

RAKETECH

Q3| Interim Report

2021

Continued growth and all-time high revenues

EUR thousands	Jul-Sep 2021	Jul-Sep 2020	Change	Jan-Sep 2021	Jan-Sep 2020	Change
Revenue	9,616	7,376	30.4%	26,671	20,934	27.4%
Organic growth	25.6%	3.2%	22.4pp	19.5%	(3.8%)	23.3pp
Adjusted EBITDA	4,428	2,933	51.0%	11,026	8,386	31.5%
Adjusted Operating profit	2,719	1,463	85.9%	5,880	4,362	34.8%
Earnings per share after dilution (EUR)	0.05	0.03	50.6%	0.11	0.09	19.8%

Q3 2021 FINANCIAL HIGHLIGHTS

- Revenues totalled EUR 9.6 million (EUR 7.4 million) of which organic growth amounted to 25.6% (3.2%). Main contributor to the organic growth was the Swedish portfolio of assets and continued growth in markets outside of Europe through Casumba as well as our Network/sub-affiliation sales.
- Adjusted EBITDA amounted to EUR 4.4 million (EUR 2.9 million), corresponding to a margin of 46.0% (39.8%). The increase was driven by strong operational efficiency in combination with a favourable sales mix, as well as contribution from acquired high margin assets.
- Earnings per share after dilution amounted to EUR 0.05 (EUR 0.03), representing an increase of 50.6%.

Q3 2021 OPERATIONAL HIGHLIGHTS

- Two acquisitions were completed; P&P Vegas Group and all assets from QM Media AB as well as Infinileads S.L, further strengthening our footprint in the US, Spain, Italy and India.
- All-time high non-Nordic revenues of 40% (20%).
- US subscription revenues added through P&P Vegas Group.
- Continued investments in long term organic US growth. License granted to operate in Arizona.
- Signing of a one-year revolving credit facility of EUR 15 million with Avida Finans AB. The credit facility includes an extension option and can thus be renewed annually from its first date of utilization subject to certain conditions. The credit facility has been utilized in September and in parallel the previous credit facility with Swedbank has been terminated.

SUBSEQUENT EVENTS AFTER THE END OF THE PERIOD

- Revenues in October 2021 amounted to EUR 3.8 million (EUR 2.6 million).
- On November 9, Raketech announced the acquisition of a leading US tipster asset providing tailored pre-game insights for sports. The agreed purchase price amounts to EUR 13.4 million, of which EUR 11.3 million will be settled in cash. The additional purchase price will be settled through issuance of Raketech shares amounting to EUR 2.1 million.

CEO Comment

Q3 of 2021 was another operationally and financially strong quarter for Raketech. Total revenues amounted to EUR 9.6m which is a new all-time high, corresponding to just over 30% annual growth of which the majority was organic at 26%.

As a result of strong operational efficiency in combination with a favourable sales mix, adjusted EBITDA grew by 51%, totalling EUR 4.4m and adjusted EBITDA margin increased to 46%, where the recently acquired high margin assets contributed positively to the margin increase.

We continued to deliver on our strategical operational goals. Our Non-Nordic share of revenues doubled year over year, from 20% last year to 40% of total this year, and our sport share of total increased to 16% compared to 11% last year.

Main contributors to our strong organic growth in Q3 was our Swedish portfolio of assets where we saw good results across the line, as well as continued growth from markets outside of Europe primarily thanks to good performance by Casumba as well as our Network/sub-affiliation sales.

With the US sports calendar filling up during Q4 and Q1, in combination with our recent US acquisitions with assets such as picks&parlays and winnersandwhiners, we furthermore expect our US share of total to increase and for the US to be added to the list of substantial growth markets already during next quarter.

Winnersandwhiners is a selected asset within the portfolio of pickster assets in the latest acquisition as finalized just before this report. With these assets added to the Raketech portfolio, US revenues are expected to reach up to 20% of group total already in Q1 of 2022. In addition to giving us a strong position within the US pickster market we also aim to add the full power of Raketech's SEO and tech expertise as well as Raketech's commercials such as affiliation, CRM and media to further accelerate growth.

In parallel we continue to invest in long term organic US growth through a series of assets such as howtobet.com, americangambler.com and tvsportsguide.com and as from September we are also licensed to operate in yet another state, this time Arizona.

Operationally, the focus during the quarter has been on integration activities, where we have been working intensively to materialize synergies from recent strategic

acquisitions. So far, the integrations are going as planned and besides commercial synergies we are also already experiencing operational synergies in the form of efficiency and exchange of best practice.

To mention a few examples, we have introduced and launched a series of successful social media activities for onlinecricketbetting.net in India, we have initiated affiliation sales on Picks&Parlays, we have started to cross promote high converting assets on high traffic sites, we have managed to triple the media sales on the slotsjava assets in the South of Europe by applying our central sales process and we now also have user-subscription revenues, originating from the sales of betting tips in the US, where consumers pay for expert advice on betting strategies and tips for specific games.

OUTLOOK

Q4 has started with October totalling EUR 3.8 million, with an EBITDA margin of 45%.

Q4 is traditionally a strong quarter within the iGaming industry, and we look forward to a busy time where we anticipate the lifted gambling restrictions in Sweden (as from November 14th) to positively impact the market. Besides preparing for a busy time we will of course also continue to stay focused on ensuring that our latest acquisitions are well integrated, and all potential synergies materialized.

The world of iGaming is potentially facing its most exciting time ever during which affiliation and performance marketing will play an absolute key role. With this in mind, and with confidence from our strong organic growth, recent acquisitions, our operational efficiency, scalable tech and our geographically well-positioned asset portfolio, I am very much looking forward to accelerating growth investments to ensure we maximize the opportunity. Short, mid, and long term.

Oskar Mühlbach, Group CEO

Consolidated Key Data and Ratios

Some financial measures presented in this 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. Further definitions can be found on page 20 of this report. These non-IFRS measures may provide valuable additional information to investors and management although they should not be considered as substitutes for financial reporting measures prepared in accordance with IFRS.

