INVITATION TO SUBSCRIBE FOR SHARES IN

RAKETECH GROUP HOLDING PLC

First North is an alternative marketplace operated by the several exchanges within the Nasdaq group. Companies on First North are not subject to the same rules as companies on the regulated main market. Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on First North may therefore be higher than investing in a company on the main market. All Companies with shares traded on Nasdaq First North Premier have a Certified Adviser that monitors that the rules are followed. The Exchange (Nasdaq Stockholm AB) approves the application for admission to trading.

Danske Bank SEB

IMPORTANT INFORMATION TO INVESTORS

This prospectus (the "**Prospectus**") has been prepared in connection with the offering to the public in Sweden, to institutional investors in Sweden and abroad and the listing on Nasdaq First North Premier (the "**Offering**") of shares in Raketech Group Holding plc (a Maltese public limited company). In this Prospectus, "**Raketech**", the "**Company**" or the "**Group**" refers to Raketech Group Holding plc, the group in which Raketech Group Holding plc is the parent company or a subsidiary of the group, as the context may require. Danske Bank A/S, Danmark, Sverige Filial ("**Danske Bank**") and SEB Corporate Finance, Skandinaviska Enskilda Banken AB ("**SEB**") are Joint Global Coordinators and Joint Bookrunners ("**Managers**") in connection with the Offering.

The figures included in this Prospectus have, in certain cases, been rounded off and, consequently, the tables contained in this Prospectus do not necessarily add up. All financial amounts are in Euro ("**EUR**"), unless indicated otherwise, and "MEUR" indicates millions of EUR. References to "**SEK**" are to kronor, the currency of Sweden, and "**MSEK**" are to million SEK. Except as expressly stated herein, no financial information in this Prospectus has been audited or reviewed by the Company's auditor.

Structure of the offering

The Offering consists of: (i) a public offering to institutional and retail investors in Sweden and (ii) a private placement to institutional investors in the rest of the world excluding the United States. All offers and sales outside the United States will be made in compliance with Regulation S ("**Regulation S**") under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). The Offering is neither directed to the general public in any country other than Sweden nor directed to such persons whose participation requires additional prospectuses, registrations or measures other than those prescribed by Swedish law. No measures have been or will be taken in any other jurisdiction than Sweden, that would allow offer of the shares to the public, or allow holding and distribution of this Prospectus or any other documents pertaining to the Company or shares in such jurisdiction. Applications to acquire shares that violate such rules may be deemed invalid. Persons into whose possession this Prospectus comes are required by the Company and the Managers to inform themselves about and to observe such restrictions. Neither the Company nor either of the Managers nor any of the Selling Shareholders (as defined below) accept any legal responsibility for any violation by any person, whether or not a prospective investor, of any such restrictions. The shares in the Offering have not been recommended by any United States federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the content in this Prospectus. Any representation to the contrary is a criminal offense in the United States. The shares in the Offering have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state within the United States.

The information contained in this Prospectus has been provided by the Company and other sources identified herein. Distribution of this Prospectus to any person other than the offeree specified by the Managers or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorized. Any reproduction or distribution of this Prospectus in the United States, in whole or in part is prohibited. This Prospectus is personal to each offeree and does not constitute any offer to any other person or to the general public to acquire shares in the Offering. The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*) (the "**SFSA**") in accordance with Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (*Sw. lagen (1991:980) om handel med finansiella instrument*), implementing the European Parliament and Council Directive 2003/71/EC (the "**Prospectus Directive**"). Approval and registration by the SFSA does not imply that the SFSA guarantees that the factual information provided herein is correct or complete. This Prospectus is an English translation of the Swedish prospectus that has been approved and registered by the SFSA. In the event of discrepancies between this Prospectus and the Swedish prospectus, the Swedish prospectus shall prevail. The Offering and this Prospectus are governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any conflict or dispute arising out of or in connection with the Offering or this Prospectus.

Stabilisation

In connection with the Offering, Danske Bank may engage in transactions that stabilise, maintain or otherwise affect the price of the shares for up to 30 days from the first day of trading of the shares. Specifically, SEB, the Selling Shareholders and the Company have agreed that Danske Bank, in its capacity as stabilising manager (the "**Stabilising Manager**"), may over-allot shares or effect transactions with a view to support the market price of the shares at a level higher than that which might otherwise prevail. The Stabilising Manager and its agents are not required to engage in any of these activities and, as such, there is no assurance that these activities will be undertaken. If undertaken, the Stabilising Manager or its agents may end any of these activities at any time and they must be brought to an end at the end of the 30-day period mentioned above. Save as required by law or regulation, the Stabilising Manager does not intend to disclose the extent of any stabilisation transactions. For more information, see the section *"Legal considerations and supplementary information – Stabilisation*".

Business and market data

The information in this Prospectus on the market environment, market development, growth rates, market trends and on the competitive situation in the markets and regions in which the Company operate is based on data, statistical information and reports by third parties and/or prepared by the Group based on the Group's own information and information in such third-party reports. For further information, see "*Forward-looking Statements and Presentation of Financial and Other Data—Market data*". As far as the Company is aware and can ascertain through comparison with other information that has been published by these sources, no information that would make the represented information incorrect or misleading has been excluded from this Prospectus.

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SUMMARY OF THE OFFERING

The number of shares offered

The Offering comprises at least 11,764,705 and up to 15,384,615 newly issued shares, where the number of shares is determined based on the final price in the Offering so that the Company will receive approximately SEK 400 million before transaction costs. The Offering also includes 2,335,670 existing shares sold by six shareholders, and seven additional shareholders have together with the selling shareholders (the "Selling Shareholders") granted an option to Managers giving Managers the right to purchase, at a price equivalent to the final Offering price, up to 2,658,042 additional shares to cover potential over-allotments or other short positions, if any, in connection with the Offering.

Offering price

The final Offering price will be determined within the price range SEK 26 – 34 per share. The Offering price to the public will not exceed SEK 34 per share. The final Offering price will be determined by the Company's board of directors and the Selling Shareholders in collaboration with the Managers, and will be announced by way of a press release on or about 29 June 2018.

Preliminary time plan

Application period, general public in Sweden	19 – 27 June 2018
Application period, institutional investors	19 – 28 June June 2018
Listing on Nasdaq First North Premier	29 June 2018
Settlement date	3 July 2018

Miscellaneous

ISIN-code	MT0001390104
Ticker on Nasdaq First North Premier	RAKE

Financial calendar

Interim report for the period 1 January – 30 June 2018	23 August 2018
Interim report for the period 1 January – 30 September 2018	22 November 2018

SUMMARY

The summary is made up of disclosure requirements (hereinafter referred to as "Elements"). The Elements are numbered in sections A–E.

This summary contains all the Elements required to be included in a summary for the relevant type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may need to be included in the summary because of the type of security and issuer, it is possible that no relevant information can be provided regarding the Element. In such instances, a short description of the Element is included in the summary, along with the reference "Not applicable".

SECTION A – INTRODUCTIONS AND WARNINGS

A.1	*Introductions and warnings*	This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on an assessment of the Prospectus in its entirety by the investor. Where statements in respect of information contained in the Prospectus are challenged in a court of law, the plaintiff investor may, in accordance with member states' national legislation, be forced to pay the costs of translating the Prospectus before legal proceedings are initiated. Under civil law, only those individuals, who have produced the summary, including translations thereof, may be enjoined, but only if the summary is misleading, incorrect or inconsistent with the other parts of the Prospectus or if it does not, together with other parts of the Prospectus, provide key information to help investors when considering whether to invest in the securities.
A.2	*Financial intermediaries*	Not applicable. Financial intermediaries are not entitled to use the Prospectus for subsequent trading or final placement of securities.

SECTION B – ISSUER

B.1	*Legal and commercial name*	Raketech Group Holding plc, corporate registration number C77421. The Company's shares will be traded on Nasdaq First North Premier and the Company uses within its operations the trading name "Raketech".
B.2	*Registered office and corporate form*	The Company's registered office is in St. Julians, Malta. The Company is a public company incorporated and registered in Malta in accordance with the Maltese Companies Act. The Company conducts its business under the laws of Malta.
B.3	*Principal activities and markets*	Raketech provides performance-based marketing, so-called affiliate marketing, and awareness-based marketing, primarily in the iGaming (interactive gaming) market. Raketech's business involves offering products that enable the Company to guide and influence users in the iGaming industry who are interested in sports and gambling to the best gambling services. By providing products with high-quality, relevant content the Group increases users' awareness of the offerings available from various gambling operators and other advertisers, enabling users to choose an end-service more easily. The main target group for Raketech's product offering is iGaming operators who offer online casinos or online sports betting on their own websites. The Company charges its customers a revenue share, an upfront payment (CPA, CPM and CPC), a flat fee, or a combination of CPA and revenue share.

B.3	*Principal activities and markets, cont.*	Today Raketech is active in the iGaming affiliate market mainly within the online casino and online sports betting verticals. Moreover, the Company is primarily active in the iGaming markets in Sweden, Denmark, Finland, Norway and the United Kingdom. These five markets constitute the Group's "**Key Markets**". The Group has also identified the iGaming markets in France, Italy, Spain and Germany as "**Nearby Markets**". The Key Markets and Nearby Markets are together known as the Company's "**Focus Markets**". The affiliate market for online sports betting and online casinos in Raketech's Focus Markets amounted to EUR 475 and 383 million respectively in 2017.[1)] The number of full-time employees as of 31 March 2018 was 95. 1) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.
B.4a	*Trends*	The iGaming market for affiliates is driven partly by trends in the underlying iGaming market and by trends in the affiliate market. Trends in the iGaming market are mainly as follows: ● increasing internet penetration, ● technological development, and ● regulation. Trends in the affiliate market are mainly as follows: ● consolidation, ● regulation, ● increasing mobile use, ● big data, and ● social media.
B.5	*Group structure*	The Company is the parent company and holding company of the wholly owned operational subsidiary Raketech Group Ltd, which in turn is the parent company of the wholly owned subsidiary Enovator Online Media Ltd. Furthermore, Raketech Group Ltd holds 50.1 percent of the shares in TV Sports Guide Ltd (previously Turtle Gaming Group Ltd) and 51 percent of the shares in Shogun Media Ltd.

B.6	*Larger shareholders*	The table below shows shareholdings in the Company on the date of this Prospectus and immediately after completion of the Offering (under the assumptions indicated and assuming an offer price in the middle of the price range, i.e. SEK 30). As of the date of this Prospectus, the Company has 56 shareholders.

	Shareholdings before the Offering		After the Offering (assuming that the Offering is fully subscribed)		After the Offering (assuming that the Offering is fully subscribed and that the over-allotment option is fully utilised)	
Shareholders	**Number of shares**	**% holding**	**Number of shares**	**% holding**	**Number of shares**	**% holding**
Tobias Persson Rosenqvist[1)]	7,557,975	30.8%	5,895,225	15.6%	4,706,465	12.4%
Erik Skarp[2)]	3,353,265	13.6%	3,353,265	8.8%	3,115,513	8.2%
Johan Svensson[3)]	3,174,930	12.9%	3,174,930	8.4%	2,937,178	7.7%
Reine Beck[4)]	1,544,940	6.3%	1,544,940	4.1%	1,409,082	3.7%
Marcus Ingemansson	1,544,940	6.3%	1,127,810	3.0%	991,952	2.6%
Philip Sirbäck[5)]	1,105,785	4.5%	1,105,785	2.9%	980,116	2.6%
AD94 Holding AB[6)]	944,460	3.8%	944,460	2.5%	835,774	2.2%
Kristian Svensson[7)]	789,750	3.2%	742,370	2.0%	650,666	1.7%
Magne Steier[8)]	755,325	3.1%	755,325	2.0%	667,014	1.8%
Michael Holmberg[9)]	591,030	2.4%	591,030	1.6%	591,030	1.6%
Martin Larsson[10)]	361,665	1.5%	325,505	0.9%	325,505	0.9%
Bengt Sonnert	226,260	0.9%	90,510	0.2%	90,510	0.2%
Mark Zerafa	182,520	0.7%	146,020	0.4%	146,020	0.4%
Other shareholders[11)]	2,434,455	9.9%	2,434,455	6.4%	2,434,455	6.4%
New shareholders	–	–	15,669,003	41.3%	18,019,353	47.5%
Total	**24,567,300**	**100.0%**	**37,900,633**	**100.0%**	**37,900,633**	**100.0%**

1) Tobias Persson Rosenqvist owns his shares in the Company through Caramera AB and endowment assurance provided by Swiss Life (Liechtenstein) AG.
2) Erik Skarp holds his shares in the Company through Light Showdown Ltd.
3) Johan Svensson holds his shares in the Company through Akterbog Limited.
4) Reine Beck holds his shares in the Company through Netfactor AB.
5) Philip Sirbäck holds his shares in the Company through Lunnfästet Förvaltning AB or Videnor Ltd.
6) AD94 Holding AB is owned by David Hjelmstom and Andreas Johannesson.
7) Kristian Svensson holds his shares in the Company through Hibbe Venture Capital Ltd.
8) Magne Steier holds his shares in the Company through Duke Technologies Ltd.
9) Michael Holmberg holds his shares in the Company through Tamiho Invest Ltd.
10) Martin Larsson holds his shares in the Company through LM Online Trading Ltd.
11) Consisting of 42 shareholders who each own between 0.01% and 1.50% of the Company's shares.

B.7 *Selected condensed historical financial information*

The selected financial information for the full years 2017, 2016 and 2015 relates to the Raketech Group Holding plc group and has been taken from the Company's audited consolidated financial statements, which were audited by the Company's auditor in accordance with the audit report included elsewhere in this Prospectus. The selected financial information shown below for the periods ended 31 March 2018 and 2017 has been taken from the Company's unaudited, condensed consolidated financial statements for the period January – March 2018, which were reviewed by the Company's auditor in accordance with the review report included elsewhere in this Prospectus. The Company's audited and unaudited financial statements for the respective periods were prepared in accordance with IFRS as adopted by the EU. The financial information incorporated into this summary should be read in this context.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the three-month period ended 31 March		For the financial year ended 31 December		
EUR	**2018**	**2017**	**2017**	**2016**	**2015**
	(unaudited information)		*(audited information)*		
REVENUE	**4,900,593**	**3,356,103**	**17,145,722**	**10,436,972**	**2,091,783**
Direct costs relating to fixed fees and commission revenue	–170,737	–125,661	–858,685	–189,766	–
Employee benefit expense	–1,200,755	–545,890	–3,496,982	–986,690	–201,221
Depreciation and amortisation	–193,665	–104,070	–667,022	–59,570	–5,062
IPO-related costs	–127,035	–	–186,686	–	–
Other operating expenses	–1,004,938	–467,944	–3,122,744	–1,178,700	–1,810,603
Operating profit (EBIT)	**2,203,463**	**2,112,538**	**8,813,603**	**8,022,246**	**74,897**
Finance costs	–1,251,652	–112,491	–2,738,111	–	–
Profit before tax	**951,811**	**2,000,047**	**6,075,492**	**8,022,246**	**74,897**
Tax expense	–47,591	–100,002	–307,320	–379,151	–26,260
Profit for the period/year – total comprehensive income	**904,220**	**1,900,045**	**5,768,172**	**7,643,095**	**48,637**
Earnings per share attributable to the equity holders of the parent during the period/year (expressed in euro per share)					
Basic earnings per share	5	11	33	45	29
Diluted earnings per share	5	11	33	45	29

B.7 *Selected condensed historical financial information, cont.*

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

EUR	As at 31 March 2018	As at 31 March 2017	As at 31 December 2017	As at 31 December 2016	As at 31 December 2015
	(unaudited information)		*(audited information)*		
ASSETS					
Non-current assets					
Intangible assets	53,222,093	30,046,471	46,392,980	17,533,677	–
Property, plant and equipment	322,925	53,975	318,535	39,502	21,884
Deferred tax asset	42,178	297,086	89,768	397,088	–
Total non-current assets	**53,587,196**	**30,397,532**	**46,801,283**	**17,970,267**	**21,884**
Current assets					
Trade and other receivables	3,210,689	1,839,393	2,609,883	939,993	1,000,749
Cash and cash equivalents	7,392,985	16,095,729	3,099,917	57,222	26,108
Total current assets	**10,603,674**	**17,935,122**	**5,709,800**	**997,215**	**1,026,857**
TOTAL ASSETS	**64,190,870**	**48,332,654**	**52,511,083**	**18,967,482**	**1,048,741**
EQUITY AND LIABILITIES					
Equity					
Share capital	1,770	1,750	1,770	1,750	1,691
Share premium	999,980	–	999,980	–	204,672
Other reserves	1,204,672	1,204,672	1,204,672	1,204,672	–
Retained earnings (including profit for the year)	14,364,124	9,591,777	13,459,904	7,691,732	48,637
Total equity	**16,570,546**	**10,798,199**	**15,666,326**	**8,898,154**	**255,000**
LIABILITIES					
Non-current liabilities					
Borrowings	36,242,769	23,080,000	28,076,672	–	–
Amounts committed on acquisition	2,521,709	650,000	585,699	680,000	–
Total non-current liabilities	**38,764,478**	**23,730,000**	**28,662,371**	**680,000**	**–**
Current liabilities					
Amounts committed on acquisition	3,007,251	6,990,000	1,332,478	240,000	–
Trade and other payables	5,072,323	6,011,956	5,967,268	8,346,829	767,481
Current tax liabilities	776,272	802,499	882,640	802,499	26,260
Total current liabilities	**8,855,846**	**13,804,455**	**8,182,386**	**9,389,328**	**793,741**
Total liabilities	**47,620,324**	**37,534,455**	**36,844,757**	**10,069,328**	**793,741**
TOTAL EQUITY AND LIABILITIES	**64,190,870**	**48,332,654**	**52,511,083**	**18,967,482**	**1,048,741**

B.7 *Selected condensed historical financial information, cont.*

CONSOLIDATED STATEMENTS OF CASH FLOWS

EUR	For the three-month period ended 31 March 2018	2017	For the financial year ended 31 December 2017	2016	2015
	(unaudited information)		*(audited information)*		
Cash flows from operating activities					
Cash generated from/(used in) operations	1,261,928	–1,160,155	4,757,576	15,723,670	–157,307
Interest paid	–1,724,204	–	–1,775,694	–	–
Income tax paid	–106,368	–	–26,261	–	–
Net cash flows from operating activities	**–568,644**	**–1,160,155**	**2,955,621**	**15,723,670**	**–157,307**
Investing activities					
Purchases of intangible assets	–3,300,000	–5,862,692	–27,474,975	–15,660,403	–
Purchases of property, plant and equipment	–39,707	–18,645	–332,206	–32,153	–22,753
Net cash flows from investing activities	**–3,339,707**	**–5,881,337**	**–27,807,181**	**–15,692,556**	**–22,753**
Financing activities					
Issue of share capital	–	–	–	–	205,163
Proceeds from loan drawdown	8,201,419	23,080,000	27,894,255	–	–
Cash flows from financing activities	**8,201,419**	**23,080,000**	**27,894,255**	**–**	**205,163**
Net movement in cash and cash equivalents	**4,293,068**	**16,038,508**	**3,042,695**	**31,114**	**25,103**
Cash and cash equivalents at beginning of period/year	**3,099,917**	**57,222**	**57,222**	**26,108**	**1,005**
Cash and cash equivalents at end of period/year	**7,392,985**	**16,095,730**	**3,099,917**	**57,222**	**26,108**

B.7	*Selected condensed historical financial information, cont.*	see below

ALTERNATIVE NON-IFRS KEY RATIOS

The tables below contain certain financial and operational key ratios that have not been defined in compliance with IFRS. The Company believes that these ratios provide investors with valuable information as they enable a useful evaluation of relevant trends when read in conjunction with (but not instead of) other key ratios. However, these key ratios must not be seen as a substitute for items calculated in accordance with IFRS. Since companies do not always calculate these key ratios in the same way, it is not certain that those presented herein are comparable with other companies' key ratios with the same names. Note, therefore, that the tables and the calculations have not been audited and are not IFRS-based unless stated otherwise.

EUR (unless otherwise specified)	For the three-month period ended 31 March 2018	2017	For the financial year ended 31 December 2017	2016	2015
	(unaudited information)		*(unaudited information)*		
Revenue growth					
Revenue growth (%)	46.0%	50.2%	64.3%	399.0%	–
Organic growth (%)	10.2%	22.3%	16.6%	35.4%	–
Revenue by compensation model					
Revenue share, (%) of revenue	46.9%	56.4%	54.5%	56.2%	–
Upfront payment, (%) of revenue	39.5%	21.4%	25.7%	17.3%	–
Flat fee, (%) of revenue	13.6%	22.1%	19.8%	26.4%	–
Revenue by product vertical					
Online casino, (%) of revenue	71.4%	76.2%	69.9%	89.5%	–
Online sports betting, (%) of revenue	26.0%	15.7%	25.1%	10.5%	–
Other, (%) of revenue	2.6%	8.1%	5.0%	0.0%	–
Revenue by geographical market					
Sweden, (%) of revenue	–	–	60.6%	85.2%	100.0%
Finland, (%) of revenue	–	–	12.5%	4.8%	–
Norway, (%) of revenue	–	–	10.4%	6.7%	–
Denmark, (%) of revenue	–	–	8.1%	0.0%	–
Nordic region, (%) of revenue	95.3%	90.8%	91.7%	96.8%	100.0%
UK, (%) of revenue	–	–	5.7%	1.9%	–
Other countries, (%) of revenue	–	–	2.7%	1.3%	–
Other markets, (%) of revenue	4.7%	9.2%	8.3%	3.2%	–

B.7 *Selected condensed historical financial information, cont.*

EUR (unless otherwise specified)	For the three-month period ended 31 March 2018	2017	For the financial year ended 31 December 2017	2016	2015
	(unaudited information)		*(unaudited information)*		
Profitability					
Operating margin (%)	45.0%	62.9%	51.4%	76.9%	3.6%
Adjusted operating profit (EBIT)	2,330,498	2,112,538	9,000,289	8,022,246	74,897
Adjusted operating margin (%)	47.6%	62.9%	52.5%	76.9%	3.6%
EBITDA	2,397,127	2,216,608	9,480,625	8,081,816	79,959
EBITDA margin (%)	48.9%	66.0%	55.3%	77.4%	3.8%
Adjusted EBITDA	2,524,162	2,216,608	9,667,311	8,081,816	79,959
Adjusted EBITDA margin (%)	51.5%	66.0%	56.4%	77.4%	3.8%
Employees					
Number of FTEs at end of period	95	59	102	52	11
Other non-financial alternative key ratios					
Number of referred NDCs during the period	16,243	15,238	67,193	33,386	5,270
Growth in number of NDCs compared with previous period (%)	6.6%	84.3%	101.3%	533.5%	–
Mobile traffic, (%) of total traffic	63.6%	59.2%	60.2%	52.5%	–

B.7 *Selected condensed historical financial information, cont.*

DEFINITIONS OF NON-IFRS KEY RATIOS

Non-IFRS measure	Definition	Reason
Revenue growth (%)	Growth in revenue compared with the previous period, expressed as a percentage.	This key ratio allows comparison of growth rates between different periods, against markets and against the Company's competitors.
Organic revenue growth (%)	Growth in revenue, compared with the previous period, for the underlying operations including revenue growth generated by acquired assets from the date that the acquisition was integrated into the Company, expressed as a percentage.	The Company uses organic revenue growth as a measure of long-term sustainable growth.
Revenue by revenue model (%)	Revenue originating from the Company's various revenue models (revenue share, upfront payment and flat fee), expressed as a percentage of revenue.	Raketech considers this key ratio to be a useful measure for showing from which revenue models revenue originates and thereby showing the Company's ability to generate income from different types of revenue models, which also shows the Company's ability to customize its partner agreement based on product type and each independent partnership.
Revenue by vertical (%)	Revenue originating from the verticals (online casino, online sports betting, other) in which the Company operates, expressed as a percentage of revenue.	Raketech considers this key ratio to be a useful measure for showing the development of the Company's products in the verticals where the Company operates.
Revenue by geographical market (%)	Revenue originating from geographical markets (Nordic region: Sweden, Finland, Norway and Denmark, and Other markets: UK and other countries), where the Company operates, expressed as a percentage of revenue.	Raketech considers this key ratio to be a useful measure for showing the Company's exposure towards individual markets and the revenue development within these.
Operating profit (EBIT)	Earnings before finance costs and taxes.	Raketech considers operating profit (EBIT) to be a useful measure for showing the earnings generated from operating activities.
Operating margin (%)	Operating profit (EBIT) as a percentage of revenue.	Raketech considers the operating margin (EBIT) to be a useful measure for showing the earnings generated from operating activities.
Adjusted operating profit (EBIT)	Operating profit (EBIT) adjusted for IPO-related costs.	Raketech considers adjusted operating profit (EBIT) to be a useful measure for showing the earnings generated from operating activities adjusted for IPO-related costs.

B.7 *Selected condensed historical financial information, cont.*

DEFINITIONS OF NON-IFRS KEY RATIOS, *cont.*

Non-IFRS measure	Definition	Reason
Adjusted operating margin (%)	Adjusted operating profit (EBIT) as a percentage of revenue.	Raketech considers the adjusted operating margin (EBIT) to be a useful measure for showing the earnings generated from operating activities adjusted for IPO-related costs.
EBITDA	Earnings before finance costs, taxes and amortisation, depreciation and impairment losses.	Raketech considers EBITDA to be a useful measure for showing the earnings generated from operating activities and a good measure of cash flow from operating activities.
EBITDA margin (%)	EBITDA as a percentage of revenue.	Raketech considers the EBITDA margin to be a useful measure for showing the earnings generated from operating activities.
Adjusted EBITDA	EBITDA adjusted for IPO-related costs.	Raketech considers adjusted EBITDA to be a useful measure for showing the earnings generated from operating activities adjusted for IPO-related costs, and uses adjusted EBITDA when calculating the Company's cash generation.
Adjusted EBITDA margin (%)	Adjusted EBITDA as a percentage of revenue.	Raketech considers the adjusted EBITDA margin to be a useful measure for showing the earnings generated from operating activities adjusted for IPO-related costs.
Employees	Number of employees at the end of the period.	The number of employees per period provides a measure of the number of people involved in the total operations.
NDCs	New Depositing Customers – online players that the Company has referred and who make their first deposit on one of Raketech's partners' websites.	Raketech considers NDCs to be a useful measure for showing what is driving revenue and long-term organic growth.
Mobile traffic (%)	Share of total traffic accounted for by mobile traffic, expressed as a percentage.	Raketech considers this measure to be useful for showing the Company's ability to offer products on all types of platforms and to be at the forefront of market trends such as increased mobile use.

B.7 *Selected condensed historical financial information, cont.*

NOTES ON FINANCIAL DEVELOPMENT – CONDENSED

Comparison between the periods January – March 2018 and January – March 2017

Revenue amounted to TEUR 4,901, representing an increase of 46 percent in January – March 2018 compared to January – March 2017. Organic growth accounted for 10 percent of the increase. The increase is mainly attributable to an increased number of NDCs, focus on media products which resulted in higher traffic volumes, and to the acquisitions during the period. A total of two acquisitions were made, which included customer databases, domains and websites. The acquisitions made during the period consisted of casino vertical search engine optimisation affiliates with focus on the Swedish market. The acquisitions are expected to strengthen the Group's product offering and geographical reach. The Group's employee benefit expense amounted to TEUR 1,201, representing an increase of 120 percent in January – March 2018 compared to January – March 2017. Employee benefit expense as a percentage of the Group's revenue increased from 16 percent in January – March 2017 to 25 percent in January – March 2018. The increase is mainly related to the significant increase in headcount in line with the strong growth of the Group during the period. The Group's other operating expenses amounted to TEUR 1,005, representing an increase of 115 percent in January – March 2018 compared to January – March 2017. Other operating expenses as a percentage of the Group's revenue increased from 14 percent in January – March 2017 to 21 percent in January – March 2018. The increase is mainly related to the increase in headcount which gave rise to a corresponding increase in operational costs such as rental expenses, software and license expenses. The Group's profit before tax amounted to TEUR 952, representing a decrease of 52 percent in January – March 2018 compared to January – March 2017. The Group's equity increased from TEUR 10,798 in January – March 2017 to TEUR 16,571 in January – March 2018 and the Group's non-current liabilities increased from TEUR 23,730 in January – March 2017 to TEUR 38,764 in January – March 2018. The Group's cash and cash equivalents decreased from TEUR 16,096 in January – March 2017 to TEUR 7,393 in January – March 2018.

Comparison between the 2017 and 2016 financial years

In 2017 revenue amounted to TEUR 17,146, representing an increase of 64 percent compared to 2016. This was mainly related to nine acquisitions of varying sizes that were made during the period. Organic growth accounted for 17 percent of the increase in revenue. The Group's direct costs relating to fixed fees and commission revenue amounted to TEUR 859, representing an increase of 352 percent in 2017 compared to 2016, related to investments in expansion of the product portfolio. The Group's employee benefit expense amounted to TEUR 3,497, representing an increase of 254 percent in 2017 compared to 2016. Employee benefit expense as a percentage of the Group's revenue increased from 9 percent in 2016 to 20 percent in 2017. The increase in these costs is related partly to acquisitions made during the period, but also to action taken to prepare the Group for further growth. In 2017 the Group's amortisation of intangible assets amounted to TEUR 667, representing an increase of 1,020 percent compared to 2016. The increase in amortisation is largely related to amortisation of acquired assets. The Group's other operating expenses amounted to TEUR 3,123, representing an increase of 165 percent in 2017 compared to 2016. The increase in other operating expenses is mainly associated with investments in the Group's IT platform, The HUB. In 2017 the Group's finance costs amounted to TEUR 2,738, compared to TEUR 0 in 2016. The Group's profit before tax amounted to TEUR 6,075, representing a decrease of 24 percent in 2017 compared to 2016. The Group's equity increased from TEUR 8,898 in 2016 to TEUR 15,666 in 2017 and the Group's non-current liabilities increased from TEUR 680 in 2016 to TEUR 28,662 in 2017. The increase in non-current liabilities is related to borrowing through Ares Management Ltd ("**Ares**"). The Group's cash and cash equivalents increased from TEUR 57 in 2016 to TEUR 3,100 in 2017.

B.7	*Selected condensed historical financial information, cont.*	**Comparison between the 2016 and 2015 financial years** Revenue amounted to TEUR 10,437, representing an increase of 399 percent in 2016 compared to 2015. Organic growth accounted for 35 percent of the increase and was mainly related to the increase in the number of NDCs generated. The Group's other operating expenses amounted to TEUR 1,179 in 2016, representing a decrease of 35 percent compared to 2015. Other operating expenses as a percentage of the Group's revenue decreased from 87 percent in 2015 to 11 percent in 2016, mainly related to the fact that other operating expenses did not increase in line with revenue. The Group's profit before tax amounted to TEUR 8,022, representing an increase of 10,611 percent in 2016 compared to 2015. The Group's equity increased from TEUR 255, in 2015 to TEUR 8,898 in 2016 and the Group's non-current liabilities increased from TEUR 0 in 2015 to TEUR 680 in 2016. The Group's cash and cash equivalents increased from TEUR 26 in 2015 to TEUR 57 in 2016. **Significant events after 31 March 2018** During the year ended 31 December 2017, the Group had started negotiations with a shareholder (Tobias Persson Rosenqvist) with whom the Group had an outstanding payable of EUR 2.0 million. The negotiations concerned a conversion of the party's debt into equity of EUR 1.1 million worth of shares and the renunciation of the remaining balance of the payable. This transaction was completed during Q2 2018. On 9 April 2018, a share incentive program was introduced for certain key employees (including consultants with conditions similar to employment). The program was developed under H1 2017, a board decision was taken in October 2017, and the full implementation of this program together with the communication to key employees occurred in April 2018. The market value and the price (option premium) have been determined using the Black & Scholes valuation model, and the total cost of the share incentive program will be an impact corresponding to EUR 0.5 million which will be recognised over the vesting period which is up to three years. The shareholder dilution will be approximately 2% for the full program. On 28 April 2018, 5,009 new shares in Raketech Group Holding plc were issued all having a nominal value of EUR 0.27 per share. 1,707 of these shares were issued at a share premium of EUR 601.74 per share (corresponding to approximately EUR 4.46 per share after recalculation as a result of the split performed May 2018), 84 of these shares were issued at a share premium of EUR 620.27 per share (corresponding to approximately EUR 4.59 per share after recalculation as a result of the split performed May 2018) and the remaining 3,218 of these shares were issued at a share premium of EUR 332.98 per share (corresponding to approximately EUR 2.47 per share after recalculation as a result of the split performed May 2018). On 3 May 2018, the Group entered into an asset transfer agreement with Mediaclever Sverige AB, unrelated parties. The asset transfer mainly included assets in the form of affiliate accounts and intellectual property consisting of domains. On 6 June 2018, the Group made an acquisition of 51 per cent of the shares in Shogun Media Ltd. The acquisition is expected to primarily increase Raketech's pay-per-click knowledge and will be paid in cash.
B.8	*Selected pro forma financial information*	Not applicable. The Prospectus does not contain any pro forma financial information.
B.9	*Financial forecast*	Not applicable. The Company does not present a financial forecast.
B.10	*Auditor's remarks*	Not applicable. There are no remarks in the audit reports.
B.11	*Insufficient working capital*	Not applicable. In the opinion of the Company, the working capital is sufficient to meet the Group's requirements for the period of twelve months from the date of this Prospectus.

SECTION C – SECURITIES

C.1	*Securities being offered*	Existing and new issued shares in Raketech Group Holding plc, corporate registration number C77421 (ISIN: MT0001390104). The Company's shares are traded under the ticker RAKE.
C.2	*Denomination*	The shares in the Company are issued in accordance with the laws of Malta and are denominated in EUR. The shares will, after the Offering, be traded in SEK.
C.3	*Total number of shares in the Company*	As of the date of this Prospectus the issued share capital amounts to EUR 49,134.60 divided among 24,567,300 issued and fully paid up shares with a nominal value of EUR 0.002. The Company's memorandum of association allows for a share capital of up to EUR 150,000,000.12 divided among a maximum of 75,000,000,060 shares with a nominal value of EUR 0.002. There is only one class of shares in the Company. Following the completion of the Offering, the Company's equity will amount to EUR 75,801.27, distributed among 37,900,633 shares assuming an offer price in the middle of the price range.
C.4	*Rights pertaining to the shares*	All shares entitle to the same voting rights. Each of the Company's shares entitles the holder to one vote at general meetings and shareholders are entitled to vote for the total number of shares that they hold in the Company. All of the shares have equal rights to dividends as well as to the Company's assets and any surplus in the event of liquidation. There are no restrictions on dividend rights for shareholders resident outside Sweden or Malta. However, payments to shareholders not domiciled in Sweden are usually subject to Swedish withholding tax. If the Company issues new shares, warrants or convertibles, the shareholders generally have preferential rights to subscribe for such securities in proportion to the number of shares held prior to the issue. Under the Company's articles of association, new shares, warrants or convertibles may be issued with derogation from the preferential rights for shareholders.
C.5	*Limitations to the free transferability*	Not applicable. The Company's shares are not subject to any restrictions on transferability.
C.6	*Trading in the shares*	Not applicable. The board of directors of the Company has applied for listing of the Company's shares on Nasdaq First North Premier. Nasdaq Stockholm AB decided on 18 June 2018 to admit the Company's shares to trading provided that the distribution requirements for the Company's shares are met at the latest on the first day of trading. The first day of trading is expected to be on or about 29 June 2018.
C.7	*Dividend policy*	• Raketech operates in a growing market under ongoing consolidation, and in order to capitalise on this, Raketech intends to prioritise growth activities including further acquisitions. • Any dividend paid will be subject to Raketech's overall financial position, growth prospects, profitability, acquisition opportunities and cash flow.

SECTION D – RISKS

D.1	*Risks related to the issuer and industry*	In relation to the Group and its operations and markets, the following risks are mainly relevant. ● The Group's operations are dependent on its ability to maintain effective search engine optimisation and online marketing. Actors such as Google, Facebook, Instagram, YouTube and Twitch may in future introduce strategies that are intended to hinder search engine optimisation or marketing by independent parties, including the Group. ● The laws and regulations that apply to the iGaming market are complex, constantly developing and in some cases also associated with uncertainty. There is also a risk of new laws, regulations or prohibitions being introduced or that the existing rules governing the Group's business are changed, which directly affects the Group's business. Such changes of the regulatory environment, including the proposal for a new licensing system on the Swedish market which is proposed to enter into force on 1 January 2019, can materially affect the Group's way and possibility of conducting its business. ● The fees that the Group is entitled to receive under its customer agreements are dependent on the customers' calculations of revenue and administrative fees and customers' deceitful actions or mistakes may lead to the Group receiving a lower sum than the Group is entitled to under its customer agreements. ● The Group's revenue mainly consists of revenue from iGaming operators, and the Group's success is therefore dependent on the continued popularity of iGaming, which in turn is dependent on, *inter alia*, the existence of efficient and, for the Company, advantageous laws and regulations, as well as sustained good and increasing access to broadband for individuals as well as prevailing social norms which affect the popularity and acceptance of iGaming. The Group is also dependent on the iGaming operators' ability to offer a competitive gaming platform to the end-users as an end-user may otherwise leave for another actor who is not a customer of the Group. ● The Group's revenue is subject to seasonal fluctuations relating to end-user gaming activity which is shown in increased end-user activity and increased betting volumes during the second half of every year. As Raketech's business is focused on sports' results and betting end-user activity is also influenced by larger sports events such as the soccer World Cup or other significant championships. ● The favourable tax situation of the past for iGaming companies has become less favourable and one growing trend is that licensing regulation is accompanied by various types of consumption taxes whereby iGaming operators, as a condition for holding a licence, must pay tax on gaming revenue that can be traced to a specific jurisdiction. An increased tax burden for iGaming operators may result in reduced revenue for the Company from revenue-sharing arrangements with its customers. ● Many of the Group's customer agreements contain terms and conditions whereby the customers can cancel their agreement with the Group at short notice without a breach of contract or any other similar incident occurring. This can lead to reduced revenues from customers and customer losses as a consequence of agreements being terminated or expiring after a short term has passed. ● The Group operates in a highly competitive industry and competes partly with new and established local and international actors in online marketing, and partly with other actors using traditional marketing methods. The Group must always offer and develop new functions and implement system updates on a regular basis to continue to attract new visitors to its websites in order to generate a sufficient quantity of internet traffic to its customers' websites. ● In order to succeed, the Group is dependent on its technical systems and functions and the Group's ability to identify and make technical changes is crucial for the Group's future ability to generate revenue. If the Group's current and possible future development initiatives are not sufficient, there is a risk of the Group losing customers or being forced to change its fee structure in a way that would be less favourable for the Group. ● The Group is dependent on both the Group itself and its customers maintaining the functionality and operation of IT and communications systems. The Group and its customers are exposed and vulnerable to various types of cybercrime.

D.1	*Risks related to the issuer and industry, cont.*	• The Group is dependent on continuing to grow through acquisitions. If the Group cannot obtain financing for acquisitions or for its operating activities on commercially viable terms or if the Group cannot obtain financing, there is a risk that the Group will not be able to implement acquisitions as planned. • The Group has grown rapidly and must continue to employ a sustainable growth strategy in order to remain successful. In order to achieve its profit and growth targets, the Group must successfully manage commercial opportunities, revenue streams, product and service quality within the organisation and must increase capacity and internet traffic in line with the demands of existing and prospective customers. • The Group is dependent on its ability to employ, retain and benefit from talented personnel and here is a risk that members of the Company's executive management team or other key individuals will decide to leave the Group. It can be difficult to attract and retain talented key individuals and other employees with the right skills, in particular due to the Group's geographical location not corresponding to the international markets in which the Group is active. • The Group publishes both its own content and content provided by third parties on its websites. The Group may be held responsible by a third party if published content were to breach that party's copyright, brand or other intellectual property rights or if the content breaches the copyright, brand or other intellectual property rights of another party. This also applies if the content is disparaging, misleading, felonious or in another way is in contravention of laws and regulations. • The Group's most important intellectual property consists of its domain names, customer data, copyrights, trade secrets, the right to acquire domain names, its brands and proprietary technology. If the Group cannot acquire or use suitable domain names in the countries where the Group operates, or in countries into which the Group may want to expand its operations, this could adversely affect the Group's competitiveness. • The Group's revenue is initially collected by its customers, who are invoiced for the Group's portion of the revenue. Until the Group's invoices are paid, the Group is exposed to credit risk in the form of the risk of non-payment. • Both the iGaming industry and the consumer credit industry are periodically subject to negative publicity. Thus, there is a risk that the Group's customers' reputation will be adversely affected regardless of whether such negative publicity is inaccurate or misleading, which could have a material adverse effect on the Group's customers' revenue and in turn have a material adverse effect on the Group's business, results and financial position. • The Group's customers are affected by general economic trends and consumer trends that are outside the Groups' and the customers' control. There is a risk that unfavourable economic conditions or other macroeconomic factors will reduce disposable income, the number of online gamers that use iGaming platforms and the amounts the online gamers play for, which indirectly affects the Group's revenues. • The performance-based marketing industry in which the Group operates is relatively new and therefore, similar to other recently established industries, is subject to greater uncertainty and risks than are faced in more established industries. It is also more difficult to make long-term forecasts in a new industry since the availability of historical data is limited. • New rules aimed at protecting personal integrity will shortly enter into force in the EU and Sweden, which creates new obligations in relation to the Company's treatment of personal data. If the Group mismanages the collection and processing of end-users' personal data or otherwise in conflict with future stricter provisions, civil or criminal sanctions, including significant fines, may be imposed on the Group or its management. • The Group is exposed to various financial risks such as financing and refinancing risk, liquidity risk, currency risk and interest rate risk, which includes the risk that financing cannot be obtained or renewed when it matures, or that it can only be obtained or renewed at significantly higher cost or on unfavourable terms, the risk that the Group will not be able to meet its payment obligations without the cost of obtaining funds increasing significantly, the risk that exchange rate fluctuations will adversely affect the Group's income statement, balance sheet and cash flow and the risk that fair value or future value of a financial instrument will vary due to changes in market interest rates.

