catenamedia

Interim Report January-March 2021

Rapid US growth spurs a record quarter for revenue and earnings.

Q1 2021

January – March 2021

- Operating revenue was EUR 40.7m (26.7), an increase of 53 percent.
- Organic search revenue increased by 61 percent and totalled EUR 38.4m (23.9).
- Adjusted EBITDA increased by 94 percent and totalled EUR 25.1m (12.9), corresponding to an adjusted EBITDA margin of 62 percent (48).
- EBITDA, including items affecting comparability of EUR 1.8m (0.4), increased by 87 percent and totalled EUR 23.3m (12.5), equal to an EBITDA margin of 57 percent (47). Out of the EUR 1.8m items affecting comparability, EUR 1.7m related to restructuring.
- Earnings per share were EUR 0.26 (0.15) before dilution and EUR 0.17 (0.15) after dilution.
- Operating cash flow increased by 85 percent to EUR 20.8m (11.2).
- Cash and cash equivalents totalled EUR 37.5m (19.3) on 31 March.
- Net interest-bearing liabilities (NIBL) were EUR 40.8m (143.2) on 31 March, resulting in a leverage ratio (NIBL/adjusted EBITDA) of 0.64 (3.17).
- New depositing customers (NDCs) totalled 157,546 (119,529), an increase of 32 percent.
- Revenue from iGaming operations in the US rose by more than 200 percent to EUR 22.4m, equivalent to 55% of total Q1 revenue.
- Göran Blomberg was appointed Interim CEO, effective 7 January 2021.
- Michael Daly was appointed group CEO, effective 1 March 2021.

Significant events after the period

- On 9 April 2021, Catena Media published preliminary earnings for the first quarter, ahead of the Q1 report, due to exceptionally strong performance.
- On 4 May 2021 Catena Media acquired Lineups.com, a leading US online sports affiliation company specialising in analytics, betting predictions and tools.
- The company announced on 5 May 2021 it would explore financing alternatives to replace an existing EUR 88.5m bond loan, which matures in March 2022.
- The annual general meeting was held on 12 May 2021.
- The board will hold an extraordinary general meeting on 14 July 2021 for shareholders to take a fresh vote on the extraordinary resolution to authorise a share buyback program. The underlying purpose is flexibility regarding a more efficient capital usage. The intention is to commence share buybacks during the second half of 2021.
- In April, organic revenue grew 15 percent, or 24 percent excluding Germany, compared to average monthly revenue in Q2 2020.

Revenue

(EURm)

40.7 Jan–Mar 2021

26.7 Jan–Mar 2020

+53%

Adjusted EBITDA

(EURm)

25.1 Jan–Mar 2021

12.9 Jan–Mar 2020

+94%

Operating cash flow

(EURm)

20.8 Jan–Mar 2021

11.2 Jan–Mar 2020

+85%

Catena Media Group	January-March 2021	January-March 2020	Change	LTM	Full Year 2020
Revenue (EUR '000)	40,742	26,698	53%	120,035	105,991
EBITDA (EUR '000)	23,308	12,482	87%	60,881	50,055
EBITDA margin (%)	57	47	21%	51	47
Adjusted EBITDA (EUR '000)	25,087	12,934	94%	64,143	51,990
Adjusted EBITDA margin (%)	62	48	29%	53	49
Operating cash flow (EUR '000)	20,763	11,218	85%	58,526	48,981
Net interest-bearing liabilities (NIBL) (EUR '000)	40,800	143,239	-72%	40,800	57,026
NIBL/adjusted EBITDA multiple	0.64	3.17	-80%	0.64	1.09
Earnings per share before dilution	0.26	0.15	73%	0.32	0.20
New depositing customers (NDCs)	157,546	119,529	32%	481,541	443,524

"Our excellent performance reflects a solid focus on driving our global portfolio of affiliation brands. Revenue growth in North America was exceptional, supported by the successful launch of operations in Michigan and Virginia."

Michael Daly, CEO

CEO comments

Record performance led by US strength and progress in key global markets

I am pleased to report a very strong start to the year by Catena Media. Revenue and earnings reached all-time quarterly highs thanks to exceptional performance in North America and solid gains in other parts of the business. This robust showing provides a springboard to achieve revenue gains during 2021 well above our target of double-digit organic growth.

The excellent performance reflects our teams' focus on driving our global portfolio of affiliation brands. Special credit goes to North America, where year-on-year revenue jumped more than 200 percent, supported by the successful launch of operations in Michigan and Virginia during January. Several other US states are moving towards opening their markets and we see potential for one or more of these to go live later this year. Likewise, the Canadian market is opening up and Ontario is projected to come online later this year or at the start of 2022. Our strategic preparations and financial strength pre-position us for multiple new market launches and we are fully ready to act as soon as they come on stream.

Going forward, our North American business will benefit substantially from the addition of Lineups.com, which we acquired on 4 May. Lineups, whose Q1 sales accounted for about 10 percent of Catena Media's Q1 revenue, has an estimated EBITDA margin exceeding 70 percent and provides a valuable alternative channel through which to address the US sports betting audience and further build market share. The purchase also demonstrates our readiness to pursue selective mergers and acquisitions that offer a good strategic fit for Catena Media. The successful refinancing carried out in the last year and the efforts of our internal teams have significantly reduced group net debt. Combined with strong cash generation across the business, this positions us to conduct additional M&A where we see scope for adding true value to the business.

Outside North America, we face an ongoing headwind in Germany due to regulatory issues. As the German market re-regulates in the second half of 2021 we see opportunities to turn the corner and build revenue again. Elsewhere in Europe, the UK market held steady, while performance in Italy was exceptionally strong. Overall, we are well placed to capitalise on the start of the European summer sports season in Q2 and the planned UEFA European Football Championship.

Asia-Pacific and Japan continued to exceed our expectations in Q1. Though still a small part of the Catena portfolio, these markets are expected to grow significantly in the coming years as they regulate and, in the case of Japan especially, adopt land-based casinos that drive increased online betting and gaming activity.

In Q1 we continued to see reduced volatility arising from the COVID-19 pandemic and we are optimistic that the worst of the impact on sports betting and iGaming is now behind us. Nevertheless, the risk of resurgence in Europe and elsewhere continues to temper our expectations somewhat.

In sports betting, we are truly developing the full reach of a global organisation, with North America now rivalling Europe in size. A broader international presence reduces our sensitivity to regional cycles in sports calendars, creating more consistent and predictable revenue flows over time.

By contrast, casino affiliation is a year-round product in all markets. Each market that opens up strengthens us financially, and we were pleased in the US to commence casino operations in Michigan during the quarter alongside our existing casino activities in Pennsylvania, New Jersey and West Virginia. AskGamblers.com continues to be an exceptionally strong casino product in Europe and shows steady growth in new markets including Japan. The AskGamblers complaints service returned a record sum to users, underlining our commitment to responsible and fair gaming. As a digital platform, Catena Media has a relatively small environmental footprint, and we continue to focus our sustainability efforts on social responsibility and governance.

Our Financial Trading segment, albeit small in size, performed well during the quarter amid growing interest in crypto-related trading and increased revenue from conversions and fixed fees.

From an internal perspective, we continue to optimise our ability to maximise growth through onward expansion in our North America while also making inroads into frontier markets in Latin America, Asia and Africa. Change can easily disrupt an organisation, so I was especially cheered to see our teams deliver an exceptional performance in Q1 in spite of transformation-related distractions. The results of the transformation will start to be seen in Q2 when the process completes its initial phase. By the end of the year I expect to see more fruits of our labour and that certain products we believe are underperforming will have turned the corner and be heading in the right direction.

The second quarter of 2021 has begun well, with organic revenue growth in April of 15 percent, or 24 percent excluding Germany, compared to average monthly revenue in Q2 last year. Q2 was our strongest quarter in 2020 due to high online casino demand in the US. We still have a way to go to realise our full potential, but the outlook is bright and I see clear promise for a prolonged upward trajectory for Catena Media in the next five to ten years and beyond.

On a personal note, my sincere thanks to the team for their hard work and efforts. In these first months as CEO, I have been extremely happy with everyone's efforts to double down on Catena Media and help us grow and take the big win.

Michael Daly, CEO

Our segments

Casino

Revenue in the Casino segment rose by 54 percent, to EUR 25.2m (16.4), corresponding to a 62 percent share of group revenue. Adjusted EBITDA increased by 82 percent to EUR 17.9m (9.8), equal to a margin of 71 percent (60).

Unlike the Sports segment, the Casino segment naturally shows less dependence on seasonality. The strong Q1 performance reflected positive developments across a number of key global markets, notably the US, but also Japan and Italy.

In the US, the opening of the casino market in Michigan provided a major boost and contributed to solid revenue growth. Michigan hence became the fourth US state, after New Jersey, Pennsylvania and West Virginia, where Catena Media generates revenue from casino affiliation. New operator launches in Pennsylvania during Q4 2020 also contributed to healthy revenue development in Q1.

In Q1 AskGamblers, Catena Media's core casino brand, recorded solid growth in organic traffic and conversions, primarily through improved website performance. By the end of Q1, AskGamblers' "back-link portfolio" was ranked among the top 20,000 globally. Back-link portfolio strength is a metric of website relevance and is defined by the number of other sites offering links and referrals.