EUR thousands	Jul-Sep 2021	Jul-Sep 2020	Change	Jan-Sep 2021	Jan-Sep 2020	Change	Jan-Dec 2020
Revenue (IFRS)	9,616	7,376	30.4%	26,671	20,934	27.4%	29,394
<i>Organic growth</i>	25.6%	3.2%	22.4	19.5%	(3.8%)	23.3	0.7%
<i>Revenue share</i>	41.8%	42.5%	(0.7)	41.0%	45.0%	(4.0)	43.8%
<i>Upfront payment</i>	41.8%	39.7%	2.1	42.6%	39.9%	2.7	40.8%
<i>Flat fee</i>	15.3%	17.8%	(2.5)	16.0%	15.1%	0.9	15.4%
<i>Subscription</i>	1.1%	0.0%	1.1	0.4%	0.0%	0.4	0.0%
<i>Casino of total revenue</i>	83.5%	85.5%	(2.0)	83.5%	84.9%	(1.4)	85.1%
<i>Sport of total revenue</i>	16.0%	11.1%	4.9	16.0%	11.2%	4.8	11.5%
<i>Other of total revenue</i>	0.5%	3.4%	(2.9)	0.5%	3.9%	(3.4)	3.4%
<i>Revenue from the Nordics</i>	60.5%	80.4%	(19.9)	62.0%	82.8%	(20.8)	80.4%
<i>Revenue from other markets</i>	39.5%	19.6%	19.9	38.0%	17.2%	20.8	19.6%
EBITDA	4,104	2,933	39.9%	10,702	8,386	27.6%	12,031
EBITDA margin	42.7%	39.8%	2.9	40.1%	40.1%	0.0	40.9%
Adjusted EBITDA¹	4,428	2,933	51.0%	11,026	8,386	31.5%	12,031
Adjusted EBITDA margin	46.0%	39.8%	6.2	41.3%	40.1%	1.2	40.9%
Operating profit	2,395	1,463	63.7%	5,556	4,362	27.4%	6,624
Operating margin	24.9%	19.8%	5.1	20.8%	20.8%	0.0	22.5%
Adjusted Operating profit¹	2,719	1,463	85.9%	5,880	4,362	34.8%	6,624
Adjusted Operating margin	28.3%	19.8%	8.5	22.0%	20.8%	1.2	22.5%
Other Performance Measures							
New depositing customers (NDC)	42,726	52,344	(18.4%)	77,565	128,398	(39.6%)	177,572
Full time employees	71	77	(7.8%)	71	77	(7.8%)	78
Contractors	73	30	143.3%	73	30	143.3%	33
Net interest-bearing debt	3,777	(3,441)	(209.8%)	3,777	(3,441)	(209.8%)	(3,034)
Net debt-to-adjusted EBITDA LTM	0.26	(0.33)	(178.8%)	0.26	(0.33)	(178.8%)	(0.25)
Earnings per share before dilution (EUR) (IFRS)	0.05	0.03	51.0%	0.11	0.09	20.3%	0.15
Earnings per share after dilution (EUR) (IFRS)	0.05	0.03	50.6%	0.11	0.09	19.8%	0.15
Weighted average number of shares, before dilution	38,763,883	37,413,633	3.6%	37,868,662	37,413,633	1.2%	37,413,633
Weighted average number of shares, after dilution	40,275,000	38,789,477	3.8%	39,132,898	38,513,122	1.6%	38,567,489

¹Non-recurring costs amounting to EUR 0.3 million recognized in Q3 2021 relate to costs incurred in connection with the completed acquisitions.

FOR MORE INFORMATION, CONTACT: Oskar Mühlbach *CEO*, oskar.muehlbach@raketech.com | Måns Svalborn *CFO*, mans.svalborn@raketech.com

Financial Performance during the Third Quarter of 2021

REVENUES

Revenues totalled EUR 9.6 million (EUR 7.4 million) representing an increase of 30.4%. The increase was driven by organic growth of 25.6% (3.2%) within Network sales as well as continued strong growth through the previous acquisition Casumba and a positive development in Sweden. Furthermore, revenues increased through the acquisitions announced during the quarter. NDCs decreased by 18.4%, an effect of Raketech actively targeting fewer but higher value leads. Additionally, the third quarter of last year includes NDCs related to the consumer finance assets that were sold at year end. Lastly, Swedish assets experienced a boost in NDCs following the implementation of the temporary gambling restrictions in Q3 of last year, skewing the comparisons.

EXPENSES

Direct expenses increased to EUR 2.7 million (EUR 1.9 million) driven by increased activity in paid media within Network sales as well as a result of increased investments in the existing portfolios and additional costs as a result of recent acquisitions.

Employee benefit expenses amounted to EUR 1.2 million (EUR 1.4 million). The decrease relates to a shift of employees to contractors as well as a provision for variable pay in the comparative period. Full-time employees totalled 71 (77) and contractors totalled 73 (30) at the end of the period.

Other expenses amounted to EUR 1.6 million, adjusted for non-recurring costs of EUR 0.3 million, other expenses amounted to EUR 1.3 million (EUR 1.0 million), representing an increase primarily as an effect of a shift of employees to contractors as well as added costs through recent acquisitions.

Loss allowance net of bad debts written-off amounted to EUR 0.0 million (EUR -0.1 million).

Depreciation and amortisation amounted to EUR 1.7 million (EUR 1.5 million). The increased amortisation was primarily attributable to the upward adjustments to amounts committed on acquisitions relating to

CasinoFeber and Casumba and the newly acquired assets Infinileads, QM Media and P&P Vegas Group.

PROFITABILITY

Reported EBITDA increased to EUR 4.1 million, adjusted for non-recurring costs, EBITDA amounted to EUR 4.4 million (EUR 2.9 million) with higher revenues through organic growth in new product categories, within the existing portfolio, as a result of geographical expansion, as well as added revenues through recent acquisitions.

