

RAKETECH

Q1 Report Presentation

RAKETECH

Presenters



Oskar Mühlbach
Chief Executive Officer



Måns Svalborn
Chief Financial Officer

RAKETECH

Agenda

01. Highlights

02. Financials Q1 2021

03. Key takeaways

04. Q&A



Q1 Financial highlights

- Q4 momentum continued into Q1
- Network, Japan and US strong performance
- Weak seasonality, Norwegian payment blocks and increased gambling tax in Denmark dampened numbers slightly
- Continuously stable margin despite product mix changes and investments in expansion
- As expected, lower NDC intake than previous quarter, however values are strong, much helped by Japan

- OUTLOOK April – revenues EUR 2.8m

8.3m

REVENUE

Y +26.6%

Q – 2.1%

3.2m

EBITDA

Y +22%

Q – 12%

+5.4%

ORG. GROWTH

Q -3.7%

40k

NDC'S

Y +23.5%

Q -14.0%

Q1 Operational highlights

- Licenses obtained in Virginia and Michigan
- US revenues peaking during Superbowl
- First quarter without Finance vertical revenues and margin, affecting comparison
- Casinoferber back to growth but still behind expectations.
- European Championships in Football preparations ongoing
- New Chairman of the board nominated; Ulrik Bengtsson.

+2

US LICENCES
Virginia and Michigan

Ulrik

NEW CHAIRMAN
Bringing experience from
Betsson, WilliamHill/Mr
Green and US

EUR 0

FROM FINANCE
This vertical was divested
in Q4 and this is the first
full quarter without
finance revenues

Geographical split

- Sweden stable and highly profitable, but black market taking share and alternative marketing sources competing over marketing budgets
- Solid position on the Rest of the Nordics, but somehow volatile in terms of legislative environment and long term commitments from operators
- ROW is expansive and demand is high. Our network offering in combination with expansion of existing assets showing good results.
- Japan showing extraordinary growth and we are well positioned
- USA expected to show exponential growth and we now have a footprint. Market of specific interest and focus for Raketech.

35% 
Non-nordic revenues
(14% Q1 2020)

38%

SWEDEN
(Y 55%)

27%

**REST OF
NORDICS**
(Y 31%)

18%

ROW
(Y 6%)

11%

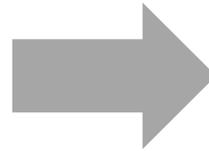
JAPAN
(Y 8%)

6%

USA
(Y 0%)

Tactics and goals for 2021

- Accelerated M&A
- Capital structure optimization
- Roll out Raketech ecosystem
- Monetize on widened offering
- Aggressive geo expansion, existing assets
- Add new channels and content types



