Q1

INTERIM REPORT

JANUARY – MARCH 2018

RAKETECH GROUP HOLDING P.L.C.

RAKETECH

HIGH ACTIVITY ACROSS OUR OPERATIONS

FIRST QUARTER 2018 (Q1 2017)

- Revenues increased by 46.0% to EUR 4.9 million (EUR 3.4 million)
- Organic growth amounted to 10.2% (22.3%)
- Adjusted EBITDA increased by 13.8% to EUR 2.5 million (EUR 2.2 million), corresponding to a margin of 51.5% (66.0%)
- Adjusted operating profit of EUR 2.3 million (EUR 2.1 million), corresponds to a margin of 47.5% (62.9%)
- Profit for the period amounted to EUR 0.9 million (EUR 1.9 million)
- Earnings per share amounted to EUR 5.1 (EUR 10.9)
- NDCs (New Depositing Customers) increased by 6.6 % to 16,243 (15,238)

EVENTS DURING Q1 2018

- All-time high commission revenues driven by successful acquisitions
- Raketech continues its growth journey and has acquired leading casino affiliate site Casinofeber.se
- Launch of new products such as the Twitch channel Gambling Cabin

SUBSEQUENT EVENTS AFTER THE END OF THE PERIOD:

- Launch of the new TV sports guide in the UK: TVsportguide.com
- Raketech strengthens its position by acquiring the assets of Mediaclever Sverige AB, a high profile casino affiliate. On 3 May 2018, the Group entered into an asset transfer agreement with Mediaclever Sverige AB (the “Sellers”), unrelated parties. The asset transfer mainly included assets in the form of affiliate accounts and intellectual property consisting of domains
- The Annual General Meeting will be held on 18 May, 2018 at 11:00 hrs CET at the premises of Gernandt & Danielsson Advokatbyrå at Hamngatan 2, 111 47, Stockholm, Sweden

STRONG FINANCIAL DEVELOPMENT ON OUR RECENTLY ACQUIRED ASSETS

CONSOLIDATED KEY DATA AND RATIOS

Some financial measures presented in this interim report, including some key data and ratios are not defined by International Financial Reporting Standards (IFRS). These measures, as defined on page 18 of this report, will not necessarily be comparable to similarly titled measures in 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.

Key ratios

EUR thousands	Jan- Mar 2018	Jan- Mar 2017	Change %	Jan - Dec 2017
Financials				
Revenue	**4,901**	**3,356**	***46.0%***	**17,146**
- organic growth	*10.2%*	*22.3%*	*-12.1%*	*16.6%*
- Rev share	2,298	1,893	*21.4%*	9,347
- Upfront payment	1,937	720	*168.9%*	4,411
- Flat fee	666	743	*-10.4%*	3,388
Casino of total revenue	*71.4%*	*76.2%*	*-4.8%*	*69.9%*
Sport of total revenue	*26.0%*	*15.7%*	*10.3%*	*25.1%*
Other of total revenue	*2.6%*	*8.1%*	*5.5%*	*5.0%*
Revenue from the Nordics	*95.3%*	*90.8%*	*4.5%*	*91.7%*
Revenue from other markets	*4.7%*	*9.2%*	*-4.5%*	*8.3%*
EBITDA	**2,397**	**2,216**	***8.1%***	**9,481**
EBITDA margin	*48.9%*	*66.0%*	*-17.1%*	*55.3%*
Adjusted EBITDA	**2,524**	**2,216**	***13.8%***	**9,667**
Adjusted EBITDA margin	*51.5%*	*66.0%*	*-14.5%*	*56.4%*
Operating profit	**2,203**	**2,112**	***4.3%***	**8,813**
Operating margin	*45.0%*	*62.9%*	*-18.0%*	*51.4%*
Adjusted Operating profit	**2,330**	**2,112**	***10.3%***	**9,000**
Adjusted Operating margin	*47.5%*	*62.9%*	*-15.4%*	*52.5%*
NDCs	16,243	15,238	*6.6%*	67,193
Mobile vs total traffic (visitors)	63.6%	59.2%	*4.4%*	60.2%

FOR MORE INFORMATION, CONTACT:

Michael Holmberg CEO, +356 99998009 | **Andreas Kovacs** CFO, +356 99314959

CEO COMMENTS

The year has started off with strong activity across our operations with positive developments both financially and strategically. Revenues amounted to EUR 4.9 million, corresponding to an increase of 46 percent, of which organic growth represented 10 percent. Adjusted EBITDA amounted to EUR 2.5 million, corresponding to an adjusted EBITDA margin of 52 percent.

