RAKETECH

Q1 2019 INTERIM REPORT

www.raketech.com

INTERIM REPORT JAN – MAR 2019

FIRST QUARTER 2019

- Total revenues amounted to EUR 8.7 million (EUR 4.9 million) representing an increase of 78.2%. Total revenues include other non-operating income of EUR 2.3 million (nil) related to a waived liability regarding one related party during the quarter which is recognised as other income.
- Revenues excluding other income increased by 31.6% to EUR 6.5 million (EUR 4.9 million).
- Organic growth amounted to 21.5% (10.2%).
- Adjusted EBITDA increased by 38.3% to EUR 3.5 million (EUR 2.5 million), corresponding to a margin of 54.1% (51.5%).
- Adjusted operating profit amounted to EUR 2.8 million (EUR 2.3 million), corresponding to a margin of 43.4% (47.5%).
- Profit for the period amounted to EUR 4.7 million (EUR 0.9 million).
- Earnings per share amounted to EUR 0.12 (EUR 0.04).
- NDCs (New Depositing Customers) increased by 76.1% to 28,607 (16,243).

EVENTS DURING Q1 2019

- On 4 March, the outstanding debt of EUR 7.7 million from the previous loan facility was repaid as a final step in optimising the Group's capital structure post-IPO.
- On 31 March, an agreement with one related party was reached to waive the amount of EUR 2,281,714. This amount is recognised as other income within the consolidated statement of comprehensive income.

SUBSEQUENT EVENTS AFTER THE END OF THE PERIOD

- On 24 April, Oskar Mühlbach was appointed as Chief Operating Officer.
- On 26 April, Raketech acquired the assets of the leading Finnish sport listing website TVmatsit.com for an initial purchase price of EUR 1.6 million plus an additional EUR 0.3 million payment over the next 24 months based on agreed performance targets.

CONSOLIDATED KEY DATA AND RATIOS

Some financial measures presented in this interim 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. These non-IFRS measures may provide valuable additional information to investors and management although they should not be considered as substitutes to financial reporting measures prepared in accordance with IFRS. Further descriptions can be found on page 17 of this report.

Financial Data				
EUR thousands	**Jan - Mar 2019**	**Jan - Mar 2018**	**Change**	**Jan- Dec 2018**
Revenue (IFRS)	**6,451**	4,901	31.6%	25,556
Total Revenue[1]	**8,733**	4,901	78.2%	25,556
Organic growth	**21.5%**	10.2%	11.3	29.9%
Revenue share	**2,544**	*2,298*	*10.7%*	*11,043*
Upfront payment	**2,819**	*1,937*	*45.5%*	*10,974*
Fixed fee	**1,088**	*666*	*63.4%*	*3,539*
Casino of total revenue	**72.2%**	*71.4%*	*0.8*	*74.0%*
Sport of total revenue	**24.8%**	*26.0%*	*(1.2)*	*23.0%*
Other of total revenue	**3.0%**	*2.6%*	*0.4*	*3.0%*
Revenue from the Nordics	**95.0%**	*95.3%*	*(0.3)*	*95.7%*
Revenue from other markets	**5.0%**	*4.7%*	*0.3*	*4.3%*
EBITDA	**5,772**	2,397	140.8%	12,895
EBITDA margin	**66.1%**	48.9%	17.2	50.5%
Adjusted EBITDA[2]	**3,490**	2,524	38.3%	14,398
Adjusted EBITDA margin	**54.1%**	51.5%	2.6	56.3%
Operating profit	**5,082**	2,203	130.7%	11,194
Operating margin	**58.2%**	45.0%	13.2	43.8%
Adjusted Operating profit[2]	**2,800**	2,330	20.2%	12,697
Adjusted Operating margin	**43.4%**	47.5%	(4.1)	49.7%
Other Performance Measures				
New depositing customers (NDC)	**28,607**	16,243	76.1%	99,599
Full time employees and equivalents	**90**	99	(9.1%)	85
Revenue/Full time employees and equivalents	**71.7**	49.5	44.8%	300.7
Mobile vs total traffic (visitors)	**59.8%**	63.6%	(3.8)	60.4%
Net interest-bearing debt	**(1,256)**	28,850	(104.4%)	354
Net debt-to-adjusted EBITDA LTM	**(0.1)**	2.9	(103.4%)	0.0
Return on equity, LTM	**13.4%**	28.8%	(15.5)	7.8%
Equity per share before dilution (in EUR)[3]	**1.67**	0.69	142.0%	1.88
Equity per share after dilution (in EUR)[3]	**1.65**	0.69	139.1%	1.86
Earnings per share before dilution (IFRS) (in EUR)[3]	**0.12**	0.04	200.0%	0.15
Earnings per share after dilution (IFRS) (in EUR)[3]	**0.12**	0.04	200.0%	0.15
Weighted average number of shares, before dilution[3]	**37,900,633**	23,891,085	58.6%	31,145,061
Weighted average number of shares, after dilution[3]	**38,391,750**	23,891,085	60.7%	31,504,317

[1] Includes other income of EUR 2.3 million (nil) in relation to a related party liability waived in the first quarter of 2019.