Wide and solid
geo footprint

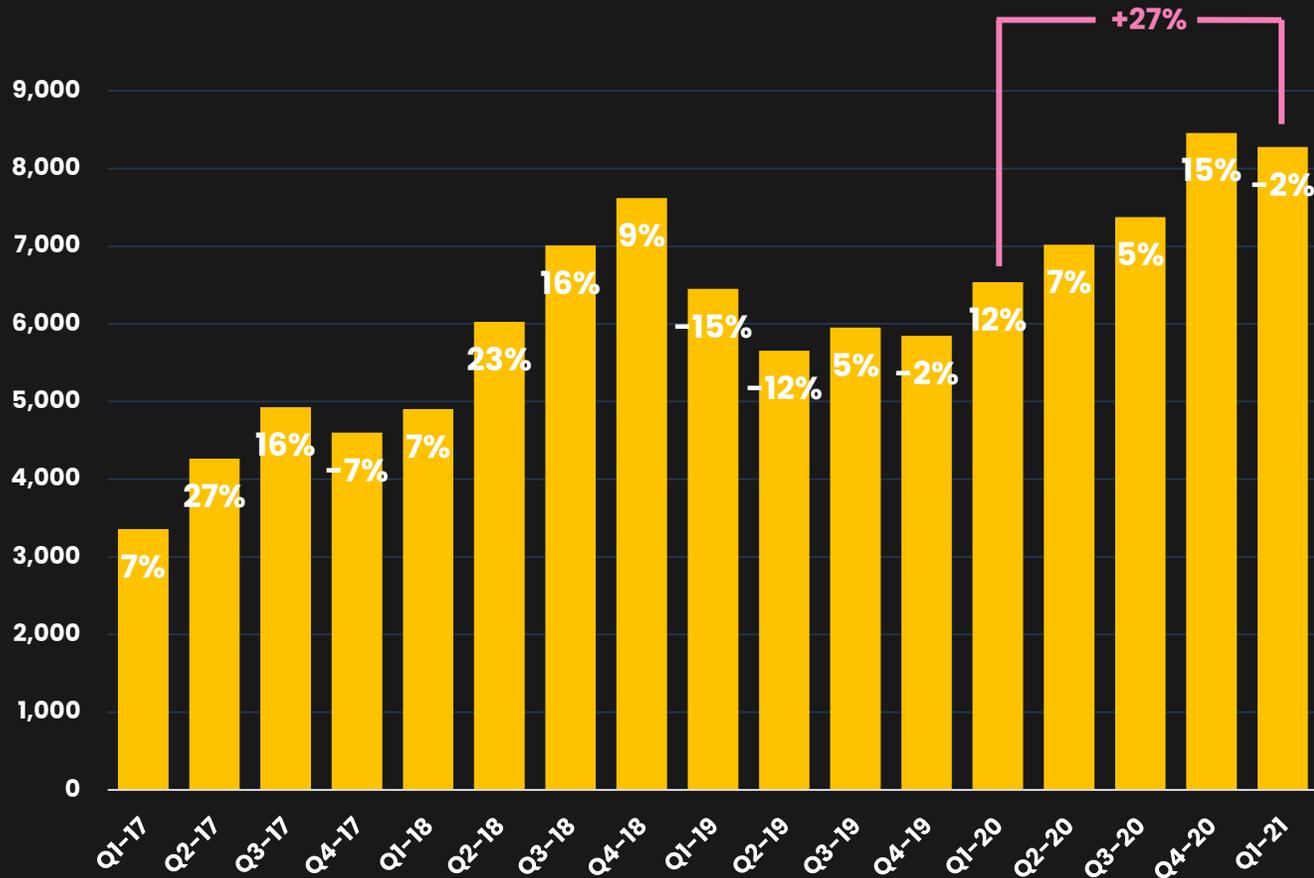
M&A as growth
accelerator

Full service
provider

Significant
revenues from
the USA

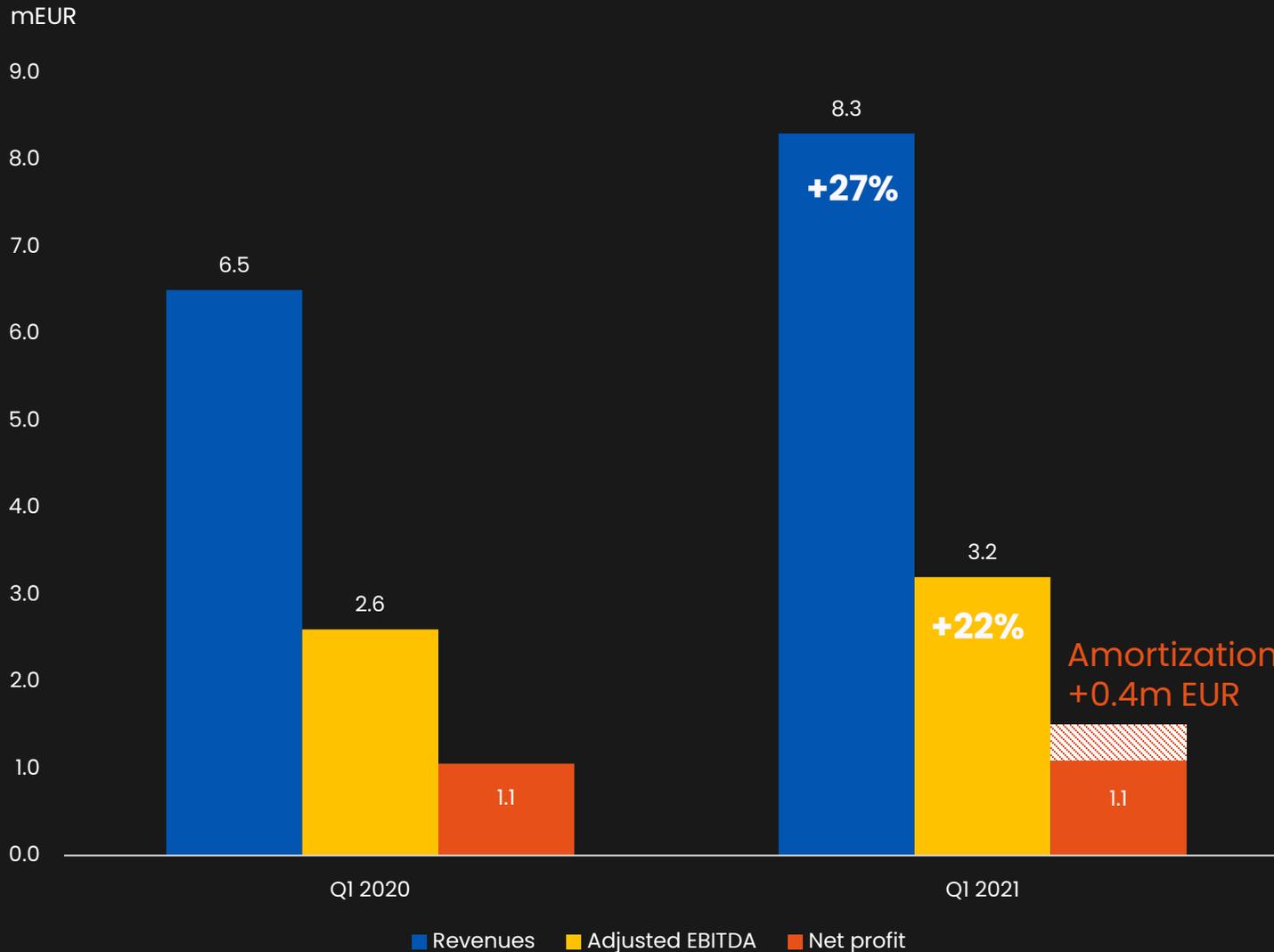
Financials Q1 2021

Revenue development



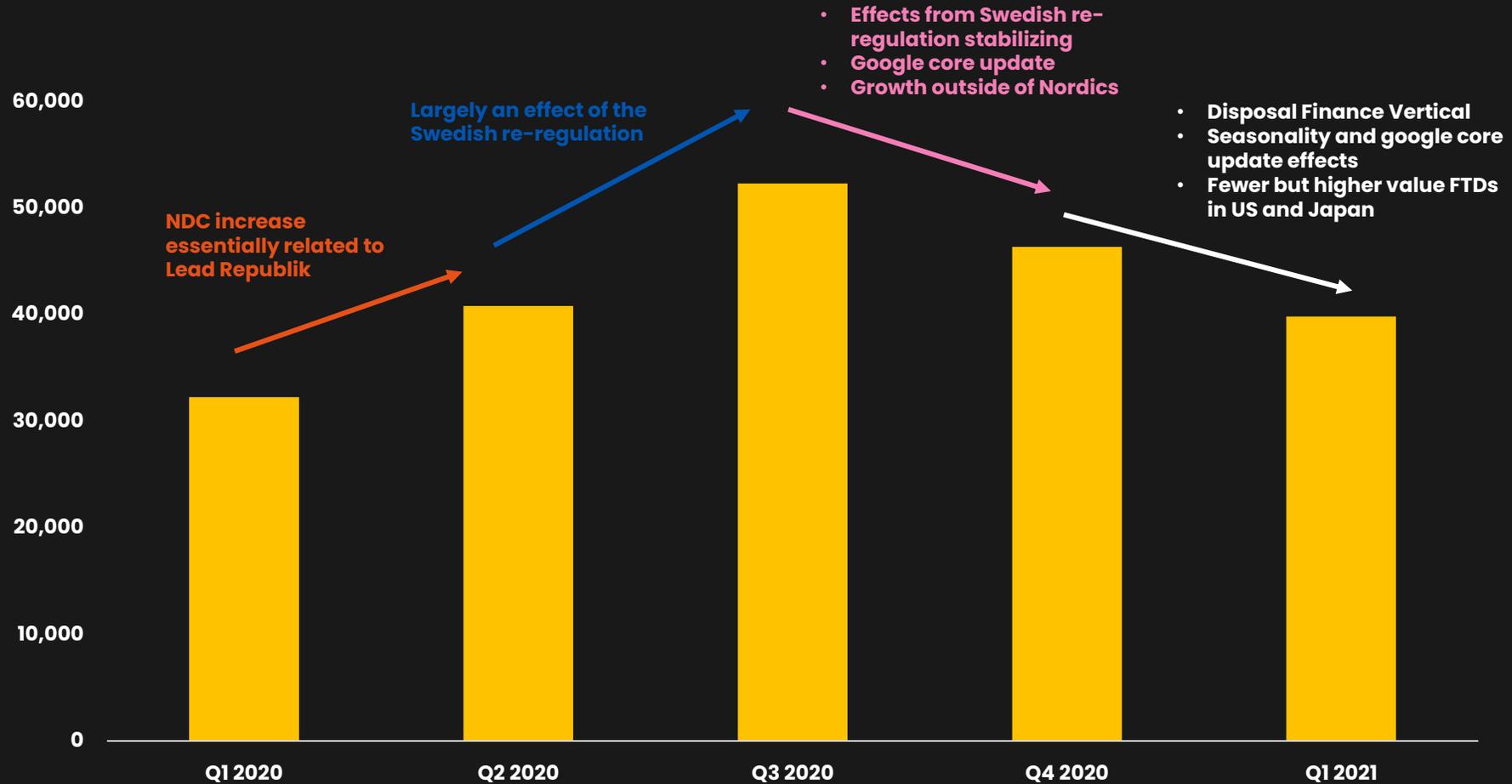
- Revenues essentially in line with seasonally strong Q4
 - Even bigger in Japan
 - Sporting events drive US revenues
 - Network sales continued strong (just above 20% of total revenues)
 - Somewhat offset by seasonality and CasinoFeber in Sweden
 - Disposal of Finance vertical affecting comparisons in Sweden
- organic growth of **5%** YoY
- Acquisition driven growth of **22%** YoY

