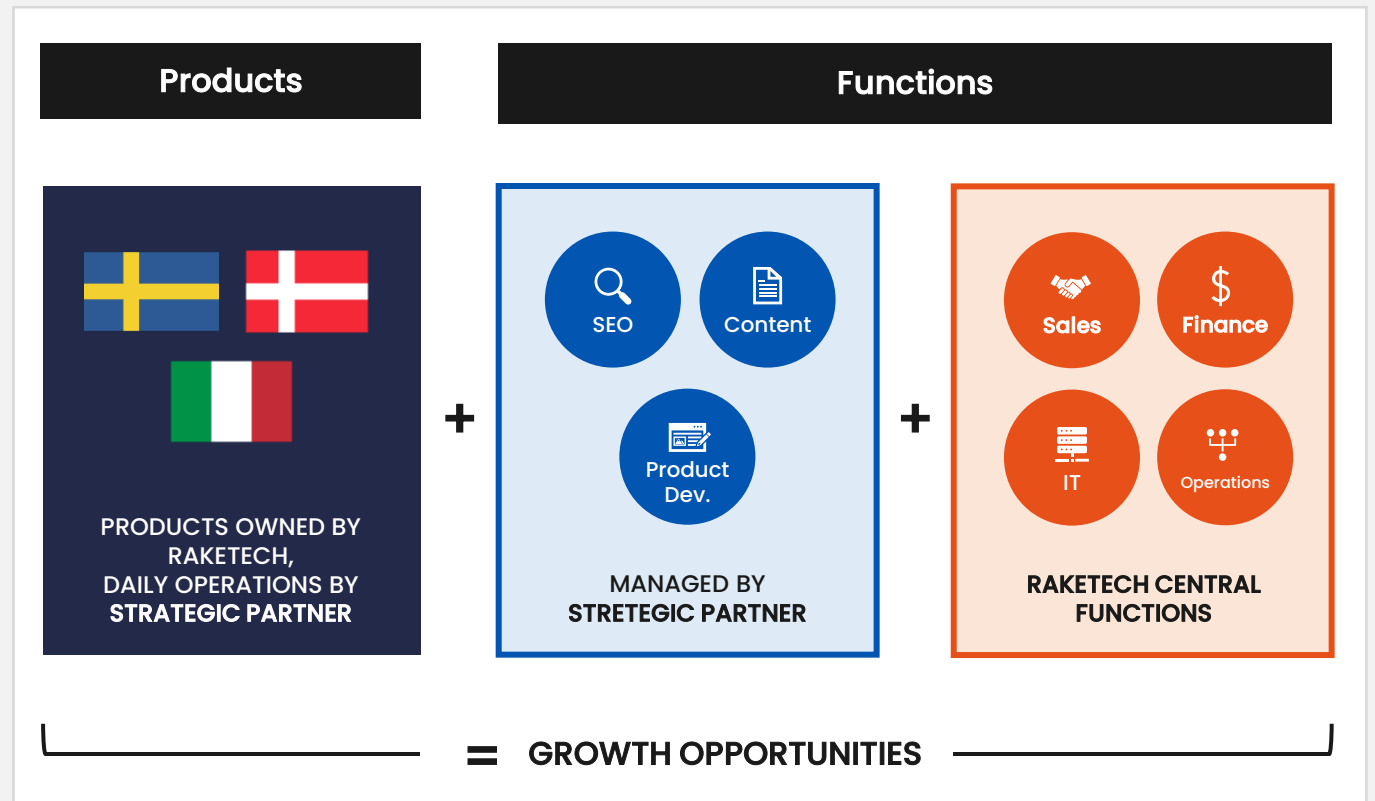


Affiliation Marketing – Strategic partnerships

Affiliation Marketing

Strategic Partnerships Enhance Turnaround and Growth Potential

- Four new strategic partnerships with proven entrepreneurs strengthen our portfolio
- Nearly 50% of Affiliation Marketing revenue now from partnership managed products
- Streamlined in-house operations and centralization from Malta office enhance efficiency
- Focus on high-potential assets ensures stronger growth and sustained margins