Italy performed creditably, while in Germany ongoing regulation issues continued to hamper performance. Market conditions are expected to remain challenging there as new regulatory frameworks are introduced in July, and further headwinds may arise if mooted turnover taxes form part of those regulations. In the longer term, Catena Media sees opportunities to partner with licensed operators to drive solid sustainable growth.

The Japanese business showed strong double-digit revenue growth at a level well above the local market, driven by a strong product offering that performed well organically and via social channels.

Casino	Jan-March 2021	Jan-March 2020	Change	LTM	Full year 2020
Revenue (EUR '000)	25,265	16,433	54%	78,446	69,614
Adjusted EBITDA (EUR '000)	17,855	9,836	82%	50,851	42,832
Adjusted EBITDA margin (%)	71	60	18%	65	62
New depositing customers	76,254	76,773	-1%	271,444	271,963

Sports

The Sports segment reported a 64 percent increase in revenue to EUR 14.4m (8.7), corresponding to a 35 percent share of group revenue. Adjusted EBITDA increased by 149 percent to EUR 6.8m (2.7), representing a margin of 48 (31) percent.

This strong performance was mainly driven by significant growth in the US and the COVID-19 pandemic easing somewhat. A gradual normalisation of the sporting calendar saw more events being televised, spurring a rebound in sports betting activity.

Exceptional year-on-year growth in the US was fuelled partly by market launches in Michigan and Virginia. Catena Media now operates as an affiliate in 11 US states, and preparations are advancing for possible openings in Arizona and Maryland later this year. The US business was further buoyed by a strong close to the NFL season culminating with the Superbowl and by the March Madness college basketball tournament, held for the first time since 2019.

Revenue in Italy reached a record high due to a robust product offering, increased operator demand and the pandemic-induced closure of betting shops, which shifted gambling activity online. Revenue in Germany continued to decline due to product restrictions, regulatory uncertainty and changes in player behaviour. However, market opportunities exist over the longer term, once regulatory frameworks clarify later this year. In Sweden, which is a very small market for Catena Media, operators continue to see significant revenue declines due to continued bonus and deposit limits.

The UK market developed favourably, with the Cheltenham horse racing festival generating a positive push. The Squawka football betting site, launched in Q4 2020 gained further traction with higher organic searches.

Sports	Jan-March 2021	Jan-March 2020	Change	LTM	Full year 2020
Revenue (EUR '000)	14,367	8,744	64%	36,210	30,587
Adjusted EBITDA (EUR '000)	6,832	2,740	149%	11,982	7,890
Adjusted EBITDA margin (%)	48	31	55%	33	26
New depositing customers	80,122	42,046	91%	207,420	169,344

Financial Trading

Revenue in the Financial Trading (previously Financial Services) segment declined by 27 percent to EUR 1.1m (1.5), corresponding to a 3 percent share of group revenue. On a like-for-like basis and excluding the sale of Catena Media Financials US Inc. ("Hammerstone") in Q4 2020, revenue decreased by 2 percent year-on-year and rose 12 percent quarter-on-quarter. Adjusted EBITDA increased by 12 percent to EUR 0.4m (0.4), representing a margin of 36 percent (24). This represented a positive performance in the context of a pandemic-induced demand surge in Q1 2020 that inflated revenue in that period.

A solid start to the year saw increased client appetite for crypto-related trading, which translated well into conversions and fixed fees. Organic traffic was stable across the portfolio. The flagship brand AskTraders.com, a leading learn-to-trade website for financial investors focused on content in English and German, again showed positive growth.

Performance marketing conversions dropped in response to a move by Google to heavily reduce paid revenue possibilities for unlicensed content providers, of which Catena Media, as an affiliate, is one.

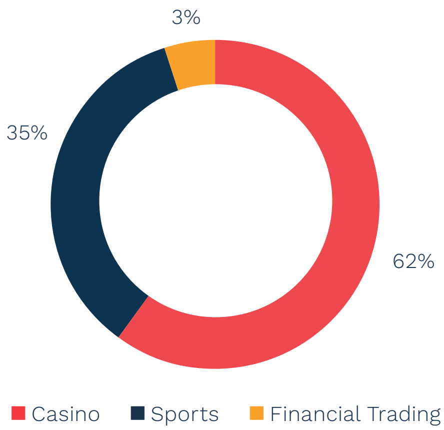
Geographically, Europe remained the primary market. South-east Asia continued to emerge as a market of interest, with increased activity for example in Malaysia.

Going forward, Financial Trading is committed to investing in content to drive further organic growth in its key European market alongside expansion in selected markets in South-East Asia, where per-capita yield is high, as well as Africa. Common to these regions are English-speaking populations that can be well served by the existing product portfolio.

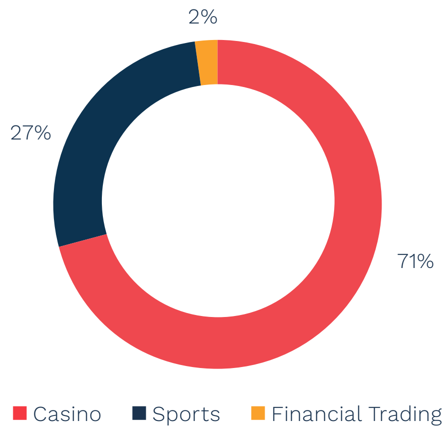
Financial Trading	Jan-March 2021	Jan-March 2020	Change	LTM	Full year 2020
Revenue (EUR '000)	1,110	1,521	-27%	5,379	5,790
Adjusted EBITDA (EUR '000)	400	358	12%	1,310	1,268
Adjusted EBITDA margin (%)	36	24	50%	24	22
New depositing customers	1,170	710	65%	2,677	2,217

Financial Trading (excluding Catena Media Financials US Inc. ("Hammerstone")	Jan-March 2021	Jan-March 2020	Change	LTM	Full year 2020
Revenue (EUR '000)	1,110	1,130	-2%	4,233	4,253
Adjusted EBITDA (EUR '000)	400	242	65%	1,001	843
Adjusted EBITDA margin (%)	36	21	71%	24	20
New depositing customers	1,170	710	65%	2,677	2,217

Share of revenue



Share of adjusted EBITDA



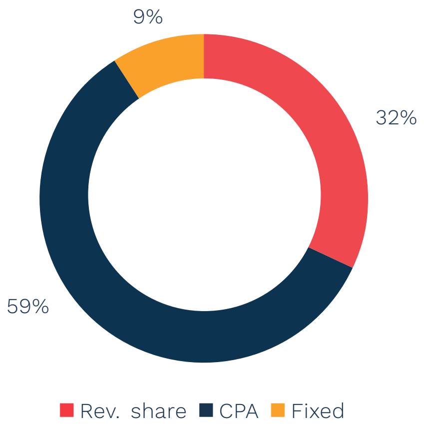
Financial performance

Revenue

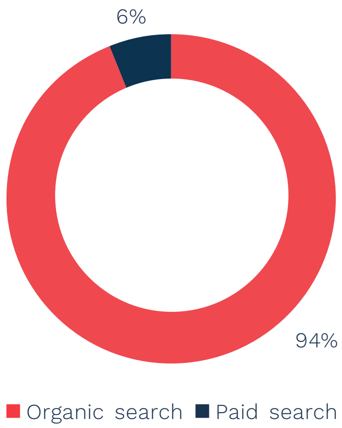
Revenue for Q1 2021, was EUR 40.7m (26.7), an increase of 53 percent from the corresponding quarter. Organic search revenue increased by 61 percent compared to Q1 2020 and totalled EUR 38.4m (23.9). Paid revenue was EUR 2.3m (2.4). Subscription revenue in Q1 2021 was zero, compared to EUR 0.4m in Q1 2020. Revenue derived through revenue-sharing arrangements comprised 32 (44) percent of total revenue for Q1, while revenue from cost per acquisition comprised 59 (39) percent and fixed fees totalled 9 (15) percent. There was no subscription revenue in Q1 2021. During the comparative period subscription revenue accounted for 2 percent of total revenue.

Revenue	Jan-March 2021	Jan-March 2020	Change	LTM	Full year 2020
Search revenue	38,445	23,919	61%	110,470	95,944
Paid revenue	2,297	2,365	-3%	8,415	8,483
Subscription revenue	–	414	-100%	1,150	1,564
Total revenue (EUR '000)	**40,742**	**26,698**	**53%**	**120,035**	**105,991**

Revenue models



Revenue streams



Expenses

Total operating expenses, including items affecting comparability, totalled EUR 19.8m (17.6).

Direct costs increased to EUR 3.3m (2.4) from Q1 2020 as a result of an increased spend on pay-per-click (PPC) costs. Personnel expenses were EUR 7.6m (6.6), an increase of 16 percent from Q1 2020. This was mainly attributable to further investment in the growing US market. Other operating expenses of EUR 6.5m (5.3) increased by 23 percent from Q1 2020 as a result of higher spending on SEO costs and items affecting comparability.

