

RAKETECH

Q2 Report Presentation

RAKETECH

Presenters



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Chief Executive Officer



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Chief Financial Officer

RAKETECH

Agenda

01. Highlights

02. Financials Q2 2021

03. Key takeaways

04. Q&A

Q2 Financial highlights

- Revenue All Time High
 - Stable general performance
 - Sports uplift late June thanks to the EUROS
 - US decline QoQ (expected after strong Q1)
 - Japan and Network going strong
-
- OUTLOOK July - revenues EUR 2.9m
 - DE Network expected to decrease
 - Casinofeber SE going strong again

8.8m

REVENUE

Y +25.0%
Q +6.0%

3.4m

EBITDA

Y +20.1%
Q +5.9%

+25.7%

ORG. GROWTH

Q +6.0%

35k

NDC'S

Y -14.7%
Q -12.6%

Q2 Operational highlights

- ATH Non-Nordic share
- First Free2Play offering try-outs

- New and increased RCF
- QM Media acquisition
- Infinileads acquisition

39%

Non-NORDIC

Revenues outside of the Nordics grew to 39% from 35% previous quarter and 19% previous year.

EUR 15m

RCF

4.25% interest rate when utilized, 12 months contract with potential to prolong.

2

ACQUISITIONS

In line with company strategy to diversify offering, expand geographically.

Acquisitions – highlights



Basics

- Casino affiliation
- Spain, Italy, Portugal, LatAm
- Positive effect on group margin
- Positive cash flow effect

Rational

- Important growth markets for RT
- Integration expected to drive growth and geo expansion

Financials

- EUR 4.5m cash + earn out
- Expected ROI 4 years

Specifics and tactics

- Free2Play slots catalogue
- Scalable technical backend
- Geographical multi roll out
- RT ecosystem widget roll out
- Future game supplier revenues

+1.2m
REVENUE

+70%
MARGIN



Basics

- Sports affiliation and tipster subscriptions
- US, Nordics, India
- Positive effect on group margin
- Positive cash flow effect

Rational

- US growth platform – add affiliation
- Increased sports share
- Asset synergies in the Nordics

Financials

- EUR 9m cash + EUR 7m in shares
- Expected ROI 4 years

Specifics and tactics

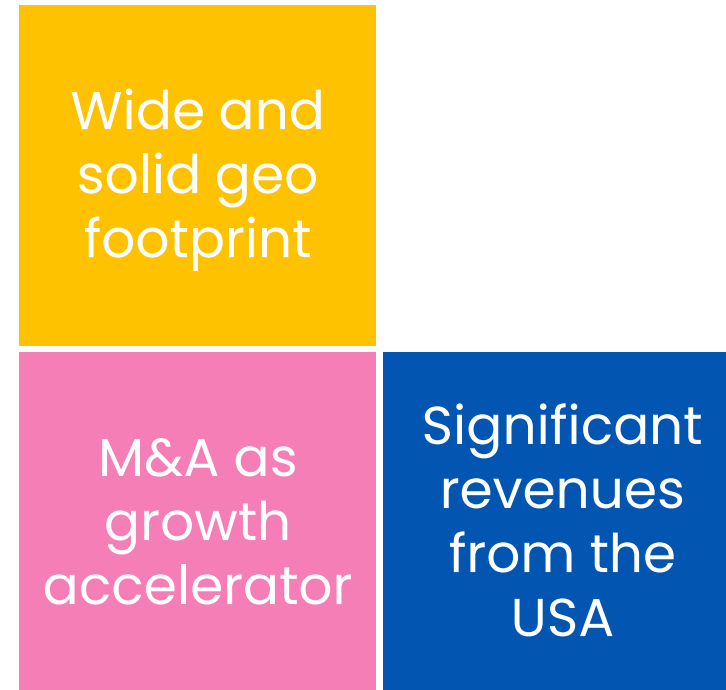
- High quality content, dedicated assets with strong brand awareness
- Affiliation and media to be added to the US
- Cross promotions with RT ecosystem
- Boots on the ground in the US
- New product dimension (diversification)