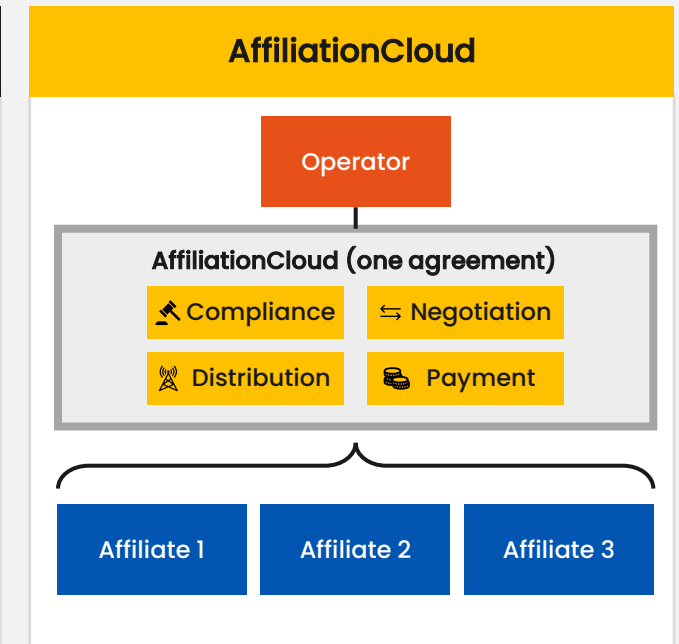
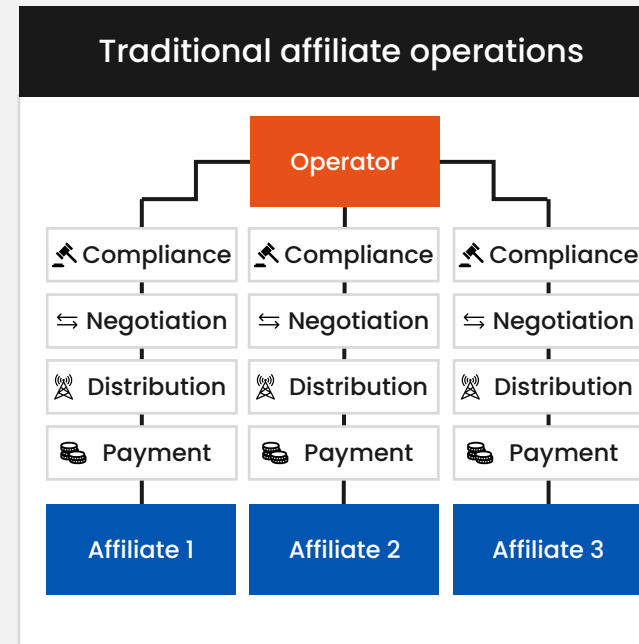


Business update – SubAffiliation & Exclusive Commercial agreements with Operators