The EBITDA margin amounted to 42.7%, adjusted for non-recurring costs of EUR 0.3 million the EBITDA margin was 46.0% (39.8%), an increase as a result of continued growth within higher margin products as well as through high margin revenues from recent acquisitions.

The profit for the period amounted to EUR 1.9 million, adjusted for exceptional costs of EUR 0.3 million the profit for the period amounted to EUR 2.2 million (EUR 1.2 million), largely improved by organic growth within existing portfolio as well as added revenues through recent acquisitions.

CASH AND CASH EQUIVALENTS, FINANCING AND FINANCIAL POSITION

Cash flow from operating activities increased to EUR 3.7 million (EUR 3.6 million). Improved profitability was largely offset by timing effects from trade receivables.

Cash flow from investing activities amounted to EUR -12.8 million (EUR -1.5 million) as a result of the newly acquired assets and settlement of earn-outs during the quarter.

Cash flow from financing activities amounted to EUR 7.1 million (EUR -0.1 million), as a result of borrowings from the existing credit facility.

Cash and cash equivalents at the end of the quarter amounted to EUR 3.5 million (EUR 5.3 million).

THE PARENT COMPANY

Raketech Group Holding PLC is the parent company. Total operating costs amounted to EUR 0.2 million (EUR 0.1 million). Loss for the period was EUR 0.3 million (EUR 0.2 million).

Financial Performance during the first nine months of 2021

REVENUES

Revenues totalled EUR 26.7 million (EUR 20.9 million) representing an increase of 27.4%. The increase was driven by organic growth of 19.5% (-3.8%) within Network sales as well as continued strong growth through the previous acquisition Casumba. Furthermore, revenues increased through the acquisitions announced during the quarter to 30 September 2021. NDCs decreased by 39.6%, an effect of Raketech actively targeting fewer but higher value leads. Additionally, the third quarter of last year includes NDCs related to the consumer finance assets that were sold in 2020. Lastly, Swedish assets experienced a boost in NDCs following the implementation of the temporary gambling restrictions in Q3 of last year, skewing the comparisons.

EXPENSES

Direct expenses increased to EUR 8.7 million (EUR 5.4 million) driven by paid media through growth in Network sales as well as increased investments in the existing portfolios and additional costs as a result of recent acquisitions.

Employee benefit expenses amounted to EUR 3.5 million (EUR 4.1 million). The decrease relates to a shift of employees to contractors as well as a provision for variable pay in the comparative period. Full-time employees totalled 71 (77) and contractors totalled 73 (30) at the end of the period.

Other expenses amounted to EUR 3.7 million, adjusted for non-recurring costs of EUR 0.3 million, other expenses amounted to EUR 3.4 million (EUR 2.8 million), representing an increase primarily as an effect of a shift of employees to contractors and added costs through recent acquisitions.

Loss allowance net of bad debts written-off amounted to EUR 0.0 million (EUR 0.2 million).

Depreciation and amortisation amounted to EUR 5.1 million (EUR 4.0 million). The increased amortisation was primarily attributable to the upward adjustments to amounts committed on acquisitions relating to CasinoFeber and Casumba and the newly acquired assets Infinileads, QM Media and P&P Vegas Group.

PROFITABILITY

Reported EBITDA increased to EUR 10.7 million, adjusted for non-recurring costs of EUR 0.3 million, EBITDA amounted to EUR 11.0 million (EUR 8.4 million) with higher revenues through the addition of new product categories, growth within the existing portfolio, as a result of geographical expansion as well as through recent acquisitions.

The EBITDA margin amounted to 40.1%, adjusted for exceptional costs of EUR 0.3 million the EBITDA margin was 41.3% (40.1%), up from last year following growth in higher margin products.

The profit for the period amounted to EUR 4.3 million, adjusted for exceptional costs of EUR 0.3 million the profit for the period amounted to EUR 4.6 million (EUR 3.5 million), largely driven by growth in existing portfolio as well as through recent acquisitions.

CASH AND CASH EQUIVALENTS, FINANCING AND FINANCIAL POSITION

Cash flow from operating activities increased to EUR 10.3 million (EUR 9.4 million), driven by higher profitability.

Cash flow from investing activities amounted to EUR -16.7 million (EUR -6.5 million) as a result of the newly acquired assets and settlement of earn-outs during the period.

Cash flow from financing activities amounted to EUR 5.0 million (EUR -1.8 million). During the period, the utilised amount of the credit facility with Swedbank amounting to EUR 2.0 million was repaid in full. The group entered into a new revolving credit facility with Avida Finans AB and the utilised amount of the credit of the credit facility amounted to EUR 7.5 million.

Cash and cash equivalents at the end of the period amounted to EUR 3.5 million (EUR 5.3 million).

THE PARENT COMPANY

Raketech Group Holding PLC is the parent company. Total operating costs amounted to EUR 0.6 million (EUR 0.5 million). Loss for the period was EUR 0.8 million (EUR 0.6 million).

Other

RAKETECH IN BRIEF

Raketech is a marketing tech company combining performance marketing and traditional performance-based affiliation by offering a wide portfolio of advertising space as well as data analysis tools to allow advertisers to maximise the value of their media spend. Our customers span from sports streaming providers and game studios to the largest segment, international betting and casino operators. Raketech's primary role is to generate high quality leads and targeted advertisement space by providing relevant and engaging content to users interested in sports, casino and betting.

STOCK MARKET

Raketech Group Holding PLC is listed on Nasdaq First North Premier Growth Market. Raketech's shares commenced trading on 29 June 2018 and the outstanding number of shares is 41,295,601. The Raketech shares are traded under the ticker (RAKE) and ISIN code (MT0001390104).