D.3	*Risks related to the shares*	In relation to the Company's shares, the risks are mainly the following: ● The share price may be subject to significant fluctuation resulting, for example, from a change in the market's assessment of the Company's shares or a certain event occurring. The stock market itself may be subject to significant fluctuations in terms of price and volumes which are not necessarily related to the Company's business or future outcome. ● There is a risk that active and liquid trading in the Company's shares will not materialise and there is therefore also a risk that shareholders will not be able to sell their shares or can only sell them at a loss. ● The share price may be adversely effected if a significant sale of the Company's shares occurs, in particular sales by the Company's directors, senior management or larger shareholder or when a large volume of shares is sold. ● Some larger shareholders may continue to have a significant influence over the Group and its operations and it is possible that these shareholders' interests will not coincide with the interests of other shareholders. ● An issue of additional securities or bonds could reduce the market value of the Company's shares and dilute the financial or voting rights of existing shareholders. ● The Company's shares will be traded in SEK but dividends will be paid in EUR. Investors whose reference currency is not EUR may consequently be affected by a fall in the value of EUR in relation to the reference currency of each respective investor. ● The Company's ability to pay dividends in the future may be limited and is dependent on several factors. It is not possible to predict whether dividends will be proposed or paid for any particular year. ● Securities legislation in certain jurisdictions may limit the Company's ability to allow shareholders from certain jurisdictions to exercise their preferential rights in a possible future share issue. ● Under the provisions for sufficient supply of and demand for an issuer's shares imposed by Nasdaq First North Premier, a sufficient number of the issuer's shares must be owned by the general public and an issuer must have a sufficient number of shareholders. If the requirements for shares are not satisfied the application to list the shares may be denied.

SECTION E – OFFER

E.1	*Issue proceeds and costs*	The Company expects to receive proceeds amounting to SEK 400 million before deduction of transaction costs paid by the Company. The Group's transaction costs in connection with the Offering are expected to amount to SEK 35 million inclusive of remuneration and fees to Danske Bank and SEB (amounting to SEK 20 million) as well as other advisors. The Company will not receive any income from the selling of the shares that are offered by the Selling Shareholders.
E.2a	*Reasons for the offer and use of proceeds*	Raketech is a marketing actor based in Malta whose primary business involves using its online products to influence iGaming market users who are interested in sports and gambling and to guide them towards the best gambling services. Raketech was formed in 2010 to focus on the affiliate business, primarily for online poker in the Swedish market. Since then the Group has grown and is now also focusing on online casinos, online sports betting and media products, and has expanded its product offering into the entire Nordic market. The Offering and the listing will support the Company's continued growth, give Raketech access to the capital markets and establish a diversified base of new Swedish and international shareholders. The Company also believes that the listing on Nasdaq First North Premier will increase awareness about the Company among customers and potential employees, and help to increase transparency and quality in the iGaming market.

E.2a	*Reasons for the offer and use of proceeds, cont.*	The board of directors of Raketech intends, in accordance with an authorisation under the articles of association, to issue shares and the Offering covers both existing shares and newly issued shares in the Company. The Offering is estimated to raise around SEK 400 million for the Company before issue costs of around SEK 35 million, which are to be paid by the Company in connection with the Offering. Raketech therefore expects to receive net funds of around SEK 365 million. Raketech intends to firstly use the net funds (up to approximately EUR 30 million) to optimise the current capital structure through partially refinancing the current loan facility secured through Ares where the amounts drawn down as at 31 March 2018 amounted to EUR 38.2 million. Raketech intends secondly to use the net funds (up to approximately EUR 4.1 million) to settle amounts committed on acquisitions[1] and thirdly (up to any eventual amounts remaining after the first and second-hand purposes) to make potential new and near-term value-creating acquisitions. The exact distribution of the net funds depends among other things on possible new acquisition opportunities. An optimised capital structure aims at facilitating future acquisitions thus promoting continued long-term profitable growth. Raketech will not receive any income from the sale of existing shares. 1) Amounts committed on acquisitions consist of contractual obligations resulting from acquisitions of intangible assets from third parties. The amount that the Group may be required to settle under such agreements was estimated at 31 March 2018 to be EUR 4.8 million which has been 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. The acquisition of Mediaclever Sverige AB on 3 May 2018 implies a maximum additional amount committed on acquisitions of approximately EUR 1.5 million (SEK 15 million) and is due for payment in February 2019.
E.3	*Terms and conditions of the Offer*	Not applicable in this Prospectus.
E.4	*Interests and conflicts of interest*	Several members of the board of directors and senior management have economic interests in the Offering, partly by owning shares, options or warrants in the Company, partly by being part of the Selling Shareholders. From time to time, the Company´s financial advisors Danske Bank and SEB or affiliated companies to Danske Bank and SEB have provided, and may provide in the future, services within the context of their day-to-day operations to the Company or the Selling Shareholders or to any parties related to them. Furthermore, Danske Bank and SEB may, in the ordinary course of their business, hold the Company's securities or securities of the Selling Shareholders for investment on their behalf and on behalf of to them related parties. With respect to certain of these transactions and services, the sharing of information is generally restricted for reasons of confidentiality, internal procedures or applicable rules and regulations. Danske Bank and SEB have received and will receive customary fees and commissions for these transactions and services and may come to have interests that may not be aligned or could potentially conflict with the interests of potential investors and the Group and/or the Selling Shareholders.
E.5	*Selling Shareholders and lock-up agreements*	The Selling Shareholders are Tobias Persson Rosenqvist, through a company and capital insurance, Erik Skarp (board member), through a company, Johan Svensson (board member and CCO), through a company, Martin Larsson (CPO), through a company, Marcus Ingemansson, Reine Beck, through a company, Philip Sirbäck, through a company, AD94 Holding AB, Kristian Svensson, through a company, Magne Steier, through a company, Bengt Sonnert and Mark Zerafa. The Selling Shareholders, members of the board of directors and executive management owning shares in the Company, as well as shareholders who hold 0.3 percent or more of the total number of shares prior to the Offering, have undertaken in relation to the Managers not to, without the prior written consent of the Managers, or in accordance with certain pre-defined exemptions, sell or pledge any share (or perform certain similar transactions) for a period of 180 days from the first day of trading of the shares with regard to the shareholders (including Selling Shareholders) and for a period of 360 days from the first day of trading of the shares for with regard to members of the board of directors and executive management owning shares in the Company. The Company will further, under the Placing Agreement, undertake towards the Managers to, for a period of 180 days from the first day of trading of the shares, not, without the prior written consent of the Managers or in accordance with certain exceptions, directly or indirectly, offer or pledge any shares (or effect certain similar transactions) or publically announce an intention to do any of the foregoing.
E.6	*Dilution*	Provided that there is subscription for 15,384,615 new shares, the number of shares and votes in the Company will increase with a maximum of 15,384,615 to no more than 39,951,915 which corresponds to a dilution of approximately 38.5 percent of the capital and votes.
E.7	*Costs for the investor*	Not applicable. Brokerage commission will not be charged.

RISK FACTORS

An investment in the Company is associated with risks. Investors should carefully consider the specific risk factors described below as well as any other information in the Prospectus before making an investment in the Company. The Company considers these risks to be the most material for potential investors. The risks are not described in order of priority or in any other particular order. If any of these risks occur, this could have a direct as well as an indirect material adverse effect on the Group's business, financial position and results. In such cases, the price of the Company's shares may fall and investors could lose part or all of their investment in the Company's shares. Furthermore, the risks described below are not exhaustive, and the Group could be exposed to further risks. It is possible that the Company is not aware of certain risks or that certain risks it considers immaterial will later prove material.

The Prospectus also contains forward-looking statements based on assumptions and estimates that are subject to risks and uncertainties. The Company's actual results may differ significantly from the expectations expressed in these forward-looking statements. This could be the result of numerous factors, including, among others, the risks described below.

RISKS RELATING TO THE INDUSTRY AND THE COMPANY

Raketech's operations are dependent on its ability to maintain effective search engine optimisation and online marketing. Actors such as Google, Facebook, Instagram, YouTube and Twitch may in the future introduce strategies that are intended to hinder search engine optimisation or marketing by independent parties, including the Group.

Raketech works with performance-based marketing which directs online visitors to the Group's various websites and onwards to its customers. In terms of revenue and numbers, a majority, but not all, of the customers are gaming operators within the internet-based gaming industry ("**iGaming**"). Furthermore, a limited percentage of the current customer base, in the form of credit providers, consists of the innovation segment (the so-called "**Lab**") in which the Company is developing new products and evaluating new markets. Moreover, other actors such as TV channels are also customers advertising on some of Raketech's websites.

Most of the Group's revenue is generated by about twenty individual products. The number of visitors, and thus the revenue, for products that are websites may vary substantially within relatively short time periods, including as a result of factors that the Group is unable to influence. If the success of any or all of these websites were to decline due to changed customer behaviour or other factors, this could have a material adverse effect on the Group's business, results and financial position.

Raketech's business is therefore highly dependent on the Group's ability to generate internet traffic for its websites. This in turn requires the Group, in addition to offering websites with content that attracts the attention of visitors and meets their specific needs, to also be successful at getting online visitors (who are not already familiar with the Group's websites) to find Raketech's websites when they use search engines – primarily Google, but also others such as Bing and Yahoo!. This is achieved mainly through search engine optimisation ("**SEO**") which is a process that optimizes webpages in order for them to rank as high as possible on different search engines and thereby attract a large amount of traffic. Online visitors are also partly attracted by using paid media in the form of so-called pay-per-click marketing ("**PPC**") through, for example, Google AdWords and advertisements placed on Facebook, YouTube etc. Effective SEO and other types of marketing are therefore important tools to generate internet traffic for the Group's websites and online gamers for the Group's customers. Data analysis and tests of combinations of websites and the relevance of different keywords are crucial in generating traffic for a website, and the Group is highly dependent on its experts who analyse such data. The Group is also impacted by the way in which the search engines' algorithms are designed. Algorithms determine how search results are generated through search engines. When algorithms are updated or changed, the Group must adapt its SEO work correspondingly to maintain good results. This work may be extensive and if it is unsuccessful this could have a material adverse effect on the Group's business, results and financial position.

Raketech also generates traffic for its own or its customers' websites through various social media channels. This is expected to be an increasingly important method in the future. The Group is therefore highly dependent on the ability to create and maintain online communities that attract the interest of end customers and that successfully, directly or indirectly, can lead visitors to the Group's customers' websites.

There is a risk that search engines or social media may develop and change their business models to offer services similar to those of the Group. There is also a risk that search engines will obstruct SEO from third parties such as the Group. Large search engines and social media, such as Google, Bing, Yahoo!, Facebook, Instagram, YouTube, Twitter or Twitch, have significantly larger financial resources than the Group, which means that the Group would have little chance of withstanding changes such as those mentioned above. Other adjustments to search engines or social media could also have an adverse effect on the Group. Changes in the ability to perform SEO or drive online communities as effectively as today or at all could have a material adverse effect on the Group's business, results and financial position.

If the laws are changed or actors such as Google, Bing, Yahoo!, Facebook, Instagram, YouTube, Twitter or Twitch change their internal rules or strategies in a way that prevents the Group from marketing itself using paid search words (such as Google AdWords) or via advertisements, this could have a material adverse effect on the Group's ability to generate internet traffic for its customers. If the Group's customers start marketing their own business through paid search words such as Google AdWords to a greater extent than today, e.g. due to changes in iGaming regulations, this could result in stiffer competition, affecting in particular the ability to retain attractive rankings in search engines. This type of trend could have a material adverse effect on the Group's business, results and financial position.

Dependence on laws, regulations and permits

In most relevant jurisdictions the performance-based marketing industry is not subject to specific regulations. Raketech is mainly engaged in directing internet visitors on the Group's various websites to its customers' websites and the Group's customers are mainly active in the iGaming industry. The laws and regulations that apply to the iGaming market are complex, constantly developing and in some cases also associated with uncertainty. Such uncertainty includes uncertainty regarding authorities' adaptation to and knowledge of laws and regulations, particularly as regards markets that are subject to new regulation or regulatory changes. The market practice often deviates from the regulation (regarding both authorities and operators). The same applies to other industries, such as the credit provider industry, where the Group has customers within the framework of its Lab business.

In many countries online gaming is prohibited or restricted. Several states in the U.S., for example, strictly regulate online gaming. A number of European countries have also introduced or are working on introducing iGaming regulations according to which iGaming operators, and in some cases also their suppliers will have to fulfil certain requirements, such as having country-specific licences, paying gaming tax, operating their business in a domain within the country and reporting gaming statistics on an ongoing basis.

In September 2015 the Swedish government decided to initiate a special investigation with the task of giving a proposal on a new gambling regulation which shall reflect a high level of consumer protection, high gambling security and clear conditions for the parties of the gambling market. The government bill 2017/18:220, "A re-regulated gaming market", was put forward on 5 April 2018 for the parliament's decision. The proposal provides for the establishment of a licence system for all operators, including parties that offer gambling online, who acts on the Swedish gambling market. The new law is proposed to contain special provisions on marketing that requires, among other things, marketing to be moderate, implementation of certain restrictions on direct advertisement and imposes requirements on information regarding minimum age requirements for legal gambling to be set out clearly. The proposal provides an excise duty of 18 percent levied on licensed gambling. The new regulation is proposed to enter into force 1 January 2019 and license applications shall be submittable after 1 August 2018. With roughly 60 percent of the Company's revenue deriving from the Swedish market there is a risk that uncertainty surrounding, or unexpected results of, a possible license system can materially impact the Company's revenues and reputation or result in changes in the Company's business. This in turn could have a material adverse effect on the Group's business, financial position and results. There is a risk that the Group's customers or potential customers will lose their licences or not be granted the required licences, which could affect the Group's ability to maintain its customer network. This could thus have a material adverse effect on the Group's ability to operate its business. Furthermore, new and changed laws and regulations in various jurisdictions could affect the Company's business, both directly and indirectly, through, for example, the Company's customers' profitability declining and the number of market actors increasing, resulting in more competitors.

There is also a risk of all or parts of Raketech's business being directly regulated through, for example, the introduction of laws requiring licences or permits to operate in certain jurisdictions or bans being imposed on operating the line of business. Examples of this are the implementation of high tax rates, requirements on technical integration or requirements on servers being located in the jurisdiction concerned, restrictions on products allowed, marketing restrictions etc. As of the date of this Prospectus there is, for example, a bill in Belgium which proposes banning or restricting many forms of affiliate marketing in Belgium. There is also a proposal in Malta to implement a new commercial communications regulation for gaming products and services. Such as the proposed commercial communications regulation is formed, it would widen the area of application for existing regulation and result in stricter requirements for, and greater limitations on, the business of Raketech. If the proposed regulation enters into force, Raketech will need to make a thorough analysis in order to make sure that the Company's business can be adjusted and follow the regulation as well as make sure that the Company does not cause its iGaming customers to breach their respective regulatory requirements. It is not possible to predict if abovementioned law and regulation changes will be implemented or when laws and regulations, which regulates or otherwise affects the Group, may be changed or adopted and what effect this could have on the Group and its business. Further regulation in this area could lead to a risk that additional resources would need to be allocated for the interpretation and application of laws and regulations regarding, for example, marketing activity by iGaming operators or consumer credit provider services. Additional regulatory amendments in this area could require the Group to implement additional and more advanced internal control measures. Such control measures are needed both to ensure the Group's compliance with applicable laws and regulations and to meet contractual obligations to its customers, where such customers are subject to requirements to ensure their suppliers' compliance. Since Raketech has been operating for a relatively short time, and since the Group has expanded substantially and is continuing to expand, including into markets where the Group has not previously been active, the Group's systems for regulatory compliance and regulatory analysis are in development. Combined with rapid changes in the applicable regulations, there is therefore a risk that the Group will not fulfil the rules, or authorities' perceptions of rules, with which the Group is obliged to comply. Changes in the regulatory environments in which the Group operates could thus result in additional administrative costs for the Group. This, and the risk of incorrect interpretation or actual violation of applicable laws and regulations, could result in the Company being forced to change its offering or strategy in one or more iGaming markets and could result in sanctions being imposed on the Group for significant amounts. This in turn could have a material adverse effect on the Group's business, financial position and results.

Furthermore, actors in, for example, the iGaming industry who violate laws and regulations may be subject to coercive measures imposed by authorities or other public bodies. If coercive or other legislative measures are imposed on the Group's current or future customers there is a risk, particularly in the case of iGaming operators, that domestic authorities will freeze or track the Group's revenue which may originate from these customers (even if the Group is not a party in any legal action relating to these customers). An authority or other public body could also impose similar coercive measures on a third party that promotes the business of iGaming operators, which could result in the Group being affected directly, or not only indirectly, by the coercive measures. This risk applies in particular in the jurisdictions where the legal status of iGaming is unclear. There is thus a risk that the Group's employees, consultants, board members or executives (or an iGaming operator's employees, consultants, board members or executives) could be expelled or arrested and/or remanded in custody in jurisdictions where the Group's or its customers' operations are deemed illegal. If such incidents were to occur this could have a material adverse effect on the Group's business, financial position and results.

Apart from laws and regulations for gaming operations, the Group is also subject to a large number of other regulations and regulatory requirements. Raketech's operations are, for example, subject to rules and various regulatory requirements regarding money laundering, data protection and privacy. Moreover, the Group must in certain markets share certain data and information with local supervisory authorities. Compliance with such regulations and regulatory requirements may be complicated and require considerable resources. If the Group does not comply, or is deemed non-compliant with these, the Group may be subject to fines and/or penalties and other sanctions, which could have a material adverse effect on the Group's business, financial position and results.

If any of the above regulatory risks were to occur, this could have a material adverse effect on the Group's business, results and financial position.

There is a risk that the Group may not be able to obtain necessary financing

In connection with the stock exchange listing, the Company intends to fully or partially repay the credit facility from the Group's primary lender which has been used to finance acquisitions and which matures on 27 February 2020. The Group is dependent on external financing in order to continue to implement acquisitions and thereby achieve its financial targets for, primarily, growth. The Group therefore intends to obtain financing in connection with the listing and if such financing cannot be obtained on commercially viable terms, this would mean that the Group's acquisition and growth strategy would not be able to be fully implemented or implemented at all, which could have a material adverse effect on the Group's business, results and financial position.

The fees that the Group is entitled to receive under its customer agreements are dependent on the customers' calculations of revenue and administrative fees

Once the Group has directed an end-user to one of its customers, the Group has no direct insight into the gamer's activities after the gamer has registered with the Group's customer. The Group therefore relies on its customers' calculations of the revenue the Company is entitled to receive from the customers. There is thus a risk of miscalculation, either due to a customer's deceitful action or due to a customer's mistake. If miscalculations occur without being discovered, corrected in time or corrected retroactively, the Group may receive a lower sum than the Group is entitled to under its customer agreement. Furthermore, a majority of the Group's customers have the right to deduct an administrative fee from the revenue that the Group is entitled to receive. This fee could in certain cases be significant and is in practice determined solely by the Group's customers. If the Group receives lower compensation as a result of miscalculation or high administrative fees this could lead to reduced revenue, which could have a material adverse effect on the Group's business, results and financial position.

The iGaming market's popularity and profitability is crucial for the Group's results

The Group's revenue mainly consists of revenue from iGaming operators, who are the Company's customers. The Group's success is therefore dependent on the continued popularity of iGaming, which in turn is dependent on a variety of factors, including the existence of efficient and, for the Company, advantageous laws and regulations, as well as sustained good and increasing access to broadband for individuals. The popularity and acceptance of iGaming in different jurisdictions is also in general affected by prevailing social norms, and any change in such norms could lead to iGaming becoming less popular or accepted. A decline in the iGaming market or a change in social norms could consequently have a material adverse effect on the Group's business, results and financial position.

Most of the Group's customer agreements are based on a performance-based compensation model or a profit-sharing model. In a performance-based compensation model the Group is entitled to compensation for each end-user who creates a new profile and makes an initial deposit on the customer's website. This compensation model is called cost per acquisition ("**CPA**"). A profit-sharing model is where the Group is entitled to a certain percentage of the net gaming revenue generated by the end-user on the customer's website, provided that it was the Group that directed the end-user to the website. Consequently, the Group's revenue is not only dependent on the number of end-users that the Group's is able to generate for its customers, but also on the customers' ability to get end-users to continue gaming on their websites and applications. The Group is thus dependent on its customers' ability to offer a competitive gaming platform and to maintain a strong brand and good reputation. This requires the customers to constantly make significant investments in their respective businesses. The iGaming market, but to some extent also the markets that constitute part of the Group's Lab business, are above all characterised by fast technical changes, new solutions being launched and constant improvement of the games and services provided. iGaming operators' end-users are trend-sensitive and quick to adopt, alternatively to dismiss, alternative solutions, new games and services. This means that the Group's customers are subject to the challenge of maintaining end-user activity on their websites and applications. If a customer is not able to offer end-users an attractive gaming platform, end-users may leave the customer to instead look for another actor who is not a customer of the Group. This type of trend would impact the iGaming operators' business and profits and thereby also have a material adverse effect on the Group's business, results and financial position.

Changes in taxation or interpretation of how to apply tax laws could have a material adverse effect on the Group's business, results and financial position

The iGaming operators are in general not only required to pay direct corporation tax, but also indirect taxes and gaming tax. The way in which the regulatory environment has developed has resulted in the favourable tax situation of the past for iGaming companies becoming less favourable for iGaming operators, as the number of domestic regulations and tax laws which regulate operations that traditionally were regarded as offshore businesses has increased. One growing trend is that licensing regulation is accompanied by various types of consumption taxes, e.g., POC (point of consumption) tax whereby iGaming operators, as a condition for holding a licence, must pay tax on gaming revenue they receive from operations and customers that can be traced to a specific jurisdiction. Furthermore, a possible licence system in Sweden, in the case of the government bill 2017/18:220, "A re-regulated gaming market", becoming law, will result in an excise duty of 18 percent for the Company's customers that may need a license. An increased tax burden for iGaming operators may result in reduced revenue for the Group from revenue-sharing arrangements with its customers, which could have a material adverse effect on the Group's business, results and financial position.

Although several jurisdictions currently do not tax gaming profits, or several jurisdictions currently only apply a low tax rate, this type of beneficial tax situation does not apply on a global level and future legislation could result in this type of tax being introduced or increased to a greater extent than is currently the case. There is therefore a risk that the iGaming market will be less financially attractive to online gamers in such jurisdictions, which in turn could mean reduced interest in iGaming in general. A decline in interest in iGaming could reduce the number of online gamers that are directed by the Group to its customers or reduce the amounts the online gamers play for on the customers' websites. This type of reduced interest in gaming and betting could have a material adverse effect on the Group's business, results and financial position.

Furthermore the Group may, from time to time, be subject to tax audits and investigations by tax authorities. Such audits could, for example, be performed for the purpose of evaluating the interpretation and application of tax laws relating to the Group's current and former internal and external transactions, debt arrangements and intra-Group loans. If the Group is subject to a tax audit there is a risk that the Group's compliance with tax laws and tax codes may be questioned as regards the fiscal treatment of the Group's transactions and other business arrangements. It is also possible that the Group, by mistake or for reasons that are outside the Group's control, may not be in compliance with the tax codes in effect. If any of these circumstances were to occur, this could lead to disputes and subsequent payment of large amounts, including interests and fines. If the Company or any Group company is forced to participate in legal proceedings as a result of disputes, there is a risk of increased costs for the Group and of management's attention being distracted from other aspects of Raketech's operations. Tax audits and investigations by tax authorities may also generate negative publicity and damage the Group's reputation among its customers and other parties. If any of the above-mentioned risks were to occur this could have a material adverse effect on the Group's business, results and financial position.

The Group's customer agreements are of varying lengths and have relatively short periods of notice of cancellation

The Group's revenue streams may be adversely affected by a general decline in business among its customers or if any of its customers cancel their agreement with the Group. Many of the Group's customer agreements contain terms and conditions whereby the customers can terminate their agreement with the Group at short notice without a breach of contract or any other similar incident occurring. The majority of the Group's customer agreements may, for example, be cancelled at any time by either party without a specific reason with a period of notice that is normally 30 days or less. Some of the Group's customer agreements are also fixed-term agreements that were entered into for a relatively short period, which could result in the Group having to renegotiate or find alternative customers with more regular frequency than if the agreements had longer terms. Although it is normal for the Group to continue to receive shared revenue even after agreements with customers have ceased, many of the Group's agreements lack explicit rules regarding this and the possibility that compensation will no longer be paid out when the contract has ended cannot be ruled out. Reduced revenue from customers and loss of customers as a result of customers terminating their agreements or agreements expiring after a short time has passed could have a material adverse effect on the Group's business, results and financial position.

The Group operates in a highly competitive industry

The Group operates in a highly competitive industry. The Group competes with new and established local and international actors in online marketing and other parties that use traditional marketing channels such as TV, print advertising and radio. The Group must always offer and develop new functions and implement regular system updates to continue to attract new visitors to its websites in order to generate a sufficient quantity of internet traffic to its customers. If the Group cannot compete effectively, this could lead to a reduction of such internet traffic, which could in turn lead to a reduction in the Group's revenue and an inability to attract presumed customers in the future. Competition could also lead to the customers wanting to negotiate lower fixed payments or renegotiate provisions, revenue-sharing arrangements or other fees which the Group receives from its customers. If the Group were to be unable to maintain a competitive position and compete effectively, this could have a material adverse effect on the Group's business, results and financial position.

Furthermore, some of the Group's customers have their own marketing departments. If the Group's customers' marketing departments develop the same expertise and ability to conduct marketing activities as the Group, for example within SEO, content marketing, affiliate marketing or through social media, the Group may lose part of its competitive edge with customers. There is also a risk that competitors (for example larger multinational companies) that currently focuses on other customer segments, sales channels or geographical markets may offer products and services to Raketech's target group, via corresponding sales channels or on the Company's geographical markets and thereby further increasing the competition, which can cause the Company to lose business opportunities or be forced to change its business model. Demand for the Group's services could thus decrease and the Group could lose part of its market share, which could have a material adverse effect on the Group's business, results and financial position.

The Group is dependent on its systems and functions and must continue to develop its systems and functions to ensure future growth

Online marketing is a technology-sensitive sector characterised by a high level of innovation and fast conversion to new products and services. In order to succeed, the Group is dependent on its technical systems and functions. The Group's ability to identify and make technical changes is crucial for the Group's future ability to generate revenue. The Group has invested significant resources in its technical platform, The Hub, and may need to make additional significant investments to further develop systems and functions to meet customer demand, in order to keep up with general industry trends and technical development as well as to ensure future business. The Group may, for example, need to replace or upgrade its hardware and software, which could result in significant costs that could be difficult to predict. The need for such upgrades could arise in particular if the Group decides to expand its offering by, for example, targeting industries other than iGaming and industries that are currently the focus of the Group's Lab business. Upgrades may also be needed due, among other things but not exclusively, to changed behaviour among online gamers, in the economy or if internet use were to decline. If the Group's current and possible future development initiatives are not sufficient, there is a risk of the Group losing customers or being forced to change its fee structure in a way that would be less favourable for the Group. Consequently, the Group's inability to efficiently develop its systems and functions could lead to reduced demand for the Group's services, which in turn could have a material adverse effect on the Group's business, results and financial position.

The Group's operations could be affected by technical problems and cybercrime

The Group is dependent on both the Group itself and its customers maintaining the functionality and operation of IT and communications systems. The Group and its customers are exposed and vulnerable to various types of cybercrime. iGaming operators' or other customers' operations could, for example, be adversely affected by various system breaches, such as distributed denial-of-service ("DDoS") attacks, viruses, overload attacks and other types of IT crime. Such activities could disrupt websites, lead to other system failures or cause disruptions in operations, and could damage the Group's, its customers' or end-users' computer equipment. The systems are also sensitive to breakdowns or disruptions due to events beyond the Group's control, such as fires, floods or other natural disasters, power disruptions, breakdown of telecommunication or the computer network, improper or careless usage of the systems by the Group's or the operators' employees etc. The Group's inability to acquire or develop technology that is competitive and that can support the Group's growth could have a material adverse effect on the Group's ability to assist customers and control the business. Data security risks have in general increased over the past few years due to the spread of new technology and the increased occurrence of sophisticated cyberattacks. A breach of the Group's reporting systems, other IT systems or partners' IT systems could disrupt Raketech's operations and also lead to leaks of confidential and copyright protected information, as well as other company secrets. If, for example, the Group's financial performance or customer data is illicitly disclosed, distributed or used in contravention of laws and regulations on disclosing information to the market or data protection and personal data management, the Company could face legal consequences and a damaged reputation. Poor or insufficient reliability, functionality, operation or development of the Group's reporting systems or other business-critical internal and external IT systems, such as customer websites, could therefore, if the Group fails to manage or prevent the consequences thereof, have a material adverse effect on the Group's business, results and financial position.

The Group is to some extent dependent on continuing to make acquisitions and there is a risk that acquisitions will not be able to be financed or well integrated

In recent years the Group has acquired a relatively large number of other companies and operations. Some of these companies and operations were active in the markets where the Group has not previously had any activity. It is likely that the Group, aside from its core business and internal development of new products and focus on new markets, will continue to implement acquisitions to support continued growth and profitability.

The Group has until now financed its acquisitions primarily with a combination of payment in treasury shares, cash and debt financing, mainly from its primary lenders. The Group intends to continue to finance possible future acquisitions entirely or partially with external financing. If the Group cannot obtain financing for acquisitions or for its operating activities on commercially viable terms or if the Group cannot obtain financing or fails to fully meet its obligations under existing loan terms, there is a risk that the Group will not be able to implement acquisitions as planned. There is also a risk that the Group, due to new requirements and a changed environment, such as those a listing on Nasdaq First North Premier could involve, will not be able to offer payment in treasury shares to the same extent as before, which could have an adverse effect on its ability to implement acquisitions. In order for the growth by acquisition to be succesful the Group must identify suitable target companies to acquire, perform appropriate due diligence, negotiate favourable terms, receive necessary licenses and finally conclude these acquisitions and integrate them within the Group. If the Group cannot implement acquisitions at the desired rate or at all, this will result in lower growth for the Group, which could have a material adverse effect on the Group's business, results and financial position.

Furthermore, there is a risk that the Group's acquisitions will not generate the margins or cash flows that are expected or the other benefits that the acquisitions are expected to bring, such as increased growth or anticipated synergy effects. The actual progress of acquisitions could therefore be significantly different from the Group's expectations. These risks are particularly large with respect to acquisitions in markets where the Group has not previously been active. There is also a risk that the Group will fail to successfully integrate acquisitions and that such integration could require larger investments of financial, HR and other resources than the Group has predicted. Acquisitions could also result in the Group incurring or being charged with unknown or unforeseen costs or expenditures relating to customers, suppliers, employees, authorities or other parties. Furthermore, an acquisition integration process could disrupt Raketech's operations due, for example, to unforeseen technical, legal, regulatory, contractual or other issues, difficulties realising operational synergies or the fact that the acquired business is not of the quality that the Company has expected. Also, it is possible that upcoming or completed acquisitions could divert management's attention from operating activities, which could result in the Group suffering unforeseen losses or missing out on further business opportunities. If any of the risks described above were to occur, this could have a material adverse effect on the Group's business, results and financial position.

The Group is dependent on its ability to employ, retain and benefit from qualified personnel

The Group is dependent on its ability to employ, retain and benefit from qualified personnel. There is a risk that members of the Group's executive management team or other key individuals will decide to leave the Group and that it could be difficult to attract and retain qualified key individuals and other employees with the right skills. A loss of a significant number of the Group's employees or one or more of its key individuals could affect Raketech's business, while the management also would have to spend time on finding appropriate replacements or covering for the vacant position until an appropriate replacement is found.

Furthermore, many of the Group's key employees were previously employed in businesses that were acquired, and acquisitions are an important aspect of the Group's future recruitment. If the Group cannot continue to make acquisitions and successfully integrate acquired companies, there is a risk that the Group will become less attractive to existing and future personnel.

The Group is also exposed to recruitment difficulties resulting from the fact that the geographical location of the Group's head office is not the same location as the international markets in which the Group operates. Consequently, the Group is highly dependent on qualified managers and personnel relocating to the geographical location where the Group has its head office. If the Company or the Group were to be unable to retain or attract qualified individuals, this could have a material adverse effect on the Group's business, results and financial position.

If the Group is unable to manage future growth the Group could fail to reach its financial targets

The Group has grown rapidly and must continue to employ a sustainable growth strategy in order to continue to achieve successful results. In order to achieve the Group's profit and growth targets, the Group must successfully manage commercial opportunities, revenue streams and product and service quality within the organisation, and must increase capacity and internet traffic in line with the demands of existing and presumptive customers. As the Group grows it can explore new and diversified strategies for revenue growth. Increased complexity in its operations places more pressure on the Group's systems, governance, processes and management, which could impede the Group's ability to successfully develop and adapt the organisation to new demands and needs, which in turn could adversely affect the Group's future growth and consequently have a material adverse effect on the Group's business, results and financial position.

Future growth could also require the management to take greater responsibility in areas such as identifying, recruiting and integrating additional employees with relevant expertise. The Group's geographical location could present an obstacle in the recruitment of employees. The Group is active in several international markets and is therefore dependent on employees with proficiency in languages other than the main language used at the Group's head office. New employees may need to be relocated to the Group's head office and it is therefore difficult to predict how long and extensive the recruitment process might be. Fast and significant growth could therefore be a burden on the Group's administrative and operational infrastructure. To manage the operating activities while also increasing growth, the Group must continue to improve its operational control and management control processes, accounting and communication, as well as its internal financial control. There is a risk that the Group will not succeed in managing its growth effectively and will fail to adapt to the changes and increased requirements that come with expansion, which could have a material adverse effect on the Group's business, results and financial position.

Many of the Group's customers are vulnerable to gaming fraud and need to have efficient internal control processes

There is a risk that the Group's customers are exposed to fraud, which could damage end-user confidence in these websites. The Group is dependent on these customers having efficient internal control processes in place to prevent fraud, because the Group receives the majority of its revenue from fixed payments and performance-based revenue models from end-customers who use the customers' websites. If a customer of the Group does not have or does not maintain satisfactory systems or internal controls, this could have a material adverse effect on the Group's business, results and financial position.

The Group is responsible for content published on its websites

The Group publishes both its own content and content provided by third parties on its websites. The Group may be held responsible by a third party if published content were to breach that party's copyright, brand or other intellectual property rights or if the content breaches the copyright, brand or other intellectual property rights of another party. This also applies if the content is disparaging, misleading, felonious or in another way is in contravention of laws and regulations. Damage claims and other related costs pertaining to the content the Group publishes on its websites may be time-consuming, lead to costly legal processes and distract the focus of management from day-to-day activities. Such processes could also harm the Group's reputation and relationships with customers and users. If any of the risks described above were to occur, this could have a material adverse effect on the Group's business, results and financial position.

The Group is exposed to risks relating to intellectual property rights and legal proceedings

The Group's most important intellectual property consists of its domain names, customer data, copyright, trade secrets, the right to acquire domain names, its brands and proprietary technology. The Group has in the past acquired a number of domain names which it uses to offer marketing services. If the Group cannot acquire or use suitable domain names in the countries where the Group operates, or in countries into which the Group may want to expand its operations, this could adversely affect the Group's competitiveness, which could have a material adverse effect on the Group's business, results and financial position.

Furthermore, there is a risk of the Group being prevented from freely using its domain names in the jurisdictions where it operates. The use of the Group's domain names could in certain jurisdictions infringe upon a third party's trademark registration or other rights, which could prevent the Group from using its domain names. The global nature of the internet means that competing or conflicting intellectual property rights could exist in different jurisdictions. The Group intends to continue to acquire domain names when appropriate opportunities arise. Acquiring and maintaining domain names is regulated by law and there are authorities that supervise this, as well as organisations involved in domain management. Domain management organisations may establish new top domains, appoint additional registrars or modify requirements for possessing domain names, which could result in the Group being unable to use its existing domain names in the way it desires, which could have a material adverse effect on the Group's business, results and financial position.

There is also a risk of the Group becoming involved in legal proceedings within the context of Raketech's operations. The Group could, for example, be subject to damage claims and fines imposed by authorities relating to intellectual property or misleading and inappropriate marketing, and fail to protect their intellectual property. Such processes could be time-consuming, involve large sums of money and, regardless of the outcome, result in significant costs for the Group, which could have a material adverse effect on the Group's business, reputation, results and financial position.

The Group is subject to credit risks in accounts receivable and the risk of the customers withholding payments

The Group's revenue is initially collected by its customers, who are invoiced for the Group's portion of the revenue. Until the Group's invoices are paid, the Group is exposed to credit risk in the form of the risk of non-payment. The risk of customers not paying may increase or be increased in the future. Such a risk can especially increase if the Group would expand into new markets where customers are less economically stable. If any of the customers claim breach of contract or cite any other reason for stopping or withholding payment to the Group, regardless of whether or not any grounds exist for such claims, the Group may be forced to initiate legal proceedings or initiate coercive measures to receive payment. Delayed payments or non-payments from customers could lead to revenue that is lower than expected and could have a material adverse effect on the Group's business, results and financial position.

The industries in which the Group operates are subject to negative publicity

Both the iGaming industry and the consumer credit industry are periodically subject to negative publicity. In the case of the iGaming industry, this is mainly the perception that underage individuals are gaming or that vulnerable end-users are being exploited. There is also a historical link between gaming and criminal activity. There is thus a risk that the Group's customers' reputations will be adversely affected regardless of whether such negative publicity is inaccurate or misleading, which could have a material adverse effect on the Group's customers' revenue and in turn have a material adverse effect on the Group's business, results and financial position.

The Group has previously shut down certain websites due to, among other things, the websites not being consistent with the Group's code of conduct. These were primarily websites that were acquired in combination with other websites. The Group may in the future acquire websites that will subsequently be shut down. Shutting down a website could lead to loss of revenue and is furthermore associated with costs for the Group.

According to the terms of their licences, the iGaming operators are normally required to guarantee that their services are not available to underage individuals and to take steps to prevent people with a gambling addiction or who are suspected of having a gambling addiction from using their services. Furthermore, many of the Group's customers require Raketech to comply with the ethical guidelines and codes of conduct which those customers apply. To the extent that underaged individuals or gamers with a gambling problem gain access to the services, or the Group is in any other way non-compliant with or appears to be non-compliant with applicable guidelines and codes of conduct, the iGaming operator's brand or reputation could be damaged. This could result in negative publicity and criticism from relevant supervisory authorities and subsequent legal disputes with the iGaming operators.

If any of the risks described above were to occur, this could have a material adverse effect on the Group's business, results and financial position.

The global economic outlook and its impact on the global economy could have an adverse effect on the Group's business

The majority of the Group's customers are affected by general economic trends and consumer trends that are outside the Groups' and the customers' control. The Group's revenue is mainly driven by gaming activity among the end-users that the Group directs to its iGaming customers. Gaming activity is in turn driven by the online gamers disposable income and the level of gambling. There is a risk that unfavourable economic conditions or other macroeconomic factors will reduce disposable income, the number of online gamers that use iGaming platforms and the amounts the online gamers play for. A changed outlook for global economic trends or unfavourable economic conditions could therefore have a material adverse effect on the Group's business, results and financial position.

The Group's revenue is subject to seasonal fluctuations relating to the end-users' gaming activity and demand

Raketech's business is affected to some extent by seasonal patterns in terms of end-user activity. The Group's customers generally notice increased end-user activity and increased betting volumes during the second half of every year, which coincides with the Group's experience of increased commission revenue during the second half of the year. As parts of Raketech's business focuses on sports results and betting, the end-users activity is also affected by larger sports events such as the World Cup in soccer or larger championships, which in turn impacts the Company's revenue. This type of revenue volatility can periodically have a material adverse effect on the Group's business, results and financial position.