Q1 2020 vs. Q1 2021

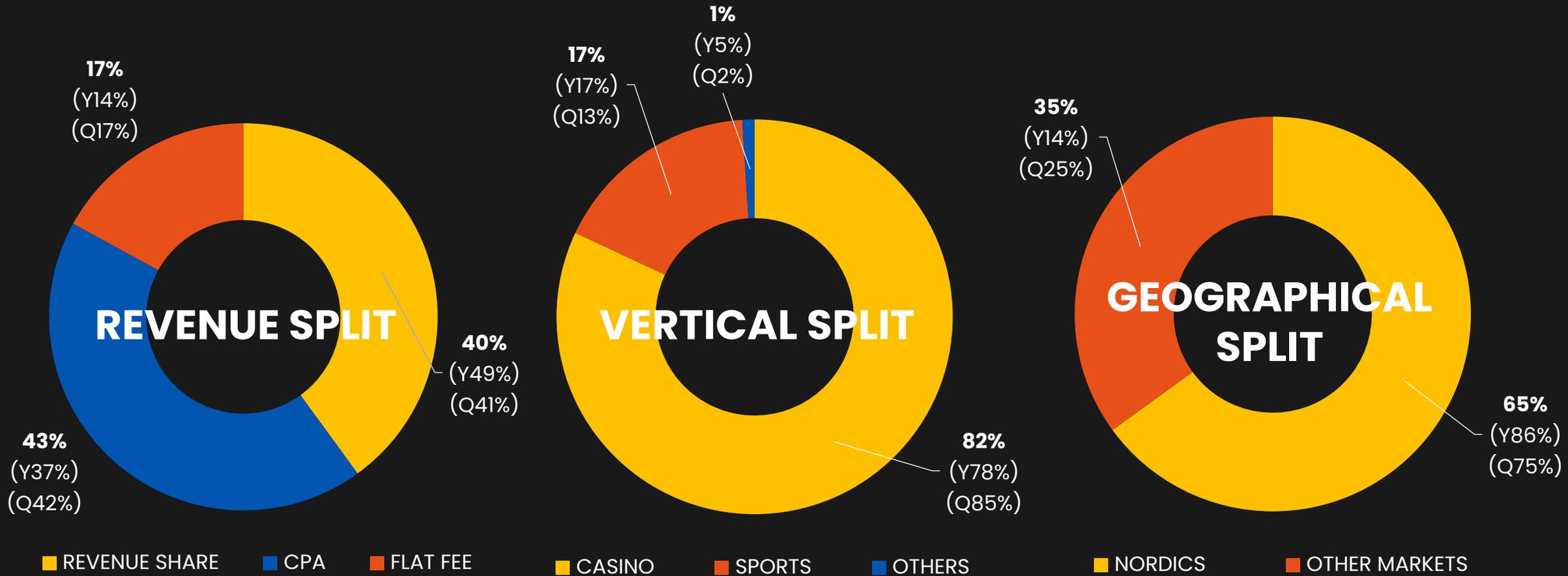


- Revenues increase with acquisitions as primary driver as well as organic growth
- Improved EBITDA with wider product mix and geo footprint
- Net profit impacted by non-cash affecting amortization
 - prudent approach to ensure fair value of Intangible assets