+5m
REVENUE

+60%
MARGIN

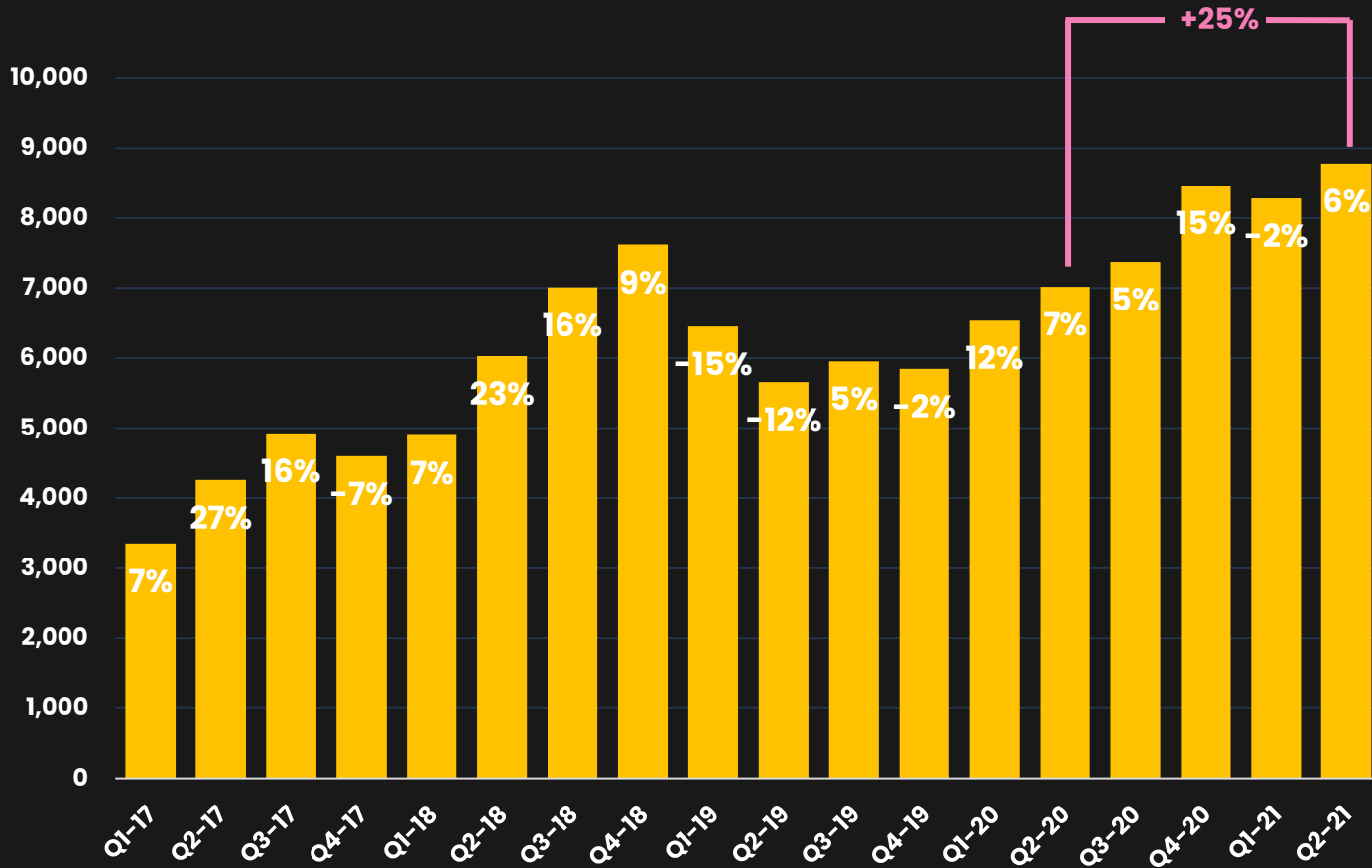


Acquisitions – group effect



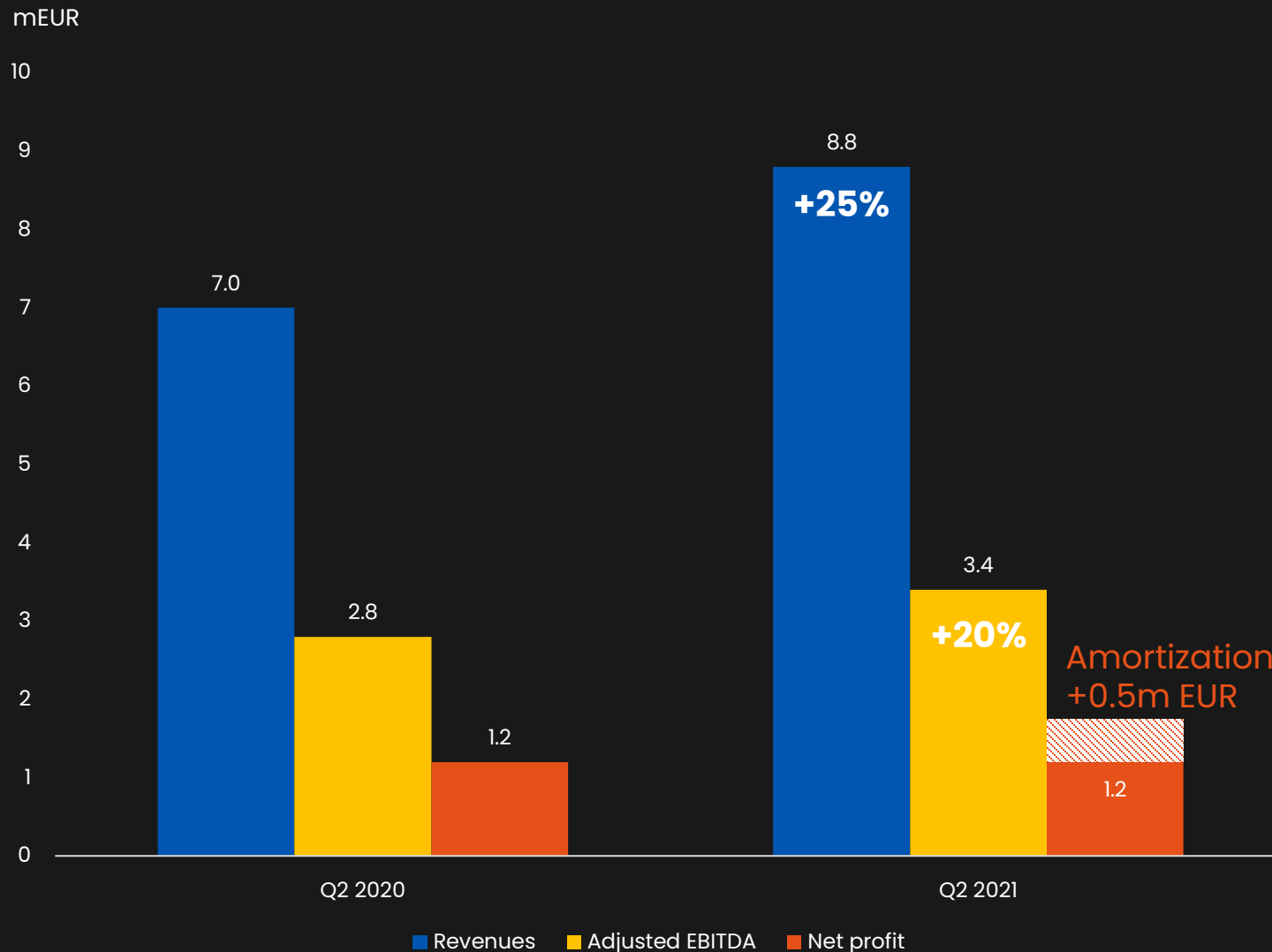
Financials Q2 2021

Revenue development



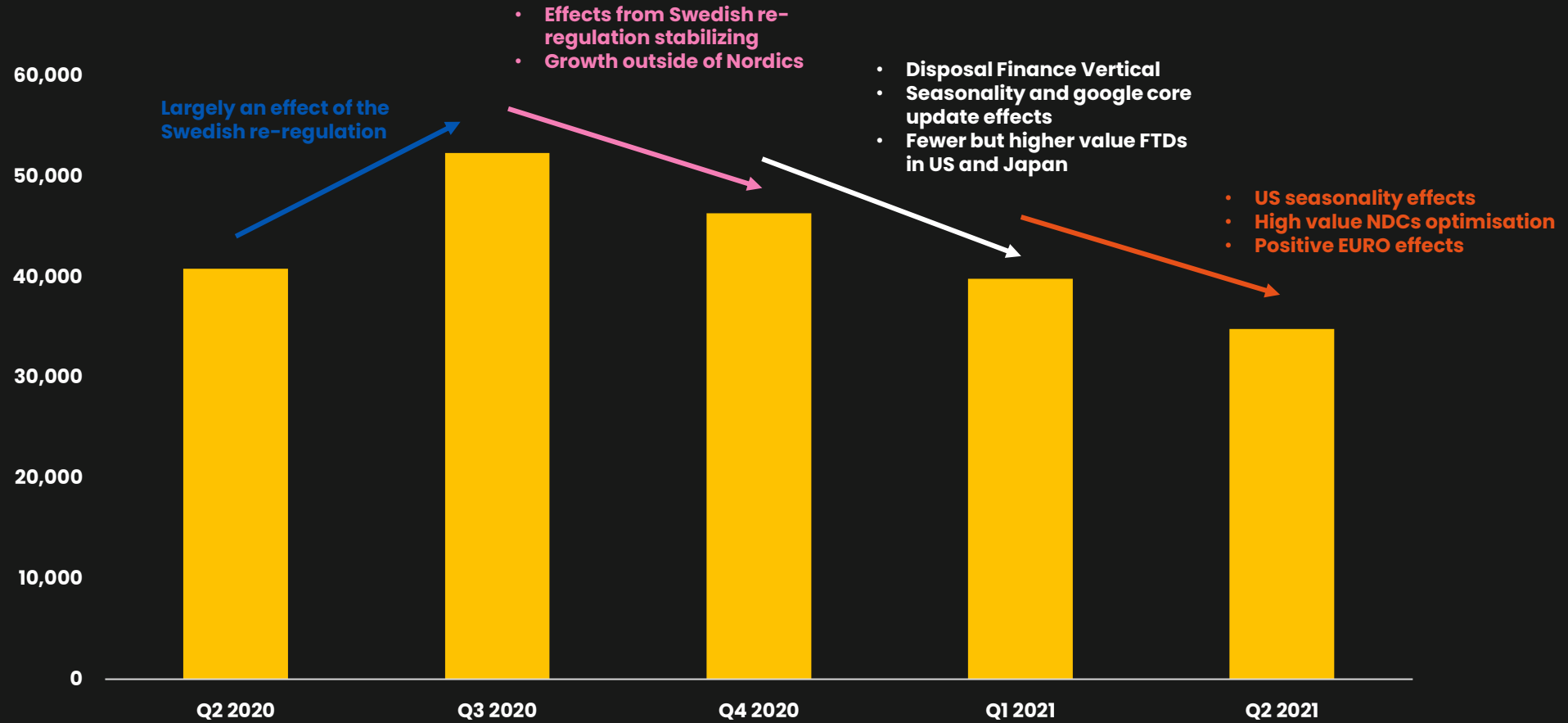
- Revenues at a new all time high