The Group operates in a relatively new industry and in markets that are subject to changes

The Group and its business model is the result of an increase in internet use. The performance-based marketing industry in which the Group operates is relatively new and therefore, similar to other recently established industries, is subject to greater uncertainty and risks than are faced by companies that operate in more established industries. Since the industry is relatively new and constantly evolving, there is limited historical data available. Furthermore, there are few other companies – especially established ones – with which to make comparisons. This combination of factors makes it hard to produce long-term forecasts or analysis about how the industry will be affected by unforeseen events, crises, changes in macroeconomic conditions, amended legislation, new technology or marketing methods and increased competition from new actors. In addition to the industry in which the Group operates its business, the markets in which the Group's customers run their respective businesses are also subject to change. The Group is therefore in a relatively early stage of its development which results in a limited availability of financial, business related and other information in order to assess the prospects of the Group. Comprehensive changes in the customers' ability to operate their businesses could affect the Group. There is therefore a risk of Raketech's business no longer being profitable or failing to reach its financial targets when such changes occur, which could have a material adverse effect on the Group's business, results and financial position.

Impairment of goodwill and other intangible non-current assets

According to IFRS, the Group is obliged to test for impairment of goodwill and other intangible non-current assets every year. Goodwill measurement must also take place when events or changed circumstances indicate that the carrying amount is higher than the recoverable amount. Non-current assets on the Group's balance sheet consist primarily of intangible non-current assets. The Group may consider making additional acquisitions, which could result in increased goodwill or other intangible non-current assets. If operational, regulatory or macroeconomic conditions – both globally and in the Group's markets – develop in a way that deviates from the Company's past assessments and Raketech's business is therefore adversely affected, the need for further impairment of goodwill and intangible assets may arise, which could have a material adverse effect on the Group's business, results and financial position.

The Group may mismanage the collection and processing of online visitors' personal data

Raketech's operations may from time to time involve processing data whereby the Group is responsible for ensuring that the collection and processing of online visitors' personal data is carried out according to the laws and regulations in effect. New regulations that aim to protect personal integrity have recently entered into force in the EU and Sweden. The new regulation provides new requirements in relation to the Company's processing of personal information and the Company will need to evaluate and update existing systems and routines, with risk of increased costs, in order to ensure compliance. If the Group mismanages the collection and processing of online visitors' personal data or otherwise acts contrary to coming regulatory requirements, civil or criminal sanctions including significant fines, may be imposed on the Group or its management, which could have a material adverse effect on the Group's business, results and financial position.

The Group is exposed to financial risks such as financing and refinancing risk, liquidity risk, currency risk and interest rate risk

The Group is exposed to various financial risks such as financing and refinancing risk, liquidity risk, currency risk and interest rate risk. Financing risk is the risk that financing cannot be obtained or renewed when it matures, or that it can only be obtained or renewed at significantly higher cost or on terms that are unfavourable for the Company. Liquidity risk is the risk that the Group will not be able to meet its payment obligations when payments are due without the cost of obtaining funds for this increasing significantly. Currency risk is the risk that exchange rate fluctuations will adversely affect the Group's income statement, balance sheet and cash flow. The Group is operating an international business and with the business mainly based in Malta. The primary currency is EUR although a portion of the revenue and costs are in other currencies, mainly SEK. In addition, the Group is also indirectly exposed to currency risk in that the purchasing power of online gamers is determined by the local currency and Raketech's customers have a significant proportion of online gamers in countries that do not have EUR as their currency, such as Sweden. Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on fair values of financial assets and financial liabilities and future cash flows. If any of the risks described above were to occur, this could have a material adverse effect on the Group's business, results and financial position.

RISKS RELATING TO THE SHARE

The future price of Raketech's share cannot be predicted and the share price may fluctuate

Investors shall be aware that an investment in the Company is associated with several types of risk. Following the Listing, the share price may be subject to significant fluctuation resulting, for example, from a change in the market's assessment of the Company's shares or a certain event occurring, such as a change in laws and other regulations that affect the Company's business, results and development. The stock market itself may be subject to significant fluctuations in terms of price and volume which are not necessarily related to the Company's business or future outcome. Additionally, the expectations of the market, investors and analysts with respect to the Company's performance and future outlook may differ from the Company's actual result and development. There is also a risk that active and liquid trading in the Company's shares will not develop and there is therefore also a risk that shareholders will not be able to sell their shares or can only sell them at a loss. One or more of these factors could result in a decline in the Company's share price, which is why any decision on investing in shares should be preceded by careful analysis.

Existing shareholders sale of shares may cause the Company's share price to drop

The share price of the Company may fall if there is extensive sale of shares in the Company, especially sales by the Company's board members, senior executives and larger shareholders or when a large amount of shares are sold.

The Selling Shareholders as well as members of the board of directors and executive management owning shares in the Company, have agreed, with certain exceptions and for a certain period, not to sell their shares or otherwise enter into transactions with similar effect without the prior written consent of the Managers (a so called "lock-up"). After the end of the applicable lock-up period, the shareholders affected by the lock-up period will be free to sell their shares in Raketech. The sale of large amounts of Raketech shares by the Selling Shareholders or other current shareholders after the end of lock-up periods, or the perception that such sales will occur, may cause the share price of the shares in Raketech to fall.

Some shareholders may continue to have a significant influence over the Company and its operations and it is possible that these shareholders' interests will not coincide with the interests of other shareholders

At the completion of the Offering around 39.8 percent of the share capital and voting rights (approximately 34.7 if the over-allotment option is excercised in full) will be controlled by Tobias Persson Rosenqvist, Erik Skarp, Johan Svensson, Reine Beck and Marcus Ingemansson. These shareholders (together called the "**Principal Shareholders**") thus have the ability to exercise significant influence over the outcome of issues on which the Company's shareholders make decisions, including e.g. the election of board members, execution of mergers and the sale of all or a significant portion of the Group's assets. Other such issues could include issuance of additional shares or other securities in the Company, which could dilute the shareholders' holding in the Company as well as future dividends. The Principal Shareholders, Erik Skarp and Johan Svensson, may exercise control over the Company's board of directors through representation on the board and thereby influence the direction in which the board chooses to take Raketech's business. Also, Johan Svensson is employed by the Group and will therefore have the ability to exercise influence over day-to-day operations and strategic issues in his area of responsibility. The Principal Shareholders' interests may not coincide with, and may deviate greatly from or be in conflict with, the Company's interests or the interests of other shareholders and there is a risk that the Principal Shareholders will exercise their influence over the Company in a way that does not promote the interests of all the shareholders. The concentration of share ownership could delay, put off or prevent a change of ownership in the Company and impact mergers, consolidations, acquisitions or other forms of business amalgamations, or affect dividend disbursements that other investors wish, or do not wish, to implement. The types of conflicting interests described above could have a material adverse effect on the Group's business, financial position and results.

Future issuance of shares or other securities in the Company could dilute the shareholding and have an adverse effect on the share price

The Group may in the future need to raise additional capital to finance its operations or make planned investments. The Group may seek to raise additional capital by, for example, issuing shares, share-based securities, convertibles or bonds. An issue of additional securities or bonds could reduce the market value of the Company's shares and dilute the financial or voting rights of existing shareholders, unless existing shareholders are given preferential rights in the issuance. There is thus a risk that future share issues will reduce the market price of the share and/or dilute certain shareholders' holdings in the Company.

Investors with a reference currency that is not EUR are exposed to certain currency risk if they invest in the Shares

Following the Listing, the Company's shares will be listed on Nasdaq First North Premier in SEK. The Company's equity is, however, reported in EUR and any dividend on the Company's shares is primarily paid out in EUR, provided that EUR can be deposited in the shareholders' income accounts. Otherwise, any dividend will be paid in SEK after currency exchange arranged by Euroclear Sweden AB ("**Euroclear Sweden**") or the Company. Therefore customers whose reference currency is not EUR may be affected by a fall in the value of EUR in relation to the respective investor's reference currency. If the value of EUR falls in relation to such currency, the value of the share investment or dividends will decline in the foreign currency. In addition, these investors may be affected by additional transaction costs upon conversion of EUR to another currency. Investors whose reference currency is not EUR are therefore encouraged to seek financial advice.

The Company's ability to pay dividends in the future may be limited and is dependent on several factors

The board of directors must take into account a number of factors, including the Company's future results, investment requirements, liquidity and development opportunities, as well as general economic and commercial conditions, when proposing the dividend. There are also provisions in Maltese law that limit the Company's dividend proposals and payment to only include those funds that are distributable under the law. There is a risk that no dividend will be able to be proposed or approved for a specific year.

It is possible that certain shareholders outside Sweden or Malta may not be able to exercise their preferential right

Under Maltese law shareholders have preferential rights in certain issues of new shares unless a decision is made to deviate from the preferential right. Securities legislation in certain jurisdictions may, however, limit the Company's ability to allow shareholders from certain jurisdictions to exercise their preferential right in a possible future share issue. There is thus a risk that shareholders in the U.S. and in certain other countries may not be able to exercise their preferential right to participate in share issues or buy-back offerings, including discount offerings, unless the Company decides to meet local criteria or if no exemption from such criteria is applicable. There is a risk that the Company will not decide to meet local criteria for participation in share issues and that shareholders outside Sweden will thus not be able to exercise their preferential right in future share issues or participate in future buy-back offerings.

There is a risk that the Company will not live up to the requirements for shares imposed by Nasdaq First North Premier

The Company has applied and been approved to list its shares on Nasdaq First North Premier on condition that the requirements for shares are met. The Nasdaq First North Rulebook contains provisions stating that the conditions must be in place for a sufficient supply of and demand for an issuer's shares, for the purpose of achieving an effective price mechanism. Under these provisions a sufficient number of the issuer's shares must be owned by the general public and an issuer must have a sufficient number of shareholders. If the requirements for shares are not satisfied the application to list the shares may be denied. The shares may also be delisted if the Company at some point in the future does not satisfy the requirements for shares.

FORWARD-LOOKING STATEMENTS AND PRESENTATION OF FINANCIAL AND OTHER INFORMATION

FORWARD-LOOKING STATEMENTS

The Prospectus contains certain forward-looking information that reflects management's view of future events as well as anticipated financial results and operational performance. In general, forward-looking statements in the Prospectus comprise all statements that do not refer to historical facts and events, and statements other than statements on historical facts or current facts or circumstances. Forward-looking statements can be identified by the words "believe", "expect", "mean to", "intend", "estimate", "anticipate", "assume", "predict", "can", "will", "shall", "should", "according to estimates", "consider", "may", "plan to", "potential", "calculate", "as far as is known" or, in each individual case, their antonyms or other similar expressions that are used to identify information that refers to future events. Other forward-looking statements can be identified by the context in which they are used. Forward-looking statements occur in a number of places in the Prospectus including in the following sections: *"Summary", "Risk factors", "Market overview", "Description of operations", "Comments on financial performance"* and *"Shareholding and share capital"*. Such other forward-looking statements include statements such as:

- the Company's strategy and growth prospects, including its financial and operational goals;
- the Company's ability to manage growth and identify and attract new customers;
- the cost of and development of new products and services, and the timing of such costs and development;
- the Company's dependence on the market in which the Company operates;
- competition in the market in which the Company operates;
- the general economic trends and trends within the industry and market in which the Company operates;
- the Company's ability to maintain and develop SEO;
- other provisions and laws and the effect thereof;
- the timing of and expected success of expansion in certain markets, including regulated markets; and
- the Company's dividend policy and ability to pay dividends.

Although the Company believes that the expectations associated with these forward-looking statements are reasonable, the Company cannot guarantee that such expectations will materialise or prove correct. Since the forward-looking statements described in this section are based on assumptions or estimates and are dependent on risks and factors of uncertainty, the outcome or actual results may differ significantly from what is stated in the forward-looking statements. Other factors that may cause the Company's actual results, performance or outcomes to deviate significantly from the expectations include, but are not limited to, those factors described in the section *"Risk factors"*.

The forward-looking statements in the Prospectus apply only as of the date of the Prospectus. The Company does not assume any responsibility for publishing, updating or revising any forward-looking statements other than as required under laws or regulations, regardless of whether a change in these forward-looking statements would be warranted based on new information, future events or other circumstances. Potential investors are therefore urged not to rely on any of the forward-looking statements made in the Prospectus.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Historical financial and other data

The Prospectus contains the Company's audited consolidated financial statements for the Group for the financial years ending 31 December 2017, 2016 and 2015, and have been prepared in accordance with IFRS as adopted by the European Union ("**IFRS**").

The financial statements for the 2017, 2016 and 2015 financial years were audited by PricewaterhouseCoopers ("**PwC**") as indicated in PwC's audit report, which is presented elsewhere in the Prospectus. The accounts are presented in EUR. For additional information on currencies and exchange rates, see the section *"Forward-looking statements and presentation of financial and other information – Currency"* and *"Comments on financial performance – Exchange rate fluctuation and interest rate costs"*. Unless expressly stated otherwise the Company's auditors have not reviewed or audited the financial information in the Prospectus.

Non-IFRS financial measures

The following financial measures included in the Prospectus are non-IFRS measures of financial performance or liquidity:

Revenue growth (%): Growth in revenue compared with the previous period, expressed as a percentage.

Organic revenue growth: Growth in revenue compared with the previous period, for the underlying business including business growth that was generated by asset acquisition from the date of integration of the acquisition with the Company.

Revenue by revenue model (%): Revenue originating from the Company's various revenue models (Revenue share, CPA and Flat fee), expressed as a percentage of revenue.

Revenue by vertical (%): Revenue originating from the verticals (Online casino, Online sports betting, Other) in which the Company offers its products, expressed as a percentage of revenue.

Revenue by geographical market (%): Revenue originating from the geographical markets (i.e. Nordic region: Sweden, Finland, Norway, Denmark, and Other markets: UK and other countries), where the Company operates, expressed as a percentage of revenue.

Operating profit (EBIT): Earnings before finance costs and taxes.

Operating margin (%): Operating profit (EBIT) as a percentage of revenue.

Adjusted operating profit (EBIT): Operating profit (EBIT) adjusted for items affecting comparability. For a reconciliation of Adjusted operating profit to profit for the period, see "*Selected financial information – Selected key ratios – Alternative key ratios – Reconciliation tables for alternative key ratios*".

Adjusted operating margin (%): Adjusted operating profit (EBIT) as a percentage of revenue.

EBITDA: Earnings before finance costs, taxes and amortisation, depreciation and impairment losses.

EBITDA margin (%): EBITDA as a percentage of revenue.

Adjusted EBITDA: EBITDA adjusted for items affecting comparability. For a reconciliation of Adjusted operating profit to profit for the period, see "*Selected financial information – Selected key ratios – Alternative key ratios – Reconciliation tables for alternative key ratios*".

Adjusted EBITDA margin (%): Adjusted EBITDA as a percentage of revenue.

Employees: Number of employees at the end of the period.

NDCs: New Depositing Customers, online players that the Company has referred and who make their first deposit on one of Raketech's partners' websites.

Mobile traffic (%): Share of total traffic accounted for by mobile traffic, expressed as a percentage.

The non-IFRS financial measures in the Prospectus are not recognised measurements of financial performance according to IFRS. They are instead indicators that management uses to monitor the underlying performance of the Company and its operations. The non-IFRS financial measures should in particular not be considered as replacements for revenue, other income, operating profit/loss, gains/(losses) for the period, cash flow from operating activities at the end of the period, or other income statement or cash flow items that are calculated according to IFRS. The non-IFRS financial measures do not necessarily indicate whether or not the cash flow will be adequate or available to meet the liquidity requirement and it is possible that they will not provide any indication of the Group's historical operating profit or loss. Nor are these measures intended to indicate the Company's future performance.

The Company is providing information about these non-IFRS financial measures in the Prospectus as the Company believes that they are important supplementary indicators of the Company's and the Group's performance, and believes that such indicators are widely used by investors to make comparisons between the performance of different companies. Since not all companies calculate these or other non-IFRS financial measures in the same way, it is possible that the way in which management has chosen to use the financial measures may not permit comparisons with terms that are defined in a similar way and that are used by other companies.

Rounding off

Some financial and other information described in the Prospectus have been rounded off to make information more available to the reader. Consequently, in some columns financial figures may not correspond to the exact given amount.

Currency

In the Prospectus references to (i) "**EUR**" refer to euros, the common currency for the European Union member states that are members in the European Monetary Union and that have adopted the euro as their legal currency, and references to (ii) "**SEK**" refer to kronor, the currency in Sweden.

Intellectual property

The Company owns or has the rights to certain intellectual property used within its business and the Company reserves the rights associated with such intellectual property rights to the extent permitted by applicable laws.

Each trademark, trade name or copyright mentioned in the Prospectus that does not relate to the Company belongs to the holder of such trademarks, trade names and copyrights. The trademarks, trade names and copyrights mentioned in the Prospectus are presented without the symbols ™, ® and © solely for the sake of convenience.

MARKET DATA

Information in the Prospectus on market circumstances, market development, growth rates, market trends and the competition climate in the markets and in the various regions where the Company operates is based on data, statistical information and reports from external parties and/or on data that has been produced by the Company based on its own information and the information in the reports produced by these third parties. The source on which the Company has based its assessments is a market analysis[1] ("**the Market Analysis**") produced at the Company's request by H2 Gambling Capital Limited ("**H2 Gambling Capital**"), a company that offers services in the area of information exchange and market intelligence in the iGaming industry. The information from H2 Gambling Capital is mainly data on historical and future growth, market information and the competition climate.

Information obtained from a third party, including the information obtained from H2 Gambling Capital, has been reproduced correctly. As far as the Company is aware, and can ascertain through comparison with other information published by each such third party, including H2 Gambling Capital, no material has been omitted that would render the information restated erroneous or misleading.

The Prospectus also contains estimates of market data, and information derived from such market data, that cannot be obtained from market research companies or other independent sources. The Company produces such information based on external sources and the Company's own assessments. In many cases such market data is available to the public through, for example, industry associations, public authorities or other organisations and institutions. The Company believes that its assessments of market data and information originating from such sources is useful for investors' understanding of the industry in which the Company operates and of the Company's position in the industry. Although the Company believes that its own market assessments are reliable, the Company's assessments have not been examined or verified by any external party. Although the Company is not aware of any erroneous statements about the industry or other matters in the Prospectus, such data is associated with risks and uncertainties and may change due to various factors, including those discussed in the section "*Risk factors*".

1) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.

INVITATION TO ACQUIRE SHARES IN RAKETECH GROUP HOLDING PLC

Raketech and the Selling Shareholders have decided to diversify the ownership base in the Company. Accordingly, the Company's Board of Directors has applied for the Company's shares to be admitted to trading on Nasdaq First North Preimer and, in connection therewith, to carry out the Offering.

The Offering comprises at least 11,764,705 and up to 15,384,615 newly issued shares, where the number of shares is determined based on the final price in the Offering so that the Company will receive approximately SEK 400 million before transaction costs. The Offering also includes 2,335,670 existing shares sold by six of the twelve Selling Shareholders. Certain Selling Shareholders have granted an option to Managers giving Managers the right to purchase up to 2,658,042 additional shares to cover potential over-allotments or other short positions, if any, in connection with the Offering. The price will amount to SEK 26 – 34.

The price in the Offering will be determined by a book-building process and will consequently be based upon demand and prevailing market conditions. The Company and the Selling Shareholder will, in collaboration with Danske Bank and SEB, settle the final Offering price within the interval SEK 26 – 34. The final Offering price will be announced by way of press release on or about 29 June 2018.

Upon full subscription, the Offering will bring proceeds to the Company amounting to SEK 400 million before deduction for transaction costs. The right to subscribe for new shares will be granted, with deviation from the shareholders' preferential rights, to the general public in Sweden as well as to institutional investors in Sweden and abroad. Upon full subscription for the shares the amount of 15,384,615 new shares and votes in the Company will increase with 15,384,615 to totally 39,951,915, which corresponds to a dilution of approximately 38.5 percent of the capital and votes. The Group's transaction costs in connection with the Offering are expected to amount to SEK 35 million including remuneration and fees to Danske Bank and SEB (amounting to SEK 20 million) as well as other advisors.

The Offering amounts to a total value of minimally SEK 530 million and maximally SEK 551 million, including over-allotment option, depending on the final price of the Offering. The date for the Offering is expected to occur on 29 June.

Malta on 18 June 2018

BACKGROUND AND REASONS

Raketech is a marketing actor whose primary business involves using its online products to influence iGaming market users who are interested in sports and gambling and to guide them towards the best gambling services. By providing products with high-quality and relevant content the Group increases awareness among users of the offerings of various gambling operators and other advertisers to make it easier for the users to choose an end-service. Raketech attracts a wide audience through various types of online products via browsers and applications. In 2017 the Group directed around 67,000 NDCs[1)] to its partners, had almost 28 million visitors to its largest product in terms of number of visits, TVmatchen.nu. Altogether the Company's TV guides had 94 million pageviews during the year.

Raketech was formed in 2010 to focus on the affiliate business, primarily for online poker in the Swedish market. Since then the Group has grown and is now also focusing on online casinos, online sports betting and media products, and has expanded its product offering into the entire Nordic market. The Company's revenue has grown continuously – both organically and through acquisitions – and has been profitable every year since the start. In the 2017 financial year the Company's revenue amounted to EUR 17.1 million.

The board of directors and Raketech's senior executives, as well as the Selling Shareholders (all shareholders who are selling shares within the Offering, (consisting of existing board members and senior executives in the Company)) are of the opinion that this is an appropriate time to expand the Company's shareholder base and apply for a listing on Nasdaq First North Premier. The Offering and the listing will support the Company's continued growth, give Raketech access to the capital markets and establish a diversified base of new Swedish and international shareholders. Raketech also believes that the listing on Nasdaq First North Premier will increase awareness about the Company among customers and potential employees, and help to increase transparency and quality in the iGaming market.

The board of directors of Raketech intends, in accordance with an authorisation under the articles of association, to resolve on an issuance of new shares and the Offering covers both existing shares and newly issued shares in the Company. The Offering is estimated to raise around SEK 400 million for Raketech before issue costs of around SEK 35 million, which are to be paid by the Company in connection with the Offering. Raketech therefore expects to receive net funds of around SEK 365 million. Raketech intends to firstly use the net funds (up to approximately EUR 30 million) to optimise the current capital structure through partially refinancing the current loan facility secured through Ares where the amounts drawn down as at 31 March 2018 amounted to EUR 38.2 million. Raketech intends secondly to use the net funds (up to approximately EUR 4.1 million) to settle amounts committed on acquisitions[2)] and thirdly (up to any amounts remaining after the first and second-hand purposes) to make potential new and near-term value-creating acquisitions. The exact distribution of the net funds depends among other things on possible new acquisition opportunities. An optimised capital structure aims at facilitating future acquisitions thus promoting continued long-term profitable growth. Raketech will not receive any income from the sale of existing shares.

The board of directors is responsible for the content of the Prospectus. An assurance is hereby provided that the board of directors has taken all reasonable precautionary measures to ensure that, to the best of the board's knowledge, the information in the Prospectus corresponds to the actual circumstances and that nothing has been omitted that would affect its importance. In cases where information comes from third parties the information has been reproduced correctly and no information has been omitted in a way that would render the reproduced information inaccurate or misleading.

Malta, 18 June 2018

Raketech Group Holding plc
The board of directors and the Selling Shareholders

1) Alternative key ratios – see the section "*Selected financial information – Selected key ratios – Alternative non-IFRS key ratios*" for more information.
2) Amounts committed on acquisitions consist of contractual obligations resulting from acquisitions of intangible assets from third parties. The amount that the Group may be required to settle under such agreements was estimated at 31 March 2018 to be EUR 4.8 million which has been recognised in the condensed consolidated interim statements 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. The acquisition of Mediaclever Sverige AB on 3 May 2018 implies a maximum additional amount committed on acquisitions of approximately EUR 1.5 million (SEK 15 million) and is due for payment in February 2019.

MARKET OVERVIEW

Some information in this section comes from external sources, including the Market Analysis which was commissioned by the Company and performed by H2 Gambling Capital,[1] a company that supplies information in the iGaming market. Some information comes from industry publications or published reports. Unless expressly stated otherwise, the information in this market overview was obtained from the Market Analysis. Industry publications and reports usually state that the information they contain has been obtained from sources deemed credible but that the accuracy and completeness cannot be guaranteed. The Company believes that these industry publications, reports and forecasts are reliable but has not independently verified them and cannot guarantee that the information is correct or complete. Forecasts and forward-looking statements in this section therefore provide no guarantee of future outcomes and events, and the events that actually occur or the expectations that actually materialise may differ significantly from current expectations. Many factors can cause or contribute to such differences. See also "Forward-looking statements and presentation of financial and other information" and "Risk factors".

INTRODUCTION

Raketech provides performance-based marketing, so-called affiliate marketing, and awareness-based marketing, primarily in the iGaming (interactive gaming) market. The Group's products and services attract a large number of online players who are exposed to marketing on the Group's websites and applications. These online players are then potentially directed to the iGaming operators, who are the Group's primary B2B customers. The main target group for Raketech's product offering is iGaming operators who offer online casinos or online sports betting on their own websites. The iGaming operators generally use their own network or an external network of marketing partners, i.e. affiliate companies. The iGaming operators market their products through the affiliates in order to attract more players to their websites and applications.

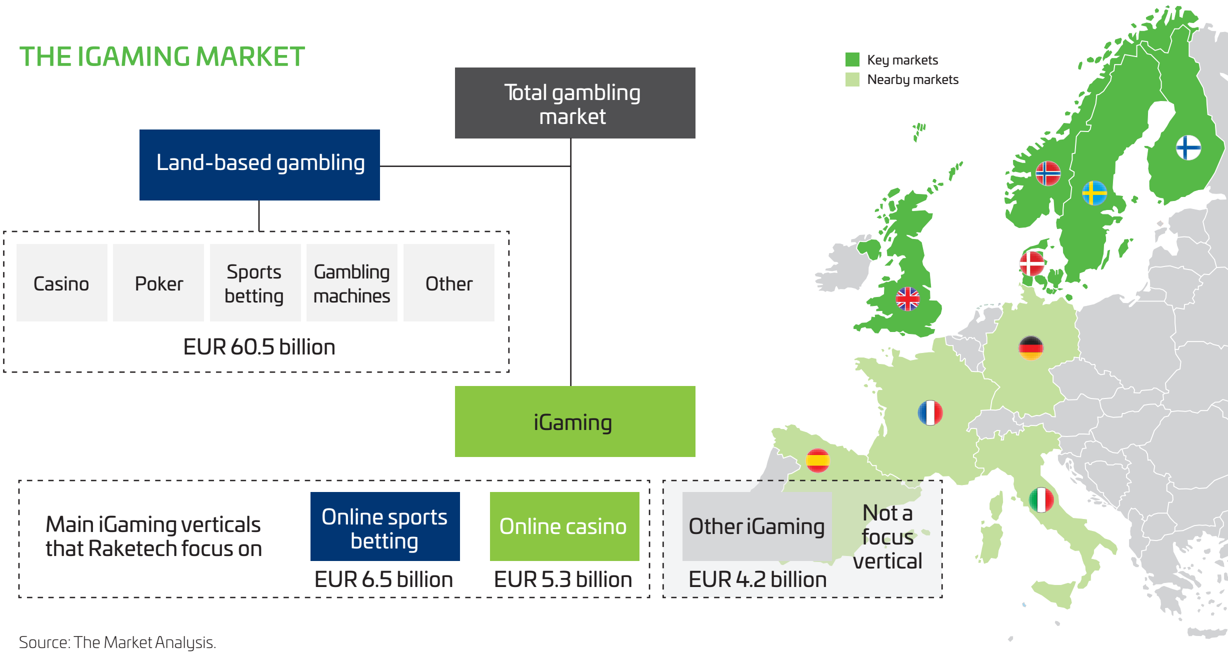
Raketech is currently primarily active in the iGaming markets in Sweden, Denmark, Finland, Norway and the United Kingdom. These five markets constitute the Group's "**Key Markets**". The Group has also identified the iGaming markets in France, Italy, Spain and Germany as "**Nearby Markets**". The Key Markets and Nearby Markets are together known as the "**Focus Markets**". According to the Market Analysis, these nine iGaming markets combined made up just over three quarters of the total iGaming market in Europe in 2017.

The affiliates' operations, and thus also Raketech's operations, are affected by underlying forces and trends in the iGaming market. The iGaming market in Raketech's Focus Markets is expected to grow at a compound annual growth rate ("**CAGR**") of 7.8 percent during the period 2017–2022[2]. The affiliates market is in turn expected to grow by 6.5 percent in the same period.

In recent years the iGaming market has been driven by technical innovation in the form of increased internet penetration and mobile device usage. iGaming has become more socially accepted, resulting in an increase in the number of online players, at the same time as the development of mobile games has increased the accessibility for players. As the iGaming market becomes increasingly established, several European countries have been reviewing their iGaming regulations, which has opened up more markets for both existing and new actors.

1) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.
2) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.

THE IGAMING MARKET



Source: The Market Analysis.

The iGaming market is usually broken down into online casinos, online sports betting and other iGaming (mainly bingo, e-sport, fantasy sport, lotteries and poker). Raketech's business focuses primarily on the online casino and online sports betting verticals

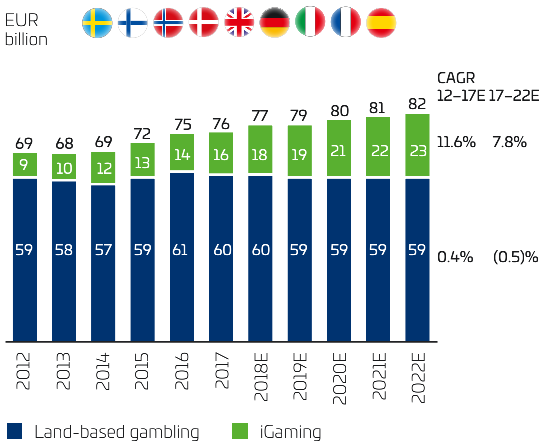
Market growth and size

The diagram below to the left shows the gambling market divided into land-based gambling (i.e. gambling that is not online) and iGaming in Raketech's Focus Markets. The diagram below to the right shows the total iGaming market in these markets broken down into Raketech's main verticals – online sports betting and online casinos – as well as other iGaming.

The value of the land-based gambling market in the Focus Markets totalled EUR 60.5 billion in 2017 and is expected to decrease by a CAGR of 0.5 percent from 2017 to 2022, thus amounting to EUR 59.0 billion in 2022[1]. During the same period the iGaming market is expected to increase by a CAGR of 7.8 percent, from EUR 16.0 billion, amounting to EUR 23.3 billion in 2022[1].

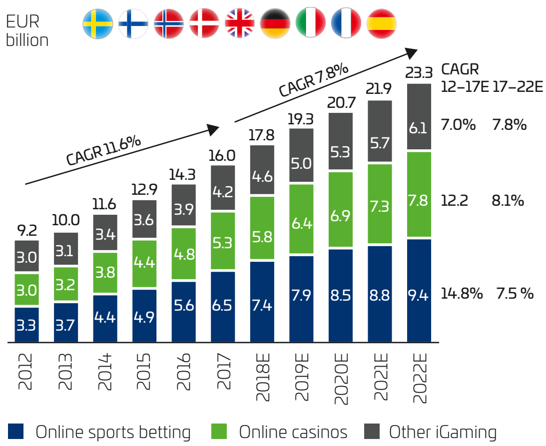
The value of the online sports betting market in the Focus Markets amounted to EUR 6.5 billion in 2017 and is expected to increase by a CAGR of 7.5 percent from 2017 to 2022, thus amounting to EUR 9.4 billion in 2022[1]. Online casinos are expected to increase in these markets during the same period by a CAGR of 8.1 percent, from EUR 5.3 billion, amounting to EUR 7.8 billion in 2022[2]. Other iGaming is expected to increase by a CAGR of 7.8 percent and to amount to EUR 6.1 billion in 2022[2]. According to the Market Analysis, this implies a CAGR of 7.8 percent for the iGaming market over the period 2017 to 2022 for Raketech's Focus Markets overall[2].

Land-based gambling and iGaming



Source: The Market Analysis.

The iGaming market by vertical

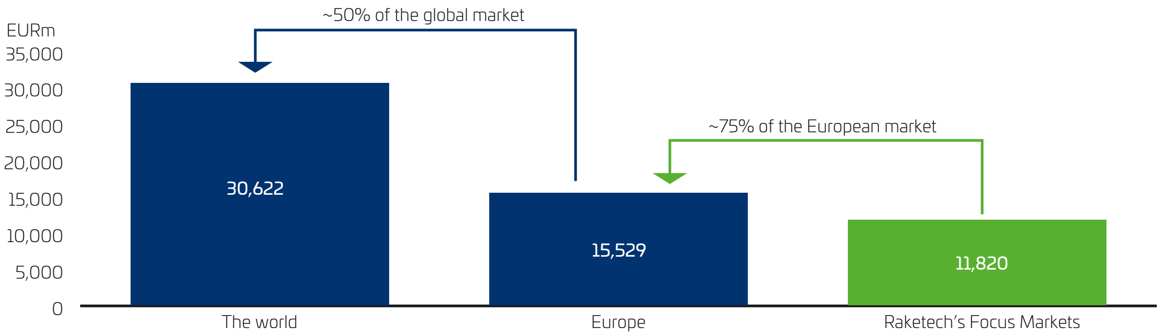


Source: The Market Analysis.

1) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.
2) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.

Global growth opportunities

Online casino and online sports betting verticals 2017



Source: The Market Analysis.

The global markets for online casinos and online sports betting amounted to EUR 30.6 billion in 2017, of which the European markets accounted for EUR 15.5 billion, representing around 51 percent of the global market[1]. Raketech's Focus Markets in the same year amounted to EUR 11.8 billion, which is equivalent to around 76 percent of the European market and 39 percent of the global market[1]. There is therefore still significant potential for Raketech to expand geographically.

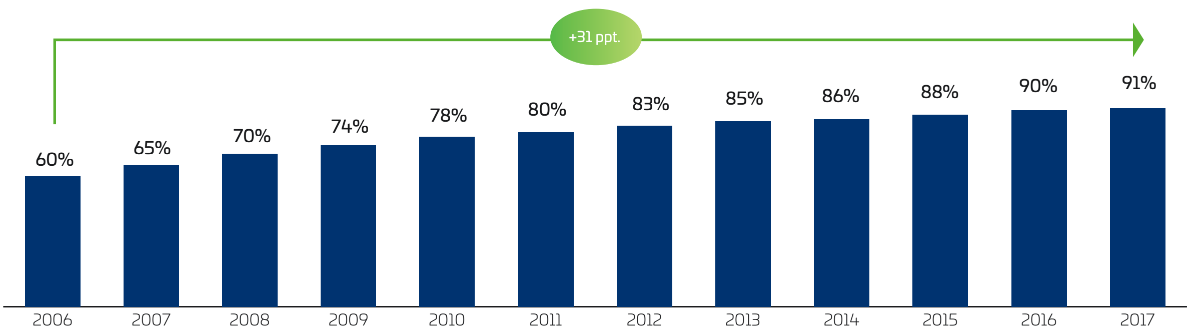
Key trends in the iGaming market

Internet penetration

Access to computers and the internet continues to increase and internet penetration is growing globally. The trend of increased broadband capacity is putting pressure on iGaming operators and their suppliers – through increased access to high-speed connection and exposure to different types of online gaming – to improve the quality and functionality of the experience for online players in order to attract new as well as retain existing players.

The diagram shows the progression of average internet penetration in the Group's Focus Markets from 2006 to 2017. The degree of internet penetration in a market is defined as the percentage of households with access to some form of internet connection in the home.

Internet penetration



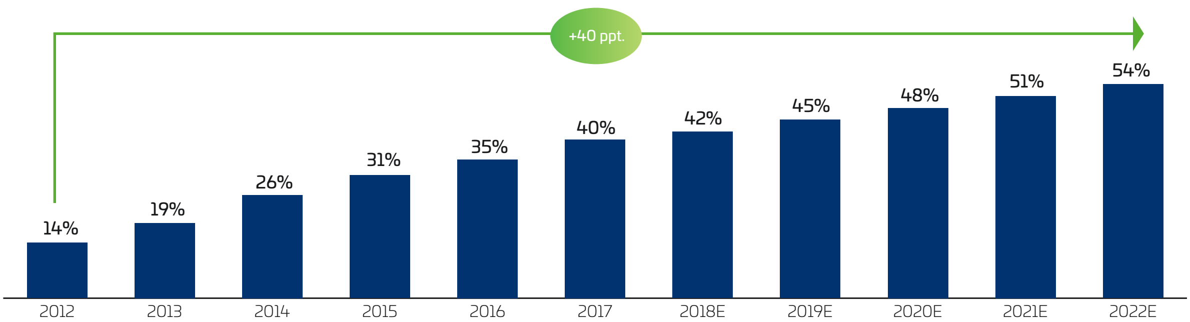
Source: Eurostat.

1) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.

Technical development

With the general technical development taking place, consumers are demanding more of the gambling market in terms of technology. Meanwhile iGaming operators and their suppliers have been using improved technology to create more sophisticated product offerings, such as mobile gambling and live betting – solutions that are more attractive to gambling consumers. Increasing demand for on-the-go experiences has resulted in online platforms in general and mobile gambling in particular becoming popular with players, which also has resulted in a broader demographic spread of players. The percentage of gambling on mobile devices in the Focus Markets is expected to increase significantly, reaching 54 percent in 2022, an increase of 40 percentage points from 2012[1].

Percentage of mobile gambling in the igaming market



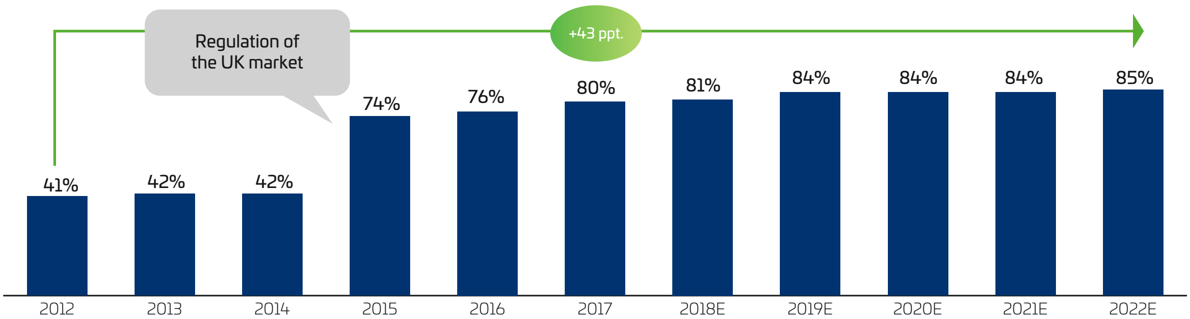
Source: The Market Analysis.

Regulation

Continuing regulation of the European iGaming market is a strong trend. Regulation can have both positive and negative consequences for the iGaming market. While it places more of a burden on operators and affiliates, it also reduces the stigma around iGaming. If gambling becomes more socially accepted in general, this could in turn lead to increased growth. According to the Market Analysis, the net effect of regulation of the iGaming market is expected to be positive. The UK is the most advanced iGaming market in terms of the range of regulated products. Also, the tax rate in the UK is relatively low, which – according to the Market Analysis – is an explaining factor for the significant growth in the UK over the past few years. (In the UK the tax on gross gaming revenue, **GGR**, is 15 percent[1].) In 2017 the UK accounted for around 31 percent of the total European iGaming market, equivalent to EUR 6.8 billion in GGR[1].

The diagram below shows growth in the percentage of iGaming operated onshore within the Group's Focus Markets. Onshore iGaming is where a company has a licence to operate an iGaming business in the country where the services are provided, unlike offshore, where the operator runs the business from another country without holding a licence in the country where the services are provided. As more markets become regulated, the percentage of iGaming operated onshore is also expected to increase. A clear example of this is the regulation of the British market, which significantly increased the percentage of onshore iGaming in 2015.

Percentage of iGaming operated onshore



Source: The Market Analysis.

1) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.

THE IGAMING MARKET FOR AFFILIATES

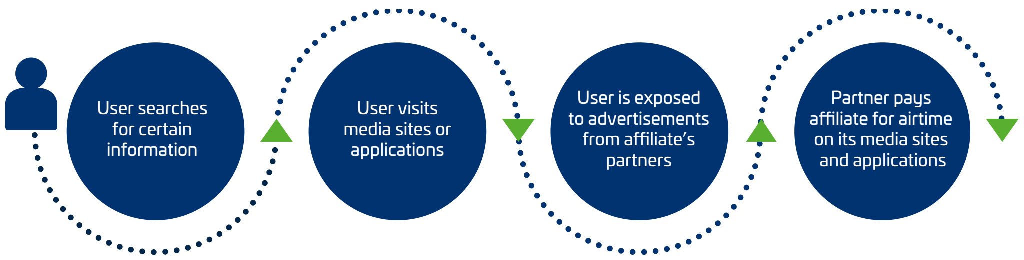
The actors who operate in the iGaming market can be divided into four categories: game suppliers, iGaming operators, marketing channels (traditional marketing and affiliate marketing etc.) and online players. The game suppliers develop gambling platforms which the iGaming operators in turn use to offer gambling options to the online players, who are the iGaming operators' main customers. The iGaming operators invest significant resources through various marketing channels to attract as many online players as possible to their gambling websites. Marketing takes place offline through traditional marketing channels such as TV, radio or newspaper advertisements, but also to a great extent online, where partnerships with affiliates like Raketech play a key role. By offering lead-generating products with content of interest to online players, the affiliates attract players to their websites and then onwards to the gambling websites of the iGaming operators. The affiliates' website offerings are multifaceted and include things like gambling guides, top 10 lists, reviews, banners, newsletters and bonus offers aimed at generating new depositing customers (**NDC**) for the operators. The compensation models for affiliates are mainly performance-based. There are three main revenue models: (i) revenue share – a percentage of the gaming revenue that an iGaming operator has generated from a referred NDC (i.e. the online players' losses), (ii) upfront compensation – often cost per acquisition (CPA), which is a one-time fee for each NDC generated via an affiliate website, and (iii) a flat fee for exposure on the affiliate's products through, for example, banners and campaign offers. The diagram below describes the business model for lead-generating products.