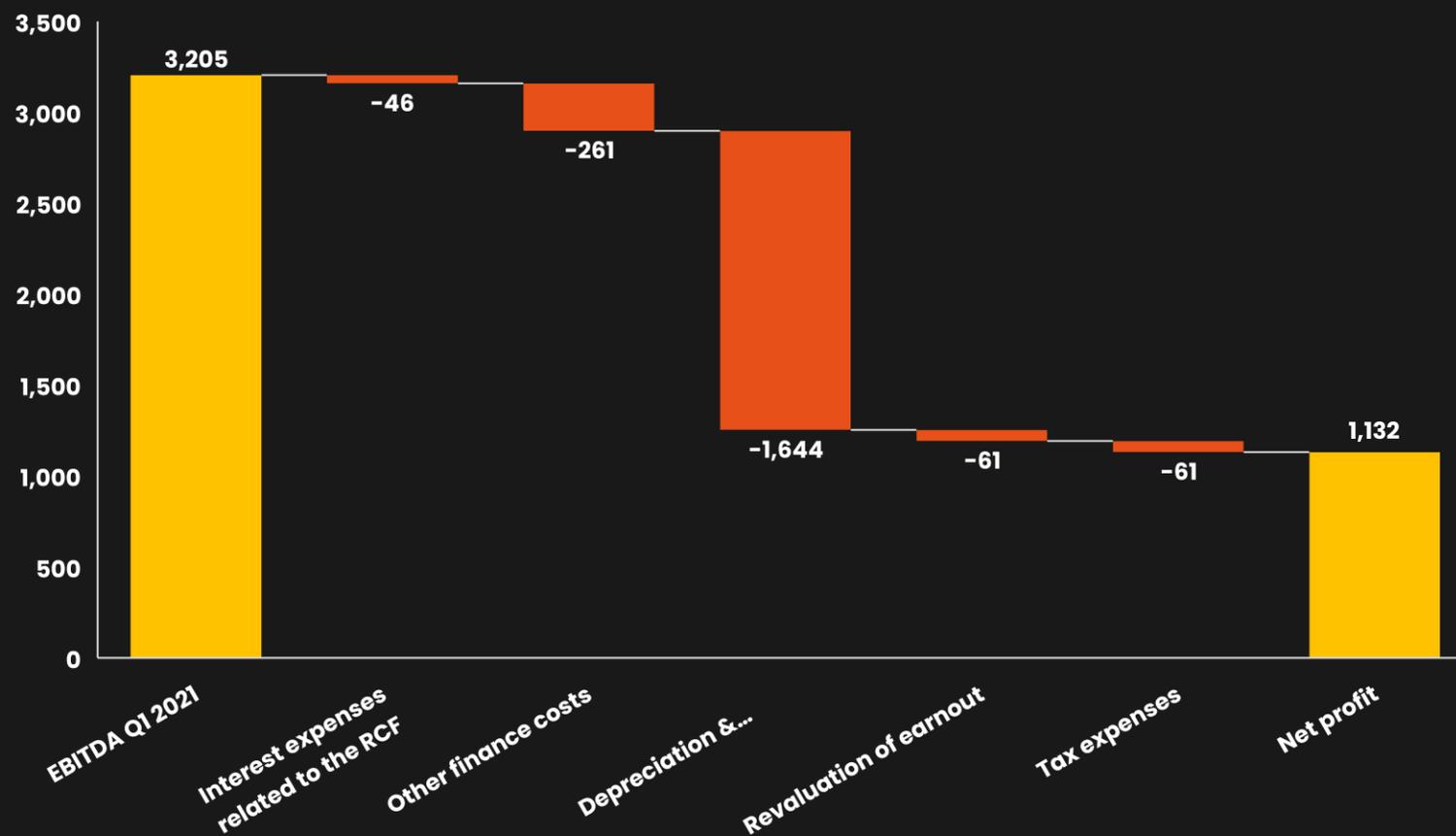
NDC development



Revenue split



EBITDA to net profit bridge Q1



- The only item affecting cash flow relate to interest expense of EUR 0.1m
- Depreciation amounts to EUR 1.6m for the quarter
- Revaluation of earnout of Lead Republik, EUR 0.1m