 - Still big in Japan
 - EURO 2020 increased activity
 - Slower sporting calendar in the US
 - Network sales continued strong (just above 25% of total revenues)
 - Disposal of Finance vertical affecting comparisons in Sweden
- organic growth of **25.7%** YoY

Q2 2020 vs. Q2 2021

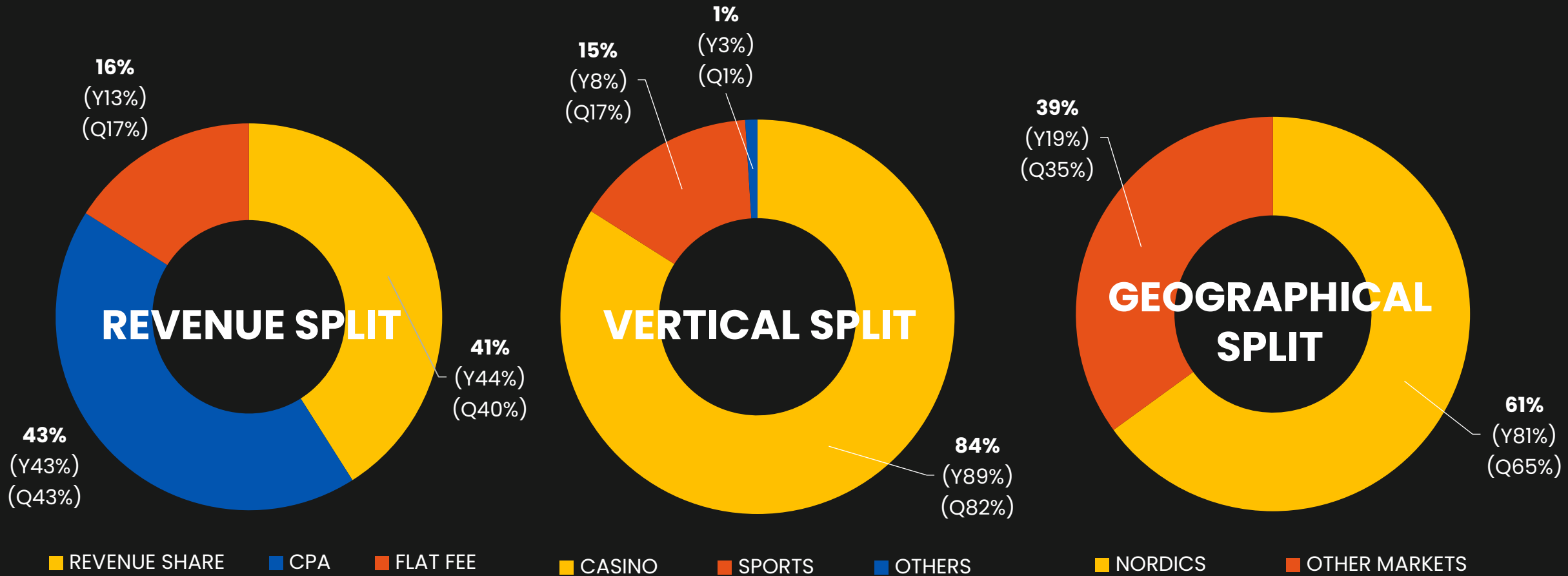


- Revenues increase with organic growth
- Improved EBITDA with wider product mix and geo footprint
- Net profit impacted by non-cash affecting amortization
 - prudent approach to ensure fair value of Intangible assets