Our operating model, which was rolled out last year, is now fully up and running and we continuously record new achievements within all pillars; Core, where we grow organically by optimising our established and mature assets, Lab, our innovation hub where we focus on product development and the launch of new products, or launching existing products into new markets, and M&A, where we make strategic acquisitions that match our product mix and growth plans.

Within Core, we have worked hard on several relaunches of our most popular products with the aim to increase their attractiveness even further. During the second quarter, we will roll out the revamped versions of Casinoguide.se, Bettingsidor.org and Casinobonusar.nu, and we are certain that our users will appreciate the new look and feel.

Activity has also been high in our Lab. The most notable progress in the quarter was the preparation for the launch of the TV listings platform TVsportguide.com in the UK, which took place in April. TVsportguide's mission is to be the ultimate guide for TV sports, ensuring fans never miss a match on TV. Associated platforms, TVmatchen.nu, TVsporten.dk and TVkampen.com already serve millions of sports fans across Sweden, Denmark and Norway respectively. Aside from the UK release, we also have plans to launch the platform in additional European markets. Within the efforts made in Lab, I would also like to highlight our Twitch initiative, the Gambling Cabin, which continues to be very popular in the player community.

On the M&A side, we have recently acquired several Swedish casino assets, including leading product Casinofeber.se. Going forward, we are intensifying our M&A activities with the aim of making several additional strategic acquisitions throughout the year. An integral part of our business is our diversified product strategy, which comprises a unique and highly synergetic ecosystem consisting of products within SEO, Guides, Communities, and Social Media. Our aim is to have a complete product offering in each geographic region – and this is done through both the Lab initiatives and M&A.

During the quarter, there were developments on the Swedish gaming regulation front which will be effective as of 1 January 2019. Our view on regulation is overall positive, as we foresee market growth, higher lifetime value and less competition. While existing revenue share contracts from the Swedish market are expected to decrease in value due to sharing of the tax burden with the operators, the overall net effect of the regulation may still be positive. Raketech has taken all necessary actions ahead of the regulation in order to be as well-positioned as possible.

Looking ahead, I feel confident of our continued progress. With all building blocks in place – a strong mission and vision, a clear strategy for growth and a great team with thorough expertise in all our operational areas – we are ready to reach new heights.

Michael Holmberg
CEO

FINANCIAL PERFORMANCE DURING THE FIRST QUARTER OF 2018

Strong revenue development of 46.0% during Q1 2018 compared to the same quarter last year, driven by 8 successful acquisitions between Q1 2017 and Q1 2018.

REVENUES

Revenues totalled EUR 4.9 million (EUR 3.4 million) in the first quarter, corresponding to an increase of 46.0% percent. The organic growth amounted to 10.2% compared with 22.3% in the corresponding quarter in 2017. The revenue increase is driven by strong performance in several of Raketech's key markets, such as Denmark and Finland, but also by increased revenue from media products such as Tvmatchen.

EXPENSES

Increased cost base is driven by the headcount expansion in line with the strong business growth.

Direct costs amounted to EUR 0.2 million (EUR 0.1 million) driven by SEO, hosting and content related expenses.

Personnel expenses amounted to EUR 1.2 million (EUR 0.5 million). The increase in personnel expenses was driven by a significant increase in headcount in line with the strong growth of the business. The headcount totalled 95 employees at the close of the first quarter of this year compared to 59 employees for the first quarter 2017.

Operating expenses amounted to EUR 1.0 million (EUR 0.5 million). The increase in head count gave rise to a corresponding increase in operational costs such as rental expenses, software and license expenses. The intensive expansion between Q1 2017 and Q1 2018 also resulted in increased consultancy expenses mainly related to the migration of the acquired assets during 2017. The increased indirect cost base is also affected by IPO expenses, which relate to costs in relation to the anticipated listing on Nasdaq First North Premier Stockholm, amounting to EUR 0.1 million (EUR Nil).