Items affecting comparability in Q1 2021 totalled EUR 1.8m, of which restructuring costs of EUR 1.2m and refinancing costs of EUR 0.1m were classified in other operating expenses. Other reorganisation costs of EUR 0.5m were classified in personnel expenses. During Q1 2020, items affecting comparability of EUR 0.4m related to reorganisation costs and were classified in personnel expenses. Minor credit facility-related costs were classified in other operating expenses.

Earnings

Adjusted EBITDA increased by 94 percent and totalled EUR 25.1m (12.9). This corresponds to an adjusted EBITDA margin of 62 percent (48). The increase in margin was mainly a result of higher revenue in Q1 2021 exceeding the increase in costs. EBITDA, including items affecting comparability of EUR 1.8m (0.5), increased by 87 percent and totalled EUR 23.3m (12.5). This corresponds to an EBITDA margin of 57 percent (47). The difference mainly relates to the increase in revenues in Q1 2021. Earnings per share (EPS) before dilution were EUR 0.26 (0.15). EPS after dilution were EUR 0.17 (0.15).

Taxes

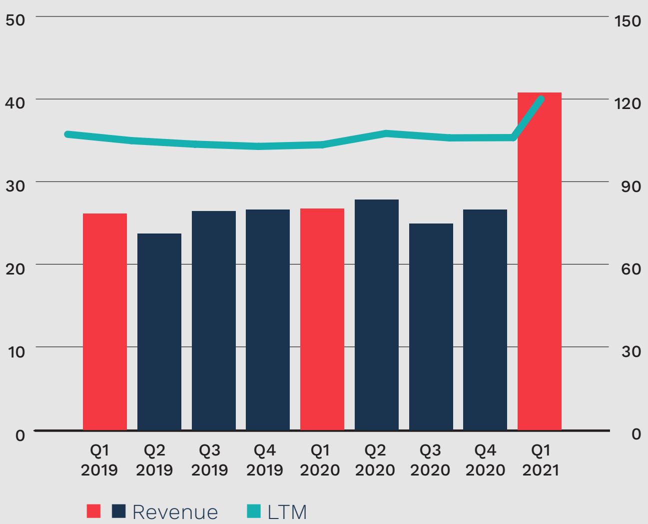
The effective tax rate for the group was 7 percent (3). Earnings after tax were EUR 18.0m (9.3).

Liquidity and cash flow

On 31 March 2021, cash and cash equivalents stood at EUR 37.5m (19.3). High operating cash flow and solid cash conversion underlie Catena Media's operations. Net cash generated from operating activities increased by 85 percent compared to Q1 2020 and totalled EUR 20.8m (11.2). The cash conversion rate at the end of the period was 89 percent (90).

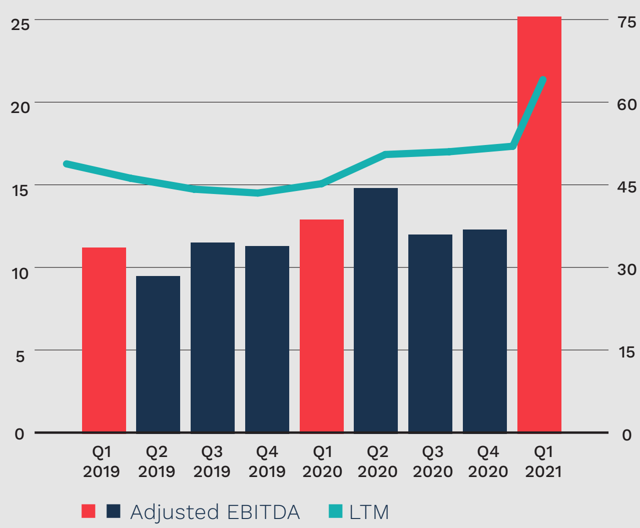
Revenue

EURm



Adjusted EBITDA

EURm



Other

SHARES AND SHARE DATA

Earnings per share for Q1 2021 were EUR 0.26 (0.15) before dilution and EUR 0.17 (0.15) after dilution. At the end of the period, Catena Media had 70,392,144 outstanding shares. This will increase to 107,884,515 after full dilution, assuming exercise of all outstanding warrants.

Share capital was EUR 105,588.22, corresponding to EUR 0.0015 per share. After full dilution, share capital will amount to EUR 161,826.77.

On 31 March 2021, the closing price for the Catena Media share was SEK 47.36.

Changes in number of shares

- On 29 January 2021, Catena Media resolved a directed issue of 2,102,732 due to the exercise of its warrants (CTM TO1) during the third warrant exercise period.
- On 8 April 2021, after the end of the period, Catena Media resolved a directed issue of 1,351,582 due to the exercise of its warrants (CTM TO1) during the fourth warrant exercise period.

EQUITY

As at 31 March 2021, equity including hybrid capital securities totalled EUR 257.5m (168.8), corresponding to an equity-to-assets ratio of 73 percent (50). Excluding hybrid capital securities, equity totalled EUR 208.5m (168.8).

LARGEST SHAREHOLDERS

The 10 largest shareholders of Catena Media plc as of 31 March 2021 are shown below.

10 largest shareholders as of 31 March 2021	%
Second Swedish National Pension Fund	8.7
Investment AB Öresund	7.4
Ruane, Cunniff & Goldfarb	7.0
Avanza Pension	5.7
Roundhill Investments	3.5
Nordnet Pension Insurance	2.7
Alcur Fonder	2.2
Deka Investments	1.5
ICA-handlarnas Förbund	1.3
Ocean View Marketing	1.2
Subtotal, 10 largest shareholders	**41.2**
Other shareholders	58.8
Total	**100.0**

STRATEGIC DIRECTION FOR THE PERIOD 2021-2025

- During the strategic review in Q4 2020, operating cash flow was estimated to be in the interval of EUR 300-370m during the period and will be used, for instance, for share buybacks and dividends provided there are no bond loan restrictions, and for strategic M&A. The underlying purpose is flexibility regarding a more efficient capital usage.
- The board's aim is to start with share buybacks during the second half of 2021.
- The company foresees a continued strong demand for iGaming affiliate services, especially in regulated markets.
- The US business will be a core revenue driver, supported by continued expansion into Latin America, Asia and certain Central European markets. Additionally, restructuring of the existing business to achieve higher market share and cost-efficiency will continue in Europe. The company will positively evaluate M&A investments to further strengthen its position in strategic markets.
- Catena Media has initiated a process to explore different refinancing alternatives to replace the existing bond loan.

FUNDING

At the beginning of the period Catena Media had outstanding senior unsecured bonds of EUR 94.5m, of which EUR 9.8m were owned by the company. On 31 March 2021 the value of the outstanding bonds was EUR 88.5m, of which EUR 12.3m was owned by the company.

Bond changes during the quarter

- On 19 January 2021, bonds of a total nominal amount of EUR 0.6m were repurchased at a premium of 101.875 percent.
- On 25 January 2021, Catena Media announced a further repurchase of bonds of a total nominal amount of EUR 0.4m at a premium of 101.875 percent.
- On 2 February 2021, Catena Media announced a further repurchase of bonds of a total nominal amount of EUR 2.3m at a premium of 101.875 percent.
- On 2 March 2021, the company made a voluntary prepayment in relation to all outstanding bonds having a a total nominal value of EUR 6.0m. The nominal value was EUR 59,000 per bond following the prepayment. The total repaid amount at the call option price of 101.375 percent and including accrued interest totalled EUR 6.1m.

At 31 March 2021, Catena Media had outstanding senior secured bonds of EUR 88.5m, of which EUR 12.3m is owned by the company.

HYBRID CAPITAL SECURITIES

At the beginning of the period Catena Media had hybrid capital securities with a nominal value of EUR 60.9m net of EUR 8.5m issuance costs. Catena Media's fourth subscription period was open from 25 February 2021 to 6 March 2021. In total, 1,351,582 warrants were exercised and converted into the same number of shares in the company. A total of 162,194 shares were paid in cash, while 1,189,388 were paid by set-off against the company's hybrid capital securities and in cash. Payment was received in cash in April 2021 with a total of EUR 0.3m (SEK 3.4m) while EUR 2.1m (SEK 22.2m) was set off. The shares were issued on 8 April 2021.

At 31 March 2021, hybrid capital securities with a nominal value of EUR 57.4m net of EUR 8.5m issuance costs were reported as hybrid capital securities in the company's statement of financial position.

PARENT COMPANY

Catena Media plc, registration number C70858, is a public company with head offices in Malta. Catena Media plc is the ultimate holding company, with the purpose of receiving dividend income from the main operating company, Catena Operations Limited. Shares previously held in Catena Financial Limited were transferred to Catena Operations Limited in Q1 2021. Catena Media plc is listed on Nasdaq

Stockholm's main market, Mid Cap. The shares are traded under the ticker (CTM) and with the ISIN code (MT0001000109).

Dividend income for Q1 2021 was EUR 10.0m (nil). Total operating income was EUR 9.5m (-0.5). Profit after tax was EUR 8.1m (3.7).

The bond's fair value movement classified in "Other (losses)/gains on financial liability and equity instruments at fair value through profit or loss", recognised in Q1 2021, resulted in a loss of EUR 1.2m compared to a gain of EUR 4.2m in Q1 2020. Bond finance costs classified as "Interest payable on borrowings" were EUR 1.1m for Q1 2021 while bond and credit facility costs for the comparative quarter were EUR 2.2m.