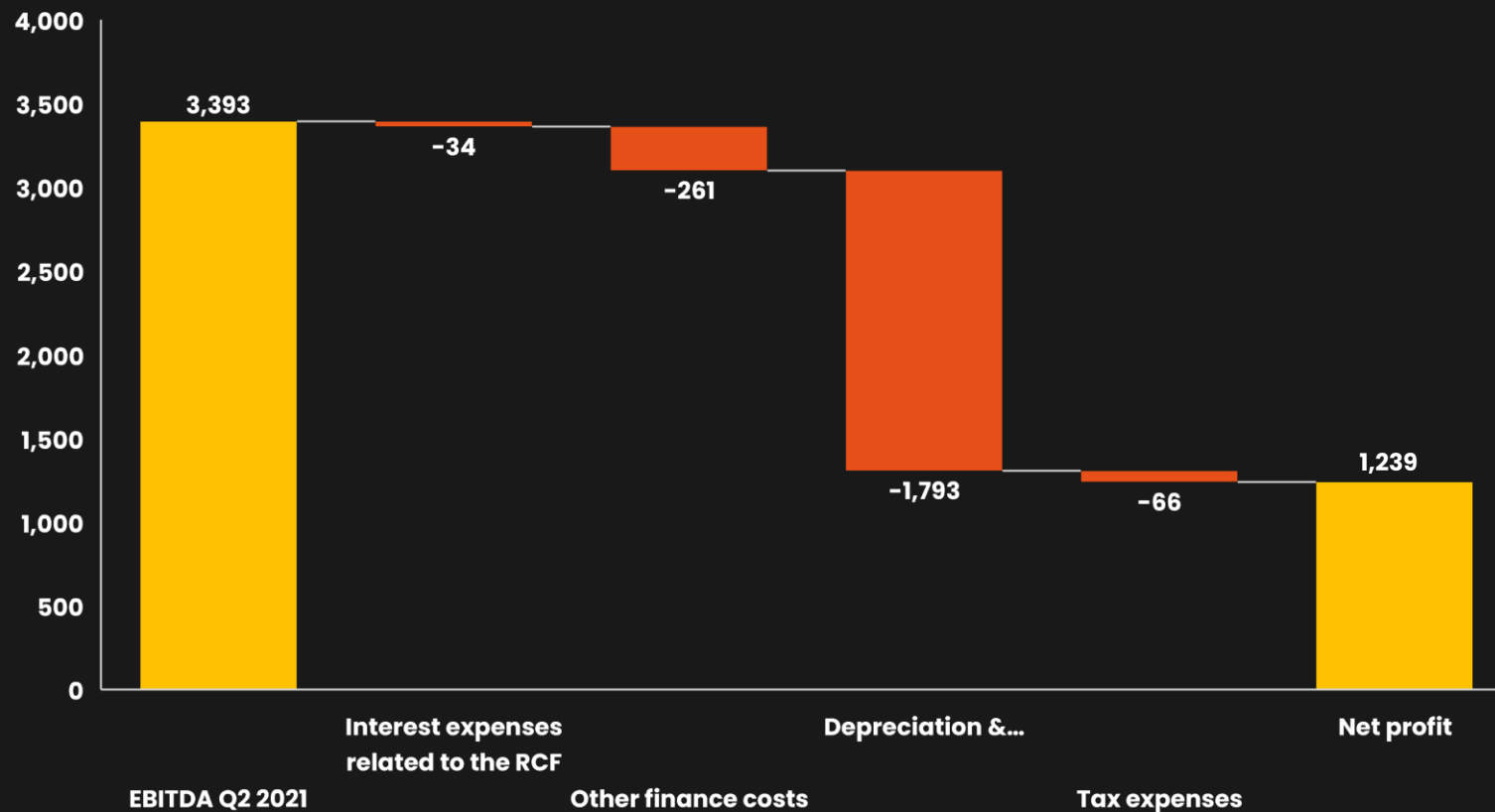
NDC development



Revenue split



EBITDA to net profit bridge Q2

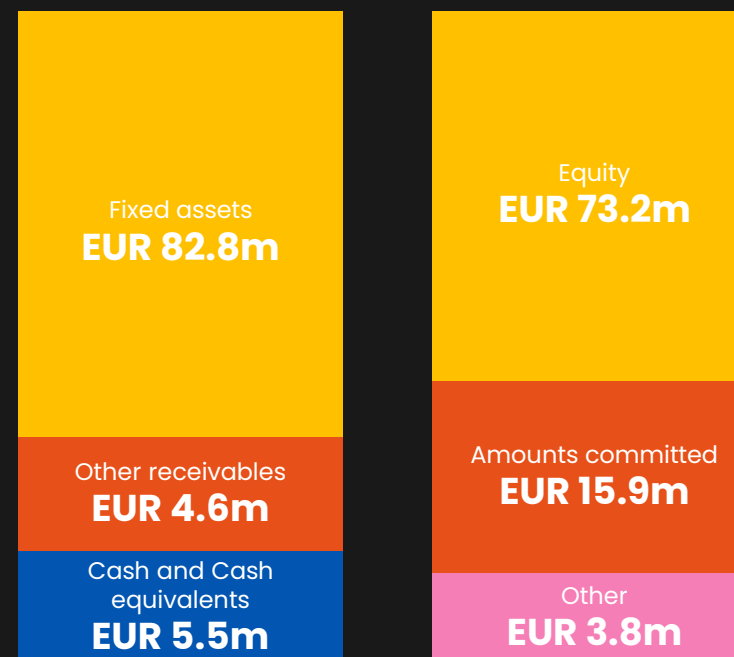


- The only item affecting cash flow relate to interest expense of EUR 0.05m
- Depreciation amounts to EUR 1.8m for the quarter