SIGNIFICANT RISKS AND UNCERTAINTIES

The remote gaming industry, where the Group has its main customers, continues to undergo regulation and is therefore subject to political and regulatory risk. The Group operates in the emerging online gaming industry. Although Raketech is a performance marketing company and not an iGaming operator, the legislation concerning online gambling could directly or indirectly affect Raketech's operations. Changes to existing regulations in various jurisdictions might impact the ability for the remote gaming operators to operate and accordingly, revenue streams from these 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.

The Group monitors regulatory changes within the European market, and also changes in the North American, South American and the Asian markets. The Group's strategy to also operate in grey markets might increase exposure to regulatory risks. If any new regulatory regimes come into force, the Group will conform with such requirements by applying for the necessary licenses in the respective jurisdiction. As the Group continues to embark on its growth strategy with the ambition to enhance the global footprint in both regulated and grey markets, the exposure to different regulatory frameworks continues to increase.

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.

SUPPLEMENTAL INFORMATION

This report has been subject to a review by the Group's auditors PricewaterhouseCoopers Malta under the International Standard on Review Engagements (ISRE) 2410.

Erik Penser Bank acts as the Group's certified advisor.

Upcoming Dates

16 FEBRUARY YEAR END REPORT 2021

11 MAY INTERIM REPORT JAN-MAR 2022

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



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 statement of financial position of Raketech Group Holding p.l.c. and its subsidiaries (the 'Group') as of 30 September 2021 and the related condensed consolidated interim statements of comprehensive income, changes in equity and cash flows for the nine-month period then ended and the explanatory notes. The directors are responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34, 'Interim Financial Reporting'). Our responsibility is to express a conclusion on this condensed consolidated interim financial information 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 information 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 information is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting'.

PricewaterhouseCoopers

78 Mill Street, Zone 5
Central Business District
Qormi
Malta

Romina Soler
Partner

10 November 2021

Condensed Consolidated Interim Statement of Comprehensive Income

EUR thousands	Notes	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Total Revenue	3	9,616	7,376	26,671	20,934	29,394
Direct costs relating to fixed fees and commission revenue		(2,672)	(1,922)	(8,687)	(5,395)	(7,923)
Employee benefit expense		(1,245)	(1,394)	(3,529)	(4,132)	(5,334)
Depreciation, amortisation and impairment		(1,709)	(1,470)	(5,146)	(4,024)	(5,407)
Loss allowance on trade receivables		-	251	-	128	389
Bad debts written-off		(1)	(330)	(9)	(332)	(604)
Other operating expenses		(1,594)	(1,048)	(3,744)	(2,817)	(3,891)
Total operating expenses		(7,221)	(5,913)	(21,115)	(16,572)	(22,770)
Operating profit		2,395	1,463	5,556	4,362	6,624
Other non-operating income	5	-	-	-	-	360
Revaluation of financial liabilities at fair value through profit or loss	7	-	-	(61)	-	-
Finance costs		(356)	(162)	(958)	(614)	(930)
Profit before tax		2,039	1,301	4,537	3,748	6,054
Tax expense		(151)	(70)	(278)	(227)	(459)
Profit for the period/ year - Total comprehensive income		1,888	1,231	4,259	3,521	5,595
Total comprehensive income attributable to:						
Equity holders of the Parent Company		1,889	1,248	4,262	3,538	5,617
Non-controlling interest		(1)	(17)	(3)	(17)	(22)
Earnings per share attributable to the equity holders of the Parent during the period/year (expressed in Euro per share)						
Earnings per share before dilution		0.05	0.03	0.11	0.09	0.15
Earnings per share after dilution		0.05	0.03	0.11	0.09	0.15

The notes on pages 12 to 16 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Financial Position

EUR thousands	Notes	Sep-2021	Sep-2020	Dec-2020
Assets				
Non-current Assets				
Goodwill	5	881	286	286
Intangible assets	5	103,843	72,669	80,868
Property, plant and equipment		36	50	28
Other receivables		-	-	260
Total non-current assets		104,760	73,005	81,442
Current assets				
Trade and other receivables		5,887	3,825	4,916
Cash and cash equivalents		3,505	5,343	4,966
Assets classified as held for sale		-	3,822	-
Total current assets		9,392	12,990	9,882
TOTAL ASSETS		114,152	85,995	91,324
Equity & Liabilities				
Equity				
Share capital	4	83	75	75
Share premium	4	46,379	39,387	39,387
Other reserves		719	532	599
Retained earnings		35,022	28,691	30,765
Equity attributable to owners of the Company		82,203	68,685	70,826
Non-controlling interests		1	1	1
TOTAL EQUITY		82,204	68,686	70,827
Liabilities				
Non-current liabilities				
Borrowings	6	-	1,902	-
Deferred tax liability		1,777	1,321	1,552
Amounts committed on acquisition	7	10,032	6,352	8,679
Total non-current liabilities		11,809	9,575	10,231
Current liabilities				
Borrowings	6	7,282	-	1,931
Amounts committed on acquisition	7	9,961	5,494	5,913
Trade and other payables		2,896	2,240	2,422
Total current liabilities		20,139	7,734	10,266
TOTAL LIABILITIES		31,948	17,309	20,497
TOTAL EQUITY AND LIABILITIES		114,152	85,995	91,324

The notes on pages 12 to 16 are an integral part of these condensed consolidated interim financial statements. The condensed consolidated interim financial statements on pages 8 to 18 were approved for publication by the Board of Directors on 10 November 2021 and were signed on the Board of Directors' behalf by:

Erik Skarp, Board member

Johan Svensson, Board member

Condensed Consolidated Interim Statement of Changes in Equity

EUR thousands	Note	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Equity attributable to Owners of the Company	NCI	Total Equity
Balance at 1 January 2021		75	39,387	599	30,765	70,826	1	70,827
Comprehensive income								
Profit for the period		-	-	-	4,262	4,262	(3)	4,259
Other comprehensive income		-	-	-	(2)	(2)	-	(2)
		-	-	-	4,260	4,260	(3)	4,257
Transactions with owners								
Issue of share capital	4	8	6,992	-	-	7,000	-	7,000
Equity-settled share-based payments		-	-	120	-	120	-	120
Other transactions with NCI		-	-	-	(3)	(3)	3	-
Total transactions with owners		8	6,992	120	(3)	7,117	3	7,120
Balance at 30 September 2021		83	46,379	719	35,022	82,203	1	82,204
Balance at 1 January 2020		76	39,387	428	25,115	65,006	55	65,061
Comprehensive income								
Profit for the period		-	-	-	3,538	3,538	(17)	3,521
Transactions with owners								
Equity-settled share-based payments		-	-	113	-	113	-	113
Acquisition of treasury shares		(1)	-	1	-	-	-	-
Other transactions with NCI		-	-	(10)	38	28	(37)	(9)
Total transactions with owners		(1)	-	104	38	141	(37)	104
Balance at 30 September 2020		75	39,387	532	28,691	68,685	1	68,686
Balance at 1 January 2020		76	39,387	428	25,115	65,006	55	65,061
Comprehensive income								
Profit for the year		-	-	-	5,617	5,617	(22)	5,595
Transactions with owners								
Equity-settled share-based payments		-	-	180	-	180	-	180
Acquisition of treasury shares		(1)	-	1	-	-	-	-
Acquisition of NCI		-	-	(10)	55	45	(54)	(9)
Other transactions with NCI		-	-	-	(22)	(22)	22	-
Total transactions with owners		(1)	-	171	33	203	(32)	171
Balance at 31 December 2020		75	39,387	599	30,765	70,826	1	70,827

The notes on pages 12 to 16 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Cash Flows

EUR thousands	Note	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Cash flows from operating activities						
Profit before tax		2,039	1,301	4,537	3,748	6,054
Adjustments for:						
Depreciation, amortisation and impairment		1,709	1,470	5,146	4,024	5,407
Loss allowance		-	(251)	-	(128)	(389)
Bad debts written-off		1	330	9	332	604
Net finance cost		356	162	958	614	930
Equity-settled share-based payment transactions		62	38	120	113	180
Revaluation of financial liabilities at fair value through profit or loss	7	-	-	61	-	-
(Profit)/loss on disposal of intangible assets		-	-	-	-	(348)
(Profit)/loss on disposal of property, plant and equipment		-	-	-	(1)	-
Net exchange differences		(1)	-	(2)	-	-
		4,166	3,050	10,829	8,702	12,438
Net income taxes paid		(6)	(52)	(7)	(52)	(313)
Changes in:						
Trade and other receivables		(979)	(25)	(722)	156	(460)
Trade and other payables		514	617	165	583	750
Net cash generated from operating activities		3,695	3,590	10,265	9,389	12,415
Cash flows from investing activities						
Acquisition of property, plant and equipment		(11)	(6)	(22)	(19)	(23)
Acquisition of intangible assets		(6,564)	(1,452)	(10,806)	(6,467)	(13,199)
Acquisition of subsidiaries, net of cash acquired		(6,175)	-	(6,175)	-	-
Proceeds from sale of property, plant and equipment		-	-	-	2	1
Proceeds from sale of intangible assets		-	-	264	-	3,414
Net cash used in investing activities		(12,750)	(1,458)	(16,739)	(6,484)	(9,807)
Cash flows from financing activities						
Repayments of borrowings		-	-	(2,000)	(1,500)	(1,500)
Proceeds from drawdowns on borrowing		7,125	-	7,125	-	-
Transactions with NCI		-	(10)	-	(10)	(10)
Lease payments		-	(45)	-	(135)	(120)
Interest paid		(32)	(18)	(112)	(108)	(203)
Net cash generated from / (used in) financing activities		7,093	(73)	5,013	(1,753)	(1,833)
Net movements in cash and cash equivalents		(1,962)	2,059	(1,461)	1,152	775
Cash and cash equivalents at the beginning of the period/year		5,467	3,284	4,966	4,191	4,191
Cash and cash equivalents at the end of the period/year		3,505	5,343	3,505	5,343	4,966

Non-cash transaction: Note 4 includes details of a business combination partly acquired in shares.

The notes on pages 12 to 16 are an integral part of these condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Interim Financial Statements

1 REPORTING ENTITY

Raketech Group Holding PLC is a public limited company incorporated in Malta, having company registration number C77421. The condensed consolidated interim financial statements include the financial statements of Raketech Group Holding PLC and its subsidiaries, (together, the "Group").

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 PLC.

2 ACCOUNTING POLICIES AND BASIS OF PREPARATION

Raketech prepares its financial statements in accordance with the International Financial Reporting Standards (IFRS) as approved by the European Union. These condensed interim financial statements are prepared in accordance with IAS 34, Interim Financial Reporting, and 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 2020 which is publicly available.

Other than the earnings per share before and after dilution which are expressed in Euro (EUR), all other amounts are expressed in thousand Euro (EUR) or as otherwise indicated. Amounts or figures in parenthesis indicate comparative figures for the corresponding period last year. The 2020 Annual Report is available on Raketech's website.

2.1 New and amended standards adopted by the Group and changes in IFRS not yet applied

The new and amended standards issued by IASB effective from 2021, were not deemed to have a significant impact on Raketech's financial statements.

2.2 Critical accounting estimates – impairment assessment

IFRS requires management to undertake an annual test for impairment of intangible assets with an indefinite useful life. Impairment testing is an area involving management judgement. It requires assessments as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections that have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain estimates are required to be made in respect of highly uncertain matters, including management's expectation of growth in revenues. The Group will continue to carry out regular impairment testing and does not consider that the intangible assets as of 30 September 2021 are impaired. Further, IFRS 9 also requires impairment considerations to be performed for trade receivables on an ongoing basis. Judgement in relation to this assessment is subjective. Continued assessments are being made by management on the adequacy of the loss allowance provision relating to the carrying amount of trade receivables.

More information on where critical judgements are generally applied and where estimation uncertainty exists can be found in the Annual Report 2020, Note 3.