[2] Adjustments relate to IPO-costs and other non-operational income.

[3] On 18 May 2018 at the Annual General Meeting, it was resolved to split the EUR 0.27 shares into shares of EUR 0.002 each. As a result, the comparative information has been restated to reflect the change in number of shares in issue following the share split.

FOR MORE INFORMATION, CONTACT:
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CEO COMMENT

The beginning of the year has been characterised by the ongoing stabilisation phase in the Swedish gaming market, following the introduction of the new gambling legislation in January 2019. I am therefore happy to announce that we are delivering a good quarter and that we maintain our focus on organic growth and geographical expansion.

RESULTS

Revenues increased by 32 per cent compared to the first quarter of 2018, amounting to EUR 6.5 million. Adjusted EBITDA increased by 38 per cent to EUR 3.5 million, corresponding to a margin of 54 per cent. Organic growth amounted to 22 per cent of the revenues, and the key driver for this growth is higher traffic volumes, especially for our casino products and our TV sports guides.

SWEDEN – A CHANGING MARKET

Raketech has prepared for the Swedish re-regulation for a long time, and despite great initial changes in the market, we have been able to navigate our business successfully even in this challenging new landscape. The traffic levels have remained high, but we also observed that average player lifetime values have decreased during the quarter, and it's hard to predict when, and at what level, they will stabilise.

At the same time, there is an ongoing debate regarding gambling advertising in Sweden, and the Swedish government is evaluating additional restrictions, and potentially even a complete ban, on certain types of marketing. Although this may not be implemented for a few years, I believe it would provide great opportunities for Raketech. Our view is that our products, that mainly consist of comparison sites that serve consumer demands, would play an even more important role on the market in such an environment.

INCREASED FOCUS ON GEOGRAPHICAL EXPANSION

While maintaining our position as a market leader in Sweden, we are simultaneously increasing our focus on geographical expansion. We have global ambitions and prioritise markets that are important to our partners, the gaming operators. As such, we are further strengthening our organisation for future expansion, both in terms of employees and technical platforms.

In this context it should be mentioned that only around 10 per cent of the global gambling market is online, whereas the online share of the Swedish gambling market is over 50 per cent. Raketech's business model is proven to work well in a highly digitalised and mature market, and this gives us confidence in our continued expansion work in emerging markets. Over time a larger share of the global gambling revenues will come from online gambling, and this entails great growth opportunities. Raketech intends to play an important role in this digitalisation and provide our partners with leads from many geographies, even outside of Europe.

ACQUISITIONS AN IMPORTANT PART OF THE GROWTH STRATEGY

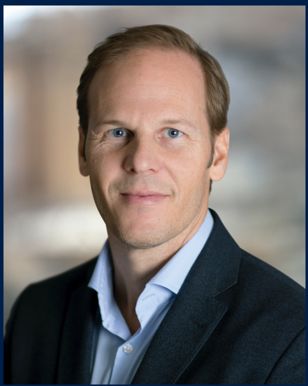
We are actively looking for new assets that can complete our product portfolio in our current markets and support our expansion into new markets. Although acquisitions are an important part of our growth strategy, we have high demands on our M&A targets and evaluate them carefully. As a buyer we look for high-quality products and technical competence that can be applied to our current assets.

After the end of the quarter we completed the acquisition of TVmatsit.com, the leading TV sports guide in Finland. We thereby added a Finnish guide product to our portfolio, which means that we now operate our TV sports guides in a total of six markets, plus our global Esportsguide.com. The acquisition of TVmatsit is a good example of our M&A strategy, where we extend our reach into a particular market and also secure talented entrepreneurs who will complement Raketech's overall business.

OUTLOOK

By the time this report is published, half of the second quarter has passed, and we are seeing continued high traffic levels, but at the same time the player lifetime values remain on the lower levels that we saw under the first quarter. Furthermore, this year there are no major sporting events to support our growth, such as last year's FIFA World Cup. The Swedish market is still undergoing a stabilisation phase, where we are seeing that the operators are still figuring out how to best navigate their business in the long term, and this is something that affects Raketech in the shorter perspective.