Depreciation and amortisation amounted to EUR 0.2 million (EUR 0.1 million). The increase in depreciation and amortisation was mainly attributable to the acquisition of player databases during the current and prior periods and primarily relates to the amortisation of the player databases.

PROFITABILITY

Increased adjusted operating profit driven by the strong revenue growth during the quarter compared to the same period last year.

Adjusted EBITDA amounted to EUR 2.5 million (EUR 2.2 million) representing growth of 13.8%. The EBITDA development is affected by the significant revenue growth during Q1 2018 compared to Q1 2017. EBITDA for the first quarter of 2018 included IPO-costs of EUR 0.1 million (EUR Nil) relating to the ongoing preparation for the listing on Nasdaq First North Premier Stockholm. Adjusted EBITDA margin amounted to 51.5% (66.0%).

Adjusted operating profit amounted to EUR 2.3 million (EUR 2.1 million) corresponding to an adjusted operating profit margin of 47.5% during Q1 2018 (62.9%). The decreased operating margin was in line with Raketech's strategy to invest in the automation of processes and to prepare the company for the anticipated listing. The diversified product portfolio with increased share of media products in Q1 2018 also results in a slightly lower operating margin compared to last year.

Profit before tax amounted to EUR 1.0 million (EUR 2.0 million).

CASH AND CASH EQUIVALENTS, FINANCING AND FINANCIAL POSITION

Positive cash generated from operations of EUR 1.3 million driven by the strong underlying development.

Cash flow

Cash flows generated from operations in Q1 2018 amounted to EUR 1.3 million (EUR -1.2 million). Net cash used in operating activities in Q1 2018 amounted to EUR -0.6 million (EUR -1.2 million) as interest payments of EUR 1.7 million relating to the Senior loan facility for the last six months were settled during Q1 2018.

Cash flows used in investing activities in Q1 2018 amounted to EUR 3.3 million (EUR 5.9 million) and primarily related to the acquisition of Casinofeber which was transferred on 28 February 2018.
Cash flows generated from financing activities in Q1 2018 amounted to EUR 8.2 million (EUR 23.1 million) as a result of the addtitional drawdown of the existing Senior loan facility.

Cash and cash equivalents at the end of the quarter amounted to EUR 7.4 million (EUR 16.1 million).

OTHER

Shareholders in Raketech Group Holding P.L.C. as at 31 March 2018.

Shareholder	Number of shares	Share capital in %
Swiss Life (Lichtenstein) AG*	49,870	28.2%
Light Showdown Ltd. **	24,839	14.0%
Akterbog Ltd. ***	23,518	13.3%
Netfactor AB	11,444	6.5%
Sectaurea Ltd	11,444	6.5%
Sirbäck Investments AB	8,191	4.6%
AD94 Holding AB	6,996	4.0%
Svensson Holding Ltd	5,850	3.3%
Varrick Group Ltd	5,595	3.1%
Tamiho Invest Ltd****	4,378	2.5%
Sub total 10 largest shareholders	**152,125**	**86.0%**
Other shares	24,846	14.0%
Total	**176,971**	**100.0%**

** Swiss Life (Lichtenstein AG) holds the shares of Tobias Persson. Tobias Persson also holds 2,897 shares through Caramera AB*

*** Light Showdown Ltd. is owned by Erik Johan Sebastian Skarp*

**** Akterbog Ltd. is owned by Johan Per Carl Svensson*

***** Tamiho Invest Ltd. is owned by Michael Holmberg*

OTHER INFORMATION

SIGNIFICANT RISKS AND UNCERTAINTIES

One of the key risks being faced by the Group relates to acquisitions. As the market continues to mature it may become more difficult to acquire new high quality intangible assets. Acquisitions might continue to become more expensive and the market more consolidated.

The remote gaming industry continues to undergo regulation and is to some extent subject to political and regulatory risk. Changes to existing regulations in various jurisdictions might impact the ability of remote gaming operators, which are also the Group's customers, to operate in such markets and accordingly revenue streams from such customers may be adversely impacted. The Group may also be exposed to enforcement or regulatory action brought against any of its customers 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 continues to focus on expanding its current geographical customer base.