Affiliates' business model for lead-generating products

Source: Raketech.

In addition to lead-generating products, affiliates like Raketech also use media products such as online guides and online communities. The primary purpose of media products is to generate high-quality content through informative and interactive websites containing things like TV guides, gambling blogs, live streaming, news updates and gambling tips, for the purpose of delivering content that will generate a large number of returning visitors, but also to help users to make decisions. In addition to iGaming operators, media products are also aimed at other types of customer groups such as streaming services and TV channels. Media products also generate more traffic in general than lead-generating products and, rather than being performance-based, the compensation models are usually based on various types of advertising revenue. The affiliates' media product business model is described in the diagram below.

Affiliates' media product business model



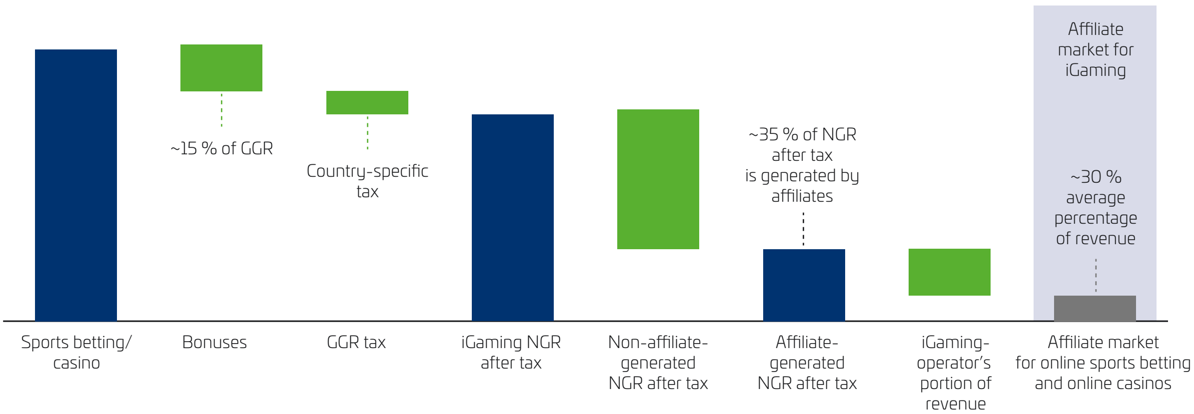
Source: Raketech.

Definition of the affiliate market

According to the Market Analysis, the total iGaming market in Raketech's Focus Markets amounted to EUR 16.0 billion in GGR in 2017[1]. To calculate the total net gaming revenue (**NGR**) after tax, the country-specific taxes and bonuses to players are subtracted. These bonuses are estimated at around 15 percent of GGR[1]. Affiliates are estimated to generate around 35 percent of total NGR after tax and are expected to receive around 30 percent of this revenue[1]. According to the Market Analysis, this made the combined affiliate market around EUR 1.2 billion in Raketech's Focus Markets for 2017[1]. The affiliate market's share of total GGR is outlined in the table below.

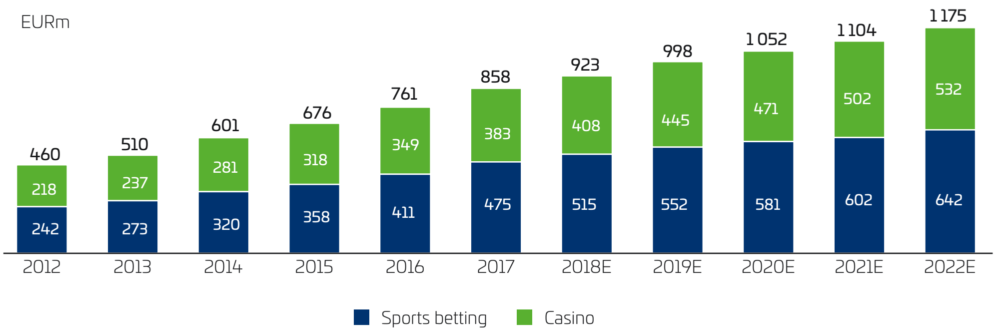
The affiliate market for online sports betting and online casinos in Raketech's Focus Markets amounted to EUR 475 and 383 million respectively in 2017[1]. The online sports betting market is expected to increase by a CAGR of 6.2 percent from 2017 to 2022, thus amounting to EUR 642 million in 2022[1]. During the same period the online casino market is expected to increase by a CAGR of 6.8 percent, amounting to EUR 532 million in 2022[1].

Illustrative outline of the affiliate market within the online casino and online sports betting market



Source: The Market Analysis.

Affiliate market for online sports betting and online casinos in Raketech's focus markets



CAGR

12–17	17–22E
13.3%	6.5%
11.9%	6.8%
14.5%	6.2%

Source: The Market Analysis.

1) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.

Trends in the european affiliate market

Industry consolidation

The European affiliate market is fragmented, with the seven largest companies accounting for around 15 percent of the total market[1]. This means that there is significant potential for consolidation in the market. According to the Market Analysis, consolidation is a clear theme and a trend that is expected to continue in the future. Consolidation could result in a situation where a few larger affiliates dominate the market. This could benefit the iGaming operators as they would then not need to work with as many affiliates to achieve the desired amount of traffic.

Regulation of the market remains a threat – and an opportunity

In certain markets regulation of the iGaming market could pose a threat, particularly if the regulation prohibits or restricts affiliate marketing – and therefore also the affiliates' business model. If stricter regulations are imposed on affiliate marketing, the result could be iGaming operators only being able to work with the affiliates that can meet the stricter requirements. This could in turn be a contributing factor in consolidation of the affiliate market whereby affiliates – primarily larger ones that can handle the stricter regulatory requirements from an organisational perspective – could increase their market share at the expense of smaller affiliates that do not have the necessary resources to comply with the requirements. One example of this is the British market where, according to the Market Analysis, stricter regulation of the affiliate market in many cases resulted in iGaming operators choosing to work with fewer affiliates. The Group's view of the effects of regulation on the Group's business is discussed in the sections "*Business overview – Commercial strategy for future regulation in Sweden*" and "*Operating and financial review – Factors affecting Raketech's results – Tax and regulation*".

Content and platform presence

As competition in the affiliate market grows and consumer expectations increase, it will be more and more crucial for affiliate websites to have high-quality and extensive content in order to attract online players. The use of mobile devices is a key factor driving growth in iGaming. It has led to many iGaming operators and affiliates developing products adapted for use on mobile devices. Increased mobile traffic also means it is increasingly important for affiliates to maintain consistency in their product offering across all channels; in other words, to provide an omnichannel offering.

Big data

Large affiliates have access to a significant amount of data through their traffic. The ability to efficiently analyse and use this traffic is a key factor for future growth. According to the Market Analysis, many companies – both iGaming operators and affiliates – do not have the ability to use the data collected. Therefore, the affiliates that are able to structure and use data analysis effectively have the potential to both expand their offering by adding new products and to adapt their product offering to better match what the customers want.

Social media

Social media is not being fully utilised today by the actors in the affiliate market, but as the market matures and social media becomes an increasingly important aspect of all marketing, an efficient social media strategy will become a differentiating factor.

1) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.

OVERVIEW OF LAWS AND REGULATIONS

Historically the gambling industry has been regulated at the national level and there is currently neither pan-European nor international legislation governing land-based gambling or iGaming. The trend in the EU seems to be regulation of the iGaming market at the national rather than the European level. The laws that regulate iGaming within each jurisdiction are in many cases up for review since the legislation has not kept up with the fast transition from land-based gambling to iGaming. Several countries therefore have laws that cover land-based gambling, but that do not directly affect the iGaming operators and their operations. In several jurisdictions this has resulted in both interpretation problems and uncertainty about the reach and scope of the laws. As providers of marketing services for the iGaming market, affiliates are not in general affected by the laws and regulations governing the iGaming market. Affiliates could, however, be affected indirectly by such laws.

Below is a summary of the regulatory situation, current tax rates and the year regulations were introduced in Raketech's Focus Markets.

Country	Regulation	Year	Tax
Denmark	Licences required for commercial operators providing all types of iGaming products.	2011	20 percent of GGR.
Finland	The Finnish monopoly has exclusive rights to offer iGaming products and is one of the most progressive monopolies in terms of online adaptation. There are, however, several foreign iGaming operators focusing on the Finnish market.	N/A	No tax for foreign iGaming operators.
France	Licences are required for commercial operators within online sports betting, online horse betting and online poker. Online casinos are not permitted.	2010	8.9 percent on stakes for online sports betting. 13.4 percent on stakes for horse betting. 2 percent on stakes for online poker.
Italy	Licences are required for commercial operators providing all types of iGaming products.	~2008	22 percent of GGR for online sports betting 20 percent of GGR for other iGaming.
Norway	Norsk Tipping and Norsk Rikstoto have exclusive rights to offer iGaming products, but a number of foreign iGaming operators are focusing on this market.	N/A	No tax for foreign iGaming operators.
Spain	Licences required for commercial operators providing types of iGaming products.	2011	25 percent of GGR for all iGaming except for pool betting.
United Kingdom	Licences required for commercial operators providing all types of iGaming products.	2014	15 percent of GGR.
Sweden	Monopoly in iGaming products. There is, however, a move to look into whether the monopoly should be replaced by a licensing system starting from 1 January 2019.	Expected in 2019	No tax for foreign iGaming operators. 18 percent is proposed in the new regulations.
Germany	Licensing system for online sports betting, but so far no licensed companies. A number of foreign iGaming operators are focusing on this market.	2014	5 percent gaming tax on stakes for online sports betting, 19 percent VAT on GGR for casino operators.

Source: Raketech, the Market Analysis.

Implications of igaming market regulation

Unclear regulation and a lack of clarity from lawmakers and authorities have been contributing to the uncertain situation for actors in the iGaming market. The ongoing European regulation trend and the increased transparency and clarity in iGaming regulations are reducing the uncertainty in the industry. This in itself is an important driver of growth in the iGaming market. Regulation of a market is expected to lead to more actors being able to establish their business and for existing actors to expand in the market. Given that the affiliate market is directly dependent on the underlying iGaming market's size, increased growth in the iGaming market is expected to result in increased growth for affiliates as well.

Affiliates have historically been able to benefit from operating in markets without a regulated licensing system, i.e. markets with an iGaming monopoly. Since jurisdictions with monopolies often prohibit other types of marketing channels, the existence of monopolies has strengthened the affiliates' position in the value chain. The removal of monopolies and regulation or re-regulation of a market is, however, not necessarily a negative thing for affiliates. While competition increases for affiliates when iGaming operators have more opportunities to market themselves – both online through, for example, pay per click (**PPC**) and social media or through traditional channels such as TV, newspaper or radio advertising which was previously prohibited – affiliates also have more opportunities to use these marketing channels. This could contribute to increased growth in the affiliate market. The Group expects, for example, marketing through PPC to increase as a result of regulation. This is because this type of marketing is generally not permitted in monopoly markets. PPC includes fee-based marketing services based on keywords and cookies, such as Google AdWords. Increased marketing is expected to lead to both increased demand and more competition for search engine ranking for affiliates. The increased competition is itself beneficial for bigger actors due to the fee structure of PPC marketing. Fees for individual keywords are based on bidding, where the fee for each specific keyword is weighed against the potential revenue. Affiliates with a large amount of traffic can potentially generate more revenue and thus increase their negotiating power when purchasing keywords.

Market regulation often involves the introduction of a requirement for iGaming operators to pay some form of tax on revenue generated through iGaming. Since affiliates normally receive part of their revenue based on the iGaming operators' net gaming revenue (NGR) after tax, the gambling tax generally means lower revenue for the affiliates. The lower revenue due to the new tax is, however, shared by the various stakeholders in the value chain, i.e. the affiliates, iGaming operators and game suppliers. The amount of tax paid in the end by other stakeholders in the iGaming value chain and the amount of tax passed on to affiliates are negotiated individually by the affiliates and their partners.

Regulation of affiliate marketing

Unlike iGaming operators, affiliates in most markets do not need a licence to operate their business as they are not offering gambling products but merely acting as a link between online players and iGaming operators. Affiliates must, on the other hand, comply with the laws regulating gambling marketing. Regulatory bodies in certain jurisdictions like the UK have, in addition to regulating the iGaming market, also started to focus on affiliate marketing, which has resulted in some operators choosing not to partner with affiliates to the same extent. Increased regulation of the marketing of iGaming products can – despite the fact that affiliate marketing is not itself regulated – present challenges, particularly for smaller affiliates that do not have the necessary resources to comply with these requirements. According to the Market Analysis, this trend has resulted in many iGaming operators choosing to partner with fewer, primarily larger affiliates, instead of working with a large network of smaller affiliates. The reason for this is that the iGaming operators often have a responsibility to ensure that the marketing methods used by their partners – including affiliates – are in compliance with the laws and regulations that apply to the marketing of iGaming products, which makes it both resource-intensive and risky to work with a large number of affiliates. For the affiliates that have advanced compliance processes in place, this provides growth potential because they can take a share of the market from the affiliates without the same compliance capacity and expertise, as those affiliates may be dropped by iGaming operators.

A few jurisdictions like Belgium intend to introduce far stricter rules and requirements with respect to affiliate marketing, which will effectively result in many forms of affiliate marketing being prohibited or made more difficult. In these jurisdictions iGaming operators may, for example, only be permitted to market themselves on their own websites or via email, and not use affiliates. The introduction of such regulations would have a negative impact on the affiliate market.

COMPETITION

Raketech's Key Markets have over the past few years undergone consolidation and Raketech has been one of the factors contributing to this trend. Economies of scale from a larger amount of traffic is one driver of the consolidation trend. Another factor is stricter regulation of the affiliate market. This has created a market with a handful of larger affiliates who are mainly competing with each other, even if the market as a whole is still very fragmented. According to the Market Analysis, the consolidation trend is expected to continue. A few iGaming operators also own affiliate operations and are therefore competing directly with affiliates.

Main competitors

Raketech has a few big competitors in the Nordic market, most of which are focusing on other segments, verticals or geographical markets to Raketech.

Catena Media has a large network of affiliate websites and has been a major factor in the market consolidation over the past few years.

Gaming Innovation Group is active in the iGaming market, both as an operator and affiliate. It made several acquisitions in 2017, including of affiliate operations.

Cherry mainly offers services as an iGaming operator but also owns Game Lounge, which is the company's affiliate operation.

Better Collective mainly offers affiliate services in the online sports betting market.

Highlight Media is an affiliate focusing on online poker and online casinos. The company was acquired by Net Gaming in 2016 and the affiliate side is now the larger part of the company.

XL Media is a big competitor outside the Nordic region operating in digital marketing with a focus on the iGaming market. It has made extensive acquisitions in recent years.

Market share

According to the Market Analysis, the combined revenue of Raketech and the six main competitors described above constitutes about 15 percent of the affiliate market, which indicates that the total affiliate market is fragmented. The Market Analysis indicates that there are over 1,000 affiliates in the market that are smaller than Raketech and its main competitors. This means that there are consolidation opportunities for the larger affiliates to acquire some of the smaller competitors. Continued consolidation combined with small actors exiting the market may result in substantial growth potential for larger affiliates such as Raketech over the next few years.

Other competitors

Apart from other affiliates, Raketech also competes with other traditional marketing channels such as TV, newspaper and radio advertising, as well as other online marketing channels such as blog marketing. These marketing channels do not, however, offer performance-based pricing models, i.e. the option of only paying for the players actually generated by the marketer. Raketech and other affiliates can therefore offer a more effective pricing model than more traditional marketing channels and this is generally appreciated by iGaming operators.

MARKETING METHODS

Various types of marketing methods are used to attract users to affiliates' websites and applications. The traffic generated can be divided into indirect and direct traffic.

Indirect traffic

Indirect traffic is generated through performance-based marketing aimed at directing potential online players to iGaming operators. This is also called lead generation. Lead generation is aimed at directing leads to becoming potential NDCs. Lead generation takes place mainly through search engine optimisation (SEO) and PPC.

Search engine optimisation

SEO is the process of optimising websites so that they rank as high as possible in different search engines and thereby attract more traffic, which is then passed on to their customers. A key aspect of SEO is analysing and understanding search engine algorithms and using this to improve and adapt content on a website. SEO involves three main methods that owners of websites can use to attract both more visitors and more relevant visitors. The three categories are onpage optimisation, content development and adaptation, and developing links.

- Onpage optimisation involves measures that can be taken on a website based on keywords. Onpage optimisation exists, for example, in the meta description of a website, i.e. the description that appears below the search hits, in titles and in the website's overall content. Factors analysed with respect to individual keywords include visitor volume, visitor relevance and how information is presented on the website to different types of visitors. This analysis determines which keywords will be included in the content, meta description, titles etc.
- Content development and adaptation is aimed at providing the most relevant information for the user performing the search.
- Developing links involves directing traffic from websites to a designated end point. Links from other relevant websites increase the website's ranking in the search engine. Relevance in this context includes things like websites that cover the same topic and mentions in social media.

The search engine algorithms make a general assessment of a multitude of factors and then rank websites accordingly. This ranking then determines in which order search results are presented for a specific search. Ranking is therefore a key factor for Raketech and the Company works actively to improve the content of its own websites to raise the Company's reputation and user confidence, which in turn enables the website to get a higher ranking on search engines. Affiliates often work with large networks of websites, adding links to each other's sites. By having relevant content and search words on multiple pages that link to a home page, a website's ranking can be improved significantly. Additional factors affecting website ranking are structure and user-friendliness. A fast and easily navigated website gets a higher ranking in search engines. Google's and other search engine companies' algorithms are constantly being updated to make a correction when a website is highly ranked erroneously. Content and user-friendliness are increasingly important as it is getting harder to artificially create a high ranking through search engines, e.g. through spam and links to irrelevant content. The search engines reward the best service from a user perspective, i.e. the service that offers content that is as relevant as possible in relation to the search that was performed.

Economies of scale in SEO

The affiliates that succeed in building a large network of websites can take advantage of economies of scale by having numerous websites that can be used for linking and optimisation to other desired websites. Moving traffic between websites through internal links can significantly strengthen the SEO profile of a company's products. However, in order to take advantage of the benefits of large networks, advanced and cost-effective IT platforms are required – ones that can manage thousands of websites simultaneously at a low cost.

PPC marketing

PPC marketing is where affiliates pay search engine providers for advertising time in order to get a top ranking in hits for specific search words. PPC is mainly used in the markets that have updated their regulations, as monopoly markets do not generally permit advertising of iGaming services. PPC is associated with lower margins compared to SEO, and is therefore mainly used as an extra source of revenue.

Direct traffic

Direct traffic is the traffic that is generated when a visitor goes directly into one of the affiliate's websites or applications, as opposed to the traffic generated via search engines. In practical terms this means, for example, that the user types the web address of the affiliate's website directly into the web browser instead of searching for it through a search engine. A large portion of direct traffic is returning traffic, which means that a visitor visits the website repeatedly because he/she considers the offering or the content there to be of value. Direct traffic may also be generated by creating brand awareness and preferences among users. In order to create strong brands, affiliates offer a lot of content in the form of entertainment, guides and online communities through websites, social media and applications, to meet the visitors' need. The purpose of this is to generate interest so that users return repeatedly to the products for constant updates.

In general, products based on direct traffic generate more traffic than products based on performance-based marketing. Accordingly, affiliates mainly charge for the number of page impressions for these types of products and not per player directed to the iGaming operators.

Ad blockers

The increasing number of entities using ad blockers is making it harder to use pop-ups and other advertising methods. Since 2010 the number of entities using ad blockers has increased from 21 million to just over 600 million, equivalent to 11 percent globally, according to Adblock Report which is published by Pagefair.[1)] The development of ad blocking is expected to have an effect on the marketing potential of banners on websites and of pop-ups. However, Raketech's main content consists of reviews, guides and other information to attract customers. The Company is therefore only affected to a limited extent by the consequences of ad blocking, although this further emphasises the importance of the quality and relevance of the material published on the Group's websites. Consequently, an increase in the use of ad blockers presents an opportunity for Raketech as iGaming operators risk having less access to online marketing tools themselves and are instead increasing their marketing through more selective channels such as affiliate marketing.

1) Pagefair – 2017 Global Adblock Report.

BUSINESS OVERVIEW

INTRODUCTION TO RAKETECH

Raketech is an online-based marketing company. Its primary business involves offering products that enable the Company to guide users in the iGaming market who are interested in sports and gambling to the best gambling services. By providing products with high-quality, relevant content the Group increases users' awareness of the offerings available from various gambling operators and other advertisers, enabling users to choose an end-service more easily. Raketech works through three operational areas: Core, Lab and M&A. In Core the Company develops and optimises its existing products, in Lab the Company develops innovative new products in-house or through joint ventures, and in M&A the Company acquires new assets in line with its overall acquisition strategy. The Company mainly uses two different marketing methods to attract traffic to its products:

- ***Performance-based marketing***
  The majority of the Company's products are lead generation products within the iGaming market which, through indirect traffic – mainly SEO – attract online players. These players are then referred from the Group's products to the iGaming operators' gambling websites.

- ***Media-based marketing***
  The Company's media products attract visitors primarily through direct traffic, and include online guides and communities consisting of informative and interactive content such as news, discussion forums, blogs, gambling tips and TV guides. The media products help to increase users' awareness of the brands, strengthen preferences for certain advertisers and tend to generate a large volume of returning traffic.

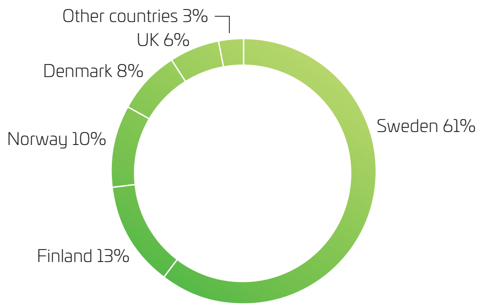
Raketech offers products primarily within the online casino and online sports betting verticals. Moreover, the product offering is divided into four product areas: SEO products, communities, online guides and social media.

		PRODUCT CATEGORIES			
		SEO	Communities	Guides	Social media
Type of marketing	Performance-based	✓ ✓ ✓	○ ✓ ○	✓ ○ ○	✓ ○ ○
	Media-based	○ ○ ○	○ ✓ ○	○ ✓ ○	○ ✓ ○
Value-add	For operators	High quality traffic creating high conversion rates	A platform for operators to increase awareness and attract more traffic to their products	Exposure to significant more traffic than the general SEO product, creating brand awareness	Increased exposure to an operator brand and their product offering
	For players	Assists players in finding the optimal playing experience	Puts the player in focus by providing information relevant to their interests	One-stop-shop on all ongoing and upcoming sport events resulting in high user experience	The modern way to find the latest news, reviews and tips

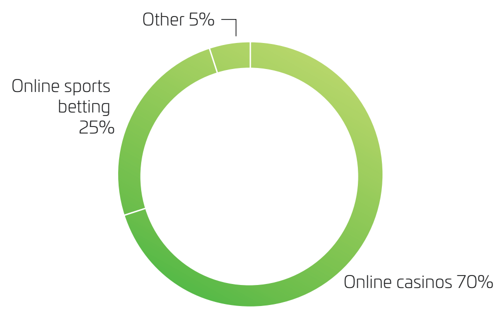
Product verticals: ○ Online casino ○ Online sports betting ○ Other

The Group is operated from its head office in Malta and is primarily active in the iGaming industry in Sweden, Finland, Denmark, Norway and the UK, focusing on the online casino and online sports betting verticals. The diagram on the left shows Raketech's total sales by geographical market for 2017 and the diagram on the right shows total sales by product vertical in 2017.

Revenue by geographical market, 2017[1), 2)]



Revenue by product vertical, 2017[2)]



1) The percentages do not sum up to 100 percent due to rounding error
2 Alternative key ratios – see the section "*Selected financial information – Selected key ratios – Alternative non-IFRS key ratios*" for more information.

Source: Raketech.

The number of employees as of 31 March 2018 was 95. The Group focuses on around 20 websites which generate traffic and online players to more than 300 brands belonging to 80–100 different iGaming operators (also known as customers or partners). For the full year 2017 Raketech's revenue amounted to EUR 17.1 million, corresponding to a year-on-year growth of 64 percent. The Group reported adjusted operating profit of EUR 9.0 million, representing a growth of 12 percent and margin of 52 percent.

(EUR million)	Jan–Mar 2018	Jan–Mar 2017	Jan–Dec 2017	Jan–Dec 2016	Jan–Dec 2015
Revenue	4.9	3.4	17.1	10.4	2.1
Revenue growth (%)*	46%	50%	64%	399%	n.a.
Adjusted operating profit*	2.3	2.1	9.0	8.0	0.1
Adjusted operating margin (%)*	48%	63%	52%	77%	4%

* Alternative key ratios – see the section *"Selected financial information – Selected key ratios – Alternative non-IFRS key ratios"* for more information.

Raketech charges its partners using three main revenue models and also applies a fourth model that is often a mix of the main models (known as a hybrid).

Revenue share

Revenue share applies when Raketech refers an NDC to an iGaming operator, which takes place within the context of the Company's lead generation. In these cases the Company is entitled to a share (around 40 to 60 percent) of the gaming revenue that the online player generates for the iGaming operator throughout the lifetime of the online player, i.e. for as long as the online player continues to play on the partner's website.

Upfront payment

Cost per acquisition ("**CPA**") is a type of upfront payment received for each NDC that Raketech refers to a partner's website. This type of revenue model mainly occurs within lead generation products, but is also used for media products. The Company also uses other types of upfront compensation such as cost per mille ("**CPM**") and cost per click ("**CPC**"). In CPM contracts compensation is based on every thousand impressions of the customer's content on Raketech's websites. The customer is charged based on the number of times the customer's content receives exposure via Raketech's products. In CPC contracts compensation is paid for the number of times that the visitors click on an advertisement. CPM and CPC are used mainly for the Company's media products.

Flat fee

Raketech receives a flat fee for customers that want to gain exposure via one of Raketech's products. Flat fee agreements are often combined with either a CPA agreement or a revenue share agreement, and exposure may consist of, among other things, mentions in reviews, advertising and comparisons between the iGaming operators' offerings. Raketech's media products often offer campaigns and big marketing packages for a flat fee, for example in connection with major events such as the Olympics or football's World Cup.

Hybrid

The Company's customer agreements for lead generation can be a combination of both CPA and revenue share, known as a hybrid. The split between upfront payment and variable revenue is negotiated individually with each partner. Raketech evaluates each partner individually in order to come up with the optimal commercial model for that specific customer. The evaluation is based on a number of parameters such as player value, administrative charges and tax rates. The hybrid model allows the Group to balance and diversify its various revenue streams

HISTORY

Focus area of the product portfolio

Early days	2015	2016	2017	2018
SEO	Mobile	Community	Guide	Social media
• Raketech was founded in 2010 by Johan Svensson and Erik Skarp, both of whom have extensive experience from the iGaming industry • Affiliate company with primarily focus on online poker and geographic presence in Scandinavia • Smaller tech company with high SEO competence	• The Group intensifies its focus on the online casino vertical • Raketech completes 5 acquisitions of which one, casinoguide.se, still today is one of Raketech's leading products • Increased focus on the Nordics as well as expanded presence in the UK • The Group initiates mobile friendly sites	• The Group continues its expansion in the Nordics and wins "EGR Casino Affiliate of the Year" • Raketech completes 4 acquisitions, resulting in continued expansion in the UK • Strategic initiative to invest in, and increase exposure towards, online sports betting • New headquarter in Malta is established	• Raketech wins "EGR Nordics Affiliate of the Year" • Focus on the regulated Danish market with a broad product offering and partnerships with leading iGaming operators • 9 acquisitions • Raketech continues to continually identify new growth opportunities • Product expansion through establishment of finance affiliation	• Continued efficient development of key products in Core • Further diversification through innovation and product development in Lab • Acquisitions of several strategic assets within attractive product areas in M&A

Revenue stemming mostly from SEO products → Revenue stemming from multiple product categories

Raketech was established in 2010 by Johan Svensson and Erik Skarp, both of whom have backgrounds in the iGaming market. Initially the Company focused on affiliate operations, primarily within online poker, but expanded its focus to online casinos in 2015. In 2015 the Group continued to develop towards what would become today's Raketech, with continued expansion in the Nordic region and the UK through both organic and acquisition-based growth through asset aquisitions. In addition, the Company broadened its product offering by adding mobile-friendly products in line with the general market trend towards increased mobile usage.

In 2016 the Company expanded further in the UK, took a strategic initiative to expand its product offering within online sports betting, added communities to its product portfolio and added a total of four asset acquisitions. During the year Raketech was named "EGR Casino Affiliate of the Year" and the new head office was established in Malta. On 26 October 2016 the Raketech Group was also created when Raketech Group Ltd (the principal operating company in the Raketech Group) was transferred to Raketech Group Holding Ltd (now Raketech Group Holding plc) which was a wholly owned subsidiary of Gameday Group Ltd. The Raketech Group was 11 December 2016 separated from the Gameday Group Ltd and has since been owned directly by its shareholders, i.e. the shareholders of Gameday Group Ltd. On 20 December 2016 all assets (which mostly constituted domains and intellectual property rights) and liabilities appurtenant to Raketech's operations, which previously was owned by Gormadan Solutions Ltd. (a company in the same group as Gameday Group Ltd.), were transferred to Raketech through an asset transfer, for further information see the section "*Legal matters and supplementary information – Transactions with related parties*".

In 2017 the Company expanded to the regulated market in Denmark, added online guides to its product portfolio and expanded its offering to include financial websites. During the year Raketech was named "EGR Affiliate of the Year". Acquisition activities continued at a fast pace in 2017 with a total of nine acquisitions, including the online guide TVmatchen, which is a TV guide in website and app format that today generates the most visitors out of all of the Company's products. Of the nine acquisitions, two were acquisitions of companies and seven were acquisitions of assets. Raketech has continued to develop its product portfolio and has expanded the offering with social media products.

In the first quarter of 2018 the Company acquired CasinoFeber.se, an SEO product focusing on online casinos. Among other things, the product provides comparisons of casino operators, news and bonus offers. Moreover, in the beginning of the second quarter of 2018 the Company acquired the assets of Mediaclever, which is a high profile casino affiliate in the Swedish market. In the second quarter of 2018, Raketech also acquired 51 percent of the shares in Shogun Media, an acquisition which is expected to strengthen the Group's knowledge within PPC. The acquisition will be paid partly through capital contribution to the acquired company, and partly with own shares, for further information see the section "*Capital structure, indebtedness and other financial information – Investments*".

In the past two years the Company has been nominated for a number of awards in various categories, and was named "Best Financial Website of the Year 2017" at the iGB Awards in London in February 2018 for its product Lånapengar.com. Raketech has since inception diversified its product offering, which in addition to SEO products includes communities, online guides and social media. With a strong position in its Key Markets, the Company is well positioned for continued profitable growth both organically and through new acquisitions.

MISSION AND VISION

Mission

Raketech's mission is to guide and inspire visitors to the Group's websites to make better, more well-informed decisions, mainly as regards their choice of iGaming operator.

To achieve this mission Raketech assists visitors by making information available. The Group creates value by guiding and inspiring users to best-in-class services, and always strive to improve users' decision-making. By being relevant to its users Raketech also becomes more relevant for its business partners.

Vision

Raketech's vision is to always be the first choice by driving the industry with users and partners at its core.

The Group is determined and continually works to change the affiliate market within iGaming at the root. The Group's vision is to drive the industry forward and provide value for users by supplying relevant and prevailing information of available products, in a responsible manner.

FINANCIAL TARGETS

Growth target

- In the short[1)] to medium term Raketech targets annual total revenue growth in excess of 30 percent on average, including acquisitions and organic growth in excess of 10 percent. The total revenue growth is subject to availability of and successful completion of potential acquisitions.

Profitability target

- In the short[1)] to medium term Raketech targets an adjusted EBITDA margin exceeding 50 percent.

Debt target

- In the short[1)] to medium term Raketech targets a Net debt to EBITDA ratio in the range of 1.5–2.5x. The company may elect to operate temporarily outside this span under certain circumstances during limited time periods e.g. as a result of acquisitions.

1) Short term refers to from year 2020.

Dividend target

- Raketech operates in a growing market under ongoing consolidation, and in order to capitalise on this, the company intends to prioritise growth activities including further acquisitions.
- Any dividend paid will be subject to Raketech's overall financial position, growth prospects, profitability, acquisition opportunities and cash flow.

STRENGTHS AND COMPETITIVE ADVANTAGES

A broad and strong product offering

By working strategically, through its three operating areas, Raketech has developed a broad range of products that is constantly being optimised and is growing through the development of existing products, innovative new products and strategic acquisitions. The Company divides its product offering into four product categories: SEO, communities, online guides and social media. The current product range consists of around 20 main products with high-quality content, which satisfies the various needs of a broad spectrum of online players. The products include comparison sites, discussion forums for online sports betting, top offers for online casinos and TV guides. To constantly offer users the optimal experience, the Company works continually to ensure that the content of the websites and applications is of high quality. Among other things, this is done by having professional writers provide the products – and thereby the online players – with relevant information and the latest news from the iGaming industry on an ongoing basis. It also takes place through Raketech's continual work on data and automation, which ensures that accurate and relevant information is published on time. The Company's products are also given content such as news items, gambling tips and live scores to satisfy the end-users' needs and enhance the gambling experience. As a result of its broad product portfolio and the products' varying content, the Company is able to realise synergies between its various product categories. Synergies are, for instance, achieved by the Company generating traffic between its products; for example, the Company uses its various social media accounts, online guides and communities to send traffic to its SEO products.

A well-diversified product portfolio focusing on the most profitable verticals

Today the majority of Raketech's revenue stems from lead generation products, mainly consisting of SEO products within the online casino and online sports betting verticals. In addition to lead generation products, the Company has broadened its product offering to include media products, mainly consisting of online guides and communities within online sports betting. To increase awareness of the Company's products and thus also the traffic to these, the Company uses social media channels such as Facebook, Twitter and Twitch. An addition to Raketech's product portfolio is its expansion into the affiliate market for financial marketing, for which it received a Best Financial Website award as early as the beginning of 2018.

Raketech's business model is highly dynamic as it, for instance, can be applied to industries other than iGaming – as demonstrated through, for example, its expansion into financial affiliation and online guides. This has helped the Company achieve a customer base which in addition to iGaming operators includes banks, TV channels and streaming services. Raketech is thus able to direct its traffic and develop its product offering to the sectors that the Company finds most attractive and that are in line with the Company's overall strategy.

A well-developed it platform

Raketech is a data-driven organisation with a high degree of automation. This has been achieved by investing in an in-house developed IT platform, The HUB, which brings together all of the Company's internally developed systems and allows efficient data collection and analysis. The HUB enables centralisation of operations and provides the Company with extensive data in the form of traffic data, ranking data and revenue data for all of the Company's products and partners. Using the data collected, Raketech can quickly and efficiently get an overview of different products' traffic volumes, how the products ranks on search engines and user behaviour, while at the same time revenue data provides the Company with information concerning, for example, current agreements with partners. This means that Raketech is quickly and efficiently able to identify risks and opportunities in the organisation, making decision-making easier. The HUB also provides a high level of IT security, for example by automatically updating employees' passwords on a daily basis. In addition, The HUB measures all the products' uptime, i.e. how long a server has been online without interruption. It also renews and updates domains so that they do not expire, and publishes all of the written articles.

The HUB also allows assets acquired to be integrated quickly, enabling synergies to be rapidly realised. Efficient integration is possible because The HUB allows the Company to connect acquisitions not only to the Company's own servers, but also to platforms and servers from the acquisitions that already have efficient IT systems previously integrated into the Group. According to the Company, The HUB is more sophisticated and has shorter lead times compared with smaller players' IT platforms. Thanks to The HUB, Raketech is able to update and manage assets acquired at a lower administrative cost than if the websites were managed separately – which can be a competitive advantage particularly in comparison to smaller actors as well as it characterises Raketech's scalable business model. By investing in The HUB, Raketech has built a robust platform with very good capacity for continued effective expansion through acquisitions.

Innovative capacity

Product development and innovation are key factors in staying attractive in a changing market. In fast-changing markets – such as markets related to the internet and iGaming – it is therefore vital that operators continually develop their product offering and maintain a high capacity to innovate. Innovative capacity is an important part of Raketech's DNA and has been central to the Company's creation of attractive products. The Company has succeeded in developing a large number of innovative products that complement the existing range of products in the iGaming market and that are appreciated by online players. The latest products to have been developed include Gambling Cabin and Playerr. Gambling Cabin expands the social aspect of iGaming and enables users to share their gaming experiences in video format, which is already an established concept in e-sport, among other areas. Playerr, meanwhile, combines all of the Company's product categories in one mobile app – in other words, an all-in-one product. By using Playerr the user gets a bespoke account based on their own specific gambling profile and a simple overview of the best offers in the online casino market, such as bonuses and gambling tips.

A strong history of strategic acquisitions

Since 2015 the Company has made 21 acquisitions, the latest being Shogun Media, the assets of online casino affiliate Mediaclever and the SEO product CasinoFeber.se which took place in Q2 and Q1 2018, respectively. Past acquisitions have been of varying size, mainly within the online casino and online sports betting verticals but also within financial affiliation. All of the acquisitions follow the Company's well-planned acquisition strategy, which is based, among other things, on acquiring medium-sized assets and companies within both lead generation and media, with media products generally having a lower margin than lead generation products but higher traffic. In addition, the strategy is based on acquiring assets and companies in line with the Company's four product categories in order to thereby realise synergies. The four product categories make up what the Company calls an ecosystem, from which the Company is growing geographically in both new and existing markets. In its acquisitions the Company is focusing on assets and companies that complete the ecosystem, endeavouring to establish a presence in all of the product categories before further geographical expansion takes place. In addition, the Company is focusing on acquiring assets and companies that are active in markets with predictable regulation, in order thereby to secure stable growth. Screening of potential acquisition candidates is carried out on an ongoing basis by the Company's M&A team, which works according to an established M&A process. The Company is also regularly contacted by various sales agents with potential acquisition candidates.

The Company has historically obtained significant strategic advantages and synergies from acquired assets. Examples include the acquisition of the Danish community BetXpert.com and the Swedish online guide TVmatchen.nu. In conjunction with the acquisition of BetXpert.com the Company gained access to an IT platform that has since been used to develop a Swedish community, Betting.se. Upon the acquisition of TVmatchen.nu the entire company was integrated and a joint venture was created to allow the founders to continue to run the product and expand online guides into other markets (see also the section "*Legal considerations and supplementary information – Group structure*). This took place shortly afterwards in Denmark, Norway, Germany and the UK. Raketech's acquisition strategy also includes retaining entrepreneurs and founders of acquired companies where this is considered advantageous. This creates good conditions for streamlining the integration of the companies and for further development of the acquired assets after they have been integrated into the Company. Through its 21 acquisitions the Company has created a strong position for developing its own products within Lab, which the Company can use to increase traffic to its products by linking between new products and existing products.

A scalable and dynamic business model

The Company's dynamic and scalable business model is based on its strong customer offering, which has been achieved through a multifaceted product offering and a high degree of automation. The Company's attractive position in the iGaming value chain makes the Company the link between end-users and iGaming operators. Since the Company is of value to its customers, it has a strong negotiating position vis-à-vis its partners and is thereby often able to achieve advantageous and profitable partnership agreements.

The three key factors in Raketech's business model are developing the existing product portfolio through Core, innovativeness through Lab and efficient integration of acquisitions through M&A. Through Core and Lab the Company is growing organically, while the M&A side accounts for the Company's acquisition-driven growth. Raketech's well-founded growth strategy is based on the Company's ecosystem, which is made up of the Company's four product categories.

Raketech's ecosystem

The Company's growth strategy is well balanced and is based on striving to achieve a complete ecosystem in each market where the Company has a presence. This means the Company having an established presence through at least one product from each product category in each market. By having a complete product offering in a market, synergies can be achieved – such as by traffic being generated between the various products. For example, the Group uses various social media to market its other products. Synergies are also generated by having shared sales teams and shared technology platforms across the markets, which helps build strong commercial relations and allows faster access to new markets. Raketech analyses and plans geographical expansion carefully in order to determine the market potential and the opportunities for a successful product launch. New markets where there is little possibility of covering the entire ecosystem are not of interest. Products are added to the ecosystem either through development and product launch through Lab or via acquisitions.