The parent company's cash and cash equivalents were EUR 10.7m (0.5). Liabilities totalled EUR 107.3m (152.3). Equity was EUR 165.4m (107.9).

SIGNIFICANT RISKS AND UNCERTAINTIES

Catena Media's risk management aims to execute the business strategy while maintaining a high level of risk awareness and control. Catena Media group is, in particular, exposed to compliance risks related to the online gambling industry and the financial industry. Risks are managed on strategic, operational and financial level. Comprehensive risk disclosures are available in the Catena Media 2020 Annual Report on pages 26-29 and 44-46. There have been no significant changes to any of the risks since disclosed in the annual report.

SUSTAINABILITY

Sustainability is a strategic imperative for Catena Media. The company is a digital platform with a relatively small environmental footprint and therefore focuses its efforts on social responsibility and governance. The company works constantly to improve governance and to make its operations more sustainable, with an emphasis on business ethics, corporate governance and transparency. Socially it stands for equality, ethical conduct and diversity at all levels. Catena Media's sector leadership in corporate social responsibility is reflected in a commitment to fair and equitable gaming via the AskGamblers complaints service, which returned a record sum to users in Q1. Catena Media intends to develop a global sustainability strategy during the course of 2021.

EMPLOYEES

As of 31 March, the group had 411 (385) employees, of whom 144 (141) were women, corresponding to 35 percent (37) of the workforce. Of all employees, 410 are employed full-time and 1 is employed part-time.

FINANCIAL TARGETS 2021-2025

#1 Achieve profitable double-digit organic growth annually over the period, with the US as the core growth driver.

#2 Net interest-bearing debt/adjusted EBITDA to fall within the span of 0-1.75x.

SIGNIFICANT EVENTS DURING THE FIRST QUARTER 2021

- On 7 January Catena Media appointed Göran Blomberg as interim CEO. He consequently stepped down as chairman of the board temporarily and Öystein Engebretsen served as acting chairman in his place.
- On 29 January Catena Media appointed Michael Daly as new CEO, effective 1 March. Göran Blomberg resumed his position as chairman on that day and Öystein Engebretsen resumed his role as director. Before becoming CEO, Michael Daly was in charge of Catena Media's highly successful US operations. Prior to that, he held numerous positions in the iGaming and casino industry, such as Executive Vice President North America for GAN, CEO Automated Cash Systems, and Vice President Online Gaming SHFL Entertainment.

SIGNIFICANT EVENTS AFTER THE FIRST QUARTER 2021

- On 9 April Catena Media published preliminary earnings for the first quarter, ahead of the Q1 report, due to exceptionally strong performance.
- On 4 May Catena Media acquired Lineups.com, a leading US online sports affiliation company specialising in analytics, betting predictions and tools.
- The company announced on 5 May it would explore financing alternatives to replace an existing EUR 88.5m bond loan, which matures in March 2022.
- The annual general meeting was held on 12 May.
- The board will hold an extraordinary general meeting on 14 July 2021 for the shareholders to take a fresh vote on the extraordinary resolution to authorize a share buyback program. The underlying purpose is flexibility regarding a more efficient capital usage. The aim is to commence share buybacks in the second half of 2021.
- In April, organic revenue grew 15 percent, or 24 percent excluding Germany, compared to average monthly revenue in Q2 2020.

ACQUISITION OF LINEUPS.COM

On 4 May Catena Media acquired Lineups.com, a leading US online sports affiliation company specializing in analytics, betting predictions and tools. The total purchase price amounts to USD 39.6 million, payable in cash in three instalments during a two-year period. An additional contingent cash payment of USD 0.5 million is payable if certain requirements are fulfilled within three years of the transaction date.

Lineups.com supports bettors by providing confirmed and projected starting lineups and rosters for the NFL, NBA, MLB, NHL, US sports leagues and for fantasy sports. The website considers all kinds of available player and team information, including injuries, news, performance and trends. Lineups.com has a strong market position in most of the regulated US states, including the recently launched states of Michigan and Virginia.

Lineups.com recorded sales of approximately USD 7.5 million in the 12 months to 30 April 2021. Calculated for the first quarter of 2021, the company's sales corresponded to roughly 10 percent of Catena Media's total revenue and has an expected EBITDA margin exceeding 70 percent. As Lineups.com is a sports-focused affiliation product, its sales can be expected to fluctuate significantly with the US sports betting calendar.

AGM

The AGM on 12 May 2021 re-elected Göran Blomberg, Øystein Engebretsen, Theodore Bergquist, Per Widerström and Adam Krejcik as directors and elected Esther Teixeira-Boucher and Austin J Malcomb as new directors. Göran Blomberg was re-elected as chairman. As the board's proposal to allow the company to acquire its own shares requires two majorities, the board has submitted the same proposal to the extraordinary general meeting on 14 July 2021. For further information regarding the AGM: https://www.catenamedia.com/corporate-governance/general-meeting/

PRESENTATION OF REPORT TO INVESTORS AND MEDIA

CEO Michael Daly and Group CFO Peter Messner will present the Q1 2021 report in a combined audiocast and telephone conference on 19 May 2021 at 9:00 am CEST. There will be an opportunity to ask questions. The presentation will be in English and can be attended via this link: https://tv.streamfabriken.com/catena-media-q1-2021

To participate via telephone, please dial:
SE: +46 8 505 583 53
UK: +44 33 330 09 032
US: +1 833 526 83 98

The switchboard opens at 8:55am (CEST) and the presentation will be available on the Catena Media website: https://www.catenamedia.com/investors/reports/quarterly.

Malta, 19 May 2021

Michael Daly, CEO

This report has not been audited or reviewed by the company's auditors.

Upcoming events 2021

14 July 2021
An extraordinary general meeting will be held on Wednesday, 14 July 2021, at 10:00 AM CEST.

An audiocast with telephone conference will be held.

25 August 2021
Interim report Q2
January–June 2021

An audiocast with telephone conference will be held.

17 November 2021
Interim report Q3
January–September 2021

An audiocast with telephone conference will be held.

For further information, please contact

Michael Daly, CEO
+1 702 300 6720, michael.daly@catenamedia.com

Peter Messner, Group CFO
+46 768 95 26 93, peter.messner@catenamedia.com

Investor Relations
ir@catenamedia.com

REGISTERED OFFICE

Quantum Place, Triq ix-Xatt
Ta`Xbiex, Gzira, GZR 1052, Malta

The information was submitted for publication, through the agency of the contact persons, on 19 May 2021 at 07:00 AM CEST.

Consolidated key data and ratios

In addition to financial measures defined by IFRS, Catena Media presents some alternative performance measures in this interim report that are not defined by IFRS. These alternative performance measures provide valuable additional information to investors and management for evaluating the financial performance and position of Catena Media. These non-IFRS measures, as defined on the last page of this report, will not necessarily be comparable to similarly titled measures in other companies' reports. Neither should they be considered as substitutes to financial reporting measures prepared in accordance with IFRS. More information and key ratio calculations are found at:

https://www.catenamedia.com/investors/

	Jan–Mar 2021	Jan–Mar 2020	Jan–Dec 2020
Financial measures defined by IFRS			
Revenue (EUR '000)	40,742	26,698	105,991
Earnings per share before dilution (EUR)	0.26	0.15	0.20
Earnings per share after dilution (EUR)	0.17	0.15	0.12
Weighted average number of outstanding shares at period end before dilution ('000)	70,159	60,464	63,776
Weighted average number of outstanding shares at period end after dilution ('000)	109,099	60,915	103,371
Alternative performance measures			
EBITDA (EUR '000)	23,308	12,482	50,055
EBITDA margin (%)	57	47	47
Adjusted EBITDA (EUR '000)*	25,087	12,934	51,990
Adjusted EBITDA margin (%)	62	48	49
Effective tax rate (%)	7	3	15
New depositing customers	157,546	119,529	443,524
Average shareholders' equity, last 12 months (EUR '000)	223,631	162,997	201,449
Return on equity, rolling 12 months (%)	10	(2)	6
Equity-to-assets ratio (%)	73	50	70
Quick ratio (%)	67	25	275
Net interest-bearing liabilities (NIBL) (EUR '000)	40,800	143,239	57,026
NIBL/EBITDA multiple	0.67	3.43	1.14
NIBL/adjusted EBITDA multiple	0.64	3.17	1.09
NIBL (including hybrid capital securities) (EUR '000)	98,235	143,239	117,888
NIBL (including hybrid capital securities)/EBITDA multiple	1.61	3.43	2.36
NIBL (including hybrid capital securities)/Adjusted EBITDA multiple	1.53	3.17	2.27
Debt/equity ratio multiple	0.37	1.01	0.42
Equity per share before dilution (EUR)	3.67	2.79	3.76
Equity per share after dilution (EUR)	2.36	2.77	2.32
Average number of employees	409	394	402
Employees at period-end	411	385	407
Productivity ratio (EUR '000)	100	68	264
Adjusted EBITDA productivity ratio (EUR '000)	61	33	129

* Adjustments for Q1 relate to items affecting comparability of EUR 1.8m (0.4). Adjustments in relation to items affecting comparability for the year ended 31 December 2020 were EUR 1.9m.