2.3 Critical accounting estimates – amounts committed on acquisition

Amounts committed on acquisition 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 of performance-based amounts. The latter are further referred to as contingent consideration. The fair value is calculated on the expected cash outflow for each purchase agreement. Estimates of future cash flow relating to these contingent considerations are inherently uncertain and are made by management for each asset acquisition based of their knowledge of the industry historical performance and taking into account the economic environment at the time (note 7).

2.4 Working capital deficiency

During the first nine months, Raketech has operated with positive operating cash inflows. As at 30 September 2021, the Group is in a net current liability position of € 10.7 million. The Group expects to remedy this position by way of its projected quarterly positive cash generation in 2021 and 2022. The Group has complied with the financial covenants of its credit facility during the reporting period, and is also considering re-financing options upon its expiry.

3 REVENUES

The Group targets end-users and generates revenue by driving traffic through various channels to generate customer leads for its business partners. 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 respective periods in 2021 and 2020 is further analysed as follows:

EUR thousands	Jul-Sep 2021	Jul-Sep 2020	Change	Jan-Sep 2021	Jan-Sep 2020	Change	Jan-Dec 2020
Revenue	9,616	7,376	30.4%	26,671	20,934	27.4%	29,394
Commissions ¹	8,042	6,062	32.7%	22,224	17,765	25.1%	24,878
Flat fees	1,468	1,314	11.7%	4,341	3,169	37.0%	4,516
Subscription	106	-	100%	106	-	100%	-

¹ The total amount of commissions includes revenue from Rapidi, a related party, which is classified as revenue share

4 BUSINESS COMBINATION

On July 7, 2021, the Group entered into a share purchase agreement with QM Media AB (the sellers), an unrelated party. Raketech acquired all shares in P&P Vegas Group Inc for an upfront payment of EUR 3.9 million in cash and 3,881,968 new shares (having a nominal value of EUR 0.002 per share and issued at a premium of EUR 1.80 per share in Raketech Group Holding P.L.C.) for the amount of EUR 7 million. P&P Vegas Group Inc. is registered in the US and provides users with betting tips, with revenue predominantly from US. The acquisition supports the Group's existing strategy for global expansion.

Details of the purchase consideration, the net assets acquired, and goodwill are as follows:

Purchase consideration	On acquisition EUR in thousand
Cash paid	3,934
Ordinary shares issued (at a premium)	7,000
Total purchase consideration	10,934

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair value EUR in thousand
Websites and domains (note 5)	9,707
Players database (note 5)	710
Cash	76
Other receivables	66
Other payables	(87)
Loan liability	(133)
Fair value of net identifiable assets acquired	10,339
Goodwill (note 5)	595
Net assets acquired	10,934

The goodwill is predominantly attributable to future revenue synergies, from the opportunity to reach new players through access to know-how and human capital. Goodwill will not be deductible for tax purposes. In September 2021, the acquired business contributed EUR 0.1 million worth of revenues to the Group.

5 INTANGIBLE ASSETS

Assets that have been identified as having a definite lifetime value are amortised between 3–5 years. 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. Management has concluded that the acquired assets 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. For further description, please refer to the Annual Report Note 15.

EUR thousands	<i>Domains and websites</i>	<i>Player databases</i>	<i>Other intellectual property</i>	<i>Technical platform</i>	<i>Software</i>	<i>Goodwill</i>	<i>Total</i>
Cost at 1 January 2021	69,806	7,036	13,704	1,062	562	630	92,800
Additions (including adjustments arising as a result of a change in estimates)	12,559	1,816	3,315	-	-	-	17,690
Additions acquired through business combination (note 4)	9,707	710	-	-	-	595	11,012
Cost as at 30 September 2021	92,072	9,562	17,019	1,062	562	1,225	121,502
Accumulated amortisation and impairment 1 January 2021	(40)	(4,411)	(6,231)	(177)	(443)	(344)	(11,646)
Amortisation charge	-	(1,311)	(3,603)	(159)	(59)	-	(5,132)
Amortisation and impairment as at 30 September 2021	(40)	(5,722)	(9,834)	(336)	(502)	(344)	(16,778)
Carrying amount as at 30 September 2021	92,032	3,840	7,185	726	60	881	104,724
Carrying amount as at 30 September 2020	62,916	2,152	6,524	938	139	286	72,955

On November 6, 2020 Raketech announced that the company had divested its consumer finance assets to ROI Media UK, an unrelated third party, for a total consideration of EUR 4.2 million, with an upfront payment of EUR 3.4 million and a deferred consideration of EUR 0.8 million payable in three instalments over an 18 month period. During May 2021, the first instalment of EUR 0.3 million was received, leaving a balance of EUR 0.5 million at the end of this quarter. The consumer finance assets were acquired by Raketech in 2017 and 2018 for a total consideration of EUR 3.8 million. The gain from the sale of the asset was reported under Other non-operating income in the fourth quarter of 2020.

As already disclosed in Note 2, the Group's conclusion is that the recoverable amount is in excess of the intangible assets carrying amount. The assessment includes cash flows projections reflecting actual income over current period, expected cash flows going forward, growth rate and a pre-tax discount rate, which is based on the Group's pre-tax weighted average cost of capital. The directors are satisfied that the judgments made are appropriate to the circumstances relevant to these assets and their cash-generation.

6 BORROWINGS

In December 2018, Raketech entered into an agreement with Swedbank for a revolving credit facility of EUR 10 million. In March 2021, the utilised amount of the credit facility amounting to EUR 2.0 million was repaid in full. On September 2, 2021, Raketech requested for an early cancellation of the credit facility with Swedbank and the release of the pledged shares.