A large and broad customer base

The Group works with more than 300 brands belonging to 80–100 different iGaming operators and generates traffic to the leading iGaming operators in the market, such as Betsson, Kindred, Bet365, Svenska Spel and Danske Spill. Through its media products the Group also has many customers other than iGaming operators. For example, through the online guide TVmatchen.nu the Company has customers such as C-MORE, Viaplay and Eurosport. Via the media products, for which the Company is generally paid on the basis of CPM, the Company also has access to the iGaming operators' media marketing budgets and not just their affiliate marketing budgets. The Company's product diversification is considered to be a significant competitive advantage over competitors that do not have such a broad product offering. The reason is that Raketech can then charge based on a number of different models, which is also beneficial in regulated markets. The various revenue models also provide the customers with more options when negotiating the partnership contracts, depending on the type of product they want to be marketed on. Raketech's expansion into financial affiliation has also broadened its customer base to include financial institutions such as the Swedish banks SEB and ICA Banken. As at 31 December 2017 the Company had a low level of customer-dependence since its largest 10 customers account for approximately 30 percent of revenue, and the five largest for approximately 20 percent of revenue.

Corporate responsibility

Taking responsibility

iGaming operators are often responsible for how external actors market their products. In line with increasing regulation, this means an increased risk for iGaming operators in their choice of affiliate. The regulatory trend is therefore driving the market towards greater initiatives being taken to promote responsibility and ethical behaviour – a development that Raketech is part of and is leading. Among the ways that Raketech is doing this are efforts to enhance user security, refraining from misleading advertising, and countering and highlighting the risks associated with gambling abuse. The iGaming operators are increasingly reviewing their partners in order to identify deficiencies in regulatory compliance and dubious business practices by their affiliates. There is a risk that partnerships in which these are found will be ended, since they involve a risk to the iGaming operators' own brands. The market is undergoing a general development towards increasing transparency. To be at the forefront of this development, Raketech has developed a comprehensive framework to ensure that regulatory compliance is achieved by the Company's products; among other things, this is important ahead of the planned regulation of the Swedish market in 2019. The Company has concluded that work on responsibility will be crucial as the gambling markets become increasingly regulated, and is therefore putting considerable focus on this.

Regulatory compliance and codes of conduct

Raketech strives to be at the forefront as regards regulatory compliance and codes of conduct. The Company therefore works closely with its partners to comply with the strict rules and regulatory requirements that apply to both the Company and its customers. Raketech also participates actively at iGaming conferences on regulatory compliance and codes of conduct within the industry. In order to acquire knowledge and take responsibility long-term, the Company has set up a department for compliance with a view to monitoring developments in the market and being able to work proactively on regulatory matters. The Company has also appointed an ombudsman who reports directly to the CEO and whose task it is to ensure that Raketech complies with its code of conduct. Raketech's compliance work provides an advantage in regulated gambling markets compared with actors that do not take regulatory compliance and codes of conduct as seriously, or that are unable to devote resources to this work. Raketech considers that it has received good feedback from the industry on the work carried out within the area of responsible marketing, for example establishing a code of conduct and producing a responsibility statement in 2017.

The Company formulated the code of conduct in order to establish and comply with its basic values, in order to achieve the highest possible ethical standards and in order to ensure both personal and professional integrity. The Group's code of conduct is based on four cornerstones:

- ethics, legislation and responsible gambling,
- loyalty and commitment to all stakeholders,
- fair play and fair market competition, and
- security and data protection.

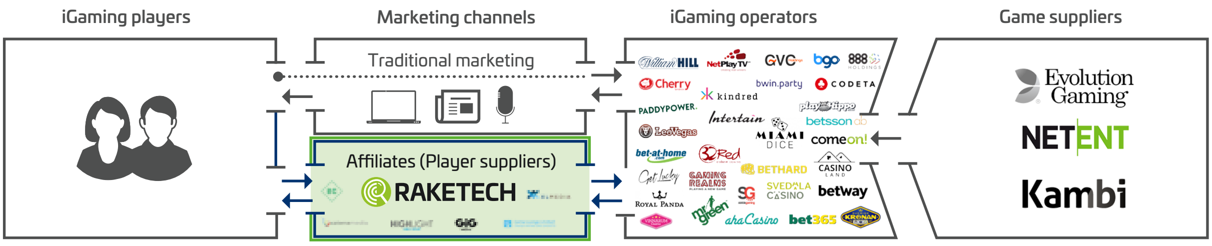
Due to its ethical aims Raketech refrains from using methods such as pop-unders, encouraging gambling by vulnerable individuals or gambling with excessive stakes, false marketing, images that encourage minors to gamble, SMS marketing and much more.

RAKETECH'S POSITION IN THE IGAMING VALUE CHAIN

The majority of the Company's revenue comes from iGaming operators who are active within the online casino and online sports betting verticals. Raketech provides iGaming operators with high-quality traffic through lead generation of potential online players. Affiliates are a direct link between supply and demand in the iGaming market, and Raketech is in turn a prominent affiliate in the Nordic market.

The interaction between online players and iGaming operators has gone from online players having to thoroughly research and analyse most of the websites themselves in order to find the iGaming operators they prefer to gamble with, to the situation today in which affiliates such as Raketech provide extensive mapping and analysis of the iGaming market's operators and their products. By delivering high-quality content with relevant and current information the Group offers a service that satisfies the online player's individual preferences and requirements. Raketech is thereby able to direct the online players to the iGaming operator that matches each individual's preferences. This increases the chances of players being satisfied with their choice of operator, while the operator in turn generates revenue as a result of new customers. Raketech has a strong position in the value chain since the Company to a large extent controls the traffic that comes to the iGaming operators. The iGaming operators' profitability is thus directly dependent on the amount of traffic (i.e. customers of the iGaming operators) that Raketech generates to their particular websites.

Raketech in the iGaming value chain



Adding value for the iGaming operators

The iGaming market is characterised by stiff competition, with a large number of iGaming operators that generally have little differentiation between their product offerings and so compete for the same online players. This means that the iGaming operators' choice of marketing channel is important for being able to attract more players than their competitors. The Group offers, via its products, high-quality leads and can thus offer customers direct contact with potential NDCs. This would be expensive and difficult for the iGaming operators to do themselves. Raketech's ability to generate leads and expertise in this process is therefore of great value to iGaming operators.

High-quality traffic

Online players who are themselves actively searching for an offering from various iGaming operators often have a high conversion rate, i.e. a high likelihood of becoming an NDC. This in turn is the category of online player that the Company tends to attract. In contrast to traditional marketing channels, Raketech is thereby able to direct its marketing towards online players who have themselves searched for information on iGaming. In traditional marketing channels the message is instead spread to a wider circle of people who have not indicated an interest in iGaming to the same clear extent.

A low-risk model for acquiring players

Raketech offers the iGaming operators performance-based payment for the traffic that the Company generates. This means that to some extent the operators pay agreed flat fees, but to a large extent also fees relative to the number of NDCs that Raketech generates for the iGaming operators' websites, which means that iGaming operators do not pay the Company until online players have placed an initial stake and thus are guaranteed their own revenue before they pay Raketech. As a result, Raketech's revenue model involves a lower risk than with the use of traditional marketing channels, where the return on a marketing investment is difficult to predict and evaluate since payment is based on a fixed cost – regardless of how profitable the marketing is for the iGaming operator.

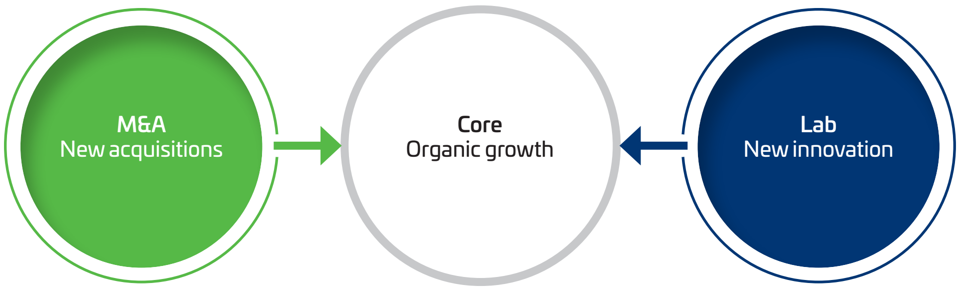
Value for online players

An essential part of the value offered by the Company to online players involves helping players to compare different products. This comparison contributes to increased transparency and a better basis for decisions by the end-user. The more competitive the iGaming market is, the higher the value that Raketech provides to the end-users.

Through the Company's products, online players gain access to a wide range of high-quality content in the form of, among other things, rankings, reviews, guides, bonus offers and newsletters. Raketech's products are continually updated with the latest news and trends within the iGaming market. Due to the Company's ability to attract valuable leads to the iGaming operators, the online players also often get attractive campaign offers.

OPERATIONS AND VALUE CREATION

Raketech's growth strategy is based on its three operational areas of Core, Lab and M&A. In Core the Group's existing products are developed, in Lab organic growth is created by developing new innovative products in-house or through joint ventures, and in M&A strategic and supplementary acquisitions of companies and assets are made. In the longer term assets and products from Lab and M&A are integrated into Core. Via its operational areas Raketech can always choose the optimal path for growth. The growth strategy is dynamic since the Company carefully analyses and considers the best way for growth to be created. If acquisitions are the best option for growth, the Company has a well-developed acquisition strategy; and if there are instead advantages from developing products internally in order to grow organically, there is an operational platform for that.



Core

Within Core the Company develops its existing products in order thereby to continue to grow organically. Core is seen as the long-term growth vertical into which products from Lab and M&A are integrated when new innovations have demonstrated sustainable growth potential, or the integration of an acquisition is complete. The main focus areas within Core are:

- development of the Group's products,
- development and optimisation of business systems,
- data analysis and traffic optimisation,
- evaluation and improvement of the Company's various traffic channels, and
- cross-selling activities.

Product offering

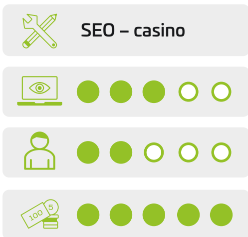
Core encompasses the business areas of all of the Company's product categories, i.e. the Company's SEO products, communities, online guides and social media.

SEO PRODUCTS

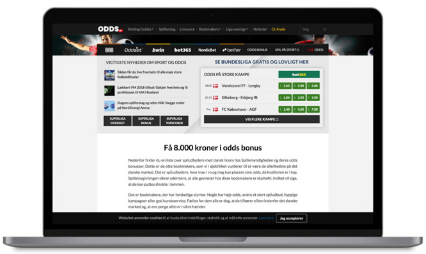
SEO products are various types of comparison sites and include websites which, thanks to a high ranking for relevant keywords in search engines such as Google and Bing, provide visitors with the latest information to enable them to make informed decisions. Raketech strives to offer SEO products with high-quality content in order thereby to attract as much traffic as possible, so that in the next step it can direct potential players to the iGaming operators' gambling websites.

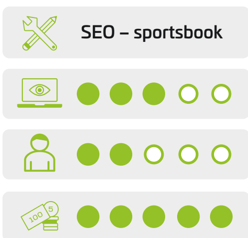
Raketech works continually on keyword searching in order to find both important keywords and longer phrases with great potential and little competition. In parallel with its SEO work, the Company focuses on the conversion rate from visitors to leads, from leads to registration and from registration to NDC, with the aim of achieving the highest conversion rate possible. This is achieved primarily through the Company's efforts involving search words with high customer value, i.e. a high conversion rate, where the volumes are often lower than for search words of low customer value.

Product example | **Key facts[1]** | **Product description**



Casinofeber.se
Lists and compares online casinos in the Swedish iGaming market and provides reviews, news and bonus offers as well as information of, inter alia, available payment solutions and jackpots on different websites.





Odds.dk
Provides exclusive bonus offers, comparison among different odds and educative material of, inter alia, different types of odds.

Type of product | Page views | Recurring users | NDCs

1) The key facts illustrate the product's characteristics relative to other products in Raketech's offering.

Source: Raketech.

Product offering

Communities
Raketech's community products are websites containing discussion forums, daily betting tips, informative data and statistics for various sports. The community products provide users with the latest information based on the user's interests, in order thereby to attract returning visitors.

Community products attract new users mainly through SEO, but also by providing users with a product that sticks out as regards content, design, user-friendliness and functionality. Communities also contain a high degree of user-generated content ("**UGC**"), which helps enhance the user experience since users themselves have helped create the content. Communities thus generate a high proportion of engaged users, which in turn results in increased traffic through recommendations.

Product example | Key facts[1)] | Product description

Key facts	
Type of product	Community
Page views	●●●○○
Recurring users	●●●●●
NDCs	●●●○○

BetXpert.com
Provides news and reviews on sports including play tips, expert analyses, game schedules, bonus offerings and live score on live sport games in the Danish market.

Key facts	
Type of product	Community
Page views	●●●○○
Recurring users	●●●●●
NDCs	●●●○○

Betting.se
A community and social media platform providing a broad offering of tips, educative material on games, individual profiles and rankings of different expert tips.

Type of product | Page views | Recurring users | NDCs

1) The key facts illustrate the product's characteristics relative to other products in Raketech's offering.

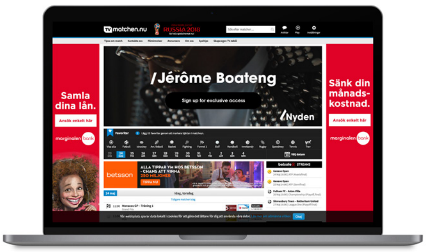
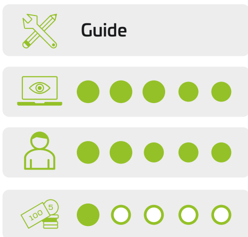
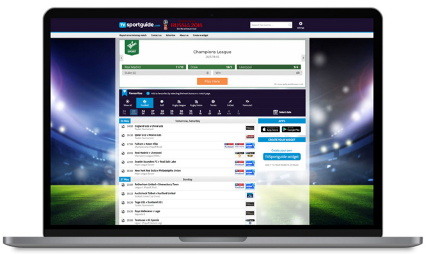
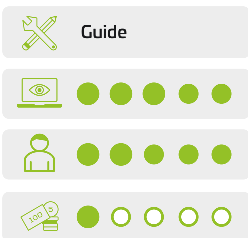
Source: Raketech.

Product offering

Online guides

The Company's online guides are media products, mainly within sports, that are provided through websites and applications. The online guides give users all of the content they are looking for, while simultaneously prioritising user-friendliness and functionality. The main focus of these products is to build long-lasting relationships with users, in order thereby to achieve a high level of customer loyalty and a high return rate. The aim is for users never to feel a need to use competing services, and therefore that they will return to Raketech's online guides often.

In addition, the popular applications must attract new users daily and be easy to download from Google Play and Apple iTunes. The products can be marketed through SEO, but also through other marketing channels such as digital ads on the Company's other products.

Product example	Key facts[1]	Product description
		**TVmatchen.nu** A TV-guide in Sweden providing comprehensive information of TV-sport, games and tournaments as well as play tips for such events.
		**TVsportguide.com** A TV-guide in the UK providing comprehensive information of TV-sport, games and tournaments as well as play tips for such events.

Type of product | Page views | Recurring users | NDCs

1) The key facts illustrate the product's characteristics relative to other products in Raketech's offering.

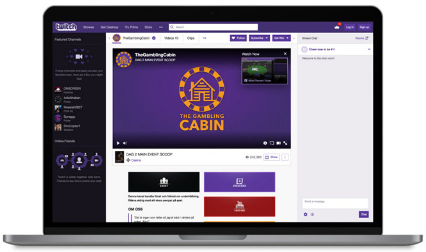
Source: Raketech.

Product offering

Social media

Raketech uses social media to create a feeling of community and thereby spread information about the Company's new and existing products. The Company also sees social media as a good tool for driving traffic to its products. Sports betting websites in particular tend to perform strongly on social media, since today's sports betting players tend to go to social media often to find the latest news, coverage and tips. Via social media the Group reaches a large pool of users who are interested in sports and gambling. Communities such as Betting.se are examples of products that generate mentions and user activity via social media. The social media accounts of the online guide TVmatchen also generate a lot of traffic.

Product example | **Key facts[1)]** | **Product description**



Type of product	Social media
Page views	●●●○○
Recurring users	●●●●○
NDCs	●○○○○

The Gambling cabin through Twitch
Media channel on the livestream platform Twitch broadcasting entertainment and information of livestreams and videos including, inter alia, players that livestream poker and blackjack.

Type of product	Social media
Page views	●●○○○
Recurring users	●●○○○
NDCs	●○○○○

Betting.se through Twitter
One of several examples of how Raketech works with different social media channels to market its products and thereby increase the amount of traffic. The Twitter account for Betting.se attracts, through its users, thousands of users on a monthly basis.

Type of product | Page views | Recurring users | NDCs

1) The key facts illustrate the product's characteristics relative to other products in Raketech's offering.

Source: Raketech.

Lab

Lab is Raketech's innovative side, where the Company develops new products and evaluates new markets. The purpose of Lab is to secure long-term growth through reinvention and innovation which drives the industry and allows the business to be adapted to developments in the market. If they are successful, products and concepts that are developed in Lab are integrated into Core, where they are managed and developed further in the longer term. Lab is key to Raketech being at the forefront of new trends in product development and technology. Within Lab the Company makes the most of its employees' creativity and allows them to develop their own projects, which is a cost-effective way to create new innovations. Raketech also invests in entrepreneurs via joint ventures, providing access to interesting projects without needing to make major financial investments.

The current focus of Lab includes new technology and media, new markets and new products, and is a forum for the creativity and innovativeness found within the Company. Product diversification is also expected to continue as a result of product development in Lab. Within Lab the Company also reviews the potential use of PPC in order to adapt the Company to the future regulated market climate in which the Company expects revenue via paid media to account for a greater part of total revenue.

An example of product development within Lab is products such as Gambling Cabin via the live streaming platform Twitch. The Company believes that live streaming platforms have potential for user engagement and presentation of video content online. In addition, the Company sees great opportunities in streaming services such as Twitch, since these can be efficiently adapted to Raketech's current model of affiliate links. Moreover, these types of products can be easily integrated into the Company's partner network and thereby reach a large number of users. In the second quarter of 2018 Raketech also plans to launch the app Playerr, which it has developed in-house. Playerr is an international app within the online casino vertical that combines the properties of all four product categories in a single app, with the focus on the individual player.

A further example of a product area that was developed within Lab is financial affiliate operations. This includes the website Lånapengar.com, which aims to guide users to the financial institution that best accords with the user's preferences. The Group today works with financial institutions such as SEB and Bank Norwegian.

M&A

Raketech has a strong acquisition history, having made a total of 21 acquisitions of varying sizes: five in 2015, four in 2016, nine in 2017 and three so far in 2018. Today M&A complements organic growth within strategic key areas, and in the longer term acquired assets are to be integrated into Core. The basic principles of Raketech's acquisition agenda are in line with the Company's overall growth strategy to grow through the Company's ecosystem. The acquisition strategy is based on the Company's M&A process, which involves evaluating potential acquisition candidates on an ongoing basis in order to ensure that new acquisitions are in line with the Company's strategic agenda. Primarily, acquisitions must complete the Company's product offering in all of the geographical markets where the Company is active, provided that there is a market for the product in question. This means that the Company strives to have its entire product offering available in the markets where the Company operates. This can either be achieved through direct acquisitions, or by acquiring a product in a market and then organically, via Lab, launching the same product in a new geographical market. A clear example of this is the acquisition of TVmatchen.nu, a Swedish online guide, which the Company has since launched in Denmark, Norway, the UK and Germany. By having a complete product offering traffic can be generated between the different products, thereby realising synergies.

Raketech focuses on acquiring assets within online sports betting, online casinos, online guides and other products with a high user value. In addition, PPC-related acquisitions may be of importance for building expertise in the markets that are regulated. Depending on the individual case, a key factor in acquisitions may be that the founders remain within the Group for at least 12 months in order to be able to continue developing the assets acquired in the best way.

In addition to continually investigating and seeking out new acquisition candidates, the Company's M&A strategy also involves utilising the Group's financing optimally, expanding the Group's brands and presence in various geographical markets and diversifying the product portfolio. In addition to the Group's ongoing evaluation of acquisition objects, the Group is also in continual contact with a number of other potential acquisition companies that are evaluated on an annual basis. The Group's Lab operations allow it to be more selective than its competitors, since potential acquisition candidates can always be compared with the alternative of developing the products internally. In the case of acquisitions Raketech analyses the acquired company's current partnership contracts in order then to optimise these through its internal sales teams, which often results in increased revenue within the first few months. The Group can also rapidly integrate acquired products and systems via its technology platform The HUB, which is a major contributory factor in the Company's scalable business model. Size is also a positive factor that is considered in acquisitions since the more traffic that the Company can generate, the better the revenue contracts that Raketech will benefit from.

Raketech acquires mainly new assets through asset acquisitions. Of the 21 acquisitions made so far, all are asset acquisitions except for the acquisition of the companies Turtle Gaming (Turtlebet.com) and Enovator (BetXpert.com) and Shogun Media conducted in March 2017, March 2017 and June 2018 respectively which now are subsidiaries in the Raketech Group. In 2017, the Group undertook asset acquisitions of Netfactor, Netfactor Clickster, iMarketing Factory, Agonas, Astro Media, Dream Builders, ZAW Media, and AIPIR. In 2018, the Group also carried out asset acquisitions of Casinofeber and Mediaclever. Raketech has funded the acquisitions through generated cash flow from operations, own shares as well as, after the Group received loan financing in February 2017, also through debt financing.

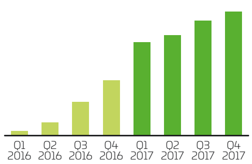
The table below shows selected acquisitions in different product categories made by the Group in 2017 and 2018. The acquisitions demonstrate Raketech's strategic focus on acquiring various types of assets and expertise in different geographical markets and the rationale behind Raketech's acquisition strategy.

Selection of completed acquistions

TurtleBet (2017)

SEO TURTLEBET

- The founder is today country manager of Finland

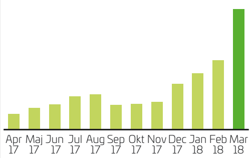


- The founder is an entrepreneur, who is highly experienced within SEO
- Post acquisition the founder becamea partner of Raketech responsible of SEO and country manager of Finland

Casinofeber (2018)

SEO CASINOFEBER

- The founders are today long term partners of Raketech



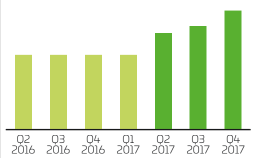
- The founders have long experience from affiliation
- The founders are today long term partners of Raketech and have been identified as potential key persons for improving Raketech's SEO-strategy with focus on player conversion

BetXpert (2017)[1)]

Online-forum BETXPERT

Tue Lumbye

- Founder of BetXpert
- Country manager of Denmark



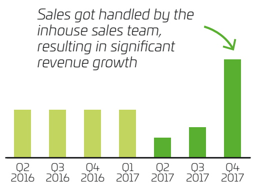
- Post acquisition Tue Lumbye became responsible for Raketech's community products
- The acquisition gave Raketech the technical platform for creating new community products

Tvmatchen (2017)[1)]

Online-guide TVmatchen.nu

Jens Alén
Alexander Simeonidis

- Founders of TVmatchen
- Raketech partners



- The acquisition gave Raketech access to a platform for guides and the competence to run and develop such
- The new platform opened up the opportunity for expansion of TVmatchen to the British and German market

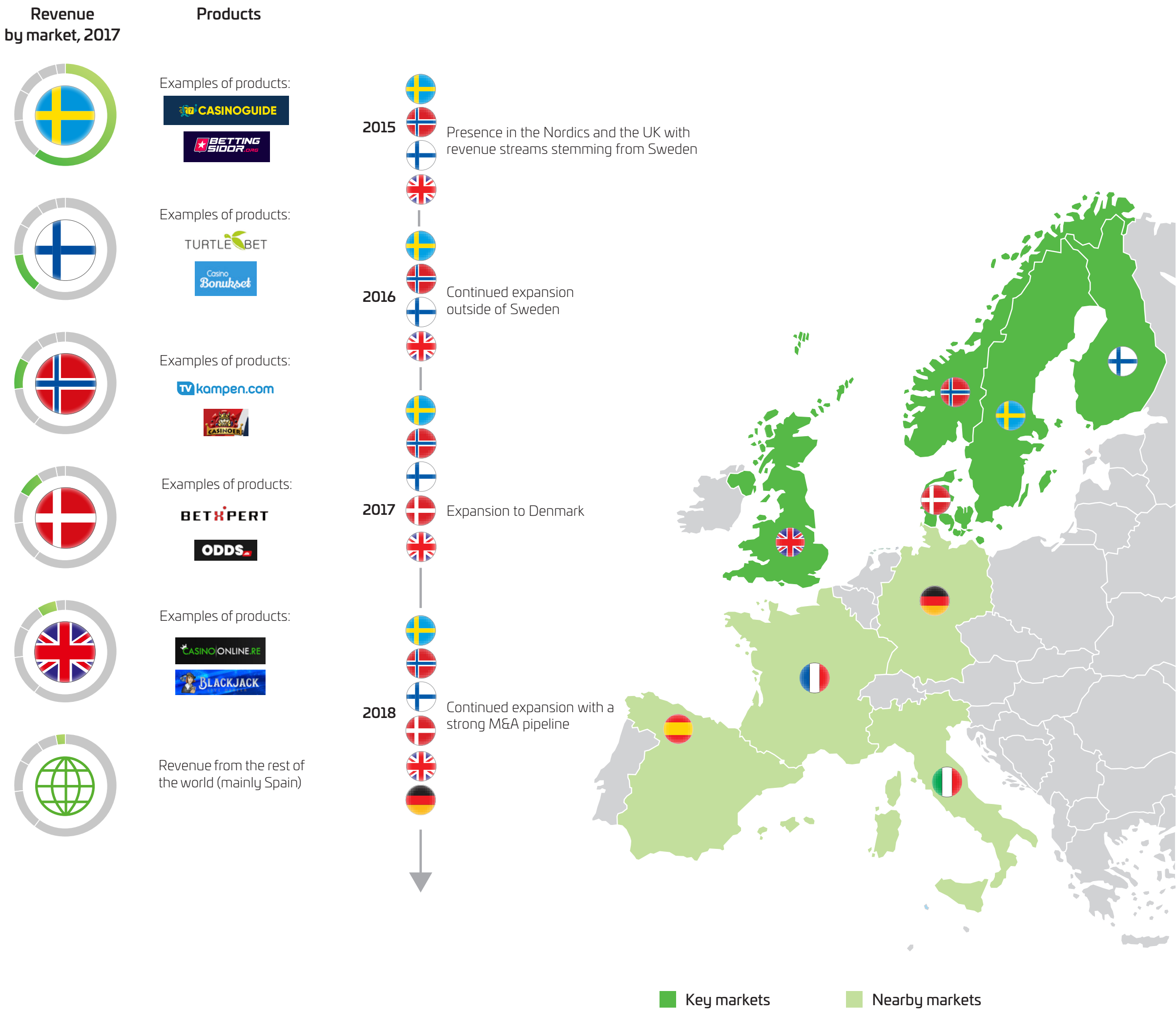
Revenue pre acquisition   Revenue post acquisition

1) Revenue prior to the acquisitions of Betxpert and TVmatchen are based on a weighted average of annual sales data from internal reporting systems.

Source: Raketech.

GEOGRAPHICAL PRESENCE

In 2015 Raketech was an affiliate earning most of its revenue in Sweden, but had also established a presence in Norway, Finland and the UK. In 2016 the Group expanded its exposure in the Nordic markets and also became established in Denmark in 2017. Sweden, Finland, Norway, Denmark and the UK are now the Group's Key Markets. Raketech's websites, domains and applications are primarily managed from the head office in Malta. At the beginning of 2018 the Group expanded its product range into the German market and the Group intends to expand into more markets in the future. For the 2017 financial year Sweden accounted for 61 percent of total revenue, Finland for 13 percent, Norway for 10 percent, Denmark for 8 percent, the UK for 6 percent and other markets for 3 percent.[1)]



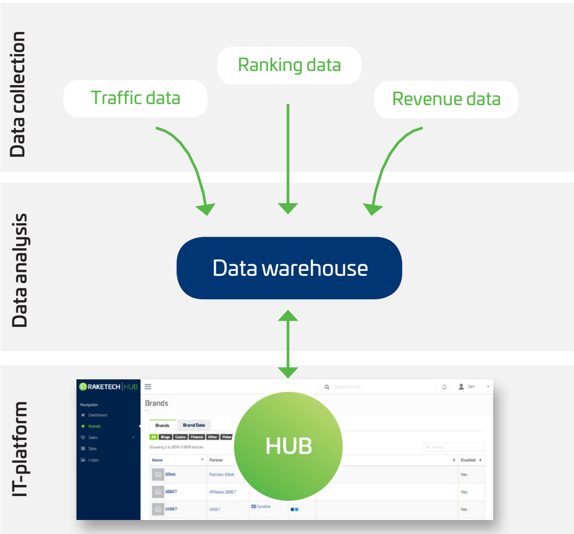
Source: Raketech.

1) Alternative key ratios – see the section "*Selected financial information – Selected key ratios – Alternative non-IFRS key ratios*" for more information.

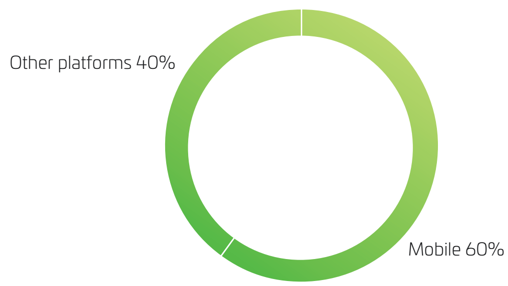
TECHNOLOGY PLATFORM

The digital infrastructure is key to Raketech being able to offer high-quality content. The Group has therefore developed a homogenous and automated IT platform, The HUB, which allows centralisation and a controlled overview of the Group's products and domains. The platform can be used for extensive data analysis in order to facilitate the development of products, the development of content and decision-making. All of Raketech's products have been developed so that they can be used on all types of platforms. The mobile segment is expected to account for an important part of the Company's generated traffic since mobile devices offer greater flexibility and accessibility. In 2017 around 60 percent of the Company's traffic stemmed from mobile traffic.

Overview of the IT platform, The HUB



Mobile users and other users, 2017[1)]



1) Alternative ratios – see the section "*Selected financial information – Selected key ratios – Alternative non-IFRS ratios*" for more information.

Source: Raketech.

Data collection

The Company is extremely data-driven and The HUB allows the analysis of large volumes of data. The data collected consists of three different types: traffic data, ranking data and revenue data.

Traffic data – includes the number of visitors and the number of users that click through to partners' websites. However, the Group never stores data at an individual level that can be linked to a specific person.

Ranking data – includes rankings for various search words, websites, search engines and also competitors. Ranking data can be used to analyse user behaviour and is used as a basis for assessment of revenue and expected traffic volumes.

Revenue data – includes how much revenue individual products generate and how much revenue individual partners generate. The Group has implemented automated retrieval of revenue data from the operators' affiliate systems.

Data analysis

Raketech has a separate department for technical and product development. The technical department is headed by a CTO and includes web development, internal IT management and the development of business intelligence ("**BI**").

The department has the task of making data collection increasingly automated and the operations scalable. The technical platform is extremely important if the Group is to rank highly in search engines and to allow acquisitions to be rapidly integrated.

IT platform

The Group's IT platform, The HUB, is a centralised tool developed in-house that brings together all of the Company's internal systems and manages all data and information smoothly and efficiently by being linked to a data warehouse. The data warehouse stores traffic data, ranking data and revenue data that is collected from the Group's operations. This data is then analysed using the Group's business intelligence tool, The HUB.

The HUB is used to see which sites are in need of updates, for example as regards content and keywords for search engine optimisation. This is used as a basis for the Group's evaluation of the value of various products and partners and for integrating new affiliate domains into Raketech's network. The HUB is able to update all content easily, regardless of the number of websites and domains that the Company has. The platform allows a large number of websites to be maintained and developed, creating a high degree of automation and thus contributing to Raketech's scalable business model. The Company sees The HUB as a significant competitive advantage, particularly in comparison to smaller affiliates that do not have the same IT infrastructure. The HUB is also used for customer relationship management ("**CRM**") as well as for BI and process improvement. In addition, The HUB ensures a high level of IT security by continually updating internal systems and processes. The Company has already made significant investments in The HUB and is thus well prepared for continued growth without needing to incur heavy costs for future investment in its IT infrastructure.

Data and business intelligence

The Company's access to data is valuable for allowing the analysis and identification of user behaviours and preferences, which can be used to optimise marketing and decision-making. Through data analysis and BI, Raketech can maximise the potential for generating traffic to the websites and also strengthen its position in relation to both competitors and customers. The technology department works actively on BI systems to make the business even more data-driven.

Domains

Raketech owns and runs a large number of domains that are crucial to the Company being able to run its business. Via The HUB the Group can monitor domains and see, for example, their downtime and uptime. The HUB is a key factor in being able to administer the Company's many domains. Raketech works with a number of large and small actors for server hosting, mainly in Sweden. The reason that Swedish providers are used is that Sweden has more advanced digital infrastructure than Malta and the Company considers the pricing situation to be more advantageous. It is therefore important that Raketech manages and protects the Company's websites and domains. Ten of the most prominent products are Bettingsidor.org, BetXpert.com, CasinoBonusar.nu, Casinobonukset.com, Casinoer.com, CasinoFeber.se, CasinoGuide.se, Spelaspel.se, Turtlebet.com and TVmatchen.nu. The Company also owns products aimed at other sectors such as Lånapengar.com, which is aimed at the financial sector, as well as applications that are associated with the websites.

REVENUE MODEL

All of Raketech's partnership agreements are individually tailored based on each specific partnership in order to achieve a mutually beneficial arrangement. When negotiating with customers the Company's size and the volume of traffic the Company can generate are key factors in its negotiating position. Thanks to Raketech's large volume of traffic, the Company can generally charge more for its services than similar affiliates with a smaller traffic volume. Synergy effects achieved in connection with acquisitions are also beneficial because traffic previously generated through the acquired assets' revenue agreements are incorporated into the Company's more lucrative agreements, which immediately boosts profits.

Raketech's revenue is mainly generated based on three revenue models: revenue share, upfront payment and flat fee. For its lead generation products the Company uses a combination of revenue share and CPA, known as a hybrid model. In addition to CPA, CPM and CPC models are also employed. The flat fee model is used for all product groups. The fact that Raketech works with, and has experience in working with, many different revenue models enables the Company to offer flexibility, which is appreciated by its customers. It also gives Raketech a competitive advantage over competitors who do not offer the same number of revenue models. One example of this is where online players already have an account with an iGaming operator and are therefore already NDCs. Here Raketech can also generate revenue either through CPC or CPM models and is thus not dependent on revenue share or CPA models to the same extent as affiliates that only use revenue share and CPA.

Revenue share

Revenue through the revenue share model is generated when Raketech directs an NDC to an iGaming operator through one of the Group's lead generation products. In this situation Raketech is entitled to a share – generally 40–60 percent of the net gaming revenue (NGR) – of the gaming revenue that the player it referred generates for the iGaming operator. The parties continue to share the revenue throughout the lifetime of the player, i.e. for as long as the online player continues to gamble on the partner's website. The revenue share-based revenue from a certain iGaming operator is normally calculated as an aggregate amount for all online players referred by Raketech. Thus it is the aggregate NGR per iGaming operator that constitutes the basis for the share of revenue. In revenue share agreements Raketech cannot be required to pay iGaming operators a "negative revenue share" if, for example, the aggregate NGR happens to be negative in a particular month.

Upfront payment

In CPA agreements Raketech receives an upfront payment for each individual player that Raketech directs to an operator's website. Before Raketech can be paid the players must first create an account with an iGaming operator and then make a deposit on the account, i.e. become an NDC. The advantage of CPA agreements over revenue share is that Raketech is not dependent on revenue being generated by online players for the iGaming operator. Raketech thus does not take on any risk associated with an online player generating low revenue. On the contrary, CPA deals do not offer the same upside as revenue share contracts do when the operator makes a large profit on an NDC.

Raketech also uses other types of upfront payment models such as CPM and CPC models. Through CPM revenue is received for every one thousand impressions of the customer's content in Raketech's products, which is used for exposure through the Company's media products. Revenue is therefore based on the number of instances of exposure to the customer's content through Raketech's products. Revenue through CPC is generated based on the number of times visitors click on an advertisement. In CPM and CPC agreements Raketech receives compensation regardless of whether or not the user at a later stage makes a deposit with the iGaming operator.

Flat fee

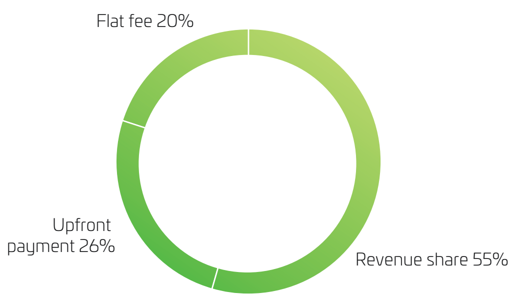
Flat fee compensation is usually negotiated individually with customers and the agreements are often flexible, non-standard and adapted to the customers' needs. A customer may, for example, pay a flat fee to publish marketing material on Raketech's website. The prices for this are determined by several factors, such as how long the material will be published on the website, where on the website the customer's material will be exposed and how much space the ad will take up. The flat fee model is used in all product categories and is typically included in agreements that also include one of the other revenue models, such as CPA or revenue share. Flat fees provide a good source of secured revenue streams, allow investment from iGaming operators' media marketing budgets and guarantee a strong cash flow.

Hybrid

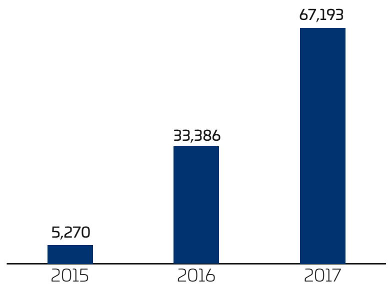
A hybrid model involves revenue streams from a combination of the different revenue models. The most common combination in a hybrid is revenue share and CPA. The hybrid allows for flexibility in partnership agreements and provides a good balance in negotiations with new partners with unknown player value because the Company can be compensated using two types of models and subsequently determine which model will provide the highest compensation.

For 2017 revenue from revenue share, upfront payment and flat fee models made up 55 percent, 26 percent and 20 percent respectively of Raketech's revenue. The number of NDCs has increased since 2015 from 5,270 to 67,193 in 2017[1].

Revenue share, 2017[2,3]



Development of number of NDCs [3]



2) The diagram does not sum up to 100% due to rounding error.
3) Alternative ratios – see the section "*Selected financial information – Selected key ratios – Alternative non-IFRS ratios*" for more information.

Source: Raketech.

SALES PROCESS AND CUSTOMERS

The sales process

The Company's sales process is dynamic and structured. It has been developed over the past few years and is in line with one of the Company's strategic pillars: win-win partnership. Many parameters are included in the data-driven analysis conducted ahead of each partnership negotiation, and the Company prioritises face-to-face meetings with the most important iGaming operators to arrive at the partnership solution that is mutually beneficial for both parties. Parameters analysed and that form the basis for the agreement include player value, which market the agreement will apply to, which gambling products will be used and on which of the Company's products the operator wishes to place its ads. When this has been determined, the parties discuss the choice of revenue model, also taking into consideration the operator's objectives, which may range from building brand awareness to getting new customers. For the first of these objectives a flat fee model might be the most appropriate option as a basis for the agreement, while in the second case, a CPA arrangement may be more suitable. The Group works very closely with around 30 operators and holds a handful of meetings each year with each partner. Between these meetings incoming traffic is analysed and expected return on investment is calculated. The sales strategy is based on partner segmentation and analysis, which over time ensures that the Company can charge the right price for its traffic and also guarantees mutually successful partnerships.

Today the sales team consists of a CCO, a Sales Manager, three sales persons, a Marketing Coordinator, a Partner Coordinator and one person employed in sales accounting. The Group's sales processes are mainly handled internally. Media products are, on the other hand, sold through various channels for which annual agreements are negotiated by internal representatives, while all other media products are sold by an external agent.

Customers

Raketech's lead generation customers consist primarily of iGaming operators who are mainly active in the Nordic and European iGaming markets. Raketech's intention is to increase its exposure towards these customers, particularly in the area of online sports betting. iGaming operators and TV channels are the largest customer groups for the

1) Alternative key ratios – see the section "*Selected financial information – Selected key ratios – Alternative non-IFRS key ratios*" for more information.

Company's media products. Within media products Raketech is focusing on growing revenue from TV channels and streaming services to further increase product and customer diversification. In 2017 the Group also started partnering with customers in the financial sector, such as the Swedish banks SEB and ICA Banken.