SubAffiliation

Commercial Agreements and AffiliationCloud Drive 2025 Growth

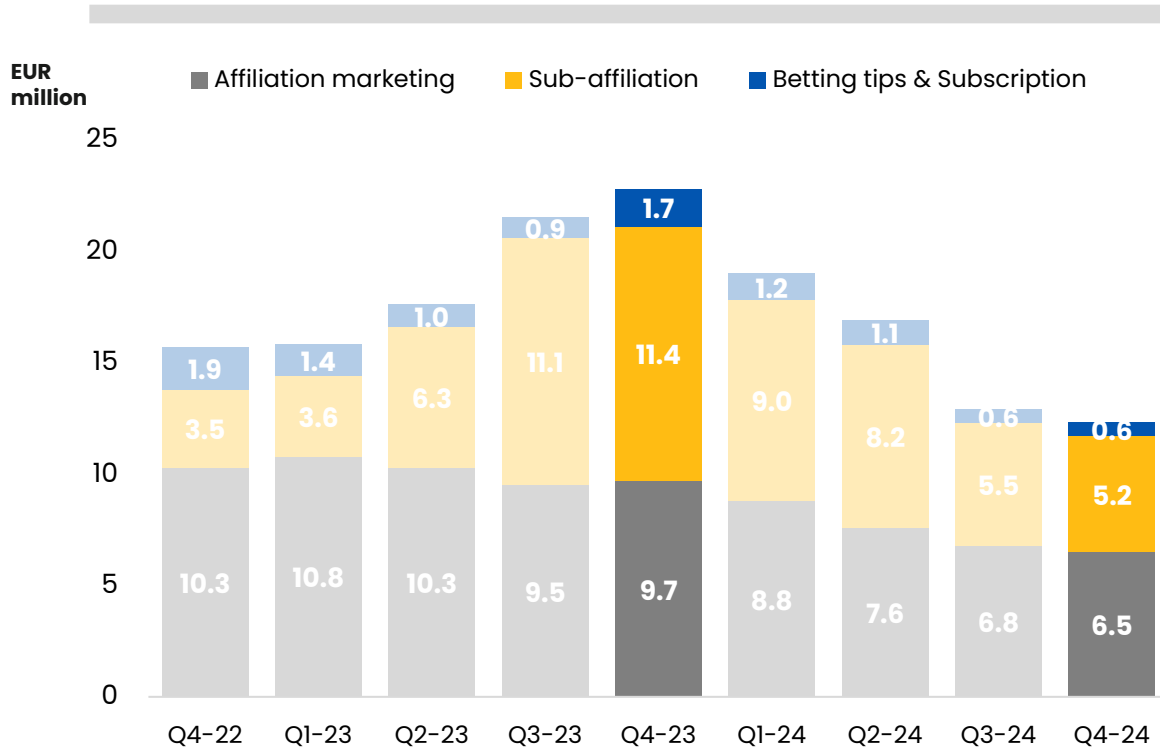
- AffiliationCloud development continues with new features and monthly improvements
- Migration of Paid publishers from Raketech Network in Q1
- Exclusive commercial agreements strong contributing factor for organic growth
- One-stop access for operators simplifies compliance and maximized distribution