Condensed consolidated interim statements of comprehensive income

Amounts in '000 (EUR)	Notes	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Revenue	2	40,742	26,698	105,991
Total revenue		**40,742**	**26,698**	**105,991**
Direct costs	4	(3,327)	(2,386)	(10,079)
Personnel expenses	5	(7,646)	(6,566)	(23,604)
Depreciation and amortisation		(2,323)	(3,426)	(11,564)
Gain on disposal of investment in subsidiary	5, 10	–	–	519
Other operating expenses		(6,461)	(5,264)	(22,772)
Total operating expenses		**(19,757)**	**(17,642)**	**(67,500)**
Operating profit		**20,985**	**9,056**	**38,491**
Interest payable on borrowings		(1,105)	(2,215)	(7,441)
Other (losses)/gains on financial liability and equity instruments at fair value through profit or loss		(1,181)	4,200	(13,190)
Other finance income/(costs)		707	(1,495)	(3,090)
Profit before tax		**19,406**	**9,546**	**14,770**
Tax expense		(1,365)	(268)	(2,253)
Profit for the period attributable to the equity holders of the parent company		**18,041**	**9,278**	**12,517**
Other comprehensive income				
Items that may be reclassified to profit for the period				
Currency translation differences		107	(53)	(191)
Items that will not be reclassified to profit for the period				
Interest payable on hybrid capital securities		(1,192)	–	(1,275)
Total other comprehensive loss for the period		**(1,085)**	**(53)**	**(1,466)**
Total comprehensive income attributable to the equity holders of the parent company		**16,956**	**9,225**	**11,051**
Earnings per share attributable to the equity holders of the parent company during the period (expressed in Euro per share):				
Basic earnings per share				
From profit for the period		0.26	0.15	0.20
Diluted earnings per share				
From profit for the period		0.17	0.15	0.12

Condensed consolidated interim income statement measures

Operating profit		20,985	9,056	38,491
Depreciation and amortisation		2,323	3,426	11,564
EBITDA		**23,308**	**12,482**	**50,055**
Gain on disposal of investment in subsidiary	5, 10	–	–	(519)
Items affecting comparability in personnel expenses	5	501	399	(755)
Items affecting comparability in operating expenses	5	1,278	53	3,209
Adjusted EBITDA		**25,087**	**12,934**	**51,990**
Adjusted EBITDA margin (%)		**62**	**48**	**49**

The notes on pages 16 to 21 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statements of financial position

Amounts in '000 (EUR)	Notes	31 Mar 2021	31 Mar 2020	31 Dec 2020
ASSETS				
Non-current assets				
Goodwill		7,333	7,333	7,333
Right-of-use asset	8	4,266	6,735	4,605
Other intangible assets	6	279,332	280,525	277,991
Property, plant and equipment		2,360	3,177	2,594
Total non-current assets		**293,291**	**297,770**	**292,523**
Current assets				
Trade and other receivables		21,836	22,055	18,393
Cash and cash equivalents		37,525	19,261	29,939
Total current assets		**59,361**	**41,316**	**48,332**
Total assets		**352,652**	**339,086**	**340,855**
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital		106	92	102
Share premium		110,964	88,874	101,177
Hybrid capital securities	9	48,928	–	52,362
Other reserves		5,992	7,125	11,839
Retained earnings		91,485	72,672	74,636
Total equity		**257,475**	**168,763**	**240,116**
Liabilities				
Non-current liabilities				
Borrowings	7	–	–	76,244
Deferred tax liabilities		5,584	3,795	4,582
Lease liability	8	2,122	4,286	2,504
Total non-current liabilities		**7,706**	**8,081**	**83,330**
Current liabilities				
Borrowings	7	78,229	146,750	9,444
Amounts committed on acquisition		–	7,108	–
Trade and other payables		8,722	7,807	7,840
Current tax liabilities		520	577	125
Total current liabilities		**87,471**	**162,242**	**17,409**
Total liabilities		**95,177**	**170,323**	**100,739**
Total equity and liabilities		**352,652**	**339,086**	**340,855**

The notes on pages 16 to 21 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statements of changes in equity

Amounts in '000 (EUR)	Share capital	Share premium	Hybrid capital securities	Other reserves	Retained earnings	Total equity
	Attributable to owners of the parent company					
Balance at 1 January 2021	**102**	**101,177**	**52,362**	**11,839**	**74,636**	**240,116**
Comprehensive income						
Profit for the period	–	–	–	–	18,041	18,041
Interest payable on hybrid capital securities	–	–	–	–	(1,192)	(1,192)
Currency translation differences	–	–	–	107	–	107
Total comprehensive income for the period	**–**	**–**	**–**	**107**	**16,849**	**16,956**
Transactions with owners						
Issue of share capital	4	9,787	–	–	–	9,791
Subscription set-offs, including transaction costs	–	–	(3,434)	–	–	(3,434)
Equity-settled share-based payments	–	–	–	(5,954)	–	(5,954)
Total transactions with owners	**4**	**9,787**	**(3,434)**	**(5,954)**	**–**	**403**
Balance at 31 March 2021	**106**	**110,964**	**48,928**	**5,992**	**91,485**	**257,475**

Amounts in '000 (EUR)	Share capital	Share premium	Hybrid capital securities	Other reserves	Retained earnings	Total equity
	Attributable to owners of the parent company					
Balance at 1 January 2020	**88**	**76,666**	**–**	**6,848**	**63,394**	**146,996**
Comprehensive income						
Profit for the period	–	–	–	–	9,278	9,278
Currency translation differences	–	–	–	(53)	–	(53)
Total comprehensive income for the period	**–**	**–**	**–**	**(53)**	**9,278**	**9,225**
Transactions with owners						
Issue of share capital	4	12,208	–	–	–	12,212
Equity-settled share-based payments	–	–	–	330	–	330
Total transactions with owners	**4**	**12,208**	**–**	**330**	**–**	**12,542**
Balance at 31 March 2020	**92**	**88,874**	**–**	**7,125**	**72,672**	**168,763**

Amounts in '000 (EUR)	Share capital	Share premium	Hybrid capital securities	Other reserves	Retained earnings	Total equity
	Attributable to owners of the parent company					
Balance at 1 January 2020	**88**	**76,666**	**–**	**6,848**	**63,394**	**146,996**
Comprehensive income						
Profit for the year	–	–	–	–	12,517	12,517
Interest payable on hybrid capital securities	–	–	–	–	(1,275)	(1,275)
Currency translation differences	–	–	–	(191)	–	(191)
Total comprehensive income for the year	**–**	**–**	**–**	**(191)**	**11,242**	**11,051**
Transactions with owners						
Issue of share capital	14	24,511	–	–	–	24,525
Issue of hybrid capital securities, net of transaction costs	–	–	52,362	–	–	52,362
Equity-settled share-based payments	–	–	–	5,182	–	5,182
Total transactions with owners	**14**	**24,511**	**52,362**	**5,182**	**–**	**82,069**
Balance at 31 December 2020	**102**	**101,177**	**52,362**	**11,839**	**74,636**	**240,116**

The notes on pages 16 to 21 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statements of cash flows

Amounts in '000 (EUR)	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Cash flows from operating activities			
Profit before tax	19,406	9,546	14,770
Adjustments for:			
Depreciation and amortisation	2,323	3,426	11,564
Loss on disposal of property, plant and equipment	9	1	47
Gain on disposal of investment in subsidiary	–	–	(519)
Loss allowances on trade receivables	305	94	2,664
Bad debts	100	340	491
Unrealised exchange differences	(721)	1,142	2,673
Interest expense	1,163	2,496	7,752
Net losses/(gains) on financial liability and equity instruments at fair value through profit or loss	1,181	(4,200)	12,745
Share-based payments	(52)	330	(729)
	23,714	**13,175**	**51,458**
Taxation received/(paid)	6	(23)	(1,522)
Changes in:			
Trade and other receivables	(3,864)	(2,120)	(1,588)
Trade and other payables	907	186	633
Net cash generated from operating activities	**20,763**	**11,218**	**48,981**
Cash flows from investing activities			
Acquisition of property, plant and equipment	(9)	(103)	(291)
Acquisition of intangible assets	(2,892)	(1,229)	(11,386)
Sale of investment in subsidiary	–	–	1,224
Net cash used in investing activities	**(2,901)**	**(1,332)**	**(10,453)**
Cash flows from financing activities			
Net proceeds from hybrid capital securities	–	–	63,118
Repayment of borrowings	(8,641)	–	(78,007)
Proceeds on exercise of share options and warrants	399	–	7,390
Interest paid	(2,341)	(2,205)	(9,053)
Lease payments	(595)	(851)	(3,026)
Net cash used in financing activities	**(11,178)**	**(3,056)**	**(19,578)**
Net movement in cash and cash equivalents	6,684	6,830	18,950
Cash and cash equivalents at beginning of period	29,939	12,286	12,286
Cash released upon disposal of subsidiary	–	–	(527)
Currency translation differences	902	145	(770)
Cash and cash equivalents at end of period	**37,525**	**19,261**	**29,939**

The notes on pages 16 to 21 are an integral part of these condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

1. ACCOUNTING PRINCIPLES

This interim report is prepared in accordance with IAS 34 “Interim financial reporting”. It has been prepared under the historical cost convention, as modified by the fair valuation of financial liabilities measured at fair value through profit or 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. Certain items in the statement of comprehensive income for Q1 2020 have been reclassified, primarily comprising removal of reference to ‘exceptional costs’, and inclusion of entire loss allowance on receivables with other operating expenses.