In July 2021, Raketech entered into an agreement with Avida Finans AB for a one-year revolving credit facility of EUR 15 million with an interest rate of 4.25%. The credit facility with Avida Finans AB replaced the existing facility with Swedbank. The credit facility with Avida Finans AB includes an extension option and can thus be renewed annually from its first date of utilisation subject to certain conditions. As of 30 September 2021, the utilised credit amounts to EUR 7.5 million (EUR 0.0 million). The contractual terms of the new revolving credit facility with Avida Finans AB require Raketech Holding PLC to pledge its entire shareholding in Raketech Group Limited to the lender as collateral.

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 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.

EUR thousands	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Jan-Dec
	2021	2020	2021	2020	2020
Opening balance	15,886	9,038	14,592	10,682	10,682
Acquisitions during the period/year	3,535	-	3,535	372	372
Settlements/setoffs	(1,563)	(1,422)	(5,806)	(4,991)	(6,723)
Notional interest charge	259	151	736	454	648
Adjustments arising as a result of a change in estimates	1,876	4,079	6,936	5,329	9,613
Closing balance	19,993	11,846	19,993	11,846	14,592

The additional amounts committed on acquisition relate to the acquisition of shares in Infinileads S.L. The earn-out condition is capped up to a maximum of EUR 4 million up until 31 July 2023. Management's best estimate of the total contingent consideration for these assets amounted to EUR 1.3 million as at 30 September 2021. Included in the additional amounts committed on acquisition, is a deferred consideration of EUR 2.2 million payable on January 31, 2022.

The earn-out condition related to Lead Republik Ltd is uncapped and based on future performance up until 28 February 2022. Management's best estimate of the total contingent consideration for these assets amounted to EUR 0.1 million (EUR 0.4 million) net-off payments amounting to EUR 0.4 million (nil) as of 30 September 2021.

The earn-out condition relating to Casumba is partly capped to a maximum of EUR 0.8 million until 31 December 2021, whilst part of the earnout is uncapped, based on future performance up until 31 July 2024. Management's best estimate of the total contingent consideration for these assets amounted to EUR 10.7 million (EUR 3.6 million) net-off payments amounting to EUR 1.6 million (EUR 0.7 million) as of 30 September 2021.

The contingent consideration related to Casinofeber is uncapped, based on future performance up until 28 February 2023. Management's best estimate of the total contingent consideration for these assets amounted to EUR 5.7 million (EUR 7.7 million) net-off payments amounting to EUR 3.8 million (EUR 4.3 million) as of 30 September 2021.

Other than the increase in the contingent consideration for Lead Republik amounting to EUR 0.1 million which was recognised in the condensed consolidated interim statement of comprehensive income as Revaluation of financial liabilities at fair value through profit or loss during the first quarter, the remaining contingent consideration has been recognised in the condensed consolidated interim statement of financial position according to management's best estimate. The change in estimates according to the table above is related to contingent consideration for Casinofeber, Casumba and Lead Republik.

The adjustment to reflect the total impact of discounting in the condensed consolidated interim statement of financial position, amounted to EUR 0.7 million (EUR 0.5 million) by the end of the period. Of the amounts recognised in the condensed consolidated interim statement of financial position at 30 September 2021, EUR 10.0 million is considered to fall due for payment within less than 12 months from the end of the reporting period. The current debt will be settled through expected cash generation during 2021 and 2022. As at 30 September 2021, amounts committed on acquisition amounted to EUR 20 million, of which EUR 2 million are fixed and the rest are contingent considerations.

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 related parties during the respective periods:

EUR thousands	<i>Jul-Sep</i> 2021	<i>Jul-Sep</i> 2020	<i>Jan-Sep</i> 2021	<i>Jan-Sep</i> 2020	<i>Jan-Dec</i> 2020
Revenue	277	316	931	1,361	1,743
Expenses					
Compensation (including salaries, consultancy fees and recharges by a related entity) including fees to executive management and directors	539	582	1,776	1,899	2,421
Amounts owed to related parties	93	186	93	186	45
Amounts owed by related parties	52	110	52	110	146

9 EVENTS AFTER THE REPORTING PERIOD

On November 9, Raketech announced the acquisition of a leading US tipster asset providing tailored pre-game insights for sports. The agreed purchase price amounts to EUR 13.4 million, of which EUR 11.3 million will be settled in cash. The additional purchase price will be settled through issuance of Raketech shares amounting to EUR 2.1 million.

Condensed Interim Statement of Comprehensive Income – Parent Company

EUR thousands	<i>Jul-Sep</i> 2021	<i>Jul-Sep</i> 2020	<i>Jan-Sep</i> 2021	<i>Jan-Sep</i> 2020	<i>Jan-Dec</i> 2020
Employee benefit expense	(127)	(125)	(462)	(409)	(591)
Other operating expenses	(116)	(10)	(138)	(63)	(100)
Total operating expenses	(243)	(135)	(600)	(472)	(691)
Operating loss	(243)	(135)	(600)	(472)	(691)
Finance costs	(97)	(15)	(222)	(156)	(279)
Loss for the period/year – total comprehensive expense	(340)	(150)	(822)	(628)	(970)

Condensed Interim Statement of Financial Position – Parent Company

EUR thousands	Sep-2021	Sep-2020	Dec-2020
Assets			
Non – current assets			
Investment in subsidiaries	10,152	3,152	3,152
Trade and other receivables	44,575	40,137	39,942
Total non-current assets	54,727	43,289	43,094
Current assets			
Trade and other receivables	2	-	-
Cash and cash equivalents	70	69	70
Total current assets	72	69	70
TOTAL ASSETS	54,799	43,358	43,164
Equity & Liabilities			
Equity			
Share capital	83	75	75
Share premium	48,595	41,603	41,603
Other reserves	(219)	(406)	(339)
(Accumulated losses) / Retained earnings	(995)	95	(246)
Total Equity	47,464	41,367	41,093
Liabilities			
Non-current liabilities			
Borrowings	-	1,902	-
Total non-current liabilities	-	1,902	-
Current liabilities			
Trade and other payables	188	89	140
Borrowings	7,147	-	1,931
Total current liabilities	7,335	89	2,071
Total liabilities	7,335	1,991	2,071
TOTAL EQUITY AND LIABILITIES	54,799	43,358	43,164

Assurance

The Board of Directors and the CEO affirm that this 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, 10 November 2021

OSKAR MÜHLBACH

CEO

ULRIK BENGSSON

Chairman of the Board

JOHAN SVENSSON

Board member

MAGNUS GOTTÅS

Board member

FREDRIK SVEDERMAN

Board member

ERIK SKARP

Board member

ANNIKA BILLBERG

Board member

Presentation for investors, analysts and the media: CEO Oskar Mühlbach and CFO Måns Svalborn will present the report and answer questions at 09.00 a.m. CET on 10 November 2021.