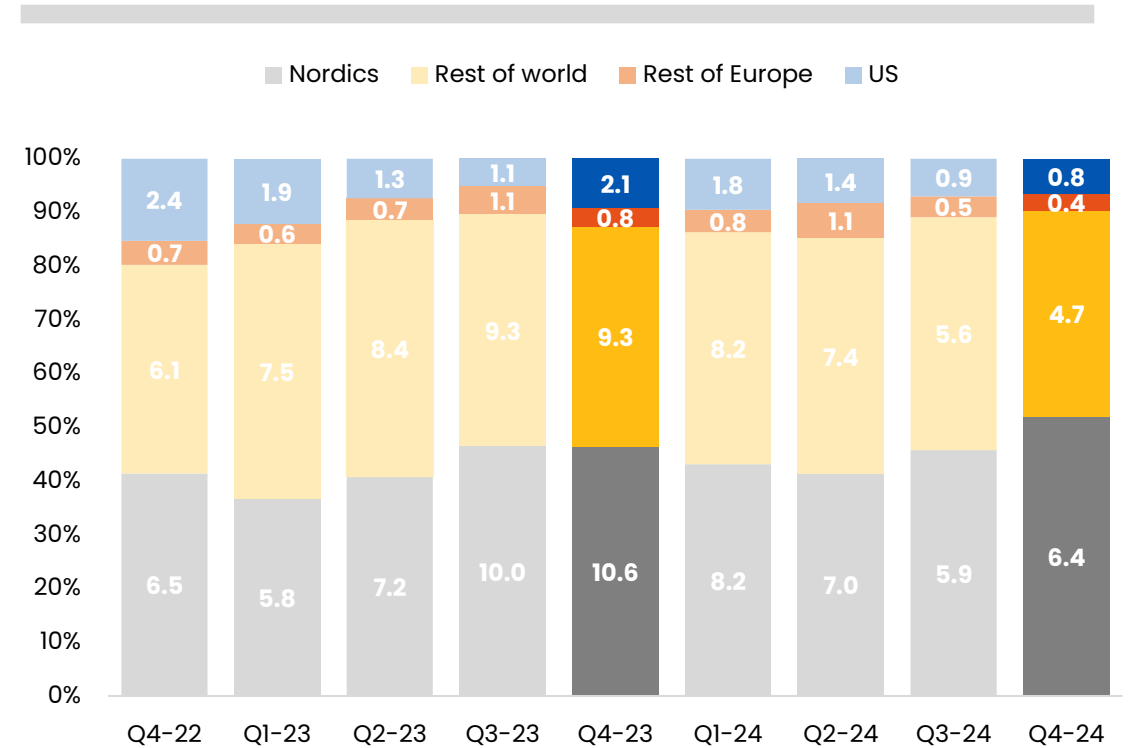
Financials Q4 2024

Excluding Casumba, affiliation assets growing sequentially

Revenue streams



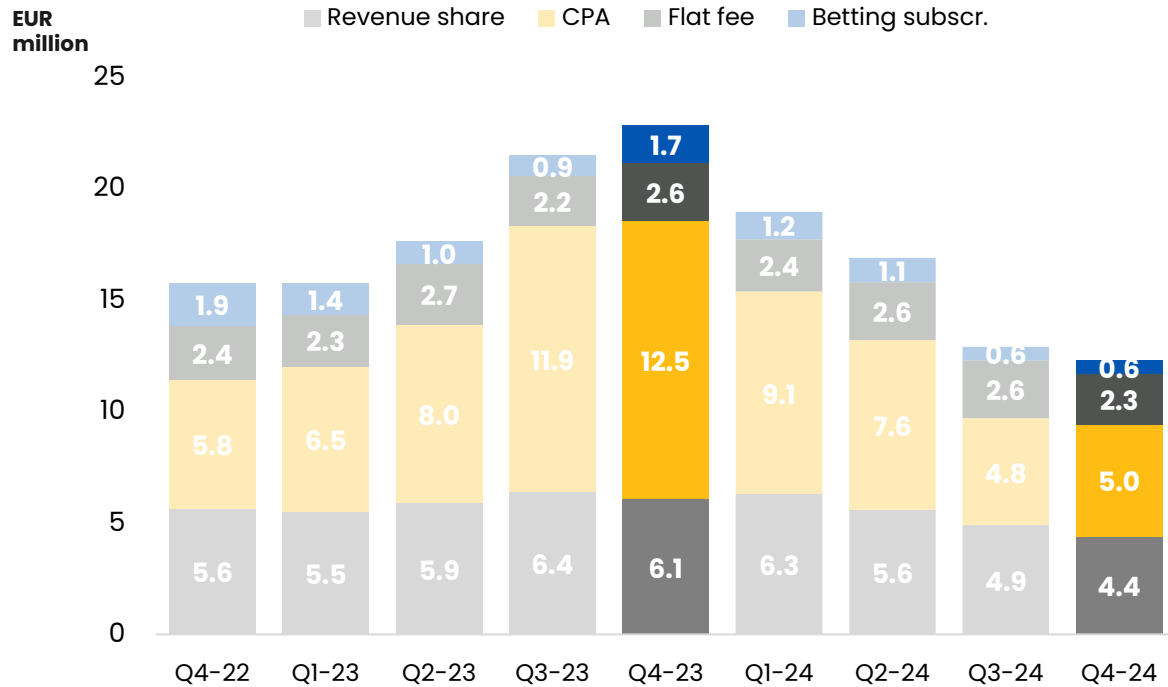
Region split



- **Affiliation marketing** at 53% of total revenues in Q4. Excluding Casumba, portfolio of assets is growing with 3% from Q3
- **SubAffiliation** at 42% of total revenues, sequentially lower however picking up and growing through the quarter
- **Betting tips & subscription** at 5% of total revenues, excluding Advisory impacting revenues of EUR 1.3m in Q4. Digital subscription growing +27% yoy