Critical accounting estimates

CGUs and impairment assessment

The group has three operating segments, resulting in three cash-generating units (CGUs) for the purpose of IAS 36. The recoverable amount of the CGUs was assessed, based on the value-in-use calculations. In 2020, management has continued to assess the group’s strategy in an ever-changing environment, including the consideration of the impact of COVID-19, and emerging markets. Growth and other underlying assumptions over the projected period were reviewed in line with the group’s strategic direction. A detailed impairment assessment was performed during the last quarter of 2020, concluding that the recoverable amount for each of the three CGUs exceeded the carrying amount. Management is also

Management’s assessment of the recoverable amount of intangible assets is being continuously reviewed for future impairment. The recoverable amount of the Sports CGU is sensitive to ambitious growth assumptions for both the US and non-US assets, including expectations for recovery from COVID-19. Deviations from growth plans could result in impairment. The carrying value of the Financial CGU approximates its recoverable amount and is therefore also sensitive to fluctuations in performance. No revisions were made to the impairment assessment model as of 31 March 2021.

Trade receivables and loss allowance on trade receivables

The loss allowance on trade receivables is a critical accounting estimate and management continues to review its IFRS 9 expected loss model. Given the group’s limited historical experience, this judgment remains subjective. As part of a detailed assessment, management increased the loss allowance on trade receivables by EUR 0.3m in Q1 2021, based on historical experience as adjusted for qualitative factors. Following a review of the billing and collection process, as well as a result of changes in the business mix, management considers that the default risk assumed within the loss allowance model is sensitive to changes in actual experience, which could be favourable or adverse. Management monitors the adequacy of the loss allowance on an ongoing basis, and will continue to review the assessment of expected loss default rates applied in the model.

Share-based payments

The group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments of the company. Through these equity-settled schemes, eligible employees are granted share options, while directors are being granted share warrants.

Due to the inherent uncertainty and judgment exercised in order to establish a proper estimate of the number of options expected to vest at the end of each reporting period, management considers costs relating to share-based payments as a critical accounting estimate. The number of options expected to vest at each year-end is based on non-market and service-related vesting conditions which differ from one option program to another.

2. REVENUE

The revenue of the group for Q1 2021 is analysed as follows:

Amounts in ‘000 (EUR)	Jan-Mar 2021	Jan-Mar 2020	Jan–Dec 2020
Search revenue	38,445	23,919	95,944
Subscriptions revenue	-	414	1,564
Paid revenue	2,297	2,365	8,483
Total revenue	40,742	26,698	105,991

Search revenue consisted of EUR 25.1m (16.0) of Casino revenue, EUR 12.2m (6.8) of Sports revenue and EUR 1.1m (1.1) of Financial Trading revenue. Paid revenue consisted of EUR 2.2m (1.9) of Sports revenue and EUR 0.1m (0.5) of Casino revenue.

3. SEGMENT REPORTING

The group's operations are reported on the basis of the three operating segments: Casino, Sports, and Financial Trading. The segments were identified in accordance with the definition of an operating segment in IFRS 8, Operating Segments. No inter-segmental revenues arose during the period. Further, total assets and liabilities for each reportable segment are not presented, since they are not referred to for monitoring purposes.
The following tables show figures for each period presented in this report.

	Jan-Mar 2021					Jan-Mar 2020				
Amounts in '000 (EUR)	**Casino**	**Sports**	**Financial Trading**	**Unal-located**	**Total**	**Casino**	**Sports**	**Financial Trading**	**Unal-located**	**Total**
Revenue*	25,265	14,367	1,110	-	**40,742**	16,433	8,744	1,521	-	26,698
Total revenue	**25,265**	**14,367**	**1,110**	**-**	40,742	**16,433**	**8,744**	**1,521**	**-**	**26,698**
Direct costs	(1,050)	(2,170)	(107)	-	**(3,327)**	(1,092)	(1,196)	(98)	-	(2,386)
Personnel expenses	(3,913)	(2,972)	(260)	(501)	**(7,646)**	(3,186)	(2,449)	(532)	(399)	(6,566)
Depreciation and amortisation	(1,464)	(726)	(133)	-	**(2,323)**	(1,986)	(1,179)	(261)	-	(3,426)
Other operating expenses	(2,447)	(2,393)	(343)	(1,278)	**(6,461)**	(2,319)	(2,359)	(533)	(53)	(5,264)
Total operating expenses	**(8,874)**	**(8,261)**	**(843)**	**(1,779)**	(19,757)	**(8,583)**	**(7,183)**	**(1,424)**	**(452)**	**(17,642)**
Operating profit/(loss)	**16,391**	**6,106**	**267**	**(1,779)**	**20,985**	7,850	1,561	97	(452)	9,056
Interest payable on borrowings	-	-	-	(1,105)	**(1,105)**	-	-	-	(2,215)	(2,215)
Other (losses)/gains on financial liability and equity instruments at fair value through profit or loss	-	-	-	(1,181)	**(1,181)**	-	-	-	4,200	4,200
Other finance income/ (costs)	-	-	-	707	**707**	-	-	-	(1,495)	(1,495)
Profit/(loss) before tax	**16,391**	**6,106**	**267**	**(3,358)**	19,406	**7,850**	**1,561**	**97**	**38**	**9,546**
Tax expense	-	-	-	(1,365)	**(1,365)**	-	-	-	(268)	(268)
Profit/(loss) for the period attributable to the equity holders of the parent company	**16,391**	**6,106**	**267**	**(4,723)**	18,041	**7,850**	**1,561**	**97**	**(230)**	**9,278**
Other comprehensive income										
Items that maybe reclassified to profit for the period										
Currency translation differences	-	-	-	107	**107**	-	-	-	(53)	(53)
Items that will not be reclassified to profit for the period										
Interest payable on hybrid capital securities	-	-	-	(1,192)	**(1,192)**	-	-	-	-	-
Total other comprehensive loss for the period	**-**	**-**	**-**	**(1,085)**	(1,085)	-	-	-	(53)	(53)
Total comprehensive income/(loss) attributable to the equity holders of the parent company	**16,391**	**6,106**	**267**	**(5,808)**	**16,956**	7,850	1,561	97	(283)	9,225
Adjusted EBITDA	17,855	6,832	400	-	**25,087**	9,836	2,740	358	-	12,934
Adjusted EBITDA margin (%)	71	48	36	-	**62**	60	31	24	-	48
NDCs	76,254	80,122	1,170	-	**157,546**	76,773	42,046	710	-	119,529

* During Q1 2020, revenue reported under Financial Trading of EUR 1.5m included subscriptions revenue of EUR 0.4m.

Amounts in '000 (EUR)	Jan–Dec 2020 Casino	Sports	Financial Trading	Unallocated	Total
Revenue*	69,614	30,587	5,790	-	**105,991**
Total revenue	69,614	30,587	5,790	-	**105,991**
Direct costs	(4,214)	(5,437)	(428)	-	**(10,079)**
Personnel expenses	(13,477)	(8,939)	(1,943)	755	**(23,604)**
Depreciation and amortisation	(7,066)	(3,588)	(910)	-	**(11,564)**
Gain on disposal of investment in subsidiary	-	-	-	519	**519**
Other operating expenses	(9,091)	(8,321)	(2,151)	(3,209)	**(22,772)**
Total operating expenses	(33,848)	(26,285)	(5,432)	(1,935)	**(67,500)**
Operating profit/(loss)	35,766	4,302	358	(1,935)	**38,491**
Interest payable on borrowings	-	-	-	(7,441)	**(7,441)**
Other (losses)/gains on financial liability at fair value through profit or loss	-	-	-	(13,190)	**(13,190)**
Other finance costs	-	-	-	(3,090)	**(3,090)**
Profit/(loss) before tax	35,766	4,302	358	(25,656)	**14,770**
Tax expense	-	-	-	(2,253)	**(2,253)**
Profit/(loss) for the year attributable to the equity holders of the parent company	35,766	4,302	358	(27,909)	**12,517**
Other comprehensive income					
Items that may be reclassified to profit for the year					
Currency translation differences	-	-	-	(191)	**(191)**
Items that will not be reclassified to profit for the year					
Interest payable on hybrid capital securities	-	-	-	(1,275)	**(1,275)**
Total other comprehensive loss for the year	-	-	-	(1,466)	**(1,466)**
Total comprehensive income/(loss) attributable to the equity holders of the Parent Company	35,766	4,302	358	(29,375)	**11,051**
Adjusted EBITDA	42,832	7,890	1,268	-	**51,990**
Adjusted EBITDA margin (%)	62	26	22	-	**49**
NDCs	271,963	169,344	2,217	-	**443,524**

* Revenue of EUR 5.8m reported under Financial Trading for the year ended 31 December 2020 included subscriptions revenue of EUR 1.6m.