The presentation will be held in English and can be followed online via: <https://tv.streamfabriken.com/raketech-q3-2021>

To participate in the call, please dial:

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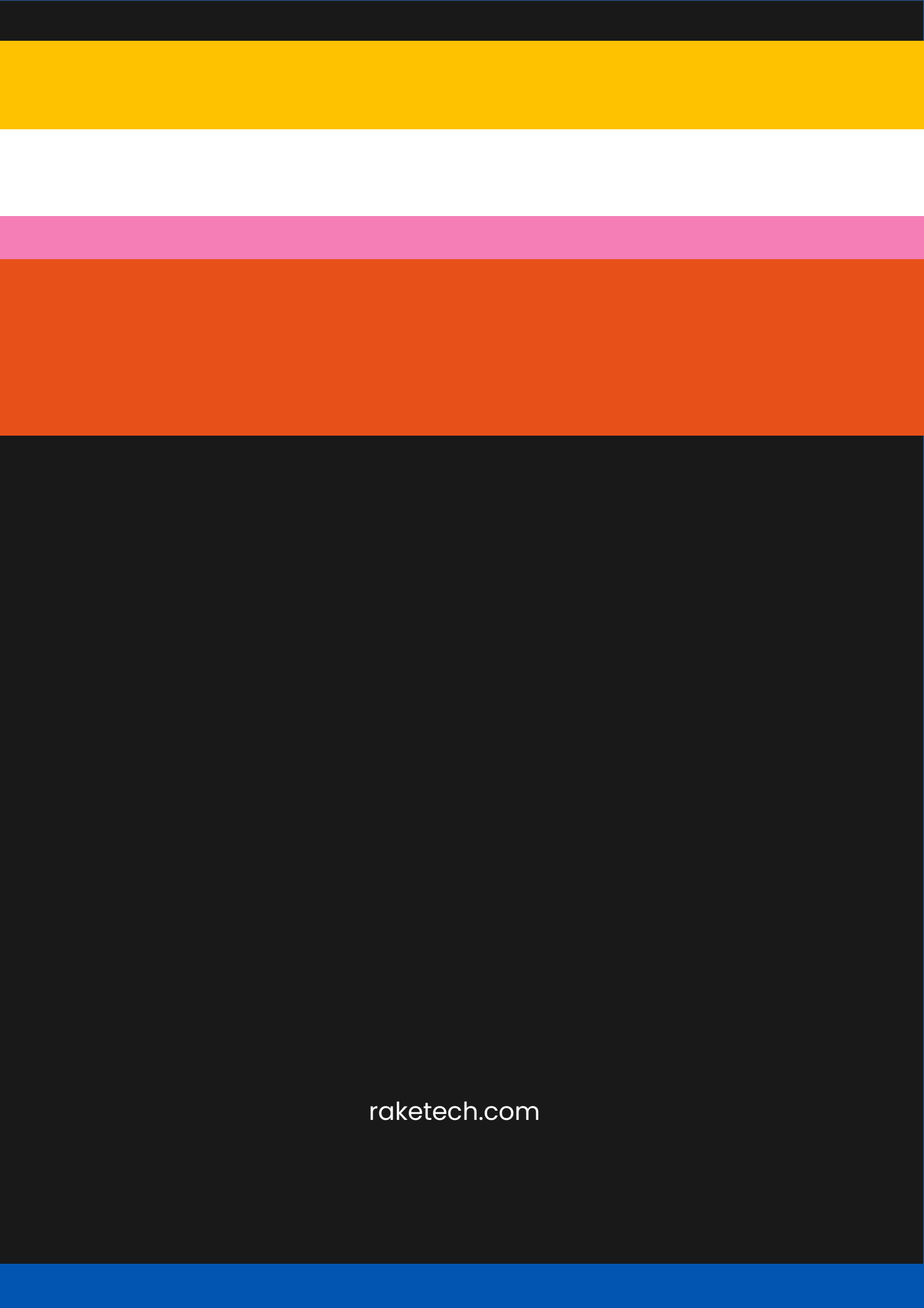
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This information is such that Raketech Group Holding PLC is required to publish under the EU Market Abuse Regulation. The information was submitted under the auspices of the above contact person for publication at 8.00 a.m. CET on 10 November 2021.

Definitions of Alternative Performance Measures

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

ADJUSTED EBITDA	EBITDA adjusted for non-recurring costs
ADJUSTED EBITDA MARGIN	Adjusted EBITDA as a percentage of total revenue for the period/year
ADJUSTED OPERATING MARGIN	Operating margin adjusted for non-recurring costs
ADJUSTED OPERATING PROFIT	Operating profit adjusted for non-recurring costs
EBITDA	Operating profit before depreciation, amortisation and impairment
EBITDA MARGIN	EBITDA as a percentage of revenue for the period/year
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/year in relation to adjusted LTM EBITDA
NET INTEREST-BEARING DEBT	Interest-bearing debt at the end of the period/year, excluding earn-outs from acquisitions, minus cash and cash equivalents at the end of the period/year
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
REVENUE GROWTH	Increase in revenue compared to the previous accounting period/year as a percentage of revenue in the previous accounting period/year
TRAFFIC	Relates to the number of visitors/users of Raketech's assets



raketech.com