Statement of financial position

- Total assets amounted to EUR 93m, consisting mainly of Intangible assets
 - Adjustment of earnouts, EUR 4.0m
 - Amortizations, EUR 1.6m
- Cash and Cash equivalents amounted to EUR 4.0m at the end of the year
- Borrowings related to the utilized amount of the loan facility from Swedbank repaid during the quarter
- Amounts committed of EUR 16.2m consist of expected earn out liabilities

BALANCE SHEET | 31 Mar 2021



Cash flow bridge Q4 2020 vs Q1 2021

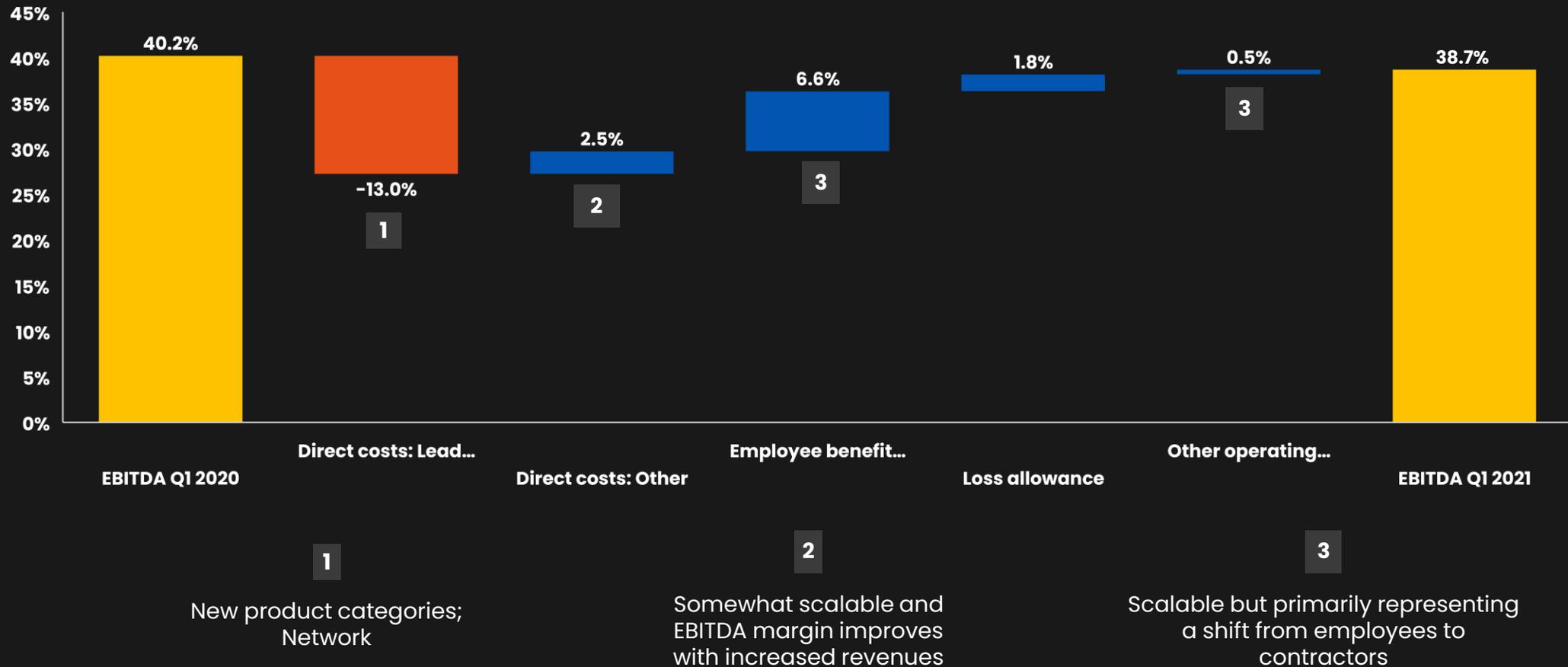


1
 Strong operational cash flow driven by higher profitability partly and to some extent by timing effects from other receivables and payables