The Group operates in a newly emerging online gaming industry. Even if Raketech is an affiliation marketing company and not an igaming operator, the legislation concerning internet betting can directly or indirectly have certain impact on Raketech's operations. The Group monitors the legal situation within the EU, and if any licenses or other kind of governing documentation would be needed the Group would obtain the required license to continue operating in that jurisdiction. The Group is primarily exposed to the Nordic region, and a significant amount of revenue is generated from Sweden. Reviews of gaming taxation laws are taking place in a number of EU jurisdictions, including Sweden, the top market for the Group. The directors are of the view that the Group is prepared for the upcoming regulation in Sweden and favour to operate in regulated markets.

As the Group continues to embark on its significant growth strategy, operational risk becomes more and more relevant. 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 the continued investment in our Human Resources function, provision of constant training and employee development, offering an exceptional working environment and work experience and remunerating individuals fairly in line with their performance.

In addition to the above, the Directors also consider the following risks as being 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 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.

UPCOMING REPORT DATES

Interim report Q2 2018
23 August 2018

Interim report Q3 2018
22 November 2018

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

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME

(EUR thousands)	Notes	Jan-Mar 2018	Jan-Mar 2017	Jan-Dec 2017
Total revenue	3	**4,901**	3,356	**17,146**
Total revenue		**4,901**	3,356	**17,146**
Direct costs relating to fixed fees and commission revenue		**(171)**	(126)	**(859)**
Employee benefit expense		**(1,201)**	(546)	**(3,497)**
Depreciation and amortisation		**(194)**	(104)	**(667)**
IPO related costs		**(127)**	-	**(187)**
Other operating expenses		**(1,005)**	(468)	**(3,123)**
Total operating expenses		**(2,698)**	**(1,244)**	**(8,333)**
Operating profit		**2,203**	**2,112**	**8,813**
Finance costs		**(1,252)**	(112)	**(2,738)**
Profit before tax		**951**	**2,000**	**6,075**
Tax expense		**(46)**	(100)	**(307)**
Profit for the period/ year		**905**	1,900	**5,768**
Basic earnings per share				
From profit for the period/ year		**5.1**	**10.9**	**32.6**
Diluted earnings per share				
From profit for the period/ year		**5.1**	**10.9**	**32.6**

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

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(EUR thousands)	Notes	Mar-18	Mar-17	Dec-17
Assets				
Intangible assets	4	53,222	30,046	46,393
Property, plant and equipment		323	54	318
Deferred tax assets		42	297	90
Total non-current assets		**53,587**	**30,397**	**46,801**
Current assets				
Trade and other receivables		3,211	1,839	2,610
Cash and cash equivalents		7,393	16,096	3,100
Total current assets		**10,604**	**17,935**	**5,710**
TOTAL ASSETS		**64,191**	**48,332**	**52,511**
Equity & Liabilities				
Capital and reserves				
Share capital		2	2	2
Share premium		1,000	-	1,000
Other reserves		1,204	1,204	1,204
Retained earnings		14,365	9,592	13,460
Total equity		**16,571**	**10,798**	**15,666**
Liabilities				
Non-current liabilities				
Borrowings	5	36,243	23,080	28,077
Amounts committed on acquisition	7	2,522	650	586
Total non-current liabilities		**38,765**	**23,730**	**28,663**
Current liabilities				
Amounts committed on acquisition	7	3,007	6,990	1,332
Trade and other payables	6	5,072	6,012	5,967
Current tax liabilities		776	802	883
Total current liabilities		**8,855**	**13,804**	**8,182**
Total liabilities		**47,620**	**37,534**	**36,845**
TOTAL EQUITY AND LIABILITIES		**64,191**	**48,332**	**52,511**

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

These condensed consolidated interim financial statements on pages 8 to 15 were authorised for issue by the board on 14 May 2018 and were signed on its behalf by:

Mr Erik Johan Sebastian Skarp
Director

Mr Johan Per Carl Svensson
Director

CONDENSED CONSOLIDATED NTERIM STATEMENTS OF CHANGES IN EQUITY

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

(EUR thousands)	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total
Balance at 1 January 2017	2	-	1,204	7,692	8,898
Comprehensive Income					
Profit for the period	-	-	-	1,900	1,900
Balance at 31 March 2017	**2**	**-**	**1,204**	**9,592**	**10,798**