We are committed to creating sustainable growth across all of our markets - current as well as future markets. I am confident in our ability to continue strengthening Raketech's position as a leading affiliate with innovative and responsible services high on the agenda.



MICHAEL HOLMBERG
CEO

FINANCIAL PERFORMANCE DURING THE FIRST QUARTER OF 2019

Revenue growth of 31.6 % in the first quarter of 2019, compared with the same quarter last year, was primarily driven by a strong underlying NDC growth of 76.1%.

REVENUES

Revenues excluding other non-operational income totalled EUR 6.5 million (EUR 4.9 million) in the first quarter, an increase of 31.6% compared to the equivalent period in 2018. Organic growth amounted to 21.5% (10.2%). Revenue growth was partly driven by strong performance from the Finnish casino assets.

Other income of EUR 2.3 million (nil) relates to a related party liability, that was waived in the first quarter of 2019.

EXPENSES

Direct expenses increased to EUR 0.8 million (EUR 0.2 million) due to increased investment in SEO, development and content related consultancy expenses in line with the management strategy to continue building on the Group's external network of experts.

Employee benefit expenses amounted to EUR 1.0 million (EUR 1.2 million). The decrease in employee benefit expenses was driven by the shift towards outsourced developers and content writers. Full-time employees decreased to 79 (89) and the number of dedicated staff with contracts (defined as full time employee equivalents) equalled to 90 (99) at the end of the period.

Other expenses amounted to EUR 1.2 million (EUR 1.0 million) driven by investment in new products, such as tv sports guide products outside the Nordics. The Group now operating in a public environment has increased administrative expenses compared to the same period last year.

Depreciation and amortisation amounted to EUR 0.7 million (EUR 0.2 million). The increased depreciation was primarily attributable to the depreciation of player databases and other intellectual property acquired in the second half of the year ending 31 December 2018.

PROFITABILITY

Adjusted EBITDA amounted to EUR 3.5 million (EUR 2.5 million), corresponding to an increase of 38.3% compared to the same period last year. The Adjusted EBITDA margin amounted to 54.1% (51.5%).

Profit for the period amounted to EUR 4.7 million (EUR 1.0 million) and was positively impacted by other income of EUR 2.3 million. Profit for the period adjusted for non-operational other income amounted to EUR 2.4 million (EUR 0.9 million), corresponding an increase of 163.9% for the period.