4. DIRECT COSTS

Direct costs include costs related to paid revenue, cashbacks and other direct costs.

5. ITEMS AFFECTING COMPARABILITY

Items affecting comparability relate to significant items that affect EBITDA when comparing to previous periods and comprise costs included in “personnel expenses” and in “other operating expenses” as well as gain on disposal attributable to the divestment of an investment in subsidiary (note 10) for the year ended 31 December 2020. “Items affecting comparability in “personnel expenses” comprise reorganisation costs for all periods presented as well as reversal of costs relating to share-based payments for the year ended 31 December 2020. Items affecting comparability in “other operating expenses” comprise refinancing costs for all periods presented, restructuring costs for Q1 2021 and certain increases in loss allowances on trade receivables for the year ended 31 December 2020. During Q1 2021, reorganisation costs included in “personnel expenses” were EUR 0.5m (0.4), other costs in connection to restructuring classified within “other operating expenses” were EUR 1.2m (nil), and EUR 0.1m (0.1) related to refinancing costs. During the year ended 31 December 2020, reorganisation costs included in “personnel expenses” were EUR 0.5m and EUR 1.2m in relation to costs associated with the 2018 and 2019 share-based payment programmes, were reversed due to changes in conditions that impacted the vesting probability. Refinancing costs and the increase in loss allowances on trade receivables included in “other operating expenses” were EUR 1.6m respectively. The gain on disposal attributable to the divestment of Catena Media Financials US Inc. was EUR 0.5m.

6. OTHER INTANGIBLE ASSETS

The group’s acquisitions primarily comprise domains and websites, player databases and in certain instances other components of intellectual property, which include outsourced and internal development and licences.

	Group			
Amounts in ‘000 (EUR)	**Domains and websites**	**Player database**	**Other intellectual property**	**Total**
Cost at 1 January 2021	298,752	15,456	21,556	335,764
Additions	-	-	2,907	2,907
Cost at 31 March 2021	**298,752**	**15,456**	**24,463**	**338,671**
Accumulated amortisation at 1 January 2021	(27,980)	(15,456)	(14,337)	(57,773)
Amortisation charge	(207)	-	(1,359)	(1,566)
At 31 March 2021	**(28,187)**	**(15,456)**	**(15,696)**	**(59,339)**
At 31 March 2021	**270,565**	**-**	**8,767**	**279,332**
At 31 March 2020	271,378	1,125	8,023	280,525

Additions of EUR 2.9m related to other intellectual property, which comprises costs for licenses and the development of websites and other applications. No asset acquisitions were concluded during Q1 2021.

7. BORROWINGS

Borrowings at the end of the reporting period comprised senior secured bonds with a remaining total nominal amount of EUR 88.5m, under a framework of EUR 250.0m, maturing on 2 March 2022 after the terms and conditions were amended on 29 June 2020. The corresponding balance as of 31 March 2020 comprised the bonds amounting to EUR 150.0m and the utilised portion of the bank credit facility amounting to EUR 12.5m. The bonds were listed on Nasdaq Stockholm on 6 April 2018 at a nominal value of EUR 100,000 each. Pursuant to the amended terms and conditions, the bonds are secured by a pledge on all outstanding shares in Catena Operations Ltd and Catena Financial Ltd from 31 January 2021. Following the amended terms, the company made a mandatory partial prepayment of EUR 33,000 per bond, in aggregate EUR 49.5m, on 16 July 2020 in relation to all outstanding bonds. The company made voluntary prepayments on 2 December 2020 and 2 March 2021. These prepayments of EUR 6.0m each, in aggregate, were made in relation to all outstanding bonds, reducing the nominal amount of each bond pro rata to EUR 59,000 per bond. The call option price for the redemption of the outstanding bonds increased from 101.375 percent to 102.75 percent of the nominal amount as from 2 March 2021 and will increase to 105 percent as from 2 September 2021.

In December 2020, Catena Media announced a repurchase of bonds of a total nominal amount of EUR 9.8m, consisting of 60 units purchased at a premium of 101.375 percent, 19 units purchased at a premium of 101.75 percent and 76 units purchased at a premium of 101.8 percent. In January 2021 Catena Media announced a further repurchase of bonds of a total nominal amount of EUR 1.0m consisting of 16 units purchased at a premium of 101.875 percent. In February Catena Media repurchased a further 37 bonds having a total nominal amount of EUR 2.3m at a premium of 101.875 percent. Following the repurchases, Catena Media's holding of outstanding bonds amounted to a total nominal value of EUR 13.1m at 31 March 2021.

The debt securities bear a floating rate coupon of Euribor 3m + 5.5 percent. Euribor 3m is subject to a floor of 0 percent. The bond was designated by management as a financial liability at fair value through profit or loss, since it contains an embedded derivative that may significantly modify the resulting cashflow. This embedded derivative is an early redemption option, with the redemption price set in accordance with a mechanism defined in the prospectus. The bond's fair value was categorised within the IFRS 13 fair value hierarchy as Level 3.

The movements in fair value comprising a loss of EUR 1.2m for Q1 of 2021 and a gain of EUR 4.2m for the same quarter of the previous year, are recognised in "Other (losses)/gains on financial liability at fair value through profit or loss" in the statement of comprehensive income. The fair value movement for the year ended 31 December 2020 resulted in a loss of EUR 12.7m. If the estimated price of the bond increased by 1 percent, the estimated fair value of the bond would increase by EUR 0.9m. Similarly, if the estimated price of the bond decreased by 1 percent, the estimated fair value of the bond would decrease by EUR 0.9m.

8. LEASES

Leases liabilities are measured at the present value of the remaining lease payments, discounted using the group's incremental borrowing rate, being the rate at which similar borrowing could be obtained from an independent financier under comparable terms and conditions. The incremental borrowing rate applied to the lease liabilities was 5.5 percent.
Each lease payment has been allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period, so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Movements during the period are summarised below:

Amounts in '000 (EUR)	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Opening balance	**4,814**	7,782	**7,782**
Notional interest charge for the year, net of foreign exchange differences	51	92	363
New lease arrangements during the period	140	128	(238)
Settlements	(584)	(851)	(3,093)
Closing balance	**4,421**	7,151	**4,814**

Lease liability is further analysed as follows:

Amounts in '000 (EUR)	31 Mar 2021	31 Mar 2020	31 Dec 2020
Current lease liability	**2,299**	2,865	**2,310**
Non-current lease liability	**2,122**	4,286	**2,504**
	4,421	7,151	**4,814**

The current portion of the lease liability is included within "Trade and other payables" on the statement of financial position. The associated right-of-use asset for property and motor vehicle leases was initially measured at an amount equivalent to the lease liability. The asset is subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The recognised right-of-use asset relates to the following type of assets:

Amounts in '000 (EUR)	31 Mar 2021	31 Mar 2020	31 Dec 2020
Properties	**4,204**	6,735	**4,605**
Motor vehicles	**62**	-	**-**
Right-of-use asset as of end of reporting period	**4,266**	6,735	**4,605**

9. HYBRID CAPITAL SECURITIES

During Q2 2020 the company decided on a fully guaranteed rights issue of units consisting of hybrid capital securities, accredited 100 percent equity treatment according to International Financial Reporting Standards (IFRS), and warrants with preferential rights for the company's existing shareholders (the "rights issue").

The subscription price for the rights issue was set to SEK 100.0 per unit. Each unit consisted of one hybrid capital security and six warrants. Interest is paid at a floating rate of STIBOR 3m + 8 percent per annum. The company may redeem the hybrid capital securities in full on the first call date, which falls five years after the issue date (10 July 2020). If the hybrid capital securities are not redeemed on the first call date, interest will be increased to STIBOR (3 months) plus 11 percent per annum during the first year, and then increased by 1 percentage point per annum each year the hybrid capital securities are still outstanding. The company may, at any time and at its sole discretion, elect to defer any interest payment, in whole or in part, which is otherwise scheduled to be paid on an interest payment date (except on any interest payment date on which the hybrid capital securities are to be redeemed) by giving notice of such election in accordance with terms and conditions of the hybrid capital securities.

The rights issue comprised a total of 6,840,971 units and the company received approximately EUR 65.7m (SEK 684.0m) through the rights issue before deduction of transaction-related costs. The final outcome of the rights issue was a total subscription of EUR 65.7m (SEK 684.1m).

During the first and second subscription periods of 2020, a total of 6,720,672 warrants were used to subscribe for 6,720,672 ordinary shares.

The company announced the third period to subscribe for shares in November 2020. In total, 2,102,732 warrants were used to subscribe for the same number of ordinary shares in the company. Payment for the new ordinary shares was received in cash in January 2021 with a total of EUR 0.4m (SEK 4.1m) whilst EUR 3.4m (SEK 35.7m) were set-off against the company's hybrid capital securities. The shares were issued on 29 January 2021.