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

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(EUR thousands)	Jan-Mar 2018	Jan-Mar 2017	Jan-Dec 2017
Cash flows from operating activities			
Cash generated from/ (used in) operations	1,262	(1,160)	4,758
Interest paid	(1,724)	-	(1,776)
Tax paid	(106)	-	(26)
Net cash (used in)/ generated from operating activities	**(568)**	**(1,160)**	**2,956**
Cash flows used in investing activities			
Purchases of intangible assets	(3,300)	(5,863)	(27,475)
Purchases of property, plant and equipment	(40)	(19)	(332)
Net cash used in investing activities	**(3,340)**	**(5,881)**	**(27,807)**
Cash flows from financing activities			
Proceeds from drawdowns on borrowings	8,201	23,080	27,894
Net cash generated from financing activities	**8,201**	23,080	**27,894**
Net movement in cash and cash equivalents	**4,293**	16,039	**3,043**
Cash and cash equivalents at beginning of period / year	**3,100**	57	**57**
Cash and cash equivalents at end of period / year	**7,393**	16,096	**3,100**

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

NOTES TO THE 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. The condensed consolidated interim financial statements are prepared in accordance with IAS 34, Interim Financial Reporting. These interim financial statements have been prepared under the historical cost convention, as modified by the fair valuation of financial liabilities measured at fair value through profit and loss.

Except as described below, 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 2017 which is publicly available. Other than the basic earnings per share and diluted earnings per share which are expressed in Euro (EUR), all other amounts are expressed in thousands of Euro (EUR) or as otherwise indicated. Amounts or figures in parentheses indicate comparative figures for the corresponding period last year.

IFRS 9, 'Financial instruments', which the Group adopted on its mandatory effective date of 1 January 2018, addresses the classification, measurement and recognition of financial assets and financial liabilities. Amongst others, it replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. It largely retains the IAS 39 requirements in respect of the recognition and measurement of financial liabilities.

The basis of classification of investments in debt instruments under IFRS 9 depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The Group's investments in debt instruments, which comprise trade and other receivables which are subject to credit terms that are consistent with normal trading conventions as well as cash and cash equivalents, were classified under IAS 39 as 'Loans and receivables' and measured at amortised cost. The Group's management has determined that:

- the Group's objective for holding these portfolios of assets is to collect the contractual cash flows, and accordingly they meet the 'Hold to collect' business model under IFRS 9; and
- the instruments, which comprise cash balances held with banks and trade receivables, have cash flow characteristics that are consistent with what IFRS 9 terms as payments of solely principal and interest.

Accordingly, while these financial assets has been reclassified from 'Loans and receivables' to 'Financial assets measured at amortised cost', their measurement at amortised cost under IFRS 9 is consistent with the Group's previous practice under IAS 39, and the adoption of IFRS 9 has not resulted in any change in their gross carrying amount.

IFRS 9 also introduces a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. This amendment requires the Group to recognise impairment allowances on the basis of expectations of possible losses, even

2. ACCOUNTING POLICIES - CONTINUED

if there is no objective evidence of a loss having already taken place. As the Group's cash balances are held with an investment-grade financial institution, and its trade receivables are short-term and provisions had already been recognised under IAS 39 on the basis of credit assessments carried out on each debtor, the adoption of IFRS 9 has not had a material impact on the Group's impairment allowances.

The adoption of IFRS 9 has not had any impact on the Group's recognition and measurement of financial liabilities.

With effect from 1 January 2018 the Group also adopted IFRS 15, 'Revenue from contracts with customers', which deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service (a 'performance obligation' in terms of IFRS 15) and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations.

The Group earns revenue by attracting potential players to its domains or website content and then referring the potential players to operators in the igaming sector. Commissions from affiliate marketing agreements are earned by the Group when, and if, the referred players make real-money deposits or, as the case may be, place wagers with the operators. The Group also generates revenues by charging a fixed fee for listing and critically reviewing and/or advertising igaming operators on the Group's websites.

The Group's affiliate marketing agreements give rise to variable consideration. Under IFRS 15, variable consideration is recognised at an entity's estimate of the amount of consideration to which it expects to be entitled on the contract. A constraint is however included in IFRS 15 to ensure that variable consideration is not recognised as income until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

The Group's management has determined that:

- its affiliate marketing agreements comprise a series of distinct performance obligations. In respect of variable consideration linked to this series of distinct performance obligations, the Group recognises this income in the month in which its contractual right to bill the igaming operators is established; and
- each agreement to list and critically review and/or advertise igaming operators on the Group's websites contains a single performance obligation that is satisfied over time, and revenue is accordingly recognised as income over the period of the agreement on a time proportion basis.