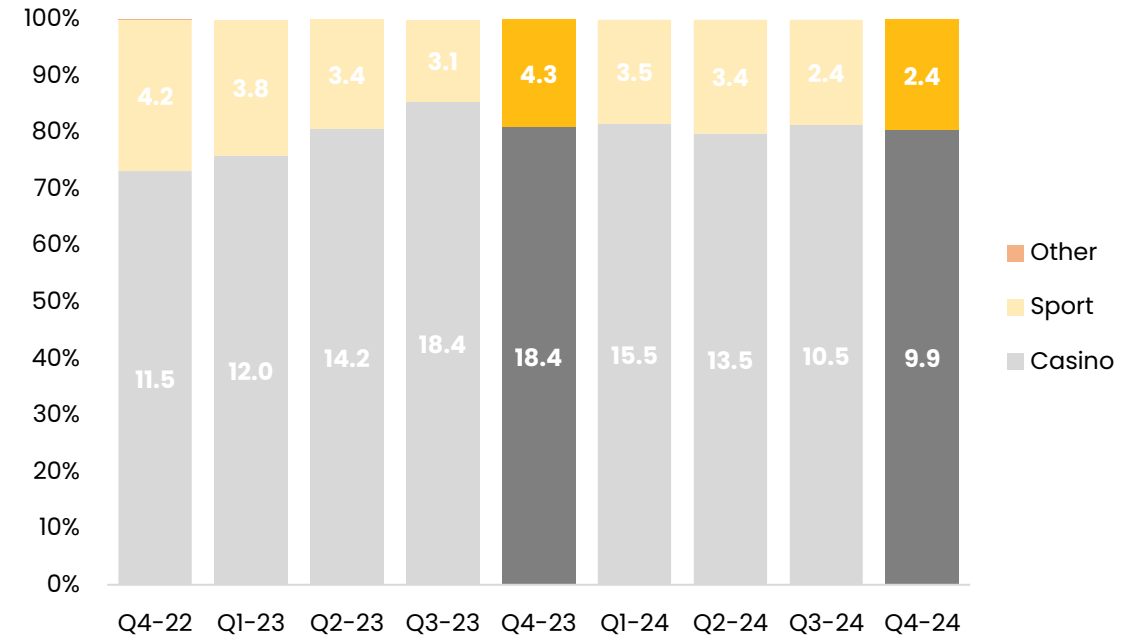
CPA variations primarily from SubAffiliation

Revenue mix



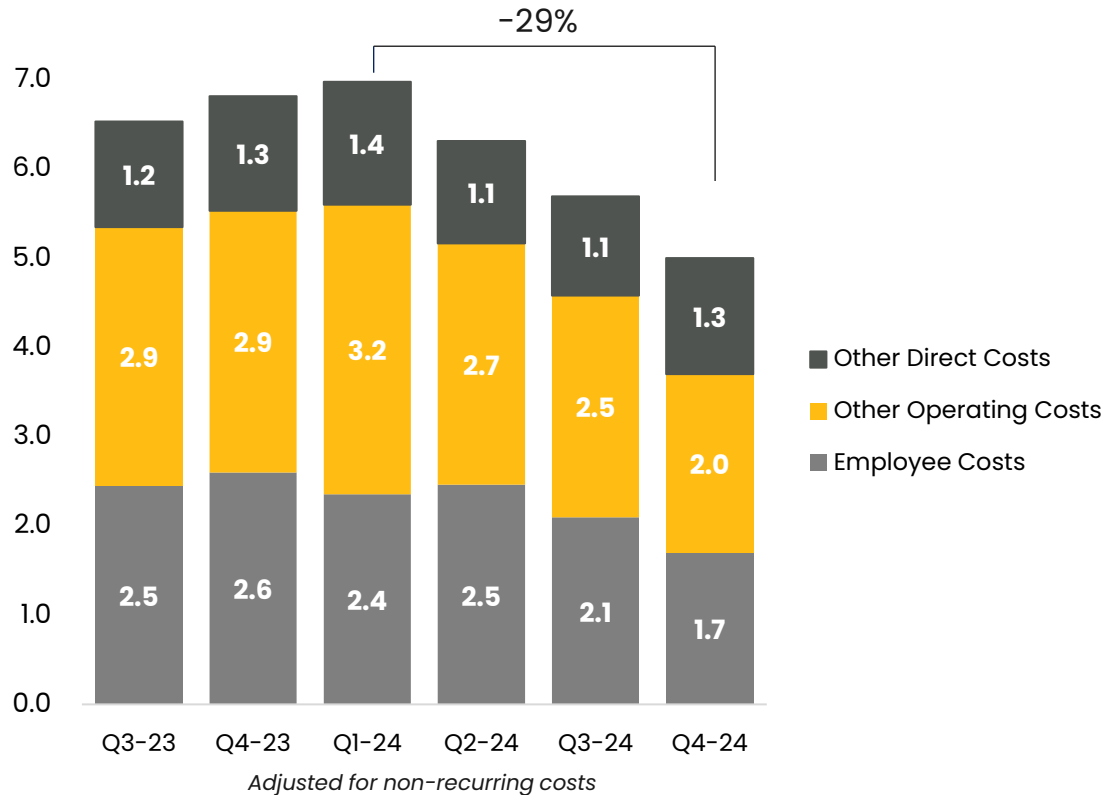
- **RevShare** decrease from Casumba
- **CPA revenue variations** stems primarily from SubAffiliation