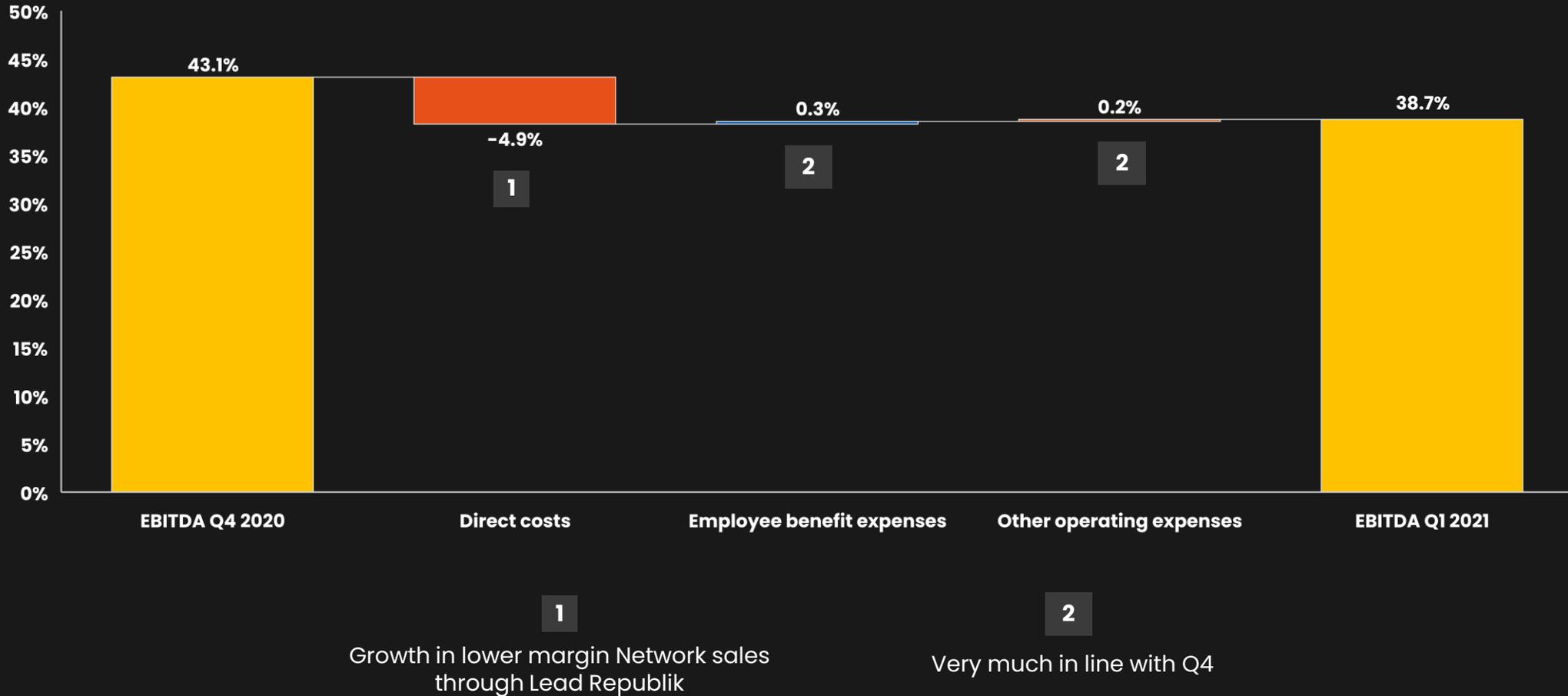
2
 Earnouts relating to CasinoFever and Casumba

3
 Repayment of credit facility

EBITDA-margin Q1 2020 vs. Q1 2021



EBITDA-margin Q4 2020 vs. Q1 2021



Key takeaways

Key takeaways



Strategic goals

- Presence on 3 continents
- 4-5 Flagship assets
- 4-6 product categories
- <60% from single vertical

Financials

- Revenues of EUR 8.4m, in line with record Q4
- 27% growth YoY and -2% QoQ
- Organic growth 5% YoY
- EBITDA of EUR, 3.2m
- Margin at 39%

Events and Milestones

- First full quarter without Finance Vertical
- 2 new licences in the US
- Casinofeber back on track
- Non-Nordic revenues 35% (Y 14%)
- Sports back to pre-covid levels at 17% (Y 17%)
- Japan, Network and US leading the way

Outlook and way forward

- April revenues EUR 2.8m
- European Championships in Football coming up
- Continuously high investments in strategic objectives
- M&A and capital structure focus

Q&A

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Thank you!