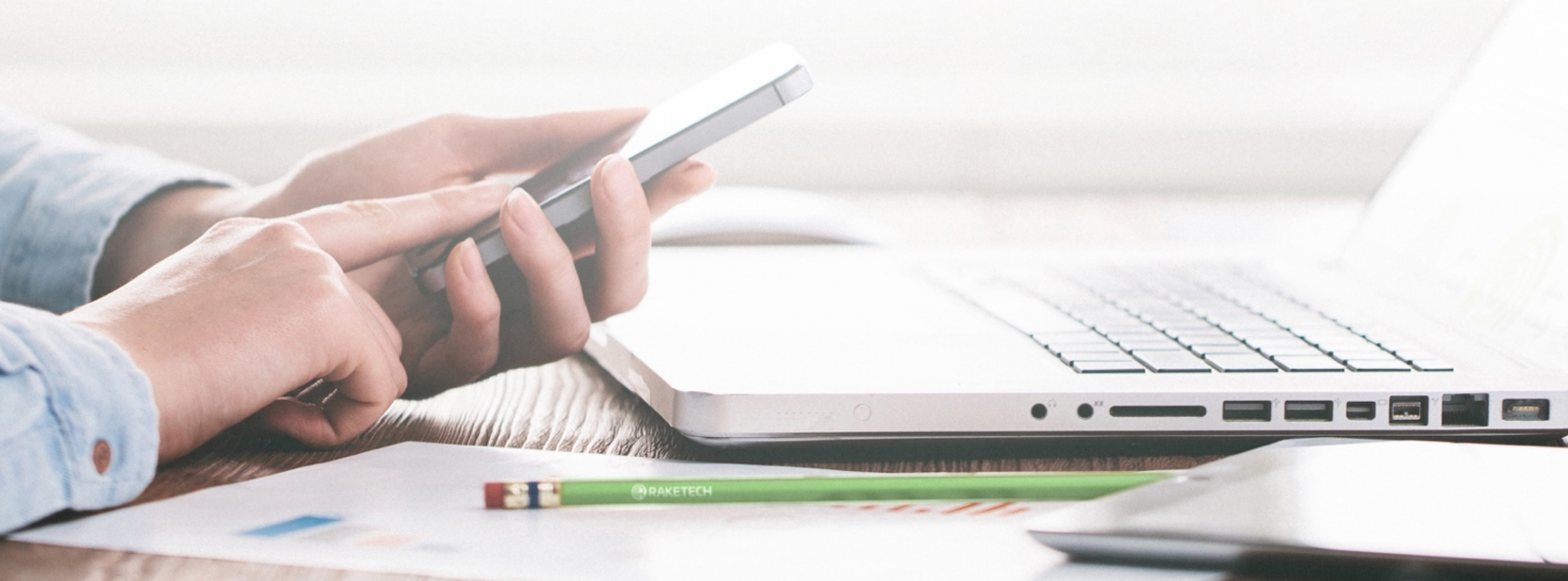
CASH AND CASH EQUIVALENTS, FINANCING AND FINANCIAL POSITION

Cash flow from operating activities amounted to EUR 3.3 million (EUR 1.2 million), driven by the increased operational profit.

Cash flow from investing activities amounted to EUR – 1.5 million (EUR -3.3 million) and relates to earn out payments during the quarter.

Cash flow from financing activities amounted to EUR -5.3 million (EUR 6.5 million) driven by the final settlement of EUR 7.7 million of the credit facility to Ares Management.

Cash and cash equivalents at the end of the quarter amounted to EUR 4.1 million (EUR 7.4 million).



OTHER

STOCK MARKET LISTING

On 29 June 2018, Raketech Group Holding P.L.C. was successfully listed on Nasdaq First North Premier with an increase of 13,333,333 shares, leading to a new outstanding amount of 37,900,633 shares as at 29 June 2018. No other changes have taken place subsequent to this date. The Raketech shares are traded under the ticker (RAKE) and ISIN code (MT0001390104).

SIGNIFICANT RISKS AND UNCERTAINTIES

One of the most significant risks being faced by the Group is associated with acquisitions. As the different markets continue to mature, it may become more difficult to acquire new high-quality assets. Acquisitions may become more expensive, as the market becomes more consolidated.

The remote gaming industry continues to undergo regulation and is therefore subject to political and regulatory risk. Changes to existing regulations in various jurisdictions might impact the ability of remote gaming operators, who are the Group's main customers, to operate in such markets and accordingly revenue streams from such 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. Such events could have an adverse effect on the Group's business.

The Group operates in the emerging online gaming industry. Although Raketech is an affiliate marketing company and not an iGaming operator, the legislation concerning online gambling could directly or indirectly affect Raketech's operations. The Group is continuously monitoring any regulatory changes within the European market, and if any new regulatory regimes come into force, the Group will conform with such requirements by applying for the necessary licenses in the respective jurisdictions. The Group is primarily exposed to the Nordic region, and a significant amount of revenue is generated from Sweden. Reviews of gaming taxation laws have taken place in a number of EU jurisdictions, including Sweden, the top market for the Group. The directors are in favour operating in regulated markets.

As the Group continues to embark on its significant growth strategy, the operational risks increase. Key personnel retention is considered to be a key risk, and the Group is doing its utmost to retain its existing personnel as well as recruiting highly talented individuals. This is being done through continued investment in Human Resources, continuous training and skills development, offering work experience in a unique working environment and remunerating employees fairly and in-line with their performance.

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.

DIVIDEND

In line with Raketech's dividend policy, the Group is prioritising growth activities including further acquisitions. No dividend was paid for the year 2018 as the Group intends to capitalise on the growing market, which is under ongoing consolidations.

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 REPORT DATES

21 AUGUST
Interim report APR-JUN 2019

21 NOVEMBER
Interim report JUL-SEP 2019

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	Jan-Mar 2019	Jan-Mar 2018	Jan-Dec 2018
Revenue	3	**6,451**	4,901	25,556
Other Income	8	**2,282**	-	-
Total revenue		**8,733**	4,901	25,556
Direct costs relating to fixed fees and commission revenue		**(803)**	(171)	(2,142)
Employee benefit expense		**(987)**	(1,201)	(4,840)
Depreciation and amortisation		**(690)**	(194)	(1,701)
IPO related costs		**-**	(127)	(1,503)
Other operating expenses		**(1,171)**	(1,005)	(4,176)
Total operating expenses		**(3,651)**	(2,698)	(14,362)
Operating profit		**5,082**	2,203	11,194
Finance costs		**(286)**	(1,252)	(6,401)
Profit before tax		**4,796**	951	4,793
Tax expense		**(126)**	(46)	(239)
Profit for the period/year – total comprehensive income		**4,670**	905	4,554
Profit attributable to:				
Equity holders of the Parent Company		**4,718**	905	4,708
Non-controlling interest		**(48)**	-	(154)
Earnings per share attributable to the equity holders of the parent during the period/year (expressed in Euro per share) [1]				
Earnings per share before dilution[1]		**0.12**	0.04	0.15
Earnings per share after dilution[1]		**0.12**	0.04	0.15

[1]By virtue of a resolution approved during the Annual General Meeting held on 18 May 2018, it was resolved to split the EUR 0.27 shares into shares of EUR 0.002 each. As a result, the comparative information has been restated to reflect the change in number of shares in issue following the share split.