Vertical split



- **Casino** at 80% with high share of casino revenues within SubAffiliation/Network
- **Sports** stable from Q3

Realized cost savings

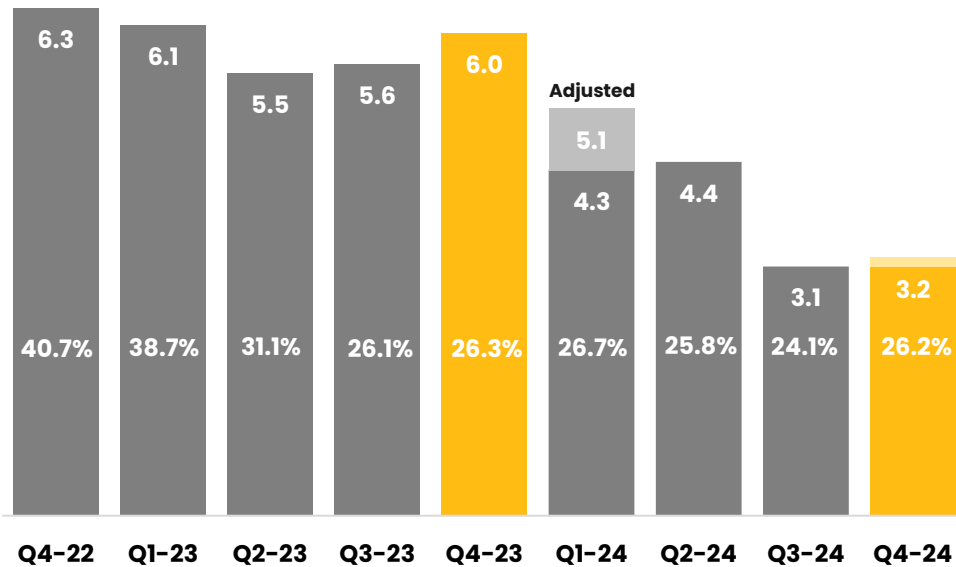


- Headcount (employees and contractors) decreased with 34% from Q1 2024
- Overall decreased cost base (excluding publisher costs) of 29% from Q1 2024
 - An effect of a review of our operating model for all products and business areas
 - Disposal of ATS Advisory end of July
- Continuous ongoing review to ensure operational efficiency