In the Swedish market, which is about to be regulated, Raketech is primarily focusing on the iGaming operators that the Company believes are likely to take a gambling licence when the market has been regulated. This is because iGaming operators that do not take a licence are expected to lose traffic once the regulations are implemented, which could have a negative impact on Raketech's revenue.

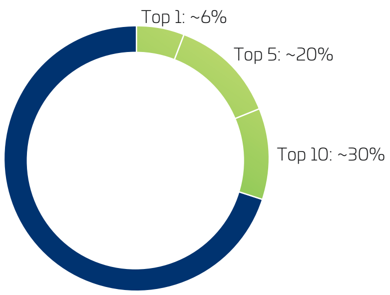
Customer dependence

Due to Raketech's size and business model, the Group is in a strong position in relation to its customers. As the Company grows and consolidates more traffic, Raketech's bargain power becomes even stronger, which in turn results in increasingly favourable agreements. This combined with a well-diversified customer base indicates that Raketech experiences a low level of customer dependence, even though many customers may have strong brands. A broad customer base allows the Group to be selective in its choice of partners that are exposed to the end-users and enables Raketech to actively adjust its dependence to these individual customers. The customer base consists of more than 300 brands belonging to 80–100 different iGaming operators. For the full year 2017 the 10 largest customers accounted for around 30 percent, the five largest for around 20 percent and the largest customer for around 6 percent of revenue.

Choice of partner companies

Source: Raketech.

Raketech's customer dependence, 2017



Source: Raketech.

Partner testimonials

"It's a pleasure to work alongside Raketech. They have been one of our top partners for many years and has a proven ability to create mutual value."

Petra Blixt, Head of Affiliates and Outbound

"Raketech works hard for their success and the success of their partners. The team is very professional and always friendly."

Magnus Petersson, Chief Marketing Officer

"For us Raketech is a trustworthy partner synonymous with quality and premium content."

Emanuele Saroli, Head of Affiliates

GROWTH STRATEGY

To ensure long-term profitable growth the Group grows through its operational model consisting of Core, Lab and M&A. The Company grows organically by developing existing products within Core and through new innovative products such as the new Playerr app developed within Lab. Through M&A Raketech supplements its product offering by acquiring strategic companies and assets in strategic markets.

Product expansion strategy

Raketech's long-term strategy is based on offering the products and services that meet users demand in areas where the Company chooses to be active. The Group is constantly developing its product offering and intends to continue diversifying the product portfolio by offering products in areas where customers' demand is high. To achieve this the Company has various strategies for its respective product areas based on managing and developing the products in SEO, communities, online guides and social media. Raketech's product categories together make up what the Company calls an ecosystem, in which synergy effects between products in different categories can be realised. The ecosystem facilitates synergies and economies of scale, laying the foundation for growth – through both innovation and acquisitions in current and new markets. Constantly aiming for a complete ecosystem facilitates the process of identifying opportunities that coincide with the Group's strategy. The main strategic decision at that point is to determine in which operational unit the opportunity will be developed in – Core, Lab or M&A. As Raketech's markets evolve, the product portfolio is expected to be constantly developed in order to remain relevant to sports and gambling enthusiasts.

SEO

Through acquisitions and in-house development of high-quality domains, the Group has succeeded in building a broad product portfolio and specialist expertise in SEO all the way up to the owner level. Acquired and existing products are designed according to the Group's methods based on a well-established structure. The idea is to optimise the products to find the best way to convert traffic into NDCs. The Company gathers data and information through its communities, online guides and social media and uses this information to optimise the SEO products for the best user experience and content.

Historically, much of the Company's SEO work has involved building stable infrastructure and automation of processes for SEO products in order to manage a large number of websites effectively and accurately. The Company has made the necessary investments to build a stable IT platform through The HUB and can now intensify the focus on its ranking strategy, primarily in the Nordic region. In the long term, development of the Company's SEO products is expected to promote even better SEO expertise, resulting in a greater understanding of visitor behaviour. This will help Raketech to stay a step ahead of its competitors and to constantly develop new SEO products in the Lab, including markets outside the Nordic region.

Communities

Since the acquisition of the BetXpert.com community in March 2017 the Group has established a modern IT platform for the creation of new communities. The same platform was, for instance, used to expand into the Swedish market through the community product Betting.se. By purchasing strategic domains in new markets the Group can use the IT platform to cost-effectively expand the Group's communities into new markets. Raketech combines its wide-ranging experience in SEO and its social media channels to attract more traffic to the Company's community products. Through constant improvement in successfully creating interesting content in communities, the number of returning visitors and total users is expected to increase, which will result in continued growth.

Raketech is always working on adapting mobile friendly interfaces and developing applications – the functions of which were built for use on computers – for today's communities, in order to attract more traffic from more channels. One example is an in-house developed app called Playerr, which the Group expects to launch in the second quarter of 2018. Playerr is an international casino app that combines the properties of all four product categories in a single app, with the focus on the individual player. One advantage for Raketech when building applications is that the marketing phase is expected to be less costly because the Company already has very strong expertise, particularly in SEO and how to use social media.

Online guides

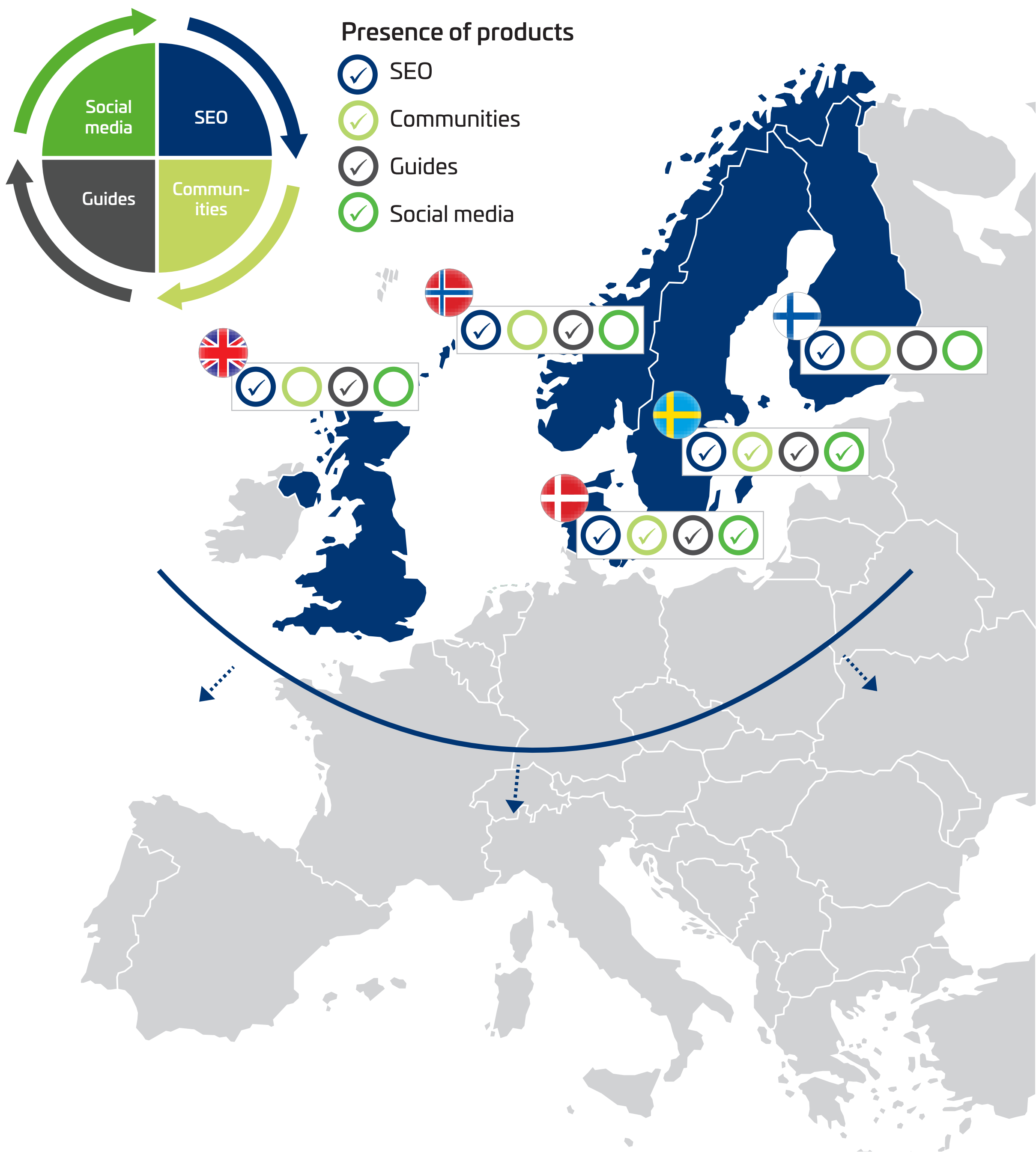
With the acquisition of TVmatchen Raketech gained considerable experience and a strong understanding of online guide products. Like communities, online guides are good platforms in which to apply the Company's SEO experience and thereby increase the volume of traffic. The Group develops special event pages for TV sports guides during championships such as the World Cup in football and the Olympic Games for more user-friendly solutions. Raketech's overall strategy for online guides is to actively integrate functions that are present on traditional sports pages, such as odds comparisons, statistics, team line-ups and results, in regular sports guides to increase user value. The Company's online guides can also be used by third-party websites, thereby creating new ways to generate traffic to Raketech's products.

Social media

Raketech mainly uses social media channels to reach a broad group of individuals interested in sports and gambling to market its other product categories. This creates a new marketing channel to generate more traffic towards Raketech's products. The TVmatchen.nu brand is, for example, marketed via the Twitter account of Betting.se. In addition to cross-marketing solutions, several of Raketech's products have their own social media accounts to increase brand exposure and awareness. The social media strategy going forward includes launching new social media products, for example through streaming services such as Twitch and Facebook groups.

Geographical expansion
Raketech has a well-developed plan and strategy for its future geographical expansion. Having a complete ecosystem containing all product categories creates synergy effects and scalability, mainly because there are joint sales teams, common technology platforms for the various products and by crossbreeding advertisement space with adverts for their own products. This is done free of charge and thereby their own product portfolio can be strengthened in a unique way. Thereby, in Raketech's planning, a basic condition for geographical expansion is that the Group considers there to be good possibilities in the long-term to be able to provide whole or large parts of Raketech's ecosystem on the new market. Thereby, the long-term ambition to ensure optimal leverage of synergy effects between the different product categories is reached. Today Raketech has a complete ecosystem in Sweden and Denmark with robust business systems that are ready for expansion into new markets in Europe, either through their own investments within LAB or via acquisitions. The Group has, based on the criterias above, identified the Nordic and the UK as focus markets and other countries in the EU as markets of interest for future geographical expansion.

Overview of Raketech's growth strategy



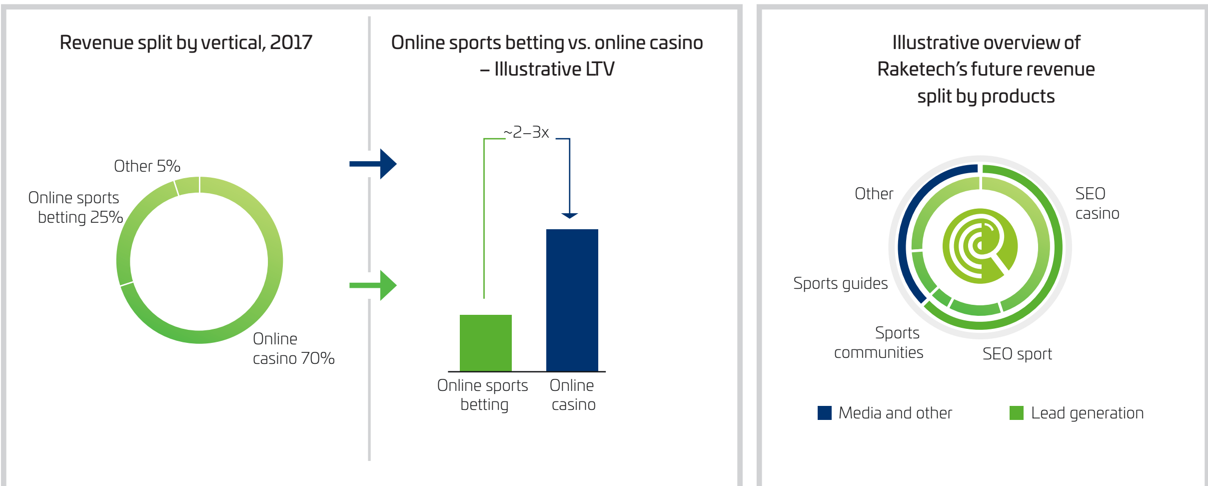
Furthermore, the Group has domains, know-how within amongst other things SEO and developed technical platforms, for, inter alia, sports forum or mobile applications (such as the TV-matchen product), that are suitable for a global market with .com in focus. This also provides expansion opportunities on the American market. By launching TV-matchen, including the mobile app, TVsportguide.de, in Germany, the Group has taken the first step into the German market. According to the Group, a similar venture could be launched in the U.S., even though online sports betting is in general prohibited, because the product is not dependent on earnings from gaming companies. On the original markets (Sweden, Denmark and Norway), earnings for TV-matchen are also derived from TV-channels and from traditional CPM-advertisement for consumer products in general and not only from gaming companies. Thus, it is also possible, before the regulatory environment changes (for example changes in regulations for online sports betting), for the Company to launch traffic products on the American market, also in the short-term, which may be relevant if the right strategic conditions exist, for example, if the Group identifies attractive acquisitions.

Business development

Raketech has a well-balanced product offering with a strong foundation of online casino products and continuing diversification into online sports betting products. The Company is also well-positioned to remain strong in lead generation, and growth in media products within sports is expected to increase. Raketech's well-diversified product offering means less dependence on revenue share agreements, which reduces the risks that upcoming regulation could pose for Raketech and thus ensures a stable foundation for future profitable growth. Greater exposure to media and sports products paves the way for a larger market and a broader customer base that consists not only of iGaming operators, but includes TV channels and streaming services such as Cmore, Viaplay and Eurosport as well. The Company has a strong and successful history of SEO products in the online casino vertical and thus has substantial expertise and a solid foundation to retain a strong position in the online casino vertical. The Company is planning to continue to grow in the online casino vertical given the high level of revenue per player generated by casino-related products, i.e. lifetime value ("LTV"), as well as good margins per player. Online casino-related products generally have a higher LTV per player than online sports betting, while online sports betting-related products tend to generate more loyal and recurring online players and thereby generate a large volume of traffic, thus also increasing brand awareness for specific products. Raketech therefore intends to achieve sustainable profitable growth by continuing to focus on the online casino vertical whilst growing the share of online sports betting products. The Company intends to do this by developing its own innovative products using the Company's strong internal human capital and through information-sharing between the Company's various departments. Furthermore, the Company's 21 acquisitions have added synergy effects and long-term partnerships, such in the form of joint ventures, resulting in additional economies of scale for Raketech's continued growth.

Raketech's expertise in SEO can be used for many more industries beyond the iGaming market. One example of this is the expansion to finance affiliation. Raketech strives to have a broad product offering reflecting the users' needs and as those needs change, the Company is open to and well-prepared for further expansion into new profitable industries. The figure below illustrates the Group's revenue by vertical for 2017, an illustrative comparison of profitability for a sports betting and a casino product, and an illustrative overview of Raketech's future product offering.

Well-diversified distribution between verticals



Source: Raketech.

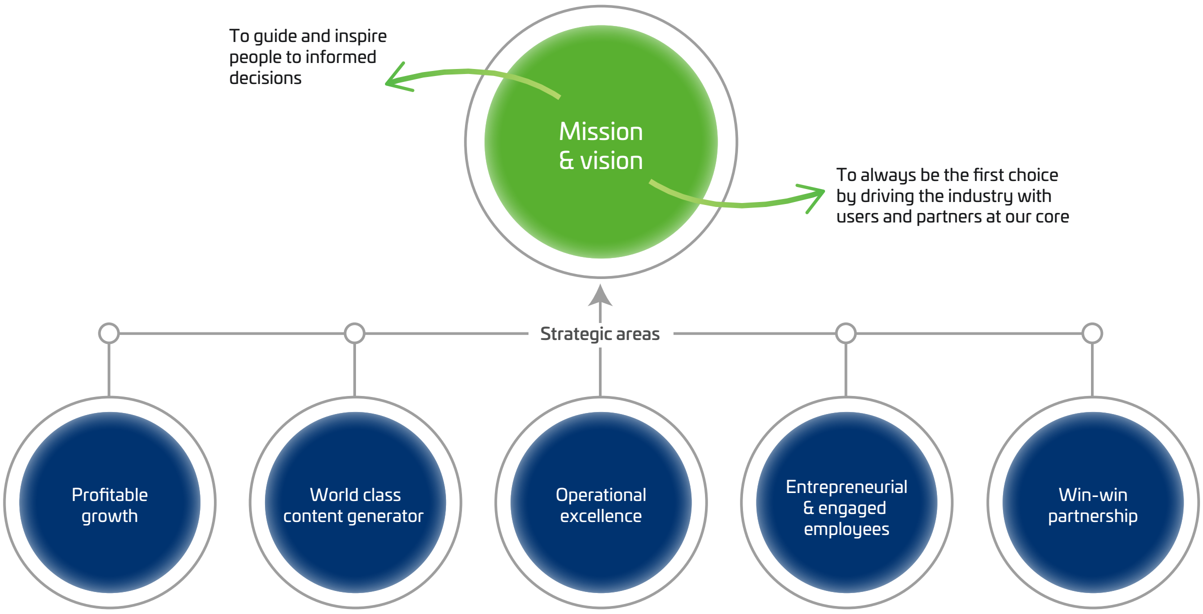
STRATEGIC PILLARS

The Company works based on a clear quarterly objective and a key results method ("**OKR**") to follow up on its long-term strategy. The Company's long-term strategy lays the foundation for its goal and vision and is supported by five well-established strategic pillars:

- profitable growth,
- world-class content,
- operational excellence,
- entrepreneurship and engaged employees and,
- win-win partnership.

The strategy to achieve the goal of guiding and inspiring visitors to the Group's websites to make better and more well-informed decisions is based on both organic and acquired growth in both current and new markets. The Company intends to grow organically by optimising its current assets in Core and also to continue to be innovative through Lab, thereby developing new pioneering products that will increase traffic through first-rate player experiences. The Company will also continue to grow in M&A through strategic acquisitions that can be quickly integrated into the Company's operational organisation through the in-house developed IT platform, The HUB.

Raketech's strategic pillars



Profitable growth

The Company's strategy for continued profitable growth is based on a stable platform enabling scalability and a high degree of automation to help keep cost levels low as the Company grows organically and through acquisitions. In a shorter perspective the Company intends to continue to grow through strategic acquisitions and continued optimisation of existing products. One example of optimisation of existing products is the geographical expansion of TVmatchen.nu from the Swedish market into the Danish, Norwegian, UK and German markets. In a longer perspective the Company intends to grow through Lab's innovative power, developing new products that are expected to continue to add more growth, for example by launching the in-house developed online casino product Playerr which is expected to happen in Q2 2018.

The Company recognises the benefits of its highly automated and in-house developed IT platform, The HUB. This platform enables efficient integration of acquisitions, resulting in short lead-times and fast realisation of synergy effects. This helps promote profitable growth because, with a high level of automation, the acquired revenue increases at a faster pace than the cost base.

Raketech has a well-developed strategy for continuing to grow its lead generation products and to diversify the product offering through media products, paving the way for long-term sustainable and profitable growth. With a strong foundation for the profitable online casino vertical and further diversification within online sports betting, the Company is well-positioned in two fast-growing iGaming verticals with products for which the Company can also charge a high premium and thereby maintain good margins. This in combination with the Company's dynamic sales process – through which the Company has succeeded in retaining long-term and strong partnerships, and has also built up a strong negotiating position – means the Company can choose the revenue model that generates the most money. The Company is thereby in a strong position to maintain profitable growth.

World-class content

The Company offers lead generation and media products that have high-quality content to meet users' needs and preferences and that are developed for use in all types of platforms. The Company offers comparison pages through SEO products for both top-class online casinos and online sports betting, as well as informative and interactive content through communities and online guides such as BetXpert.com and TVmatchen.nu, which provide sports enthusiasts with highly relevant content. The Company also prioritises ensuring that the content in all of the products loads quickly and has an attractive design so that users can easily navigate and quickly find what they are looking for.

Through its community and online guide products, Raketech is also at the forefront in user-generated content ("**UGC**"), where users create content on a website, as is common in social media channels. UGC can also be found on websites such as TripAdvisor and Raketech uses this in, for example, the community product Betting.se. The Company's social media strategy is also in line with the rising UGC trend through, for example, the use of Twitch, Twitter and Facebook groups. In addition to the fact that UGC helps to increase user value, it is also cost-effective because the users create content instead of the Group.

With help of the in-house developed IT platform, The HUB, Raketech can take advantage of trends such as big data and gather large amounts of data as a basis for analysis, development and product optimisation. By doing this, Raketech can always be at the forefront with respect to the latest trends and technological development. The Company's collection of data on user behaviour and preferences through its BI and IT platform also makes it possible to conduct analysis as a basis for meeting user expectations by ensuring high-quality and highly relevant content on the Company's products with the help of professional writers.

Operational excellence

The Group is constantly developing its processes to ensure stability, strength and security through standardisation and harmonisation of both key and supporting processes. Through the Group's focus on learning and BI it can constantly develop internal processes in order to continue to drive development towards an even more automated and data-driven organisation. This enables Raketech to more effectively utilise all of the data that its operations generate, which is expected to lead to a high degree of scalability and thus higher long-term profitability.

Entrepreneurial and engaged employees

The Group is made up of medium-sized teams of six to 12 individuals and each team has its own clear and well-defined mandate, ownership, responsibility and goals. The overall objective is to preserve the Groups' entrepreneurial DNA. This is ensured above all through the innovation unit, Lab, but also by integrating entrepreneurs and founders from implemented acquisitions into the organisation. Lab is the Company's catalyst for innovation – both externally and internally – through which the Company develops new innovative products that are expected to contribute to increased long-term organic growth. Founders are integrated into Raketech's organisation, allowing them to continue to develop their enterprises for continued successful growth, at the same time as their assets are integrated into Raketech's platform. The benefits of cost synergies as well as cross-referencing through SEO can thereby be efficiently realised. Raketech also has a clear strategy of allowing founders of acquired companies to be part of long-term partnerships within the Group to strengthen their motivation to drive their products towards continued profitable growth.

Win-win partnerships

Raketech has well-established and long-term partnerships that have been built up over the years through the Company's dynamic sales process. Relationships with partners are underpinned by close and ongoing dialogue through which Raketech gains insights into the customers' challenges and wishes. This gives customers benefits in the form of tailored and favourable agreements, at the same time as Raketech has the opportunity to add value by being at the forefront and driving the industry. The linchpins in the Group's sales strategy are partner segmentation and analysis, which over time result in Raketech being able to charge the right price for its traffic and thereby achieve win-win partnerships.

Raketech's long-term partnerships are based on the Company being a link between its partners and the online players, which means that its services are a fundamental part of the iGaming operators' marketing and thus an important component enabling them to generate the desired volume of traffic. Due to its size the Company is also a more attractive partner than smaller affiliates, as iGaming operators only need to work with one partner instead of several small ones and still maintain the same volume of traffic. This benefits partners at the same time as Raketech can charge higher fees for its services than smaller actors. Raketech's partners also benefit from the fact that the Company's lead generation agreements primarily apply a performance-based pricing model, which means that iGaming operators in many cases do not pay for services until the online player has become an NDC and thus started to generate revenue for the operator. Meanwhile Raketech benefits from this because the Company is in a strong negotiating position in relation to its partners and can therefore use the revenue model that pays the most. The ethical profile of affiliates is becoming an increasingly important factor when iGaming operators choose partners. As Raketech is at the forefront in its CSR work, this is also a factor that helps ensure win-win partnerships because Raketech's customers can rely on the fact that the traffic it gains through the Company's products has been obtained in an ethical manner. Meanwhile Raketech benefits from having a good reputation in the market, which can in turn lead to new partnerships.

COMMERCIAL STRATEGY FOR FUTURE REGULATION IN SWEDEN

Raketech has already taken the necessary steps to be as well positioned as possible ahead of the upcoming market regulation, which is expected to go into force in 2019. This is relevant both in terms of choosing partners and revenue models in the period until the regulations go into force, but also to ensure the Company has favourable terms and profitability with respect to its long-term partners after the regulations have been implemented.

Choice of partners in 2018 ahead of the upcoming regulation

In preparation for the upcoming regulation the Group is working according to a well-planned strategy for choosing partners for new traffic. The Group has identified the partners who are expected to get licences but who are also expected to survive and be profitable in a regulated environment. The Group will not work with partners who it believes will not be able to run a profitable business in a regulated market, with individual exceptions for the partners who can offer commercial terms that involve exceptionally high profitability for the Group in 2018, i.e. before the regulations go into force.

Choice of revenue model in 2018 ahead of the upcoming regulation

The Group is constantly working on revenue optimisation by reviewing player value and fees applied for its respective partners to find the best possible commercial model to charge for its traffic. Since the Group does not at this time know exactly what the gambling tax will be and how its partners will handle the gambling tax resulting from regulation of affiliates, the Group believes that particularly high player value and favourable terms are required if traffic is to be sent to its partners under revenue share agreements. In the Swedish market the Group is therefore mainly using other revenue models – such as CPA or flat fee agreements – in which revenue will not be affected by the introduction of the gambling tax.

Continued favourable terms for revenue share agreements after regulation

For the Group it is of utmost importance that revenue share agreements continue to work in the same way as today in terms of cost sharing between operators and the Group, even after the regulations have gone into force. This means that future gambling tax will be shared proportionately between the Group and its partners and that other costs not related to regulation will not be affected. To ensure this is the case, the Group is working on analysing current partners to identify the exact costs they are applying at this time. Then, once the exact terms of the gambling tax have been determined, the Group plans to write agreements with each of its partners ensuring that, when the regulations take effect, the partners will not charge for more cost than necessary based on the new tax. Once the regulations go into force, the Group will again test each partner to ensure that they are not charging for more costs than necessary based on the new tax.

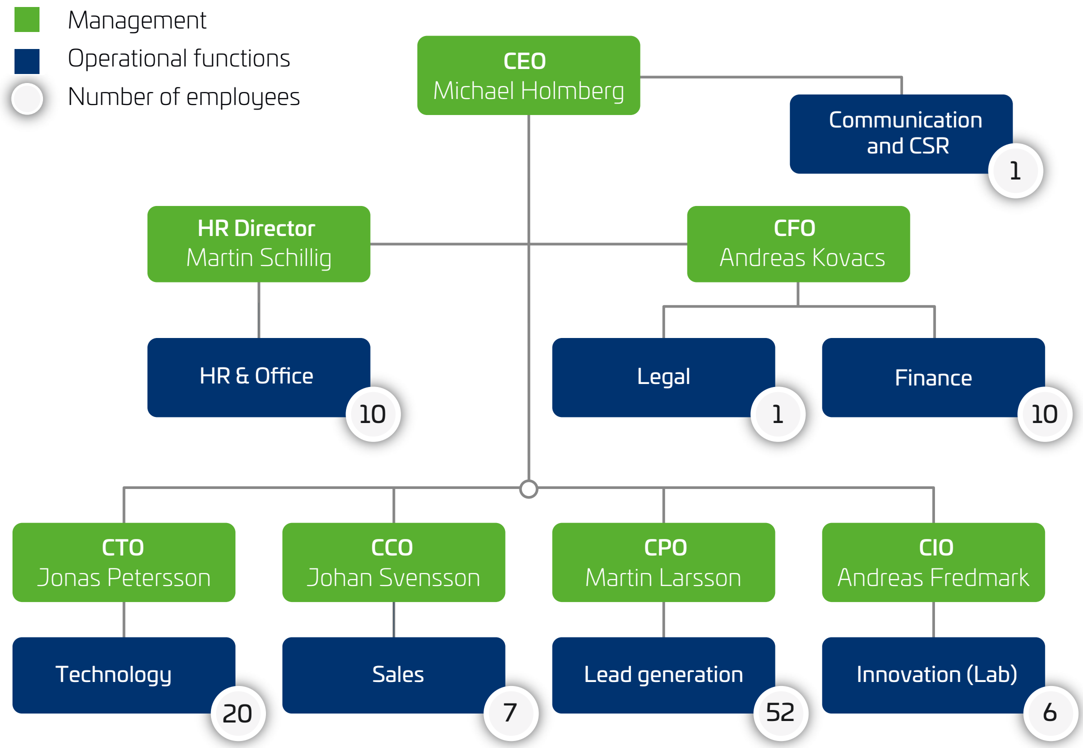
Choice of revenue model after regulation

Before the regulations and the new tax take effect the Group will need to have completed negotiations and have competitive agreements in place with its partners to ensure profitability in the regulated market. This is something the Group has already taken into account in negotiations with its partners. The Group is in regular contact with all of its partners to determine the operators' status and approach to the regulation issue.

ORGANISATIONAL STRUCTURE AND EMPLOYEES

Raketech operates its business from the head office in St. Julian's, Malta. As of 31 December 2017 the Group had 114 employees from 19 countries, 102 of which are FTEs and 12 are consultants. Seven of the 114 employees work in innovation (Lab), eight in sales, 53 in lead generation, one in market communication, 11 in HR, administration and caretaking, 12 in finance and legal, 21 in technology and one is the CEO. A total of 108 of the employees were based in Malta, one in Sweden and five in Denmark as of 31 March 2017. In 2018 the Group was awarded the Equality Mark from NCPE for its promotion of equality.

Organisational structure



Source: Raketech.

Number of employees per department	31 dec 2017	31 dec 2016[1)]	31 dec 2015[2)]
Innovation	7	2	0
Sales	8	2	2
Lead Generation	53	34	9
Market Communication	1	0	0
HR & Administration	11	3	0
Finance and Legal	12	4	0
Technology	21	6	2
Chief Executive Officer	1	1	1
Total number of employees	**114**	**52**	**14**

1) Of which 41 are indefinite-term employees and 11 consultants.
2) Of which 14 are indefinite-term employees.

Source: Raketech.

SELECTED
FINANCIAL INFORMATION

SELECTED FINANCIAL INFORMATION

The selected financial information for the full years 2017, 2016 and 2015 relates to the Raketech Group Holding plc group and has been taken from the Company's audited consolidated financial statements, which were audited by the Company's auditor in accordance with the audit report included elsewhere in this Prospectus. The selected financial information shown below for the periods ended 31 March 2018 and 2017 has been taken from the Company's unaudited, condensed consolidated financial statements for the period January–March 2018, which were reviewed by the Company's auditor in accordance with the review report included elsewhere in this Prospectus. The Company's audited and unaudited financial statements for the respective periods were prepared in accordance with IFRS as adopted by the EU. The financial information should be read in conjunction with the sections "Operating and financial review", "Capital structure, indebtedness and other financial information" and "Historical financial information".

BASIS FOR PREPARATION OF FINANCIAL INFORMATION

The selected consolidated financial information below has been prepared in order to provide information on the Group's accounts. The Maltese company Raketech Group Holding Ltd, now Raketech Group Holding plc, was formed on 29 September 2016 as a wholly owned subsidiary of Gameday Group Ltd. Raketech Group Ltd is the principal operating company in the Raketech Group. Raketech Group Ltd, which was formerly owned by Gormadan Solutions Ltd (a wholly owned subsidiary of Gameday Group Ltd; i.e. Raketech Group Ltd and Raketech Group Holding Ltd were at this time sister companies), was transferred on 26 October 2016 to Raketech Holding Group Ltd. This transaction formally gave rise to the Raketech Group, although the transaction was reported as a continuation of Raketech Group Ltd's operations. (For further information see Note 2 in the section "*Historical financial information*", page F-6.) This subgroup was separated from Gameday Group Ltd on 11 December 2016 and has since then been owned directly by its shareholders, i.e. the shareholders of Gameday Group Ltd.

The consolidated financial statements prepared for 2017, 2016 and 2015 were audited by the Company's auditor and are covered by an audit report for the three years.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

The table below shows selected financial information from the Group's consolidated statements of comprehensive income for the three-month periods ended 31 March 2018 and 31 March 2017 and for the financial years ended 31 December 2017, 31 December 2016 and 31 December 2015.

	For the three-month period ended 31 March		For the financial year ended 31 December		
EUR	**2018**	**2017**	**2017**	**2016**	**2015**
	(unaudited information)		*(audited information)*		
REVENUE	**4,900,593**	**3,356,103**	**17,145,722**	**10,436,972**	**2,091,783**
Direct costs relating to fixed fees and commission revenue	–170,737	–125,661	–858,685	–189,766	–
Employee benefit expense	–1,200,755	–545,890	–3,496,982	–986,690	–201,221
Depreciation and amortisation	–193,665	–104,070	–667,022	–59,570	–5,062
IPO-related costs	–127,035	–	–186,686	–	–
Other operating expenses	–1,004,938	–467,944	–3,122,744	–1,178,700	–1,810,603
OPERATING PROFIT (EBIT)	**2,203,463**	**2,112,538**	**8,813,603**	**8,022,246**	**74,897**
Finance costs	–1,251,652	–112,491	–2,738,111	–	–
PROFIT BEFORE TAX	**951,811**	**2,000,047**	**6,075,492**	**8,022,246**	**74,897**
Tax expense	–47,591	–100,002	–307,320	–379,151	–26,260
Profit for the period/year – total comprehensive income	**904,220**	**1,900,045**	**5,768,172**	**7,643,095**	**48,637**
Earnings per share attributable to the equity holders of the parent during the period/year (expressed in euro per share)					
Basic earnings per share	5	11	33	45	29
Diluted earnings per share	5	11	33	45	29

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The table below shows selected financial information from the Group's consolidated statements of financial position as at 31 March 2018 and 31 March 2017 and as at 31 December 2017, 31 December 2016 and 31 December 2015.

	As at 31 March		As at 31 December		
EUR	**2018**	**2017**	**2017**	**2016**	**2015**
	(unaudited information)		*(audited information)*		
ASSETS					
Non-current assets					
Intangible assets	53,222,093	30,046,471	46,392,980	17,533,677	–
Property, plant and equipment	322,925	53,975	318,535	39,502	21,884
Deferred tax asset	42,178	297,086	89,768	397,088	–
Total non-current assets	**53,587,196**	**30,397,532**	**46,801,283**	**17,970,267**	**21,884**
Current assets					
Trade and other receivables	3,210,689	1,839,393	2,609,883	939,993	1,000,749
Cash and cash equivalents	7,392,985	16,095,729	3,099,917	57,222	26,108
Total current assets	**10,603,674**	**17,935,122**	**5,709,800**	**997,215**	**1,026,857**
Total assets	**64,190,870**	**48,332,654**	**52,511,083**	**18,967,482**	**1,048,741**
EQUITY AND LIABILITIES					
Equity					
Share capital	1,770	1,750	1,770	1,750	1,691
Share premium	999,980	–	999,980	–	204,672
Other reserves	1,204,672	1,204,672	1,204,672	1,204,672	–
Retained earnings	14,364,124	9,591,777	13,459,904	7,691,732	48,637
Total equity	**16,570,546**	**10,798,199**	**15,666,326**	**8,898,154**	**255,000**
LIABILITIES					
Non-current liabilities					
Borrowings	36,242,769	23,080,000	28,076,672	–	–
Amounts committed on acquisition	2,521,709	650,000	585,699	680,000	–
Total non-current liabilities	**38,764,478**	**23,730,000**	**28,662,371**	**680,000**	**–**
CURRENT LIABILITIES					
Amounts committed on acquisition	3,007,251	6,990,000	1,332,478	240,000	–
Trade and other payables	5,072,323	6,011,956	5,967,268	8,346,829	767,481
Current tax liabilities	776,272	802,499	882,640	802,499	26,260
Total current liabilities	**8,855,846**	**13,804,455**	**8,182,386**	**9,389,328**	**793,741**
Total liabilities	**47,620,324**	**37,534,455**	**36,844,757**	**10,069,328**	**793,741**
TOTAL EQUITY AND LIABILITIES	**64,190,870**	**48,332,654**	**52,511,083**	**18,967,482**	**1,048,741**

CONSOLIDATED STATEMENTS OF CASH FLOWS

The table below shows selected financial information from the Group's consolidated statements of cash flows for the three-month periods ended 31 March 2017 and 31 March 2018 and for the financial years ended 31 December 2017, 31 December 2016 and 31 December 2015.

	For the three-month period ended 31 March		For the financial year ended 31 December		
EUR	**2018**	**2017**	**2017**	**2016**	**2015**
	(unaudited information)		*(audited information)*		
Cash flows from operating activities					
Cash generated from/(used in) operations	1,261,928	–1,160,155	4,757,576	15,723,670	–157,307
Interest paid	–1,724,204	–	–1,775,694	–	–
Income tax paid	–106,368	–	–26,261	–	–
Cash flows from operating activities	**–568,644**	**–1,160,155**	**2,955,621**	**15,723,670**	**–157,307**
Cash flows from investing activities					
Purchases of intangible assets	–3,300,000	–5,862,692	–27,474,975	–15,660,403	–
Purchases of property, plant and equipment	–39,707	–18,645	–332,206	–32,153	–22,753
Cash flows from investing activities	**–3,339,707**	**–5,881,337**	**–27,807,181**	**–15,692,556**	**–22,753**
Cash flows from financing activities					
Issue of share capital	–	–	–	–	205,163
Proceeds from drawdowns on borrowings	8,201,419	23,080,000	27,894,255	–	–
Cash flows from financing activities	**8,201,419**	**23,080,000**	**27,894,255**	**–**	**205,163**
Net movement in cash and cash equivalents	**4,293,068**	**16,038,508**	**3,042,695**	**31,114**	**25,103**
Cash and cash equivalents at beginning of period/year	**3,099,917**	**57,222**	**57,222**	**26,108**	**1,005**
Cash and cash equivalents at end of period/year	**7,392,985**	**16,095,730**	**3,099,917**	**57,222**	**26,108**

SELECTED KEY RATIOS

The tables below contain certain financial and operational key ratios that have not been defined in compliance with IFRS. The Company believes that these ratios provide investors with valuable information as they enable a useful evaluation of relevant trends when read in conjunction with (but not instead of) other key ratios. However, these key ratios must not be seen as a substitute for items calculated in accordance with IFRS. Since listed companies do not always calculate these key ratios in the same way, it is not certain that those presented here are comparable with other companies' key ratios with the same names. Note, therefore, that the tables and the calculations have not been audited and are not IFRS-based unless stated otherwise. For a description of non-IFRS measures and the reason for their use, see the section *"Selected financial information – Selected key ratios – Alternative non-IFRS key ratios – Definitions of non-IFRS key ratios"*.

Key ratios defined or specified in compliance with IFRS

The following table shows selected key ratios that are defined or specified in compliance with IFRS, for the three-month periods ended 31 March 2017 and 31 March 2018 and for the financial years ended 31 December 2015, 31 December 2016 and 31 December 2017. These key ratios have been taken from the Group's unaudited interim report for the periods ended 31 March 2018 and 31 March 2017 and audited financial statements for the financial years 2015, 2016 and 2017.

	For the three-month period ended 31 March		For the financial year ended 31 December		
EUR (unless otherwise specified)	**2018**	**2017**	**2017**	**2016**	**2015**
	(unaudited information)		*(audited information)*		
Revenue	4,900,593	3,356,103	17,145,722	10,436,972	2,091,783
Operating profit (EBIT)	2,203,463	2,112,538	8,813,603	8,022,246	74,897
Profit for the period/year	904,220	1,900,045	5,768,172	7,643,095	48,637
Earnings per share*	5	11	33	45	29

* Earnings per share are calculated as profit for year/period divided by the weighted average of outstanding shares during the year/period.

Alternative non-IFRS key ratios

The following table shows selected alternative key ratios that are not defined or specified in compliance with IFRS, for the three-month periods ended 31 March 2017 and 31 March 2018 and for the financial years ended 31 December 2015, 31 December 2016 and 31 December 2017. These have been taken from Raketech's internal reporting and business system, and from the Group's unaudited interim reports and audited financial statements, with their associated notes, as at and for the specified periods presented below and included in the Prospectus. The alternative key ratios have therefore not been audited by the Company's independent auditor. Data for some of the key ratios is not available for 2015 since the financial information in the Group's reporting system for the first three quarters of 2015 cannot be established with sufficient reliability.