The notes on pages 11 to 13 are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousands	Notes	31 Mar 2019	31 Mar 2018	31 Dec 2018
Assets				
Non - Current Assets				
Goodwill	6	**344**	-	344
Intangible assets	6	**65,264**	53,222	65,673
Right of use assets	4	**525**	-	-
Property, plant and equipment		**220**	323	241
Deferred tax assets		**-**	42	-
Total non-current assets		**66,353**	53,587	66,258
Current assets				
Trade and other receivables		**4,584**	3,211	4,323
Cash and cash equivalents		**4,077**	7,393	7,526
Total current assets		**8,661**	10,604	11,849
TOTAL ASSETS		**75,014**	64,191	78,107
Equity & Liabilities				
Capital and reserves				
Share capital		**76**	2	76
Share premium		**39,387**	1,000	39,387
Other reserves		**1,304**	1,204	1,254
Retained earnings		**22,618**	14,365	17,948
Equity attributable to owners of the Company		**63,385**	16,571	58,665
Non-Controlling Interests		**67**	-	67
Total Equity		**63,452**	16,571	58,732
Liabilities				
Non-current liabilities				
Borrowings	5	**2,821**	36,243	7,880
Deferred tax liability		**962**	-	837
Lease liabilities	4	**342**	-	-
Amounts committed on acquisition	7	**4,220**	2,522	4,039
Total non-current liabilities		**8,345**	38,765	12,756
Current liabilities				
Amounts committed on acquisition	7	**1,686**	3,007	3,046
Lease liabilities	4	**189**	-	-
Trade and other payables		**1,342**	5,072	3,573
Current tax liabilities		**-**	776	-
Total current liabilities		**3,217**	8,855	6,619
Total liabilities		**11,562**	47,620	19,375
TOTAL EQUITY AND LIABILITIES		**75,014**	64,191	78,107

The notes on pages 11 to 13 are an integral part of these condensed consolidated financial statements.

The condensed consolidated financial statements on pages 7 to 10 were approved for publication by the Board of Directors on 22 May 2019 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	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total	NCI	Total Equity
Balance at 1 January 2019	76	39,387	1,254	17,948	58,665	67	58,732
Comprehensive income							
Profit for the period	-	-	-	4,670	4,670	-	4,670
Total comprehensive income for the period	**-**	**-**	**-**	**4,670**	**4,670**	**-**	**4,670**
Transactions with owners of the Company							
Equity-settled share-based payments	-	-	40	-	40	-	40
Shareholder's Contribution	-	-	10	-	10	-	10
Total transactions with owners of the Company	**-**	**-**	**50**	**-**	**50**	**-**	**50**
Balance at 31 March 2019	**76**	**39,387**	**1,304**	**22,618**	**63,385**	**67**	**63,452**

EUR Thousands	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total	NCI	Total Equity
Balance at 1 January 2018	2	1,000	1,204	13,460	15,666	-	15,666
Comprehensive income							
Profit for the period	-	-	-	905	905	-	905
Total comprehensive income for the period	-	-	-	905	905	-	905
Balance at 31 March 2018	**2**	**1,000**	**1,204**	**14,365**	**16,571**	**-**	**16,571**

EUR Thousands	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total	NCI	Total Equity
Balance at 1 January 2018	2	1,000	1,204	13,460	15,666	-	15,666
Comprehensive income							
Profit for the year	-	-	-	4,554	4,554	-	4,554
Total comprehensive income for the year	**-**	**-**	**-**	**4,554**	**4,554**	**-**	**4,554**
Transactions with owners of the Company							
Issue of share capital, net of transaction costs	74	38,387	(1,000)	-	37,461	-	37,461
Equity-settled share-based payments	-	-	121	-	121	-	121
Shareholders' Contribution	-	-	929	-	929	-	929
Total transactions with owners of the Company	**74**	**38,387**	**50**	**-**	**38,511**	**-**	**38,511**
Changes in ownership interest							
Disposal of NCI without a change in control	-	-	-	(66)	(66)	67	1
Total changes in ownership interest	**-**	**-**	**-**	**(66)**	**(66)**	**67**	**1**
Balance at 31 December 2018	**76**	**39,387**	**1,254**	**17,948**	**58,665**	**67**	**58,732**

The notes on pages 11 to 13 are an integral part of these condensed consolidated financial statement.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