The Group has accordingly not been significantly impacted by the adoption of IFRS 15.

3. REVENUE

The Group attracts end-users and generates revenue by generating organic traffic through search engine optimisation, and through acquisitions. All revenue generated from the various acquisitions and through the different marketing methodologies is being treated as one revenue segment in line with internal management reporting.

The revenue for Raketech for the first quarter of 2018, and the first quarter 2017, is further analysed as follows:

(EUR thousands)	Jan- Mar 2018	Jan- Mar 2017	Change %	Jan - Dec 2017
Revenue	**4,901**	**3,356**	**46.0%**	**17,146**
Commission	4,235	2,613	62.1%	13,758
Flat fee	666	743	-10.4%	3,388

4. 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 2018, a number of websites, domains and player databases were acquired. Additions during the first quarter 2018 amounted to EUR 7.6 million (EUR 5.9 million), of which EUR 0.4 million has been allocated to player databases, which are being amortised over three years. The impact of discounting of the contingent consideration is disclosed in note 7.

5. BORROWINGS

During the period to 31 March 2018, the Group drew down third-party borrowings with a nominal value of EUR 8.2 million. As at 31 March 2018, the amounts drawn down amounted to EUR 38.2 million (31 March 2017: EUR 25.0 million). The carrying value of borrowings as at 31 March 2018 amounted to EUR 36.2 million (31 March 2017: EUR 23.1 million) after taking into effect the capitalised transaction costs. Transactions costs have been recognised as a reduction of the borrowings in accordance with the Group's accounting policy. All borrowings bear interest at floating rates, and mature on the third anniversary of the draw down of each tranche. The total loan facility relates to two tranches; Tranche 1 of EUR 40 million and Tranche 2 of EUR 30 million, and such a facility was made available on 27 February 2017. The Group's undrawn senior term facilities as at 31 March 2018 amounted to EUR 31.8 million (Tranche 1). As at 31 March 2017, the Group had drawn down EUR 25.0 million of Tranche 1. The loan is secured by the underlying acquired assets. The loans bear a floating rate coupon of Euribor 1m + 9.25 percent. Euribor 1m is subject to a floor of 1 percent.

The contractual terms of obtaining this financing obliged Raketech Group Holding P.L.C. to pledge its entire shareholding in Raketech Group Limited in favour of the lenders. The documentation confirming the pledge was filed by the Group with the Registry of Companies in Malta on 27 February 2017; the pledge remains in place at the date of authorisation for issue of these financial statements.

6. TRADE AND OTHER PAYABLES

Included within trade and other payables as at 31 March 2018 are amounts due to related parties amounting to EUR 4.5 million (31 March 2017: EUR 5.0 million) which are interest free, have no fixed date for repayment and are accordingly presented as falling due for repayment on demand. The amounts due to related parties as at 31 March 2018 are payable to two separate parties. It was also agreed with one of these related parties that an amount of EUR 2.0 million will be partly converted into share capital, and partly waived.

7. AMOUNTS COMMITTED ON ACQUISITION

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

The maximum potential amount that the Group may be required to settle under such contingent consideration arrangements as at 31 March 2018 is EUR 19.4 million (EUR 0.5 million), of which EUR 4.8 million (EUR 0.5 million), has been recognised in the condensed consolidated interim statement of financial position, whilst the remaining amount has not been recognised on the basis of management's best estimate. The adjustment to reflect the impact of discounting amounted to EUR 0.5 million in Q1 2018 (EUR Nil). Of the amounts recognised in the condensed consolidated interim statement of financial position as at 31 March 2018, EUR 2.6 million are considered to fall due for settlement 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 2018	Jan - Mar 2017	Change %	Jan - Dec 2017
Revenue	213	185	15.1%	802
Expenses				
Compensation (including salaries, consultancy fees and recharges from a related entity) including fees to executive management and directors	352	203	73.4%	1,148
Amounts owed to related parties	4,257	4,954	-14.1%	4,500
Amounts owed by related parties	293	83	253.0%	191

All amounts due to related parties are unsecured, interest free and have no fixed date for repayment. The amounts due to related parties as at 31 March 2018 are payable to two separate parties. As disclosed further in note 9, it was agreed with one of these related parties that an amount of EUR 2.0 million will be partly converted into share capital, and partly waived.