	For the three-month period ended 31 March		For the financial year ended 31 December		
EUR (unless otherwise specified)	**2018**	**2017**	**2017**	**2016**	**2015**
	(unaudited information)		*(unaudited information)*		
Revenue growth					
Revenue growth (%)	46.0%	50.2%	64.3%	399.0%	–
Organic revenue growth (%)	10.2%	22.3%	16.6%	35.4%	–
Revenue by revenue model					
Revenue share, (%) of revenue	46.9%	56.4%	54.5%	56.2%	–
Upfront payment, (%) of revenue	39.5%	21.4%	25.7%	17.3%	–
Flat fee, (%) of revenue	13.6%	22.1%	19.8%	26.4%	–
Revenue by product vertical					
Online casino, (%) of revenue	71.4%	76.2%	69.9%	89.5%	–
Online sports betting, (%) of revenue	26.0%	15.7%	25.1%	10.5%	–
Other, (%) of revenue	2.6%	8.1%	5.0%	–	–
Revenue by geographical market					
Sweden, (%) of revenue	–	–	60.6%	85.2%	100.0%
Finland, (%) of revenue	–	–	12.5%	4.8%	–
Norway, (%) of revenue	–	–	10.4%	6.7%	–
Denmark, (%) of revenue	–	–	8.1%	–	–
Nordic region, (%) of revenue	95.3%	90.8%	91.7%	96.8%	100.0%
UK, (%) of revenue	–	–	5.7%	1.9%	–
Other countries, (%) of revenue	–	–	2.7%	1.3%	–
Other markets, (%) of revenue	4.7%	9.2%	8.3%	3.2%	–
Profitability					
Operating margin (%)	45.0%	62,9%	51.4%	76.9%	3.6%
Adjusted operating profit (EBIT)	2,330,497	2,112,538	9,000,289	8,022,246	74,897
Adjusted operating margin (%)	47.6%	62.9%	52.5%	76.9%	3.6%
EBITDA	2,397,128	2,216,608	9,480,625	8,081,816	79,959
EBITDA margin (%)	48.9%	66.0%	55.3%	77.4%	3.8%
Adjusted EBITDA	2,524,162	2,216,608	9,667,311	8,081,816	79,959
Adjusted EBITDA margin (%)	51.5%	66.0%	56.4%	77.4%	3.8%
Employees					
Number of FTEs at end of period	95	59	102	52	11
Other non-financial alternative key ratios					
Number of referred NDCs during the period	16,243	15,238	67,193	33,386	5,270
Growth in number of NDCs compared with previous period (%)	6.6%	84.3%	101.3%	533.5%	–
Mobile traffic, (%) of total traffic	63.6%	59.2%	60.2%	52.5%	–

Reconciliation tables for alternative key ratios

The following section presents reconciliation tables for alternative key ratios presented in the section *"Selected financial information – Selected key ratios – Alternative non-IFRS key ratios"*. For further information about these measures, including definitions and the reason for their use, see the section *"Selected financial information – Selected key ratios – Alternative non-IFRS key ratios – Definitions of non-IFRS key ratios"*. All figures presented below have been audited unless otherwise stated.

Revenue growth

	For the three-month period ended 31 March		For the financial year ended 31 December		
EUR	**2018**	**2017**	**2017**	**2016**	**2015**
Revenue	4,900,593	3,356,103	17,145,722	10,436,972	2,091,783
Organic revenue growth*	342,323	498,319	1,730,165	741,411	–
Revenue growth (%)*	**46.0%**	**50.2%**	**64.3%**	**399.0%**	**–**
Of which organic revenue growth (%)*	**10.2%**	**22.3%**	**16.6%**	**35.4%**	**–**

* Unaudited information.

Revenue by revenue model

	For the three-month period ended 31 March		For the financial year ended 31 December		
EUR	**2018**	**2017**	**2017**	**2016**	**2015**
Revenue	4,900,593	3,356,103	17,145,722	10,436,972	2,091,783
Revenue share*	2,298,270	1,893,687	9,347,261	5,870,076	–
Revenue share, % of revenue*	**46.9%**	**56.4%**	**54.5%**	**56.2%**	**–**
Upfront payment*	1,936,357	719,679	4,410,637	1,810,074	–
Upfront payments, % of revenue*	**39.5%**	**21.4%**	**25.7%**	**17.3%**	**–**
Flat fee*	665,966	742,737	3,387,824	2,756,823	–
Flat fee, % of revenue*	**13.6%**	**22.1%**	**19.8%**	**26.4%**	**–**

* Unaudited information.

Revenue by product vertical

	For the three-month period ended 31 March		For the financial year ended 31 December		
EUR	**2018**	**2017**	**2017**	**2016**	**2015**
Revenue	4,900,593	3,356,103	17,145,722	10,436,972	2,091,783
Online casino*	3,500,750	2,557,343	11,983,906	9,345,360	–
Online casino, % of revenue*	**71.4%**	**76.2%**	**69.9%**	**89.5%**	**–**
Online sports betting*	1,274,760	526,372	4,310,126	1,091,612	–
Online sports betting, % of revenue*	**26.0%**	**15.7%**	**25.1%**	**10.5%**	**–**
Other*	125,083	272,388	851,690	–	–
Other, % of revenue*	**2.6%**	**8.1%**	**5.0%**	**–**	**–**

* Unaudited information.

Revenue by geographic market

EUR	For the three-month period ended 31 March 2018	2017	For the financial year ended 31 December 2017	2016	2015
Revenue	4,900,593	3,356,103	17,145,722	10,436,972	2,091,783
Sweden*	–	–	10,395,026	8,893,571	2,091,783
Sweden, % of revenue*	**–**	**–**	**60.6%**	**85.2%**	**100.0%**
Finland*	–	–	2,146,104	502,829	–
Finland, % of revenue*	**–**	**–**	**12.5%**	**4.8%**	**–**
Norway*	–	–	1,787,791	701,540	–
Norway, % of revenue*	**–**	**–**	**10.4%**	**6.7%**	**–**
Denmark*	–	–	1,387,051	–	–
Denmark, % of revenue*	**–**	**–**	**8.1%**	**–**	**–**
Nordic region*	4,669,505	3,047,893	15,715,972	10,097,941	2,091,783
Nordic region, % of revenue*	**95.3%**	**90.8%**	**91.7%**	**96.8%**	**100.0%**
UK*	–	–	973,761	201,757	–
UK, % of revenue*	**–**	**–**	**5.7%**	**1.9%**	**–**
Other countries*	–	–	455,990	137,274	–
Other countries, % of revenue*	**–**	**–**	**2.7%**	**1.3%**	**–**
Other markets*	231,089	308,210	1,429,751	339,031	–
Other markets, % of revenue*	**4.7%**	**9.2%**	**8.3%**	**3.2%**	**–**

* Unaudited information.

EBIT and adjusted EBIT

EUR	For the three-month period ended 31 March 2018	2017	For the financial year ended 31 December 2017	2016	2015
Profit for the year	**904,220**	**1,900,045**	**5,768,172**	**7,643,095**	**48,637**
Tax expense	47,591	100,002	307,320	379,151	26,260
Finance costs	1,251,652	112,491	2,738,111	–	–
Operating profit (EBIT)	**2,203,463**	**2,112,538**	**8,813,603**	**8,022,246**	**74,897**
Operating margin (%)*	***45.0%***	***62.9%***	***51.4%***	***76.9%***	***3.6%***
Adjustments:					
IPO-related costs	127,035	–	186,686	–	–
Adjusted operating profit (EBIT)*	**2,330,498**	**2,112,538**	**9,000,289**	**8,022,246**	**74,897**
Adjusted operating margin (%)*	***47.6%***	***62.9%***	***52.5%***	***76.9%***	***3.6%***

* Unaudited information.

EBITDA and adjusted EBITDA

EUR	For the three-month period ended 31 March 2018	2017	For the financial year ended 31 December 2017	2016	2015
Operating profit (EBIT)	**2,203,462**	**2,112,538**	**8,813,603**	**8,022,246**	**74,897**
Depreciation and amortisation	193,665	104,070	667,022	59,570	5,062
EBITDA*	**2,397,127**	**2,216,608**	**9,480,625**	**8,081,816**	**79,959**
EBITDA margin (%)*	***48.9%***	***66.0%***	***55.3%***	***77.4%***	***3.8%***
Adjustments:					
IPO-related costs	127,035	–	186,686	–	–
Adjusted EBITDA*	**2,524,162**	**2,216,608**	**9,667,311**	**8,081,816**	**79,959**
Adjusted EBITDA margin (%)*	***51.5%***	***66.0%***	***56.4%***	***77.4%***	***3.8%***

* Unaudited information.

Definitions of non-IFRS key ratios

The following table contains definitions for the alternative key ratios presented and described in the Prospectus, along with the reasons for their use.

Non-IFRS measure	Definition	Reason
Revenue growth	Growth in revenue compared with the previous period, expressed as a percentage.	This key ratio allows comparison of growth rates between different periods, against markets and against the Company's competitors.
Organic revenue growth	Growth in revenue, compared with the previous period, for the underlying operations including revenue growth generated by acquired assets from the date that the acquisition was integrated into the Company.	The Company uses organic revenue growth as a measure of long-term sustainable growth.
Revenue by revenue model (%)	Revenue originating from the Company's various revenue models (i.e. Revenue share, Upfront payment and Flat fee), expressed as a percentage of revenue.	Raketech considers this key ratio to be a useful measure for showing from which revenue models revenue originates and thereby showing the Company's ability to generate income from different types of revenue models.
Revenue by vertical (%)	Revenue originating from the verticals (i.e. Online casino, Online sports betting, Other) in which the Company operates, expressed as a percentage of revenue.	Raketech considers this key ratio to be a useful measure for showing the performance of the Company's products in the verticals in which the Company operates.
Revenue by geographical market (%)	Revenue originating from geographical markets (i.e. Nordic region: Sweden, Finland, Norway, Denmark, and Other markets: UK, other countries), where the Company operates, expressed as a percentage of revenue.	Raketech considers this key ratio to be a useful measure for showing the Company's exposure towards individual markets and the revenue development within these.
Operating profit (EBIT)	Earnings before finance costs and taxes.	Raketech considers operating profit (EBIT) to be a useful measure for showing the earnings generated from operating activities.
Operating margin (%)	Operating profit (EBIT) as a percentage of revenue.	Raketech considers the operating margin (EBIT) to be a useful measure for showing the earnings generated from operating activities.
Adjusted operating profit (EBIT)	Operating profit (EBIT) adjusted for IPO-related costs.	Raketech considers adjusted operating profit (EBIT) to be a useful measure for showing the earnings generated from operating activities adjusted for IPO-related costs.
Adjusted operating margin (%)	Adjusted operating profit (EBIT) as a percentage of revenue.	Raketech considers the adjusted operating margin (EBIT) to be a useful measure for showing the earnings generated from operating activities adjusted for IPO-related costs.
EBITDA	Earnings before finance costs, taxes and amortisation, depreciation and impairment losses.	Raketech considers EBITDA to be a useful measure for showing the earnings generated from operating activities and a good measure of cash flow from operating activities.
EBITDA margin (%)	EBITDA as a percentage of revenue.	Raketech considers the EBITDA margin to be a useful measure for showing the earnings generated from operating activities.
Adjusted EBITDA	EBITDA adjusted for IPO-related costs.	Raketech considers adjusted EBITDA to be a useful measure for showing the earnings generated from operating activities adjusted for IPO-related costs, and uses adjusted EBITDA when calculating the Company's cash generation.
Adjusted EBITDA margin (%)	Adjusted EBITDA as a percentage of revenue.	Raketech considers the adjusted EBITDA margin to be a useful measure for showing the earnings generated from operating activities adjusted for IPO-related costs.
Employees	Number of employees at the end of the period.	The number of employees per period provides a measure of the number of people involved in the total operations.
NDCs	New Depositing Customers – online players who make their first deposit on one of Raketech's partners' websites.	Raketech considers NDCs to be a useful measure for showing what is driving revenue and long-term organic growth.
Mobile traffic (%)	Share of total traffic accounted for by mobile traffic, expressed as a percentage.	Raketech considers this measure to be useful for showing the Company's ability to offer products on all types of platforms and to be at the forefront of market trends such as increased mobile use.

OPERATING AND FINANCIAL REVIEW

The information and comments in this section should be read in conjunction with the information in "Selected financial information" and "Historical financial information". This section may contain "forward-looking statements". The statements are made with the understanding that risks, uncertainties and other factors may arise, including those described under the heading "Risk factors", that may result in the Group's future results, financial position or cash flow differing significantly from the results, financial position or the cash flow described in these forward-looking statements. See "Forward-looking statements and presentation of financial and other information" for information on the risks associated with relying on forward-looking statements.

OVERVIEW

Raketech offers performance-based and media-based marketing by generating traffic through affiliate websites and applications, primarily to iGaming operators. The Group uses its products to refer players who are seeking a gambling experience to the iGaming operator that best matches the player's needs and wishes. The Group runs a pure B2B business where iGaming operators make up the primary customer group. Raketech is a so-called affiliate that offers guides, bonus offers, reviews and gambling tips through websites and applications. The customers pay Raketech for exposure through Raketech's products and access to potential NDCs, and are included in reviews and evaluations made on the websites and applications. Raketech offers more than 20 products for lead generation and media. Through the Group's lead generation products the Group helps iGaming operators to come into contact with potential NDCs by directing end-users to the operators' gambling platforms. The Group's media customers in turn get marketing and exposure through the Group's websites and applications. For the full year ending on 31 December 2017 the Group had referred more than 67,000 NDCs[1] to its customers and had more than 94 million pageviews on its TV guides. Raketech is growing significantly through acquisitions, with 18 acquisitions of varying sizes accomplished between 2015 and 2017. For the full year 2017 Raketech had revenue of EUR 17.1 million and an operating profit, adjusted for IPO-related costs, of EUR 9.0 million above, which represents a margin of 52 percent.[1]
The number of employees as at the end of 2017 was 114.

FACTORS AFFECTING RAKETECH'S RESULTS

Raketech's financial position, cash flow and operating profit have historically been affected and are expected to continue to be affected by a number of key factors. The factors that the Company deems the most important from a performance and cash flow perspective are listed below and are relevant for at least the current financial year.

- market growth
- value offering and ability to generate qualitative traffic
- ability to attract customers and strengthen partnerships
- operational efficiency
- Raketech's innovative capacity
- acquisition opportunities
- tax and regulation
- exchange rate fluctuations and interest expense

Market growth

According to the Market Analysis the total value of the iGaming market in Raketech's Focus Markets amounted to EUR 16.0 billion in 2017.[2] Online casinos and online sports betting, which are the Group's main verticals, accounted for EUR 11.8 billion of the total value. This market is expected to grow by a CAGR of around 7.8 percent between 2017 and 2022, and thereby reach EUR 17.2 billion.[2] The affiliate market for online casinos and online sports betting is in turn expected to grow by a CAGR of 6.5 percent.[2] Larger actors like Raketech are, however, expected to grow faster than the affiliate market in general due to consolidation. As Raketech generates traffic to its customers, which are primarily active in the iGaming market, the Company's earnings are affected by growth and trends relating to

1) Alternative key ratios – see the section "*Selected financial information – Selected key ratios – Alternative non-IFRS key ratios*" for more information.
2) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.

the iGaming market, such as increased internet penetration, the shift from land-based gambling to iGaming, a higher percentage of mobile traffic, regulation of the iGaming market and affiliate marketing, the emergence of new iGaming operators, the emergence of new affiliates and more investment in digital marketing.

Increased internet penetration

Access to computers and access to the internet are on the rise globally and broadband capacity is also increasing. These factors are making iGaming available to more users. Demand for digital affiliate marketing may be affected by these factors, which would also affect the Group's earnings.

Increase in iGaming as a percentage of the total gambling market

The European markets are driving development in the shift from land-based gambling to iGaming – a trend that is expected to continue in line with digital development. As iGaming becomes increasingly user-friendly and accessible, the gambling experience will also be enhanced, making iGaming more attractive. This in turn will affect the Group's earnings as a higher percentage of iGaming will result in higher demand in the affiliate market.

Higher percentage of mobile traffic

According to the Market Analysis the percentage of mobile traffic in the Group's Focus Markets and Nearby Markets amounted to around 40 percent in 2017 and is expected to reach around 54 percent in 2022.[1)] The increasing share of mobile traffic requires greater adaptation of websites, applications and gambling platforms for mobile devices. This is a factor in the increase in online services for gambling and entertainment, promoting greater accessibility and flexibility for users. This trend will open the door to new demographic segments with users who are more interested in gambling on-the-go, and will help grow the iGaming market as users will be able to play more easily and more often. Raketech is well positioned to continue to capitalise on this trend. In 2017 the mobile portion of Raketech's traffic amounted to around 60 percent[2)] and the Group is expecting investment in mobile to remain an important growth factor going forward.

Regulation of the iGaming market and affiliate marketing

Regulation is one of the main trends in the European iGaming market. Regulation can have both positive and negative consequences for the iGaming market. While it places more of a burden on operators and affiliates, regulation is also expected to increase confidence in the industry and reduce the stigma around iGaming. If gambling becomes more socially accepted in general, this could in turn contribute to increased growth. The Group is not excluding the possibility that the net effect of regulation on the iGaming market may be beneficial for Raketech's growth and earnings.

Emergence of new iGaming operators

Affiliates have historically benefitted from a high rate of additions of new iGaming operators. This is because affiliate marketing is an important factor in the ability of iGaming operators to attract traffic in new markets at an early stage and quickly. This can in many cases lead to larger affiliates, such as Raketech, being in a better negotiating position than smaller actors, as larger affiliates control more traffic. New actors also tend to make large initial investments in marketing to strengthen their brand. The emergence of new iGaming operators thus impacts the Group's earnings because a higher degree of new operators results in more potential partnerships and therefore more potential revenue.

Emergence of new affiliates

According to the Market Analysis the affiliate market is highly fragmented with a few large actors, including Raketech, accounting for 15 percent of the total market and a large number of smaller and medium-sized actors accounting for 85 percent of the market.[3)] The entry barriers into the affiliate market have historically been low, making it easy for new, small affiliates to establish themselves, which has in turn resulted in a lot of competition. As the pace of regulation in the iGaming markets accelerates, the regulatory requirements for affiliates increase. As more resources are required for compliance, the entry barriers to the affiliate market become higher – which is likely to result in fewer small and medium-sized actors being established and thereby also less overall competition. The Group is expecting larger affiliates with established frameworks for compliance, such as Raketech, to benefit from regulation as a consequence of less competition from smaller affiliates.

1) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.
2) Alternative key ratios – see the section "*Selected financial information – Selected key ratios – Alternative non-IFRS key ratios*" for more information.
3) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.

Larger investments in digital marketing

Digital marketing continues to increase in significance for the Group's iGaming partners due to the growing online player base. An increased focus on digital marketing will therefore become more important partly in order to attract new online players and partly to retain existing ones. Customers of the Group's media products are seeing increased opportunities for digital marketing. One of the benefits of digital marketing in the form of revenue share agreements is that results are measurable. This means that the customers have access to a low-risk marketing method where they do not normally need to pay for the service until visitors to their own websites are generated and start to spend money. The Group is expecting this trend to continue going forward and to be a factor in maintaining strong partnerships and thus also continued strong earnings.

Value offering and ability to generate qualitative traffic

Raketech's long-term value offering to its customers consists of the ability to generate high-quality traffic. Raketech focuses on developing products and providing informative content that create value for online players. Raketech's products contain information, guides, online forums, bonus offers and other types of materials of relevance for online players. Raketech's lead generation aims to supply iGaming operators with high-quality traffic consisting of users who are looking for a gambling experience and thus represent a high conversion rate. The Group's media products are in turn aimed at generating a broader range of traffic to give the customers exposure on the Group's websites, and in the longer term to develop brand preferences among users. To achieve volume and quality in both the short and long term, the Group operates on the basis of its three cornerstones: Core, Lab and M&A. Core focuses on the constant development of existing products, Lab is the Company's innovation and product development division and M&A focuses on the Company's acquisitions.

Ability to attract customers and strengthen partnerships

Raketech's revenue, growth and earnings are dependent on its ability to attract new and retain existing customers. The most important factor in attracting customers is the Group's ability to generate a large volume of high-quality traffic. Raketech does this through its well-diversified product offering. Over the past few years the Group has observed a strong influx of both new NDCs and new iGaming operators. As of 31 March 2018 Raketech was working with more than 300 brands belonging to 80–100 different iGaming operators.

To achieve profitability it is necessary to have strong partnerships and the Group achieves this through long-term and strong relationships with its customers. Attracting new partners requires offerings that are well-differentiated and competitive in comparison with those of the main competitors. Raketech's ability to attract customers is based on the Group's well-diversified product portfolio which offers customers broad exposure and attractive agreements. The Company offers several different types of commercial compensation models for different types of lead generation and media products.

Long-term strong and mutually beneficial partnerships are key aspects of Raketech's customer relations management. The Group works very closely with around 30 operators and emphasises the importance of face-to-face meetings. These take place a number of times a year with each partner. One of the reasons for the meetings is to determine which revenue model is most appropriate for each client. Customer agreements are tailored based on each partnership. In certain cases a flat fee may, for example, be the appropriate option as a basis for an agreement, while in other cases a CPA revenue model or a hybrid model may be more suitable. Each revenue model has distinct features with respect to when and how payment takes place. The CPA model, for example, involves an immediate upfront payment per NDC, while a revenue share model generates recurring revenue as long as an NDC continues to gamble on the partner's website. The Group also generates revenue through flat fees and CPM/CPC models, which generally generate lower revenue per user than CPA models but are used for products with a significantly higher traffic volume. Earnings are thus affected by the type of revenue model used within the respective partnership. For the full year 2017 the Group's revenue was derived as follows: 55 percent revenue share, 26 percent CPA and 20 percent flat fee.[1] Changes to this breakdown may affect the Group's earnings.

Operational efficiency

Raketech's earnings are affected by the Company's operational efficiency. The Group is focusing on cost awareness to maintain stable margins without needing to compromise on the quality of the Group's products.

The Company uses its economies of scale in connection with acquisitions through primarily through asset acquisitions where the Group acquires income-generating assets without taking over their cost base to the same extent, largely thanks to the Group's investments in the IT platform called The HUB. The HUB involves a large degree of automation by providing an overview of the Group's affiliate network, resulting in lower administrative costs. These tasks would otherwise need to be performed manually by employees.

1) Alternative key ratios – see the section "*Selected financial information – Selected key ratios – Alternative non-IFRS key ratios*" for more information.

Being able to continuously monitor and develop internal processes enables Raketech to gain a better understanding of its own operations, which facilitates decision-making and keeps costs low. The Group gathers traffic, ranking and revenue data from available sources and compiles it in the Group's data centre. The data is then analysed in The HUB to enable Raketech to be proactive in its partnerships and when working on products by, for example, estimating traffic trends and assessing the size of the Company's various revenue streams.

Employee benefit expense is the Group's largest cost item and was equivalent to 20 percent of the revenues for the full year 2017. Employee benefit expense therefore has a significant impact on the Group's operational efficiency and increases as the Group grows. The Group grew from a headcount of 52 at the end of 2016 to 114 at year-end 2017, resulting in a cost increase of 254 percent. Although the Group's personnel expenses are expected to grow in connection with further expansion of the Company, this cost item is expected to represent a smaller and smaller percentage of revenue as the Group is constantly developing towards automated systems.

Raketech's innovative capacity

Raketech's innovative capacity and ability to develop new products is a key aspect of the Group's strategy for long-term profitability. This means that the Group must adapt its products to new techniques, new preferences and new customer needs that emerge. Product adaptation involves things like content design, compatibility with new platforms and product accessibility. One example of adaptation is the ongoing transition to mobile traffic where Raketech is adapting its products for mobile compatibility, and the development of social media to access users in new, emerging channels.

Acquisition opportunities

Acquisition-driven growth is an important part of Raketech's growth strategy and of the strategies of most other large affiliates. Access to acquisitions can thus affect growth and therefore also the Company's earnings. The acquisition strategy is a key factor in accelerating the Company's growth, gaining access to new customer registers and strengthening the Group's market position. The Group started acquiring other affiliates and affiliate assets in 2015 and since then has completed a total of 21 acquisitions of various sizes. Acquisitions are expected to constitute a key aspect of the Group's growth in the future as well, which means that access to smaller competitors that can be acquired will be of crucial importance for the Group. Raketech plans to acquire companies in both existing and new markets. The Company focuses heavily on identifying companies that are well aligned with the Group's core values and that fit well into the organisation in general. According to the Market Analysis the acquisition climate is favourable as the affiliate market is fragmented, consisting of a few large actors that together only have 15 percent of the market.[1)]

Raketech is taking active steps to maintain a profile as an attractive partner that will further develop acquired operations. Once they are part of the Group, companies can access Raketech's network, expertise and administrative platforms. These are benefits the Group is keen to promote to companies of interest. To maintain the high acquisition pace the Group constantly monitors its financing situation. Through The Hub, the homogeneous IT platform developed in-house by the Group, multiple acquired assets have been successfully integrated into Raketech's network. Though the IT platform the Group can quickly realise synergies, which in turn helps the Company to grow.

Raketech's acquisitions in 2017 included TVmatchen and BetXpert. The TVmatchen acquisition is part of the Company's strategy to diversify the product portfolio for an increased focus on media products that primarily compile sports and event information and present it to users. These types of websites attract significantly larger volumes of traffic than, for example, online casino guides, but the traffic is characterised by a lower percentage of users who click on links to reach iGaming operators. The acquisition of BetXpert was in turn made to increase exposure to the regulated Danish market.

1) Alternative key ratios – see the section "*Selected financial information – Selected key ratios – Alternative non-IFRS key ratios*" for more information.

Tax and regulation

Raketech is incorporated and based in Malta, which is also where the Group pays income tax. The corporate income tax rate in Malta is 35 percent which should be chargeable on the the total income derived by each Maltese established entity in a particular year. Generally speaking, in arriving at the total income for a particular year, each such entity should be eligible to claim a deduction for outgoings and expense that it would have incurred wholly and exclusively in the production of its income. This being said, Maltese tax law also provides for the deductibility of a number of other expenses including interest payable on capital employed in acquiring income and any expenditure of a capital nature on intellectual property or intellectual property rights spread equally over a minimum period of three years subject to the satisfaction of certain conditions. Malta also has in place certain rules that provide for a refund of 6/7 of the tax Raketech pays (subject to certain conditions being satisfied). Consequently, the effective Maltese income tax rate for the Group after the said refund should be approximately five percent for the owners. For the full year 2017 the effective tax was EUR 0.3 million. Furthermore, with effect from financial year 2017, the Group should also be eligible to claim a Notional Interest Deduction (NID) that is calculated as a percentage of the Group's risk capital - which broadly should equate to a percentage of the Group's equity. As a result of such deduction, the Group's effective Maltese income tax rate may be reduced even further - potentially to a minimum of approximately 3.5 percent.

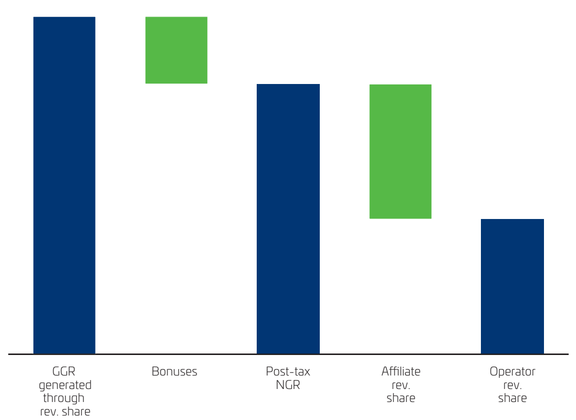
Re-regulation of various markets is an extremely topical issue in the iGaming market. Markets that used to be monopolies are facing increasing regulation over the next few years. iGaming regulation will have both positive and negative effects on Raketech's business and continued growth. The diagram on the left below presents Raketech's revenue from revenue share agreements without the expected effects of regulation and the one on the right shows Raketech's revenue from revenue share agreements adjusted for the expected effects of regulation.

While regulation places more of a burden on operators and affiliates, it also reduces the stigma around iGaming. The increased social acceptance of gambling is expected to contribute to increased growth through greater consumer confidence. Greater regulatory transparency reduces uncertainty, which makes the iGaming market more attractive for iGaming operators. This is expected to lead to more operators entering the market. Meanwhile, existing actors who choose to apply for a licence will be able to take a greater share of the market at the expense of operators who do not. In general Raketech considers it not unlikely that the iGaming market's growth as a whole could benefit from regulation.

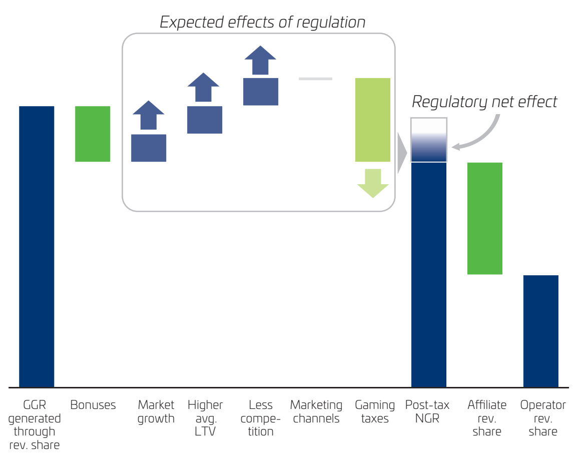
Raketech also believes that there is a big difference in player value – i.e. total revenue per player – for the operators who get a licence compared to those that do not get one in connection with regulation. The operators who get a licence are expected to have up to 2.5 times the player value of other operators. This is based on Raketech's current operator partnerships in the regulated Danish market. Among the explanations for this are, for example, better welcome offers, better gambling catalogues, faster websites and better mobile applications etc., which attract online players. As Raketech, in connection with regulation, will only work with the operators that apply for a licence, the Group's average player value and revenue is expected to increase.

Positive and negative effects on Raketech when a market is regulated

Illustrative breakdown of revenue share contracts on an un-regulated market



Illustrative breakdown of revenue share contracts on a regulated market



Source: Raketech, Market Analysis.

1) Raketech Group – Online Gaming Affiliate Market – Independent Report, February 2018.

Raketech expects the main benefit of regulation of iGaming markets to be the decrease in competition that is expected in the affiliate market. This is because smaller affiliates are expected to find it hard to comply with the higher regulatory requirements to operate in a regulated market. It is often up to the iGaming operators to ensure that their affiliate partners follow the rules in place when they market iGaming operators' products. This is expected to benefit established affiliates like Raketech. Those companies, that have developed regulatory frameworks and organisations built to handle the higher requirements will have greater opportunities to increase their market share than smaller actors. This is expected to be a strong growth factor for Raketech going forward. According to the Market Analysis this consolidation has been a clear trend in, for example, the UK market.

Monopoly markets have traditionally strengthened the position of affiliates in the value chain in areas where online gambling has been prohibited. This is because other types of marketing channels have often been prohibited, making affiliate marketing services of greater value to operators. When a market is regulated more marketing channels open up, such as PPC marketing, and this provides operators with more marketing opportunities. This does, however, also result in increased marketing opportunities for affiliates. It is therefore uncertain what the net effect will be in the affiliate market.

When markets become regulated a gambling tax is usually introduced – often as a percentage of the operators' gross gambling revenue. The gambling tax will also affect affiliates as they are generally paid based on the operators' revenue after tax for the traffic generated through revenue share agreements. All else being equal, this means that the revenue per player will be lower under these types of agreements. The tax imposed is, however, expected to be shared equally between affiliates, iGaming operators and other stakeholders in the iGaming chain.

Effects of possible regulation of the Swedish iGaming market

At this time around 30 percent of Raketech's revenue comes from revenue share agreements in the Swedish market. The Group expects these types of agreements to be the main ones affected by possible regulation of the Swedish market. Other agreements such as CPA agreements are not expected to be significantly affected. This conclusion is based on the Group's experience from regulation of the Danish market, where revenue generated via CPA and other agreements remained relatively stable after regulations were introduced. Thus only a small portion of the Group's revenue is expected to be affected if the proposed regulations are introduced in the Swedish market, regardless of whether the net effect of regulation is positive or negative.

Exchange rate fluctuation and interest expense

Raketech operates its business from Malta, but the Group generates revenue in several countries. The Company's reporting currency is EUR, which is also the main currency for both revenue and expenses. The Company's exposure to exchange rate fluctuation is therefore low, however it does exist, and may affect the Group's earnings. The Group is mainly exposed to currency risk indirectly because the purchasing power of online players is determined by the local currency, which thus determines Raketech's potential revenue, particularly from revenue share agreements. Raketech does not use any derivatives or exchange rate hedges to protect the business from currency exposure, which means that the Group's earnings may be affected by exchange rate fluctuation.

Raketech finances parts of its business through debt instruments and the Group is therefore exposed to interest rate risk. In a scenario where interest rates are raised, Raketech's earnings would be adversely affected.

DESCRIPTION OF MAIN ITEMS IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Revenue

Revenue consists of (i) revenue share – a portion of net gaming revenue generated from NDCs referred to iGaming operators, (ii) cost per acquisition – an upfront payment for each NDC generated via an affiliate website, and (iii) a flat fee for exposure on the affiliate's websites through, for example, banners and campaign offers. The Group also generates revenue through CPM and CPC for exposure via Raketech's products. In the CPM model the Group is paid for every 1,000 instances of exposure the customer's content receives on any of the Group's products and in the CPC model the Group is paid every time the user clicks on the customers' advertisements.

Direct costs relating to fixed fees and commission revenue

Direct costs relating to fixed fees and commission revenue include costs for content generation, investments in systems, external content generation and investment in domains.

Employee benefit expense

Employee benefit expense includes gross salaries, bonuses and social insurance contributions. Added to this are various expenses relating to training, maintenance and other team-building activities.

Depreciation and amortisation

Depreciation of property, plant and equipment and amortisation of intangible assets are recognised gradually over the life of the asset. Assets that are depreciated/amortised include computer equipment, office furniture, other office equipment, software and acquired player accounts. Customer databases, as intangible assets, are amortised on a straight line basis, while the rest undergo annual impairment testing.

IPO-related costs

Expenses relating to the stock exchange listing include costs that have arisen for the Group in connection with the Offering; see also the section "*Legal considerations and supplementary information – Expenses associated with admission to trading on Nasdaq First North Premier*".

Other operating expenses

These include expenses for things like administration, domains used for search engine optimisation, development of the technical platform, staff training, consultancy fees, entertainment and costs relating to real property.

Finance costs

Finance costs relate to expense for interest on loans.

Tax

Tax expense is tax on the total income for the financial year and from changes in deferred tax. The Group is subject to corporate income tax in Malta and the tax payment deadline is the later of 31 March or the last day of the ninth month following the particular financial year end. However, Raketech should be eligible to claim an extension of such deadline and, as a result, may settle any outstanding tax by the last day of the 18th month following the end of Raketech's financial year end without incurring any penalties. The refund mechanism under the Maltese Income Tax Acts should give Raketech Group Holding p.l.c. the possibility of claiming a tax refund (post a distribution of taxed profits by Raketech) of approximately 6/7 of the tax that has been paid by Raketech. This should be normally receivable by the parent company within one to six months after a successful application for a refund is made. This reduces the Group's effective tax rate to five percent of the income generated from activities on the island of Malta.

The optimal utilisation of the NID may reduce the effective rate of Maltese income tax even further to approximately 3.5 percent without the need to distribute a dividend or claim a refund.

COMPARISON BETWEEN PERIODS

Comparison between the periods January – March 2018 and January – March 2017

Revenue

Revenue amounted to TEUR 4,901, representing an increase of 46 percent in January – March 2018 compared to January – March 2017. Organic growth accounted for 10 percent of the increase. The increase is mainly attributable to an increased number of NDCs, focus on media products which resulted in higher traffic volumes, and to several acquisitions during the period. A total of two acquisitions were made, which included customer databases, domains and websites. The acquisitions made during the period consisted of casino vertical SEO affiliates with focus on the Swedish market. The acquisitions are expected to strengthen the Group's product offering and geographical reach.

Direct costs relating to fixed fees and commission revenue

The Group's direct costs relating to fixed fees and commission revenue amounted to TEUR 171, representing an increase of 36 percent in January – March 2018 compared to January – March 2017. Direct costs relating to fixed fees and commission revenue as a percentage of the Group's revenue decreased from 4 percent in January – March 2017 to 3 percent in January – March 2018. Direct costs relating to fixed fees and commission revenue increased during the period as a result of increased costs for SEO, hosting and content.

Employee benefit expense

The Group's employee benefit expense amounted to TEUR 1,201, representing an increase of 120 percent in January – March 2018 compared to January – March 2017. Employee benefit expense as a percentage of the Group's revenue increased from 16 percent in January – March 2017 to 25 percent in January – March 2018. The increase is mainly related to the significant increase in headcount in line with the strong growth of the business during the period.

Depreciation and amortisation

The Group's depreciation and amortisation amounted to TEUR 194, representing an increase of 86 percent in January – March 2018 compared to January – March 2017. Depreciation and amortisation as a percentage of the Group's revenue increased from 3 percent in January – March 2017 to 4 percent in January – March 2018. The increase is mainly related to acquisitions of intangible non-current assets in the form of customer databases as a result of the Group's acquisitions.

IPO-related costs

IPO-related costs in January – March 2018 amounted to TEUR 127, and consisted of expenses relating to preparations for admission to trading on Nasdaq First North Premier. In January – March 2017 the Group had no IPO-related costs.

Other operating expenses

The Group's other operating expenses amounted to TEUR 1,005, representing an increase of 115 percent in January – March 2018 compared to January – March 2017. Other operating expenses as a percentage of the Group's revenue increased from 14 percent in January – March 2017 to 21 percent in January – March 2018. The increase is mainly related to the increase in headcount which gave rise to a corresponding increase in operational costs such as rental expenses, software and license expenses.

Finance costs

In January – March 2018 the Group's financial expense amounted to TEUR 1,252, compared to TEUR 112 in January – March 2017. The increase in financial expense was attributable to borrowing secured through Ares Management Ltd ("**Ares**").

Profit before tax

The Group's profit before tax amounted to TEUR 952, representing a decrease of 52 percent in January – March 2018 compared to January – March 2017.

Tax

The Group's tax expense for the period amounted to TEUR 48, representing a decrease of 52 percent in January – March 2018 compared to January – March 2017.

Profit for the period

As a result of all of the factors above, the profit for the year amounted to TEUR 904, representing a decrease of 52 percent in January – March 2018 compared to January – March 2017.

Cash flow from operating activities

Cash flow from operating activities increased from TEUR (1,160), in January – March 2017 to TEUR (569), in January – March 2018. The increase was mainly related to the strong underlying sales growth but the cash flow was adversely affected by increased interest payments and increased tax payments during the period.

Cash flow from investing activities

Cash flow from investing activities increased from TEUR (5,881), in January – March 2017 to TEUR (3,340), in January – March 2018. The cash flow from investing activities was mainly related to the acquisition of Casinofeber on 28 February 2018.

Cash flow from financing activities

Cash flow from financing activities decreased from TEUR 23,080, in January – March 2017 to TEUR 8,201, in January – March 2018. The cash flow from financing activities was mainly related to additional drawdown of the existing loan facility attributable to Ares.

Financial position

The Group's equity increased from TEUR 10,798, in January – March 2017 to TEUR 16,571, in January – March 2018 and the Group's non-current liabilities increased from TEUR 23,730, in January – March 2017 to TEUR 38,764, in January – March 2018. The increase in non-current liabilities was mainly related to additional drawdown of the existing loan facility attributable to Ares. The Group's cash and cash equivalents decreased from TEUR 16,096, in January – March 2017 to TEUR 7,393, in January – March 2018.

Comparison between the 2017 and 2016 financial years

Revenue

In 2017 revenue amounted to TEUR 17,146, representing an increase of 64 percent compared to 2016. Organic growth accounted for 17 percent of the increase. The total increase was mainly related to a growing traffic volume as a result of the focus on sports betting and the media product strategy, as well as sustained strong growth in the casino vertical. The organic growth was mainly attributable to well-established SEO products as well as good growth in Swedish communities with a sports betting focus. A total of nine acquisitions were made in 2017 including customer databases, domains and websites, which can be compared to four acquisitions in 2016. The nine acquisitions made in the 2017 financial year consisted of (i) two acquisitions in the online forum product category – one larger one with a focus on the Danish market and one smaller one focusing on the Swedish market, (ii) a substantial acquisition in the guide product category focusing on the Swedish, Norwegian and Danish markets, (iii) one acquisition in the finance vertical with a focus on the Swedish market, and (iv) five acquisitions in the SEO product category with a geographical presence in the UK, Denmark, Finland, Spain and Sweden. Through these acquisitions the Group strengthened its geographical offering in each country and secured a better diversified revenue base in terms of both geography and product offering.

Direct costs relating to fixed fees and commission revenue

The Group's direct costs relating to fixed fees and commission revenue amounted to TEUR 859, representing an increase of 352 percent in 2017 compared to 2016. Direct costs relating to fixed fees and commission revenue increased during the period as a result of increased costs for SEO, hosting and content. Direct costs relating to fixed fees and commission revenue as a percentage of the Group's revenue increased from 2 percent in 2016 to 5 percent in 2017. The increase is mainly related to the Group's growth, but is not expected to increase in relation to revenue going forward.

Employee benefit expense

The Group's employee benefit expense amounted to TEUR 3,497, representing an increase of 254 percent in 2017 compared to 2016. Employee benefit expense as a percentage of the Group's revenue increased from 9 percent in 2016 to 20 percent in 2017. The increase is mainly related to recruitment in all of the Group's departments, including the addition of more members to the executive management team. The increase in the number of employees was a result of recently acquired assets and continued expansion of the Group's organisational capacity for future growth.