EUR thousands	Notes	Jan-Mar 2019	Jan-Mar 2018	Jan-Dec 2018
Cash flows from operating activities				
Profit before tax		**4,796**	951	4,793
Adjustments for:				
- Depreciation and amortization		**690**	194	1,701
- Net finance costs		**277**	1,252	6,401
- Equity-settled share-based payment transactions		**40**	-	121
- Loss on sale of property, plant and equipment		**2**	-	8
- Liability write-off	8	**(2,282)**	-	-
		3,523	2,397	13,024
Net income tax received/paid		**-**	(106)	(194)
Changes in:				
- Trade and other receivables (net of provisions)		**(261)**	(601)	(1,647)
- Trade and other payables		**59**	(534)	35
Net cash from operating activities		**3,321**	1,156	11,218
Cash flows from investing activities				
- Acquisition of property, plant and equipment		**(22)**	(40)	(34)
- Acquisition of intangible assets		**(1,479)**	(3,300)	(15,771)
- Investment in Subsidiary		**-**	-	(732)
- Proceeds from sale of property, plant and equipment		**1**	-	-
Net cash (used in) investing activities		**(1,500)**	(3,340)	(16,537)
Cash flows from financing activities				
- Net proceeds from drawdowns/(repayments) on borrowings		**(4,884)**	8,201	(22,627)
- Proceeds from issue of share capital, net of transaction costs		**-**	-	36,264
- Acquisition of NCI		**-**	-	2
- Capital Contribution		**10**	-	-
- Lease Payments	4	**(53)**	-	-
- Interest paid		**(343)**	(1,724)	(3,894)
Net cash (used in)/from financing activities		**(5,270)**	6,477	9,745
Net increase in cash and cash equivalents		**(3,449)**	4,293	4,426
Cash and cash equivalents at the beginning of the year/period		**7,526**	3,100	3,100
Cash and cash equivalents at the end of the year/period		**4,077**	7,393	7,526

The notes on pages 11 to 13 are an integral part of these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Raketech Group Holding P.L.C. is a public limited company and is incorporated in Malta, having company registration number C77421. 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 P.L.C. The company is referred to as Raketech Group Holding P.L.C. throughout these financial statements.

2 ACCOUNTING POLICIES

Raketech prepares its financial statements in accordance with the International Financial Reporting Standards (IFRS) as approved by the European Union. This interim report is prepared in accordance with IAS 34, *Interim Financial Reporting* and the interim financial statements have been prepared 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 interim financial statements are consistent with those presented in the Annual Report for the year ended 31 December 2018, except for leases as a result of the implementation of IFRS 16, which became effective 1 January 2019. The new standard has had limited impact on the Group's financial statements, the effects are highlighted below. The Parent Company applies the same accounting principles as the Group.

Other than the earnings and equity per share before and after dilution which are expressed in Euro (EUR), all other amounts are expressed in thousands of Euro (EUR) or as otherwise indicated. Amounts or figures in brackets in the text indicate comparative figures for the corresponding period last year. The annual report for 2018 is available at Raketech's web page.

With IFRS 16 almost all leases are being recognised on the balance sheet by the lessee, as the distinction between operating and finance leases is removed. The only exceptions are short term and low-value leases. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised in the statement of financial position. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In the statement of the comprehensive income, the straight-line expense for the operating lease is replaced by a charge for amortisation on the leased asset and an interest expense attributable to the liability. This accounting is based on the view that that the lessees have a right to use an asset under a specific time period and at the same time having an obligation to pay for this right.

The Group has entered into a long-term office lease, which under IAS 17 was classified as operating lease and recognised as such until the end of year 31 December 2018. Per reporting date, the Group has non-cancellable operating lease commitments in respect of long-term office lease amounting to EUR 0.6 million. The Group applied the standard from its mandatory adoption date of 1 January 2019 and applied the simplified transition approach and has therefore not restated the comparative amounts for the year prior to first adoption. According to the new standard, the lease liability is measured at present value of the remaining lease payments per 31 March 2019, which amounts to EUR 0.5 million. The right-of-use asset is measured at an amount equivalent to the lease liability with no adjustment to equity, less the accumulated amortisation.

With the new standard, the rental costs of EUR 213 thousand for the year ending 31 December 2019 will be replaced by a notional interest of EUR 30 thousand and a depreciation of EUR 203 thousand. Resulting in an increase of EBITDA of EUR 213 thousand for the full year 2019. The increase in EBITDA is due to the amortisation of the right-of-use assets and interest on the lease payments, according to IFRS 16, are excluded from this measure and the operating lease payments, according to IAS 17, were included in the EBITDA. Rental payments under IFRS 16 are allocated between interest payments and a reduction of the lease liability, with a corresponding impact on the Groups statement of cash flow within the financing activity. Further impact of IFRS 16 is disclosed in note 4.