On 25 February 2021, the company announced that the fourth period to subscribe for shares in the company commenced. The subscription period ran from 25 February 2021 to 6 March 2021. In total, 1,351,582 warrants were used to subscribe for the same number of ordinary shares in the company. 162,194 subscribed shares have been paid exclusively in cash, and 1,189,388 were paid by set-off and in cash. Payment for the new ordinary shares was received in cash in April 2021 with a total of EUR 0.3m (SEK 3.4m) whilst EUR 2.1m (SEK 22.2m) were set-off against the company's hybrid capital securities. The shares were issued on 8 April 2021.

At the end of Q1 2021, hybrid capital securities with a nominal value of EUR 57.4m net of EUR 8.5m issuance costs were reported as equity. Further details are found in the table below.

Amounts in '000 (EUR)	**31 Mar 2021**
Hybrid capital securities at nominal amount upon initial subscription	65,732
First subscription period set-off	(2,354)
Second subscription period set-off	(2,516)
Third subscription period set-off	(3,427)
Hybrid capital securities at nominal amount as of end of reporting period	**57,435**

Amounts in '000 (EUR)	**31 Mar 2021**
Hybrid capital securities at nominal amount	57,435
Issuance costs	
Advisory costs, including financial, legal and assurance	(2,214)
Commission fees to guarantors	(6,293)
Total issuance costs	(8,507)
Hybrid capital securities disclosed as of end of the reporting period	**48,928**

10. BUSINESS COMBINATIONS

On 23 December 2020, the group sold 100% of its shares in its subsidiary Catena Media Financials US Inc. ("Hammerstone") held in the US, originally acquired on 12 June 2018. Details of this business combination were disclosed in note 28 of the group's annual report for the year ended 31 December 2020.

Condensed parent company interim statements of comprehensive income

Amounts in '000 (EUR)	**Jan-Mar 2021**	**Jan-Mar 2020**	**Jan-Dec 2020**
Investment and related income	10,000	–	–
Personnel expenses	(406)	(474)	(502)
Credit facility and refinancing related costs	–	(53)	(1,086)
Recharge of credit facility and refinancing related costs to subsidiary	–	53	1,086
Other operating expenses	(162)	(34)	(217)
Other operating income	20	20	78
Total operating income/(expenses)	**9,452**	**(488)**	**(641)**
Operating profit/(loss)	**9,452**	**(488)**	**(641)**
Interest payable on borrowings	(1,105)	(2,246)	(7,471)
Recharge of interest to subsidiary	1,105	2,246	7,471
Other (losses)/gains on financial liability and equity instruments at fair value through profit or loss	(1,181)	4,200	(13,190)
Other finance costs	(158)	(2)	(544)
Profit/(loss) before tax	**8,113**	**3,710**	**(14,375)**
Tax expense	–	–	–
Profit/(loss) for the period	**8,113**	**3,710**	**(14,375)**
Other comprehensive income			
Items that will not be reclassified to profit for the period			
Interest payable on hybrid capital securites	(1,192)	–	(1,275)
Total other comprehensive income/(loss) for the period	**6,921**	**–**	**(15,650)**

Condensed parent company interim statements of financial position

Amounts in '000 (EUR)	31 Mar 2021	31 Mar 2020	31 Dec 2020
ASSETS			
Non-current assets			
Investment in subsidiaries	261,858	1,573	261,933
Current assets			
Trade and other receivables	22	258,151	21
Cash and cash equivalents	10,745	497	7,665
Total current assets	**10,767**	**258,648**	**7,686**
Total assets	**272,625**	**260,221**	**269,619**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	106	92	102
Share premium	111,495	89,405	101,708
Hybrid capital securities	48,928	-	52,362
Other reserves	1,195	2,297	7,143
Retained earnings/(accumulated losses)	3,651	16,090	(3,270)
Total equity	**165,375**	**107,884**	**158,045**
Liabilities			
Non-current liabilities			
Borrowings	–	–	76,244
Total non-current liabilities	**–**	**–**	**76,244**
Current liabilities			
Borrowings	78,229	146,750	9,444
Trade and other payables	29,021	5,587	25,886
Total current liabilities	**107,250**	**152,337**	**35,330**
Total liabilities	**107,250**	**152,337**	**111,574**
Total equity and liabilities	**272,625**	**260,221**	**269,619**

Definitions of alternative performance measures

ATERNATIVE KEY RATIO	DESCRIPTION	SCOPE
EBITDA	Operating profit before depreciation and amortisation, and impairment on intangible assets.	The group reports this key ratio so that users of the report can monitor operating profit and cash flow. This is also used by investors, analysts and the group's management to evaluate the group's operational profitability.
EBITDA MARGIN	EBITDA as a percentage of revenue.	The group reports this key ratio so that the users of the report can monitor the value creation generated by the operation. This is also used by investors, analysts and the group's management to evaluate the group's operational profitability.
ADJUSTED EBITDA	EBITDA adjusted for items affecting comparability.	The group reports this key ratio because it provides a better understanding of the operating profit than non-adjusted EBITDA, which also provides a more comparable financial measure over time.
ADJUSTED EBITDA MARGIN	Adjusted EBITDA as a percentage of revenue.	The group reports this key ratio to show the underlying EBITDA margin excluding items affecting comparability, which provides a better understanding than non-adjusted EBITDA margin, which also provides a more comparable financial measure over time.
NDCs (NEW DEPOSITING CUSTOMERS)	New customers placing a first deposit with an operator (client).	The group reports this key figure since it is key to measure revenues and long-term organic growth.
ITEMS AFFECTING COMPARABILITY	Significant items that affect EBITDA when comparing to previous periods.	Items affecting comparability comprise gains or losses on disposal of investment in subsidiary, reversal of costs relating to share based payments, certain increases in loss allowances on trade receivables, credit facility and refinancing related costs, and reorganisation costs.
ORGANIC GROWTH	Revenue growth rate excluding portfolios and products that have been acquired in the past 12 months. Paid and subscription revenue is excluded in the organic growth calculation. Organic growth includes the growth in existing portfolios and products.	The group reports this key ratio since it is key to measure revenues and long-term organic growth.
REVENUE GROWTH	Increase in revenue compared to the previous accounting period as a percentage of revenue in the previous accounting period.	The group reports this key ratio so that users of the report can monitor business growth.
QUICK RATIO	Current assets less deposits expressed as a percentage of short-term liabilities.	The group reports this key ratio to show the group's ability to pay its current obligations by having assets readily convertible to cash.
REVENUE PRODUCTIVITY RATIO	Revenue per average number of employees.	The group reports this key ratio to be used by management and investors to assess productivity per employee.
ADJUSTED EBITDA PRODUCTIVITY RATIO	Adjusted EBITDA per average number of employees.	The group reports this key ratio to be used by management and investors to assess productivity per employee.
CASH CONVERSION RATE	Net cash from operating activities divided by EBITDA.	The group reports this key figure to determine the group's ability to convert its profits into available cash.
RETURN ON EQUITY, ROLLING 12 MONTHS	Profits after tax expressed as a percentage of average equity for the past 12 months.	The group reports this key ratio so that users of the report can monitor how efficiently management is using investment funds from its shareholders to generate growth and profit.
EQUITY TO ASSETS RATIO	Total equity expressed as a percentage of total assets.	The group reports this key ratio to show how much of the company's assets are funded by total equity.
NET INTEREST-BEARING LIABILITIES (NIBL)	Interest-bearing liabilities less cash and cash equivalents.	The group reports this key ratio to show the outstanding balance of interest-bearing liabilities (excluding lease liabilities) after deducting its most liquid assets, cash and cash equivalents.
NIBL/EBITDA MULTIPLE	Interest-bearing liabilities less cash and cash equivalents divided by EBITDA.	The group reports this key ratio to be used by management to measure how many years it would take for the group to repay its debts if NIBL and EBITDA are held constant.
NIBL/ADJUSTED EBITDA MULTIPLE	Interest-bearing liabilities (notional amount including redemption premium) less cash and cash equivalents divided by adjusted EBITDA.	The group reports this key ratio to be used by management to measure how many years it would take for the group to repay its debts, excluding exceptional costs if NIBL and adjusted EBITDA are held constant.
NIBL (INCLUDING HYBRID CAPITAL SECURITIES)	Interest-bearing liabilities plus hybrid capital securities less cash and cash.	The group reports this key ratio to show the outstanding balance of interest-bearing liabilities and hybrid capital securities after deducting its most liquid assets, cash and cash equivalents.
NIBL (INCLUDING HYBRID CAPITAL SECURITIES) /EBITDA MULTIPLE	Interest-bearing liabilities (notional amount including redemption premium) plus hybrid capital securities less cash and cash equivalents divided by EBITDA.	The group reports this key ratio to be used by management to measure how many years it would take for the group to repay its debts if NIBL, hybrid capital securities and EBITDA are held constant.
NIBL (INCLUDING HYBRID CAPITAL SECURITIES) / ADJUSTED EBITDA MULTIPLE	Interest-bearing liabilities (notional amount including redemption premium) plus hybrid capital securities less cash and cash equivalents divided by adjusted EBITDA.	The group reports this key ratio to be used by management to measure how many years it would take for the group to repay its debts, excluding exceptional costs if NIBL, hybrid capital securities and adjusted EBITDA are held constant.
DEBT/EQUITY RATIO MULTIPLE	Total liabilites per total equity.	The group reports this key ratio to show the group's ability to cover all outstanding debts with its total equity.