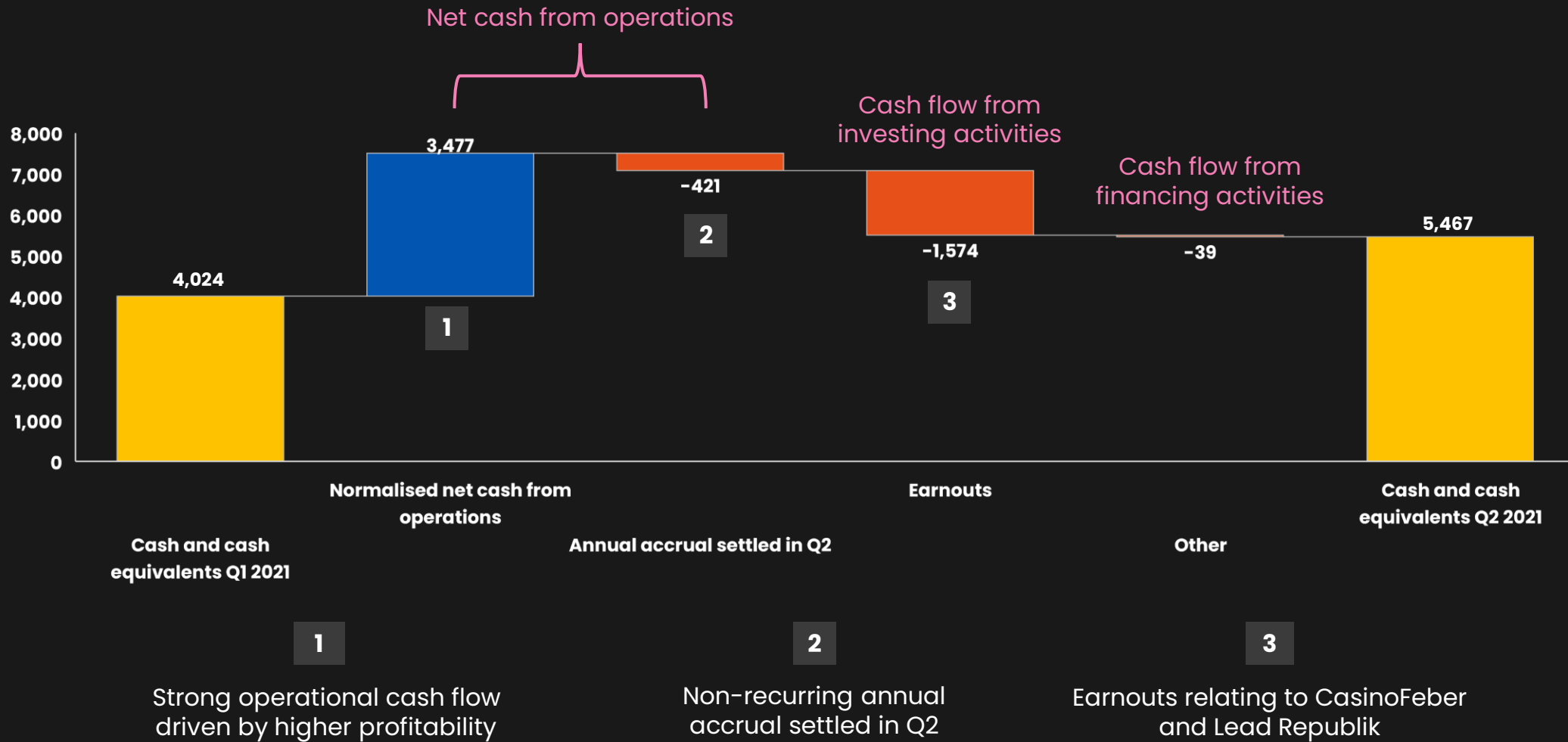
Statement of financial position

- Total assets amounted to EUR 93m, consisting mainly of Intangible assets
 - Adjustment of earnouts, EUR 1.0m
 - Amortizations, EUR 1.8m
- Cash and Cash equivalents amounted to EUR 5.5m at the end of the period
- Amounts committed of EUR 15.9m consist of expected earn out liabilities