3 REVENUES

The Group attracts end-users and generates revenue by driving organic traffic through search engine optimisation 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 first quarter of 2019 and the first quarter and full year of 2018, is further analysed as follows:

EUR thousands	Jan-Mar 2019	Jan-Mar 2018	Change %	Jan-Dec 2018
Revenue	**6,451**	4,901	31.6%	25,556
- Commissions	**5,363**	*4,235*	*26.6%*	*22,017*
- Fixed fees	**1,088**	*666*	*63.4%*	*3,539*

4 LEASING

Raketech has applied IFRS 16, Leasing, using the simplified transition approach. Accordingly, the comparative information has not been restated and continues to be reported under IAS 17 as operating leasing. The reclassification following IFRS 16, is therefore recognised in the opening balance of 1 January 2019 as a lease liability and a right-to-use asset.

The liability is initially measured at present value of the remaining lease payments discounted using the Group's incremental borrowing rate. The applied rate of 6 %, is the rate at which similar borrowing could be obtained from an independent financer under comparable terms and conditions.

From the 1st of January 2019, the payments related to leasing have been allocated between the lease liability in the statement of financial position and finance cost in the statement of comprehensive income. The finance cost is allocated to each period during the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

EUR thousands	
Operating lease commitments disclosed as of 31 December 2018	**627**
	Leasing Liability
Discounted using the Group's incremental borrowing rate at 1 January 2019	575
Notional interest charge	9
Payments[1]	(53)
Leasing liability at 31 March 2019[2]	**531**

[1] Payments relate to rental costs replaced by notional interest and amortisation.
[2] Of the total leasing liability, EUR 342 thousand are long term and EUR 189 thousand short term lease liabilities.

The right-of-use asset is initially measured at cost, which comprise the initial amount of the lease liability and subsequently amortised using the straight-line method over the shorter of the asset's useful life and the lease term.

EUR thousands	Right-of-use asset
Right-of-use asset at 1 January 2019	575
Amortisation charge	(50)
Right-of-use asset at 31 March 2019	**525**

5 BORROWINGS

At 4 March 2019 Raketech repaid the outstanding debt of EUR 8.0 million (including accrued interest expenses) from its previous loan facility.

In December 2018, Raketech entered into an agreement with Swedbank for a revolving credit facility of EUR 10 million. As at 31 March 2019 the utilised credit amounts to EUR 3.0 million before the capitalised transaction costs of EUR 0.2 million.

6 INTANGIBLE ASSETS

Management has concluded that the acquired websites and domains 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.

During the first quarter of 2019 costs related to certain development projects within the operational area LAB (new innovations) have been capitalised and compromise costs for the development of software. No acquisition of assets was concluded during the first quarter of 2019.

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. The directors are satisfied that the intangible assets are recoverable on the basis that the cash flows generated from these assets are in line, or exceed, the estimated projections made prior to the acquisitions.

EUR thousands	Domains and websites	Player databases	Other intellectual property	Software	Goodwill	Total
Cost at 1 January 2019	60,260	3,652	3,683	329	344	68,269
Additions	-	-	-	200	-	200
Cost as at 31 March 2019	**60,260**	**3,652**	**3,683**	**529**	**344**	**68,469**
Accumulated amortisation 1 January 2019	-	(1,546)	(456)	(250)	-	(2,252)
Amortisation charge	-	(300)	(269)	(40)	-	(609)
Amortisation charge as at 31 March 2019	**-**	**(1,846)**	**(725)**	**(290)**	**-**	**(2,861)**
Net book amount 31 March 2019	**60,260**	**1,806**	**2,958**	**240**	**344**	**65,608**
Net book amount 31 March 2018	51,550	1,438	-	234	-	53,222

7 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 is 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.

The earn-out conditions related to the Casinofeber affiliate websites runs until 2023 with an uncapped contingent consideration. Management's best estimate of the total contingent consideration for these assets amounted to EUR 5.9 million as at 31 March 2019 and has been recognised in the condensed consolidated statement of financial position.

The adjustment to reflect the total impact of discounting in the condensed consolidated interim statement of financial position, amounted to EUR 0.1 million (nil) in the first quarter of 2019. Of the amounts recognised in the condensed consolidated interim statement of financial position as per 31 March 2019, EUR 1.7 million is considered to fall due for payment within less than 12 months from the end of the reporting period.