9. EVENTS AFTER THE REPORTING PERIOD

During the year to 31 December 2017, the Group had started negotiations with a related party with whom the Group had an outstanding payable of €2.0m. The negotiations include the conversion into equity of €1.1m worth of shares and the renunciation of the remaining balance of the payable. This transaction was completed during Q2 2018.

On 9 April 2018, an employer share incentive program was introduced for certain key employees. The program was developed in H1 2017, a board decision was taken in October 2017, and the full implementation of this program together with the communication to key employees happened in April 2018. The market value and the price (option premium) have been determined using the Black-Scholes valuation model, and the estimated total cost of the employer share incentive program is that it will have an impact corresponding to €0.5m which will be recognized over the vesting period which is of up to three years. The share holder dilution will be approximately 2% for the full program.

On 28 April 2018, 5,009 new shares in Raketech Group Holding P.L.C. were issued all having a nominal value of €0.27 per share. 1,707 of these shares were issued at a share premium of €601.47 per share, 84 of these shares were issued at a share premium of €620.00 per share and the remaining 3,218 of these shares were issued at a share premium of €332.71 per share.

On 3 May 2018, the Group entered into an asset transfer agreement with Mediaclever Sverige AB (the "Sellers"), unrelated parties. The asset transfer mainly included assets in the form of affiliate accounts and intellectual property consisting of domains. The purchase price for the assets consists of an initial purchase price of EUR 4.7m (SEK 50 million) plus additional earn-out payments if the Sellers meet pre-defined targets within the earn-out period until 31 December 2018. The maximum earn-out liability amounts to, approximately, EUR 1.5 million (SEK 15 million).

ASSURANCE

The Board of Directors and the Chief Executive Officer certify that this interim report provides a true and fair overview of Raketech's performance and financial positions for the periods, and describes the material risks and uncertainties facing the Group.

Malta, 14 May 2018

MICHAEL HOLMBERG
CEO

Authorised for issue by the board on 14 May 2018 and were signed on its behalf by:

ERIK JOHAN SEBASTIAN SKARP
Board member

JOHAN PER CARL SVENSSON
Board member

Report on Review of Interim Financial Information

To the directors of Raketech Group Holding p.l.c.

Introduction

We have reviewed the accompanying condensed consolidated interim statements of financial position of Raketech Group Holding p.l.c. (the 'Company') as at 31 March 2018 and 31 March 2017 and the related condensed consolidated interim statements of comprehensive income, changes in equity and cash flows for the three-month periods then ended, and the notes, comprising a summary of significant accounting policies and other explanatory notes. The directors are responsible for the preparation and fair presentation of these interim financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements do not present fairly, in all material respects, the financial position of the Company as at 31 March 2018 and 31 March 2017, and of its financial performance and its cash flows for the three-month periods then ended in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers

78, Mill Street

Qormi

Malta

Romina Soler

Partner

14 May 2018

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

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

KEY RATIOS

ADJUSTED EBITDA - EBITDA adjusted for IPO-costs.

ADJUSTED EBITDA MARGIN - Adjusted EBITDA as a percentage of Revenue.

ADJUSTED OPERATING MARGIN - Operating margin adjusted for IPO-costs.

ADJUSTED OPERATING PROFIT - Operating profit adjusted for IPO-costs.

EBITDA - Operating profit before depreciation and amortisation.

EBITDA MARGIN - EBITDA as a percentage of revenue.

OPERATING PROFIT - Profit before financial items and taxes.

OPERATING MARGIN - Operating profit as a percentage of revenue.

ALTERNATIVE KEY RATIOS

NDC (NEW DEPOSITING CUSTOMERS) - A new customer placing a first deposit on a client's website.

ORGANIC GROWTH - Revenue growth rate adjusted for acquired portfolios and products. Organic growth includes the growth in existing products and the revenue growth related to acquired portfolios and products post acquisition.

REVENUE GROWTH - Increase in revenue compared to the previous accounting period as a percentage of revenue in the previous accounting period.

TRAFFIC - Relates to the amount of visitors/ users visiting Raketech's assets.

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