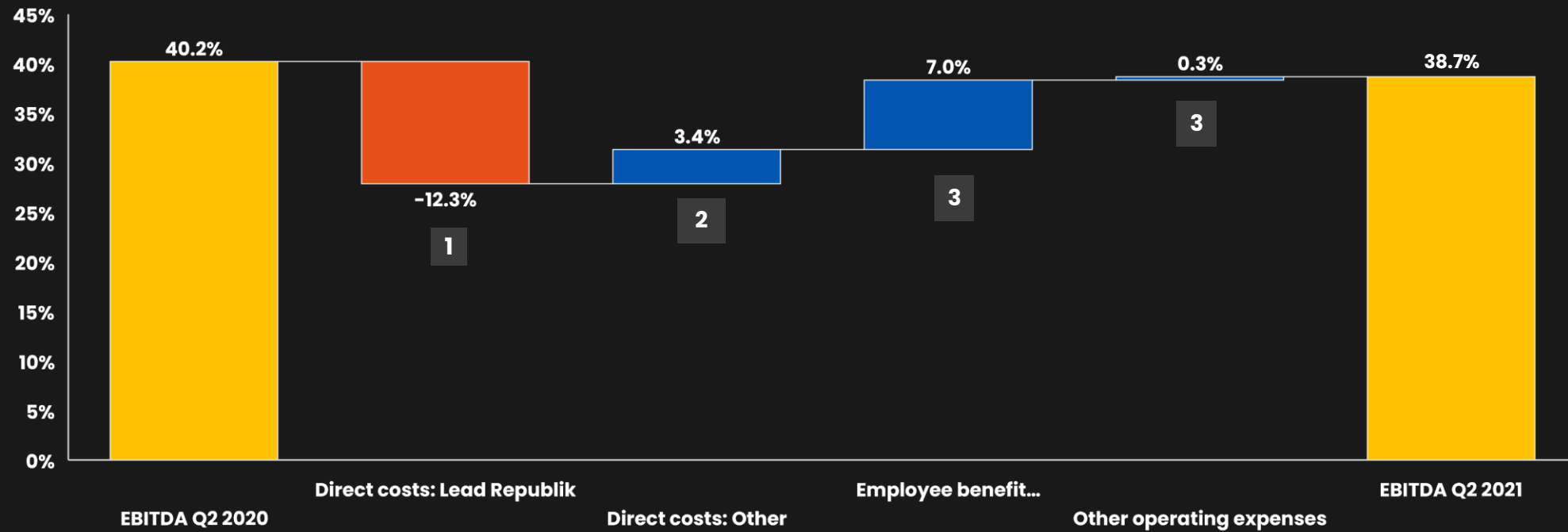
BALANCE SHEET | 30 June 2021



Cash flow bridge Q1 2021 vs Q2 2021



EBITDA-margin Q2 2020 vs. Q2 2021

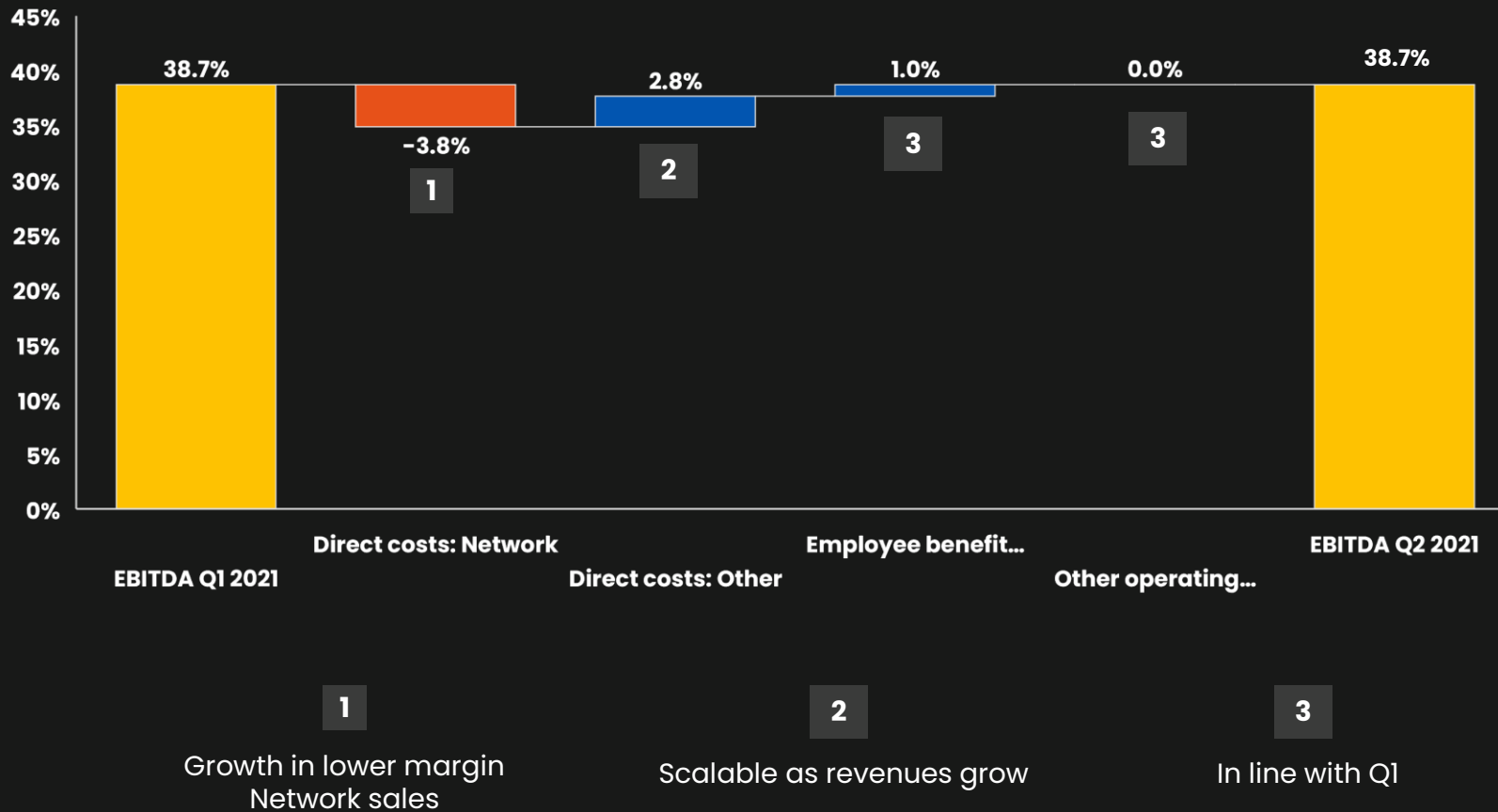


1
Growth in lower margin Network sales

2
Scalable and EBITDA margin improves with increased revenues

3
Scalable as well as representing a shift from employees to contractors

EBITDA-margin Q1 2021 vs. Q2 2021



- **Adjusted** EBITDA-margin of 43% in July
 - An effect of a relative increase for higher margin products
 - Non-recurring acquisition related transaction costs of EUR 0.3m in Q3

Key takeaways

Key takeaways

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

Financials

- Revenues of EUR 8.8m, which is all time high
- 25% growth YoY and 6% QoQ
- Organic growth 25.7% YoY
- EBITDA of EUR, 3.4m
- Margin at 38.7%

Events and Milestones

- New and increased credit facility of EUR 15m
- 2 acquisitions
- Casinofeber recovered
- Non-Nordic revenues 39% (Y 19%)
- US decline QoQ as expected

Outlook and way forward

- July revenues EUR 2.9m
- Slight change in product mix will increase margins short term
- Continuously high investments in strategic objectives and integration next quarters
- Continued M&A focus

Q&A

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Thank you!