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 these related parties during the respective periods:

EUR thousands	Jan-Mar 2019	Jan- Mar 2018	Jan- Dec 2018
Revenue	**212**	213	1,361
Expenses			
Compensation (including salaries, consultancy fees and recharges from a related entity) including fees to executive management and directors	**115**	352	1,837
Amounts owed to related parties[1]	**9**	4,257	2,290
Amounts owed by related parties	**5**	293	-

[1]During Q1 2019, an agreement with one related party has been reached, to waive the amount of EUR 2,281,714. The amount has been recognised as other income against the consolidated statement of comprehensive income.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME – PARENT COMPANY

EUR thousands	Jan-Mar 2019	Jan-Mar 2018	Jan-Dec 2018
Other Income	-	-	2,982
Total revenue	-	-	2,982
Employee benefit expense	(124)	-	(331)
IPO related costs	-	-	(90)
Other operating expenses	(9)	-	87
Total operating expenses	(133)	-	(334)
Operating profit/loss	(133)	-	2,648
Finance costs	(22)	-	-
Profit/loss before tax	(155)	-	2,648
Tax expense	-	-	(803)
Profit/loss for the period/year – total comprehensive income	(155)	-	1,845

CONDENSED STATEMENT OF FINANCIAL POSITION – PARENT COMPANY

EUR thousands	31 Mar 2019	31 Mar 2018	31 Dec 2018
Assets			
Non - Current Assets			
Investment in subsidiaries	**3,152**	1,002	3,152
Total non-current assets	**3,152**	1,002	3,152
Current assets			
Trade and other receivables	**42,979**	16	39,576
Cash and cash equivalents	**292**	41	980
Total current assets	**43,271**	57	40,556
TOTAL ASSETS	**46,423**	1,059	43,708
Equity & Liabilities			
Capital and reserves			
Share capital	**76**	2	76
Share premium	**41,603**	1,000	41,603
Other reserves	**161**	-	120
Retained earnings	**1,690**	-	1,845
Total Equity	**43,530**	1,002	43,644
Liabilities			
Non-current liabilities			
Borrowings	**2,821**	-	-
Total non-current liabilities	**2,821**	-	-
Current liabilities			
Trade and other payables	**72**	57	64
Total current liabilities	**72**	57	64
Total liabilities	**2,893**	57	64
TOTAL EQUITY AND LIABILITIES	**46,423**	1,059	43,708

ASSURANCE

The Board of Directors and the CEO affirm that this interim 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, 22 May 2019

MICHAEL HOLMBERG
CEO

CHRISTIAN LUNDBERG
Chairman of the Board

JOHAN SVENSSON
Board member

FREDRIK SVEDERMAN
Board member

ERIK SKARP
Board member

ANNIKA BILLBERG
Board member

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

Presentation for investors, analysts and the media: CEO Michael Holmberg and CFO Andreas Kovacs will present the report and answer questions at 9.00 a.m. CET on 22 May 2019.

The presentation will be held in English and can be followed online via *https://tv.streamfabriken.com/raketech-q1-2019.*

To participate in the call, please dial:
+46 8 505 58 351 (SE)
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This information is such that Raketech Group Holding P.L.C. 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 22 May 2019.

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

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

ADJUSTED EBITDA	EBITDA adjusted for IPO expenses and other non-operational income
ADJUSTED EBITDA MARGIN	Adjusted EBITDA as a percentage of total revenue for the period/year
ADJUSTED OPERATING MARGIN	Operating margin adjusted for IPO expenses and other non-operational income
ADJUSTED OPERATING PROFIT	Operating profit adjusted for IPO expenses and other non-operational income
EBITDA	Operating profit before depreciation, amortisation and impairment
EBITDA MARGIN	EBITDA as a percentage of revenue for the period/year
EARNINGS PER SHARE	Profit for the period/year in relation to weighted average number of shares
EQUITY PER SHARE	Equity attributable to owners of the Company in relation to the weighted average number of shares outstanding at the end of the period
FULL TIME EMPLOYEES AND EQUIVALENTS	Employees and external resources at the end of the period, such as dedicated staff as contractors (defined as full time employee equivalents)
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 in relation to adjusted LTM EBITDA
NET INTEREST-BEARING DEBT	Interest-bearing debt at the end of the period, excluding earn-outs from acquisitions, minus cash and cash equivalents at the end of the period
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
RETURN ON EQUITY, LTM	LTM profit attributable to the equity holders of the Parent Company in relation to the equity attributable to owners of the Company
REVENUE/EMPLOYEE	Revenue for the period/year in relation to the numbers of employees
REVENUE GROWTH	Increase in revenue compared to the previous accounting period as a percentage of revenue in the previous accounting period
TRAFFIC	Relates to the number of visitors/users of Raketech's assets

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