Free cash flow for the full year in line with EBITDA

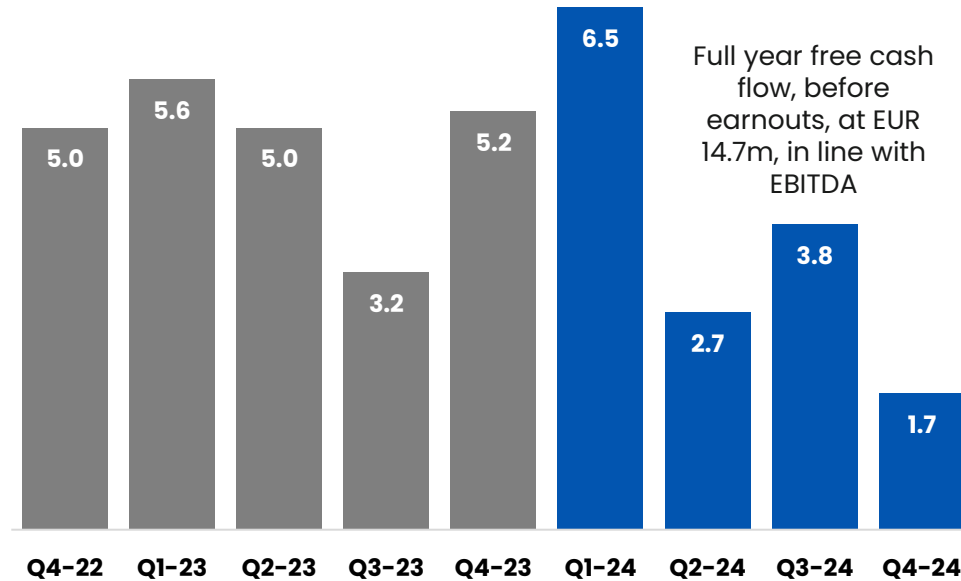
EBITDA and margin quarterly

EUR million



Free cash flow quarterly, before earnouts and acquisitions

EUR million

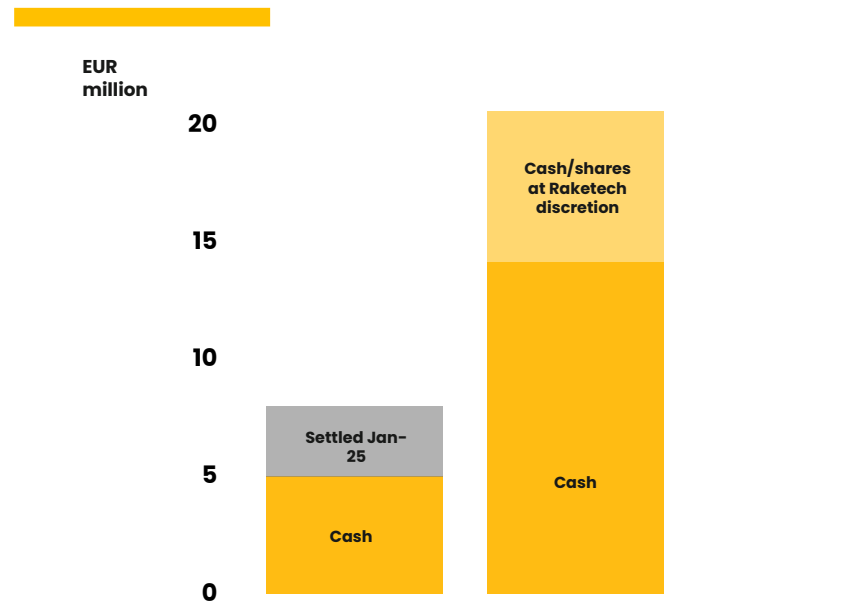


- EBITDA ahead of Q3 with cost savings

- Timing effects between quarters but Free cash flow before earnouts for the full year in line with EBITDA

Financial headroom for upcoming earnouts

Earnout settlements



- EUR 3.0m settled in January 2025 meaning **EUR 5m left to be settled during 2025 (due during H1)**
- **Remaining EUR 20.6m can be settled at any point in time from now up until September 2026**, of which EUR 6.4m can be settled in shares at Raketech discretion
- **No outstanding commitments** from acquisitions **post September 2026**

	2025	– Q3 2026	Total
Earnout to settle Exclusive of interest and not discounted	8.0m*	20.6m**	28.6m
Cash	8.0m*	14.2–20.6m	22.2–28.6m
Shares	–	0–6.4m***	0–6.4m***

* EUR 3m settled in January 2025

** Can be settled at any point in time from now up until September 2026

*** Settlement in shares at full discretion of Raketech

Key takeaways and outlook

Financials

- Revenues of EUR 12.3m
- Adjusted EBITDA of EUR 3.2m at 26.2% margin
- EBITDA of EUR 3.0m
- Realized cost savings of 29% (excluding publisher costs) compared to Q1 2024
- Revenue for the full year of EUR 61.2 million with an adjusted EBITDA of EUR 15.7 million, EBITDA and FCF of EUR 14.7 million

Key takeaways per Business Area

- **Affiliation Marketing:** Four new strategic partnerships, accounting for 50% of revenue, driving growth and efficiency, while Casumba recovery remains an in-house priority
- **SubAffiliation:** AffiliationCloud saw 74% growth, while Raketech Network showed month-to-month improvement during the quarter, though overall softer than Q3; migration of Raketech Network to AffiliationCloud in Q1 will enhance operational efficiency
- **US Tipster & Subscription:** Strategic review of US Tipster & Subscription business ongoing

Outlook and way forward

- As from this year going forward, we will report earlier and will as such adapt our trading update accordingly
- Q1 so far: Performance for Affiliation Marketing assets in line with Q4 2024, with somewhat lower revenues due to seasonality, SubAffiliation gradually picking up in February after a slow January
- A strategic update will be provided with the release of our Q1 report

Q&A

RAKETECH

www.raketech.com

Thank you!