Depreciation and amortisation

In 2017 amortisation of intangible assets amounted to TEUR 667, representing an increase of 1,020 percent compared to 2016. Depreciation and amortisation as a percentage of the Group's revenue increased from 1 percent in 2016 to 4 percent in 2017. The increase is mainly related to acquisitions of intangible assets in the form of customer databases as a result of the Group's nine acquisitions during the period.

IPO-related costs

IPO-related costs in 2017 amounted to TEUR 187 and consisted of listing expenses. In 2016 the Group had no IPO-related costs and no other items affecting comparability.

Other operating expenses
The Group's other operating expenses amounted to TEUR 3,123, representing an increase of 165 percent in 2017 compared to 2016. Other operating expenses as a percentage of the Group's revenue increased from 11 percent in 2016 to 18 percent in 2017. The increase is mainly attributable to costs relating to acquisitions, development of internal systems, including The HUB, and investment in continued expansion. Increasing traffic on the Group's websites also contributed to higher costs for domains, servers and fees. The increased costs in 2017 are also a result of an altered and more diversified product mix.

Financial expense
In 2017 the Group's financial expense amounted to TEUR 2,738 compared to TEUR 0 in 2016. The increase in financial expense as well as net financial expense was attributable to borrowing secured in February 2017 through Ares.

Profit before tax
The Group's profit before tax amounted to TEUR 6,075, representing a decrease of 24 percent in 2017 compared to 2016.

Tax
The Group's tax expense for 2017 amounted to TEUR 307 compared to TEUR 379 in 2016.

Profit for the period
As a result of all of the factors above, the profit for the year amounted to TEUR 5,768, representing a decrease of 25 percent in 2017 compared to 2016.

Cash flow from operating activities
Cash flow from operating activities decreased from TEUR 15,724 in 2016 to TEUR 2,956 in 2017. The decrease was mainly related to an increase in the Group's trade receivables and as a result of movements in related party balances.

Cash flow from investing activities
Cash flow from investing activities decreased from TEUR (15,693) in 2016 to TEUR (27,807) in 2017. The cash flow from investing activities was mainly related to the Group's nine acquisitions during the period.

Cash flow from financing activities
Cash flow from financing activities increased from TEUR 0 in 2016 to TEUR 27,894 in 2017. The increase was attributable to a loan agreement with Ares. The primary reason for obtaining the loan agreement was to enable financing of future acquisitions in line with the Group's growth strategy.

Financial position
The Group's equity increased from TEUR 8,898 in 2016 to TEUR 15,666 in 2017 and the Group's non-current liabilities increased from TEUR 680 in 2016 to TEUR 28,662 in 2017. The increase in non-current liabilities is related to borrowing through Ares. The Group's cash and cash equivalents increased from TEUR 57 in 2016 to TEUR 3,100 in 2017.

Comparison between the 2016 and 2015 financial years

Revenue
Revenue amounted to TEUR 10,437, representing an increase of 399 percent in 2016 compared to 2015. Organic growth accounted for 35 percent of the increase. The total increase was mainly attributable to acquisitions made during the period. The organic growth was mainly attributable to the increased number of NDCs generated. A total of four acquisitions were made including customer databases, domains and websites, which can be compared to five acquisitions in 2015. Of the four acquisitions made in 2016, one was a substantial acquisition in the sports betting vertical focusing on the Norwegian and Swedish markets which contributed significantly to higher growth. The remaining three smaller acquisitions contributed to an increased geographical presence in the UK, Norwegian and Swedish markets.

Direct costs relating to fixed fees and commission revenue
In 2016 the Group's direct costs relating to fixed fees and commission revenue amounted to TEUR 190, compared to TEUR 0 in 2015. Direct costs relating to fixed fees and commission revenue as a percentage of the Group's revenue increased from 0 percent in 2015 to 2 percent in 2016. The increase is mainly from investments in domains and IT systems.

Employee benefit expense
Employee benefit expense in 2016 amounted to TEUR 987, representing an increase of 390 percent in 2016 compared to 2015. Employee benefit expense as a percentage of the Group's revenue decreased from 10 percent in 2015 to 9 percent in 2016.

Depreciation and amortisation
Depreciation and amortisation amounted to TEUR 60, representing an increase of 1,077 percent in 2016 compared to 2015. Depreciation and amortisation as a percentage of the Group's revenue increased from 0 percent in 2015 to 1 percent in 2016. The increase is mainly related to acquisitions of intangible assets in the form of customer databases as a result of the Group's four acquisitions during the period.

IPO-related costs
The Group had no IPO-related costs in 2016 or 2015.

Other operating expenses
The Group's other operating expenses amounted to TEUR 1,179 in 2016, representing a decrease of 35 percent in 2016 compared to 2015. Other operating expenses as a percentage of the Group's revenue decreased from 87 percent in 2015 to 11 percent in 2016. The decrease is related to the reduced need for IT-related expenditure compared to 2015.

Financial items
The Group had no finance costs for 2016 or 2015.

Profit before tax
The Group's profit before tax amounted to TEUR 8,022, representing an increase of 10,611 percent in 2016 compared to 2015.

Tax
The Group's tax expense for the period amounted to TEUR 379, representing an increase of 1,344 percent in 2016 compared to 2015.

Profit for the period
As a result of all of the factors above, the profit for the year amounted to TEUR 7,643, representing an increase of 15,615 percent in 2016 compared to 2015.

Cash flow from operating activities
Cash flow from operating activities increased from TEUR (157) in 2015 to TEUR 15,724 in 2016. The increase was mainly related to the Group's revenue growth and as a result of movements in related party balances.

Cash flow from investing activities
Cash flow from investing activities decreased from TEUR (23) in 2015 to TEUR (15,693) in 2016. The decrease mainly related to the Group's four acquisitions during the period.

Cash flow from financing activities
Cash flow from financing activities decreased from TEUR 205 in 2015 to TEUR 0 in 2016.

Financial position
The Group's equity increased from TEUR 255 in 2015 to TEUR 8,898 in 2016 and the Group's non-current liabilities increased from TEUR 0 in 2015 to TEUR 680 in 2016. The Group's cash and cash equivalents increased from TEUR 26 in 2015 to TEUR 57 in 2016.

QUARTERLY FINANCIAL INFORMATION
The Group considers the quarterly financial information presented below, from the fourth quarter of 2015 to the first quarter of 2018, to be of significance to investors because it enables an evaluation to be made of development quarter on quarter during that period. Please note that the data that forms the basis for the table is based on the Group's internal reporting system and has not been examined in any way by the Group's auditors and is not covered in the audit reports provided by the Group's auditors. The reason that there is only financial information for the fourth quarter of 2015 in the table is that the financial information in the Group's reporting system for the first three quarters of 2015 cannot be established with sufficient reliability.

	2015	2016				2017				2018
EUR 000s	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**
Revenue	1,469	2,235	2,473	2,588	3,141	3,356	4,263	4,925	4,601	4,901
Adjusted EBITDA*	(327)	1,808	1,940	1,998	2,336	2,217	2,574	2,848	2,029	2,524
Adjusted operating profit/ loss (EBIT)*	(332)	1,808	1,940	1,998	2,276	2,113	2,409	2,652	1,826	2,330
Number of NDCs referred during the period*	5,270	8,266	7,296	8,361	9,463	15,238	19,054	18,010	14,891	16,243
Revenue by compensation model										
Revenue share, % of revenue*	–	57.4%	52.8%	56.0%	58.3%	56.4%	55.2%	53.5%	53.6%	46.9%
Upfront payment, % of revenue*	–	20.0%	20.1%	16.8%	13.7%	21.4%	26.4%	25.7%	28.2%	39.5%
Flat fee, % of revenue*	–	22.6%	27.1%	27.2%	28.0%	22.1%	18.4%	20.8%	18.2%	13.6%
Revenue by vertical										
Online casino, % of revenue*	–	94.4%	91.2%	83.4%	89.9%	76.2%	68.6%	69.9%	66.5%	71.4%
Online sports betting, % of revenue*	–	5.6%	8.8%	16.6%	10.1%	15.7%	25.8%	26.2%	30.3%	26.0%
Other, % of revenue*	–	0.0%	0.0%	0.0%	0.0%	8.1%	5.6%	3.9%	3.2%	2.6%
Revenue by geographic market										
Nordic region, % of revenue*	–	99.3%	99.2%	99.2%	91.0%	90.8%	90.2%	91.9%	93.4%	95.3%
Other markets, % of revenue*	–	0.7%	0.8%	0.8%	9.0%	9.2%	9.8%	8.1%	6.6%	4.7%
Mobile traffic, % of total traffic*	–	53.2%	49.3%	51.2%	55.5%	59.2%	62.1%	55.3%	64.0%	63.6%

* Alternative key ratios – see the section "*Selected financial information – Selected key ratios – Alternative non-IFRS key ratios*" for more information.

CAPITAL STRUCTURE, INDEBTEDNESS AND OTHER FINANCIAL INFORMATION

EQUITY AND LIABILITIES

For the three-month period which ended 31 March 2018 Raketech had outstanding debt of EUR 47.6 million. EUR 36.2 million relates to a loan agreement with Ares entered into between Raketech and certain financial institutions named as lenders in the loan agreement dated 8 February 2017. The total amount available under the agreement is a maximum of EUR 70 million. As at 31 March 2018, the amounts drawn down amounted to EUR 38.2 million. The carrying value of borrowings as at 31 March 2018 amounted to EUR 36.2 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 of the Group's other liabilities related to operations, e.g. accounts payable and tax liabilities or to acquisitions of intangible assets described under "*Investments*" in this section.

The value of the Group's equity has increased in recent years by an amount equivalent to the profit for the period. As at 31 March 2018 the Group's equity amounted to EUR 16.6 million, corresponding to an equity/asset ratio of 26 percent. The table below summarises Raketech's capital structure as at 31 March 2018.

There are no limitations on the use of capital that, directly or indirectly, significantly affect or could affect the Group's operations. For more information regarding the Company's capital structure, see section "*Historical financial information*".

Capitalisation

EUR	31 March 2018
Current liabilities	
Guaranteed	–
Secured	–
Without guarantee or other security	8,855,846
Total current liabilities	**8,855,846**
Non-current liabilities	
Guaranteed	–
Secured[1)]	36,242,769
Without guarantee or other security	2,521,709
Total non-current liabilities	**38,764,478**
Total current and non-current liabilities	**47,620,323**
Equity	
Share capital	1,770
Share premium	999,980
Other reserves	1,204,672
Retained earnings	14,364,124
Total equity	**16,570,546**

1) In accordance with the terms and conditions for obtaining this financing, Raketech Group Holding plc has pledged its entire shareholding in Raketech Group Limited in favour of the lenders.

OFF BALANCE SHEET ITEMS

The Company is not a party in any off balance sheet arrangements that have, or could reasonably be assumed to have, any current or future material effect on the Company's financial position, revenue or costs, operating profit, liquidity, investments or financial resources.

NET DEBT

As at 31 March 2018 Raketech had EUR 47.6 million in outstanding liabilities, of which EUR 41.8 million were interest-bearing. The table below summarises Raketech's net debt as at 31 March 2018.

Net debt

EUR		31 March 2018
A.	Cash	–
B.	Cash and cash equivalents	7,392,985
C.	Trading securities	–
D.	**Liquidity (A) + (B) + (C)**	**7,392,985**
E.	**Current financial receivables**	**–**
F.	Current bank loans	–
G.	Current share of non-current liabilities[1)]	3,007,251
H.	Other current financial liabilities	–
I.	**Current interest-bearing liabilities (F) + (G) + (H)**	**3,007,251**
J.	**Net current financial indebtedness (I)–(E)–(D)**	**–4,385,734**
K.	Non-current bank loans	36,242,769
L.	Bonds issued	–
M.	Other non-current borrowings[1)]	2,521,709
N.	**Non-current interest-bearing liabilities (K) + (L) + (M)**	**38,764,478**
O.	**Net debt (J) + (N)**	**34,378,744**

1) Constitutes of amounts committed on acquisitions, which are subject to implicit interest costs.

Current and non-current liabilities

Current liabilities consist of current share of outstanding amounts committed on acquisitions. Some of the reserved amounts are fixed amounts while others are future payments, the final amounts of which depend on specific revenue targets that the parties agreed upon on the occasion of each acquisition. Non-current liabilities consist of non-current share of outstanding amounts relating to the acquisitions and the loan financed through Ares.

Financing requirements

The Group intends to use, in whole or in parts, net proceeds from the Offering in order to partly refinance existing loans as well as to pay the purchase price for acquisitions made, and to make new acquisitions. The Company thereby achieves an increased financial flexibility but may have financing requirements in the future (including from existing creditors), particularly when future acquisitions require financing. There are no seasonal variations in the borrowing requirement. Current long-term loans constitutes of the financing through Ares which matures on 27 February 2020.

Working capital statement

In the opinion of the board of directors in Raketech, the working capital is sufficient to meet the Group's requirements for the period of twelve months from the date of this Prospectus.

Significant events after 31 March 2018

During the year ended 31 December 2017, the Group had started negotiations with a shareholder (Tobias Persson Rosenqvist) with whom the Group had an outstanding payable of EUR 2.0 million. The negotiations include the conversion into equity of EUR 1.1 million worth of shares and the renunciation of the remaining balance of the payable. This transaction was completed during Q2 2018. For more information, see "*Legal matters and supplementary information – Transactions with related parties*".

On 9 April 2018, a share incentive program was introduced for certain key employees (including consultants with conditions similar to employment). 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 occurred 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 share incentive program is that it will have an impact corresponding to EUR 0.5 million which will be recognised over the vesting period which is of up to three years. The shareholder dilution will be approximately 2 per cent for the full program.

On 28 April 2018, 5,009 new shares in Raketech Group Holding plc were issued all having a nominal value of EUR 0.27 per share. 1,707 of these shares were issued at a share premium of EUR 601.74 per share (corresponding to approximately EUR 4.46 per share after recalculation as a result of the split performed May 2018), 84 of these shares were issued at a share premium of EUR 620.27 per share (corresponding to approximately EUR 4.59 per share after recalculation as a result of the split performed May 2018) and the remaining 3,218 of these shares were issued at a share premium of EUR 332.98 per share (corresponding to approximately EUR 2.47 per share after recalculation as a result of the split performed May 2018).

On 3 May 2018, the Group entered into an asset transfer agreement with Mediaclever Sverige AB. The asset transfer mainly included assets in the form of affiliate accounts and intangible property consisting of domains.

On 6 June 2018, the Group made an acquisition of 51 per cent of the shares in Shogun Media. The acquisition is expected to primarily increase Raketech's pay-per-click knowledge, see "*Capital structure, indebtedness and other financial information – Investments*".

Investments

EUR	For the financial year ended 31 December 2017	2016	2015
	(audited information, unless otherwise stated)		
Websites and domains	28,447,780	16,482,848	–
Player databases	705,993	1,095,864	–
Computer software	319,379	–	–
Total investments in intangible assets	**29,473,152**	**17,578,712**	**–**
Leasehold improvements	39,569	–	–
Office equipment	245,204	32,153	14,715
Furniture and fixtures	47,433	–	8,038
Total investments in property, plant and equipment	**332,206**	**32,153**	**22,753**

Raketech's investing activities consist mainly of acquisitions of intangible assets in the form of player accounts, domains, websites and IT platforms. The Group's investments include contingent considerations paid to selling parties where the asset develops in line with pre-determined targets, as well as property, plant and equipment in the form of computers and other IT equipment. The contingent considerations and property, plant and equipment items are financed through the cash flow from operating activities. The investments have been financed through the cash flow generated by operating activities and loans. For more information regarding Raketech's investments see the section "*Historical financial information*".

During 2018, a number of websites, domains and player databases were acquired. Additions during the first quarter 2018 amounted to EUR 7.6 million, of which EUR 0.4 million has been allocated to player databases. For more information regarding the Group's amounts committed on acquisitions see section "*Historical financial information – Interim report, January – March 2018 – Note 7 Amounts committed on acquisition*".

On 3 May 2018, the Group strengthened its position by acquiring assets of Mediaclever Sverige AB. 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 4.7 million (SEK 50 million), which has been financed through borrowings from the Company's loan facility with Ares, plus additional earn-out payments if Mediaclever Sverige AB meets pre-defined targets until and including 31 December 2018. The maximum earn-out liability amounts to, approximately, EUR 1.5 million (SEK 15 million) and is due for payment in February 2019.

On 6 June 2018, the Group entered into a share purchase agreement with Upside Media Ltd, regarding 51 per cent of the shares in Shogun Media Ltd. The purchase price amounts to EUR 731,817 and shall be paid in cash no later than on 26 June 2018. The purchase price will be financed with own funds. Furthermore, Raketech has committed to contribute EUR 350,000 in total to the acquired company up to 30 November 2018.

Other investments now and in the future are and will mainly be related to improvement of premises and offices. Continued expansion of the headcount will also require investment in computers and office equipment. The investments are expected to be financed through the cash flow generated by operating activities and loans.

The Company has no other ongoing investments and at this time no decisions have been made regarding future investments that will have a material effect on the Company.

Non-current assets

As at 31 March 2018 the carrying amount of Raketech's non-current assets amounted to EUR 53.6 million, consisting mainly of intangible non-current assets associated with the Group's affiliate network. These were mainly in the form of domains and websites, player databases and player accounts from acquisitions made by the Group in recent years. The Group's property, plant and equipment as at 31 March 2018 were worth EUR 0.3 million and mainly consisted of office materials, computers and technical equipment. For a more detailed description of the Group's non-current assets, please refer to Note 2.5 and Note 2.6 in the audited consolidated financial statements for the full year 2017.

Financial risk

See the section "*Risk factors – Risks relating to the industry and the Company*" for information on the credit risk, liquidity risk, currency risk and interest rate risk that Raketech is and/or may be exposed to.

BOARD OF DIRECTORS, SENIOR EXECUTIVES AND AUDITORS

BOARD OF DIRECTORS

According to the Company's articles of association the board of directors is to consist of three to six members appointed through a resolution passed by the shareholders with a simple majority at the general meeting. The board of directors at this time consists of five members.

The table below presents the board members, their birth years, the year they were first elected, their position, whether deemed independent in relation to the Company, its senior executives and major shareholders and their securities holdings in the Company as of the date of this Prospectus. Thereafter information on each member of the board of directors will be presented. Assignments within companies of the Group are not presented in this summary.

				Independent in relation to		
Name	Birth year	Board member since	Position	The Company and its executive management	Major shareholders*	Securities holdings in the Company
Christian Lundberg	1956	2017	Chairman	No	Yes	50,355 shares
Johan Svensson	1985	2016	Member	No	No	3,174,930 shares[1)]
Erik Skarp	1985	2016	Member	Yes	No	3,353,265 shares[2)]
Fredrik Svederman	1970	2017	Member	Yes	Yes	47,790 shares[3)]
Annika Billberg	1975	2018	Member	Yes	Yes	–

* *Major shareholders* are defined as those controlling, directly or indirectly, ten percent or more of the shares or votes in the Company. If a company holds more than 50 percent of the shares, ownership interests or the votes in another company, it is to be regarded as indirectly holding the latter company's ownership in other companies.
1) Through Akterbog Ltd.
2) Through Light Showdown Ltd.
3) Privately or by endowment assurance.

Christian Lundberg

Born 1956.

Chairman of the board since April 2017.

Other current positions: Chairman of the board of Aidon OY, Senior Advisor at Cordial Business Advisors, CEO of Force 4U AB, member of Deloitte Advisory Forum.

Positions over the past five years: Chairman of the board of NORM Research & Consulting AB (until 2015), Chairman of the board of Voddler Group AB (including group companies, until 2017), board member at Trygga Hem AB (now Sector Alarm Service AB, until 2013), board member at Claremont AB (including group companies, until 2016).

Education: Economics at Stockholm University.

Shares: 50,355 shares.

Fredrik Svederman

Born 1970.

Board member since April 2017.

Other current positions: Board member at FS Financial Services AB.

Positions over the past five years: Board member at various group companies within Evolution Gaming Group AB (publ) (until 2016). CFO of Evolution Gaming Group AB (publ) (until 2016).

Education: Bachelors in Business Administration, Stockholm University, studies at UCLA, UC Berkeley.

Shares: 47,790 shares (privately or by endowment assurance).

Johan Svensson

Born 1985.

Board member since September 2016.

Other current positions: Founder and board member of BetHard Group Ltd, board member in Gameday Group Ltd, board member in Akterbog Ltd.

Positions over the past five years: CEO of Raketech (until 2017).

Education: Upper secondary education, Af Chapman Gymnasiet Karlskrona.

Shares: 3,174,930 shares (through a company).

Erik Skarp

Born 1985.

Board member since September 2016.

Other current positions: Board member at Gameday Group Ltd, board member at Light Showdown Ltd, founder and CEO of BetHard Group Ltd.

Positions over the past five years: Chairman of the board and CEO of House of Crisp AB (until 2014), board member at Fiberkonsulten Norrköping AB (until 2015).

Education: Upper secondary education, Polhemskolan, Lund.

Shares: 3,353,265 shares (through a company).

Annika Billberg

Born 1975.

Board member since May 2018.

Other current positions: Founder and CEO of True Communications AB.

Positions over the past five years: Chief Brand & Communications Officer at Intrum AB (until 2018), Communications and Market Director (until 2017) and IR and Communications Director (until 2014) at Intrum Justitia AB.

Education: Master in Business Economics at International Business School, Jönköping, Sweden and studies in financing, accounting and international marketing at the Business School in Vienna, Austria.

Shares: –

SENIOR EXECUTIVES IN THE GROUP

The table below presents the names of senior executives, their birth years, the year they became a senior executive in the Company, their current position and their securities holdings in the Company as of the date of this Prospectus. See "*Legal considerations and supplementary information – Group structure*" for more information on the structure of the Group. In addition to his position on the board, Johan Svensson is also employed by a consultancy agreement with Akterbog Limited by the Company as CCO since 2017 (for information on Johan Svensson see "*Board of Directors*" above). Martin Larsson was the Company's CEO before the appointment as CPO. Andreas Fredmark is appointed at an interim term, and the appointment as CIO expires in July 2018.

Name	Birth year	Senior executive since	Position	Securities holdings in the Company
Michael Holmberg	1973	2017	CEO	591,030 shares[1] and 171,971 options
Andreas Kovacs	1984	2017	CFO	18,630 shares and 66,331 options
Jonas Petersson	1975	2018	CTO	16,470 shares[2] and 49,135 options
Martin Schillig	1983	2017	CHR	9,855 shares and 29,481 options
Martin Larsson	1990	2016	CPO	361,665 shares[3] and 49,135 options
Andreas Fredmark	1972	2017	CIO	–
Johan Svensson	1985	2016	CCO	3,174,930 shares[4]

1) Through Tamiho Invest Ltd.
2) Through FF Consulting AB.
3) Through LM Online Trading Ltd.
4) Through Akterbog Ltd.

Michael Holmberg

Born 1973.

CEO since 2017.

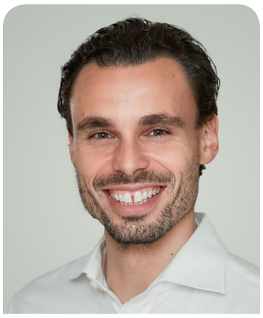
Other current positions: Board member and owner of River Media AB, board member and owner of Tamiho Invest Ltd, owner of Gameday Group Ltd.

Positions over the past five years: Board member at Freya Aviation One Malta Ltd (until 2018), board member at Argos Aviation Malta Ltd (until 2017), board member at Minerva Aviation Malta Ltd (until 2017), board member at NAC Services Malta Ltd (until 2017) and board member at Oden Aviation One Ltd (until 2017). Board member at Oden Aviation Two Ltd (until 2017), CEO at Gameday Group Ltd (until 2017), board member and CEO at BetHard Group (until 2017), and EU General Manager and Director Live Events Europe at Rational Group (until 2016).

Education: LLM, Uppsala University, Marketing Programme, Stockholm School of Economics, courses at Rational Group Academy, Customised Executive Development, Cranfield University & School of Management, Cranfield, UK.

Shares: 591,030 shares (through a company).

Warrants/options: 171,971 options.



Andreas Kovacs

Born 1984.

CFO since 2017.

Other current positions: Board member at PSC Entertainment Ltd and Company Secretary at Tuffle Enterprises Ltd.

Positions over the past five years: Board member at Bostadsrättsföreningen Primusbacken (until 2017), Senior Manager at BDO Corporate Finance AB (until 2017), Manager Corporate at Finance at Mazars (until 2014), Senior Consultant Transaction Services at PwC (until 2013), accountant at PwC (until 2010).

Education: Masters in Economics and Auditing, Umeå University and University of Zürich, Bachelors in Marketing, Umeå University.

Shares: 18,630 shares.

Warrants/options: 66,331 options.

Jonas Petersson

Born 1975.

CTO since 2018.

Other current positions: CEO and board member FF Consulting AB.

Positions over the past five years: Business Intelligence Specialist (until 2014), Head of Business Intelligence and CTO (until 2018) at High Light Media Group, CTO and Head of Business Intelligence at Netgaming (until 2018).

Education: –

Shares: 16,470 shares (through a company).

Warrants/options: 49,135 options.

Martin Larsson

Born 1990.

CPO since June 2016.

Other current positions: –

Positions over the past five years: Operations Manager at BetHard Group Ltd (until 2014).

Education: –

Shares: 361,665 shares (through a company).

Warrants/options: 49,135 options.

Martin Schillig

Born 1983.

CHR since June 2017.

Other current positions: –

Positions over the past five years: Head of HR Shared Services and HR Manager at Betsson Group (until 2017), HR Manager (until 2012) and HR Business Partner (until 2015) at Tipico Co.

Education: Diplom Plegewirt (FH), Interkantonale Hochschule für Heilpädagogik, Advanced Award in Reward Management, QCF Level 7, Chartered Institute of Personnel and Development, certified Agile HR Manager, HR Pioneers.

Shares: 9,855 shares.

Warrants/options: 29,481 options.

Andreas Fredmark

Born 1972.

CIO since August 2017.

Other current positions: Board member, CEO and owner of Corp Control Sthlm AB, Chairman of the board of Monomak AB, board member at Chokladbudet Sverige AB, board member at Tovatt Architects & Planners AB and board member at Note Design Studio AB, deputy board member at Fredmark Communications AB and CEO and owner of Archiwwwe Sweden AB.

Positions over the past five years: Acting CFO at Soundtrap AB (until 2017), board member, Business Adviser and owner of Toborrow AB (until 2015), CFO at The North Alliance (until 2014), CFO at Hitta.se (until 2013) and Business Advisor at Agonas AB (until 2017).

Education: MBA, Lund University.

Shares: –

Warrants/options: –

Johan Svensson

See under "*Board of directors*" above.

OTHER INFORMATION ABOUT THE BOARD OF DIRECTORS AND SENIOR EXECUTIVES

All board members and senior executives can be reached at the Company's address: c/o Raketech Group Holding plc, 6 Paceville Avenue, St. Julian's, STJ 3109, Malta.

Apart from what is mentioned below, no member of the board of directors or senior executive has, during the past five years, been subject to sanctions or allegations of any authority or professional association under public law. Fredrik Svederman has been subject to a claim of supplementary tax amounting to SEK 130,000 for the taxation years 2014 and 2015. Over the past five years none of the board members or senior executives has been sentenced in a fraud-related case. Over the past five years none of the board members or senior executives has been served with an injunction against carrying on a business. No member of the board of directors or any senior executive has during the past five years been involved with or represented a company that was declared bankrupt or in liquidation or been subject to bankrupcy's estate.

With the exception of the statements below, no separate agreements have been entered into between larger shareholders, customers, suppliers or other parties under which any board member or senior executive has been elected to his or her current position. On 1 January 2017 a shareholder agreement was signed between the Company's founders, active owners and investors (senior executives and investors) regulating the owners' relationships. The agreement will cease to exist in connection with the listing. See "*Shareholders and share capital – Agreements between current shareholders*" and "*Legal considerations and supplementary information – Transactions with related parties*" for more information on this agreement.

No board member or senior executive has any private interests that could involve a conflict of interest with the Company or the Group. Some board members and senior executives do, however, have financial interests in the Group due to their holdings of shares or warrants in the Company or the Group. There are no family ties between any of the board members or senior executives.

REMUNERATION TO THE BOARD OF DIRECTORS AND SENIOR EXECUTIVES

Board of directors

Remuneration to the board members, including the Chairman, is determined at the annual general meeting. At the annual general meeting 2017, it was resolved that the total remuneration to the board of directors shall amount to EUR 110,000 up to and including the annual general meeting 2018. None of the board members is entitled to any compensation after their term has ended.

Remuneration to the board members, including the Chairman, is resolved upon by the general meeting. At the annual general meeting 2018, it was resolved that the total compensation for the board members for the financial year 2018 shall amount to EUR 200,000 to be allocated as set out in the table below.

Name	Position	Board fees (EUR)
Christian Lundberg	Chairman	50,000
Johan Svensson	Member	30,000
Erik Skarp	Member	30,000
Fredrik Svederman	Member	40,000
Annika Billberg	Member	30,000
Total		**180,000**

Senior executives

The annual general meeting of the Company has, on 20 May 2018, decided on guidelines for remuneration to the senior executives. The compensation for the senior executives consists of a fixed salary (including pension benefits) and other customary benefits. In 2017, total compensation for senior executives amounted to EUR 1,147,865. One senior executive is hired via a consultancy agreement described under section "*Legal considerations and supplementary information – Closely related party transactions*".

Compensation for the CEO is determined by the board and consists of a fixed salary and other customary benefits. The fixed salary amounts to EUR 280,000 annually and includes pension benefits. The CEO has a period of notice of termination of nine months and the CFO has a period of notice of termination of six months. The Company's other senior executives have a period of notice of termination of three months.

In addition to what is stated above and to the customary severance compensation, no senior executive is entitled to any compensation after their respective employment has ended.

During the financial year 2017, compensation and benefits for board members and senior executives was allocated as set out below.

Name	Position	Board fees (EUR)	Basic salary / Consultancy fees (EUR)	Other remuneration (EUR)	Total (EUR)
Christian Lundberg	Chairman	31,865	51,512	–	83,377
Johan Svensson	Member	13,333	366,078	–	379,411
Erik Skarp	Member	13,333	–	–	13,333
Fredrik Svederman	Member	20,000	–	5,117	25,117
Michael Holmberg	CEO	–	220,604	–	220,604
Other senior executives		–	426,023	–	426,023
Total		**78,531**	**1,064,217**	**5,117**	**1,147,865**

Incentive programmes

The Company has implemented a share-based incentive programme (the "**Incentive Programme**"). In the programme, certain employees and consultants within the Group can be allotted up to 491,346 option rights free of charge, corresponding to, in total, maximally 491,346 new shares and a dilution amounting to approximately two percent. No members of the board of directors participate in the programme. At the time of the Prospectus a total of 490,117 option rights (of the total 491,346 option rights in the programme) have been allotted to fourteen employees in the Group and to a key person with a consultancy assignment with the Group (with conditions similar to employment).

The options are offered in two tranches whereof the first ("**Tranch I**") comprises 20 percent and the second ("**Tranch II**") comprises 80 percent of the total amount of options in the programme.

Tranch I may e.g. be utilised for six months from the first date of trading in the Company's shares, i.e. (under the assumption that the time plan for the Offering presented in this Prospectus is followed) between 29 June 2018 and 29 December 2018. Under Tranch I the exercise price for the options is EUR 3.66 per share.

Tranch II may e.g. be utilised for the six months period which starts on the date 24 months from the first date of trading in the Company's shares, i.e. (under the assumption that the time plan for the Offering presented in this Prospectus is followed) between 29 June 2020 and 29 December 2020. Under Tranch II the exercise price for the options is the price final determined in the Offering.

AUDITOR

Since December 2016 (i.e. for the financial years 2017 and 2016) PwC has been the auditor for the Group and the Company. Romina Soler, Authorised Public Accountant and member of the Malta Institute of Accountants, is auditor-in-charge. PwC's address is 78 Mill Street, Qormi QRM3101, Malta. Previously (i.e. for the financial year 2015) the firm of Griffiths + Associates Ltd was Rakerech Group Ltd's (and thereby the Group's) auditor and Peter Griffith, Authorised Public Accountant and member of Malta Institute of Accountants, was auditor-in-charge. The address of Griffiths + Associates is Level 1, Casal Naxaro, Labour Avenue, Naxxar, NRX 9021, Malta.

CORPORATE GOVERNANCE

The board of directors has the ultimate responsibility for the overall governance of the Group, its administration and organisation as well as the handling of the Group's affairs. According to the Company's memorandum and articles of association, the board of directors shall be appointed by the shareholders, and shall consist of not less than three and not more than six directors.

From 1 July 2018 and onwards, companies applying for admission to trading on Nasdaq First North Premier shall apply the Swedish Code for Corporate Governance (Sw. *Svensk kod för bolagsstyrning*) (the "**Code**") or other corporate governance regulations applicable in relation to foreign companies. Companies whose shares are admitted to trading on Nasdaq First North Premier before 1 July 2018, do not need to apply the Code regulation until 1 July 2019. Since the Offering is completed prior to 1 July 2018, the Company will need to apply the Code from 1 July 2019. However, the Company intends to apply the Code from and including the first day of trading on Nasdaq First North Premier.

Deviations from the Code

In accordance with the Code's principle of "comply or explain", the Company has decided to deviate from the Code in one aspect. As described under the section "*Board of directors, senior executives and auditors – Incentive programme*" the Company has established an incentive programme where some of the options allotted within the programme may be utilised from the first date of trading in the Company's shares and certain other options may be utilised from the day following 24 months after the first day of trading. This constitutes a deviation from Section 9.7 in the Code. The reason for the deviation from the Code is that the programme was finalised before the decision on the listing of the Company's shares on Nasdaq First North Premier was taken and, consequently, that the terms were set in accordance with market practice for private companies in Malta.

THE LAWS OF MALTA AND THE MEMORANDUM AND ARTICLES OF ASSOCIATION

The operations of the Group and the Company is primarily conducted in compliance with Maltese law and is governed by Chapter 386 of the laws of Malta i.e. the Maltese Companies Act of 1995 (the "**Maltese Companies Act**"), as well as the Company's memorandum and articles of association.

The following is a summary of the rights of the Company's shareholders based on applicable Maltese law as well as the Company's memorandum and articles of association. The summary is not and does not purport to be a complete analysis of Maltese company law.

Objects of the company

According to Section 4 of the Company's memorandum of association, the objects of the Company are, inter alia, to act as a holding Company and invest, subscribe for, acquire, hold, dispose of or otherwise deal in all kind of securities including shares, participation, investments, interest and debentures in any other company, corporations, entities, partnership, joint venture or business. Furthermore, the Company's objects are also for it to , inter alia, acquire, own, manage, under any title, of tangible and intangible assets such as trademarks, patents and other intellectual property as well as real property.

Shares

According to the Company's articles of association, the Company's shares may be dematerialised and registered with a Central Securities Depository in Malta and/or in Sweden and/or elsewhere as allowed by applicable law. The Company's primary Central Securities Depository is maintained by the Malta Stock Exchange Central Securities Depository and Euroclear Sweden AB is the Swedish Central Securities Depository, in order to enable trading and settlement of such shares in Sweden once they are listed on Nasdaq First North Premier.

The Company shall keep a register off any share options and shall therein enter information on the issue of share options, the names and addresses of the holders of such share options, a statement of the number of shares to which the holders of share options are entitled as well as the date of issue and expiry of the share options. As soon as a share option holder exercises his or her rights to subscribe for shares, the Company shall make relevant adjustments to the share option register. The Company shall also keep a register of other securities in the same way as share options.

General meetings

According to articles 53–55 in the Company's articles of association, annual general meetings of the Company shall be held at such time and place as the directors of the Company deem appropriate. All general meetings other than annual general meetings shall be extraordinary general meetings. General meetings of the Company are convened by the board of directors. A shareholder or shareholders holding not less than one tenth of the Company's paid-up voting share capital have the power to requisition the directors to convene a general meeting.

A annual general meeting of the Company shall not be deemed to have been duly convened unless at least twenty-one days' prior notice has been given in writing to all shareholders entitled to receive such notice. Provided that the general meeting is not an annual general meeting, the notice period may be shortened if certain procedures are complied with. The notice convening a general meeting shall contain the date, time of commencement and venue of the general meeting, together with the proposed agenda for the general meeting, a clear and precise description of the procedures that shareholders must comply with in order to be able to participate in and to vote at the general meeting including certain rights available to them in terms of the articles of association, the relevant record date and related information including an explanation that only such shares registered in the share register on the record date shall be entitled to participate and vote at the general meeting, a short description of where and how the documents to be submitted to the general meeting, including the annual report at a general meeting, may be obtained.

For a continuous period of at least twenty-one days immediately preceding the general meeting the following minimum information shall be made available on the Company's website: a copy of the notice convening the general meeting; the total number of shares and votes as of the date of the notice; the documents to be submitted to the general meeting; draft resolutions for each item on the agenda, or, where such resolution has not been drafted, an explanation of the agenda item and why it is on the agenda; and where applicable, the proxy forms.

A shareholder or shareholders holding not less than five percent of the issued voting share capital of the Company may table draft resolutions to be adopted at the meeting or request to have items included on the agenda of the general meeting, provided that each item is accompanied by a justification or a draft resolution to be adopted at the general meeting in that respect. Such request shall be submitted to the board of directors at least forty-six days before the date set for the general meeting.

No business shall be transacted at any general meeting unless a quorum of not less than 51 percent of the paid up voting share capital of the Company is present. If a quorum is not present within half an hour from the time appointed for the commencement of a general meeting, the general meeting shall stand adjourned to such other time as the directors may determine. If at such adjourned meeting a quorum is not present within half an hour from the time appointed, the members present shall constitute a quorum. The Chairman of the board of directors acts as Chairman of the general meeting.

An ordinary resolution requires a majority of more than 50 percent of shares represented and entitled to vote. An extraordinary resolution requires a majority of not less than 75 percent of the shares represented and entitled to vote at the meeting and at least 51 percent of all voting shares in the company. Apart from as described above, an extraordinary resolution shall be required for any amendment to the memorandum or articles of association of the Company, the dissolution of the Company; and wherever so required by law or the Company's articles of association.

Alteration of share capital

If the share capital is divided into different classes of shares in the Company, the rights attached to any class (unless otherwise provided by the terms of the shares) may, whether or not the Company is being wound up, be varied or removed with the consent in writing of the holders of at least 75 percent of the issued shares of that class, or following a resolution passed at an extraordinary general meeting of the holders of the shares of the affected class.

The Company's shareholders may resolve to alter the share capital of the Company by issuance of new shares. Such alterations, except for issuances of new shares which may take place by means of board of directors' resolutions if sufficient authorised share capital exists (see "*Authorisation*" under section "*Shareholding and share capital*") are made by extraordinary resolution, which are deemed to be valid if consented to by shareholders holding in aggregate not less than 75 percent of the shares represented and entitled to vote at the meeting and at least 51 percent of all shares conferring the right to vote in the Company.

Furthermore, the Company's articles of association prescribe the lowering of share capital of the Company in order to cancel shares which have not been taken or agreed to be taken at the time of the decision. Subject to the Company's memorandum of association and also by a resolution of the general meeting, the Company's shares may also be sub-divided into shares of smaller amount and a resolution of sub-division may result in the new shares having different rights.

The shareholders of the Company may also, subject to the provisions of the Company's articles of association and otherwise subject to applicable law, reduce the Company's share capital, the share premium account, or other capital redemption reserves.

Rights of newly issued shares

The Company may without prejudice to any special rights previously conferred on the holders of any of the existing shares or class thereof, issue new shares with special rights or restriction, including preference shares. Shares may be issued by ordinary resolution of the general meeting or, in certain cases, by the board of directors.

The Issuing of new shares is performed subject to Article 88 of the Maltese Companies Act. According to the Company's articles of association the shares shall primarily when issued be offered existing shareholders in proportion to their current shareholdings. If a shareholder or several shareholders do not exercise their pre-emption rights, the shares may be offered to the public. The aforementioned pre-emption rights may be restricted or withdrawn by an extraordinary resolution of the shareholders or, where the board is authorised to issue shares with deviation from the shareholders´ pre-emption rights, by resolution of the board. The pre-emption rights do not apply in relation to issues of shares in kind.

Minority rights

The Maltese Companies Act grants holders of shares various rights as protection against abusive behaviour by other shareholders or the directors, including in particular:

- Shareholders that individually or jointly hold an aggregate of 10 percent of the paid up share capital of the Company has the right to requisition a general meeting;
- The Company, or a shareholder acting on behalf of the Company, has the right to apply for a court order which will serve to address any unfair prejudice, oppression or discrimination being suffered by one or more shareholders (e.g. an order requiring that a general meeting or board meeting be held or that the Company refrain from carrying out a particular action or that the Company be dissolved);
- The right to apply for the Company to be dissolved if legal grounds for dissolution exist such as an inability of the Company to pay debts or on grounds of sufficient gravity.
- The right to request a court to appoint a board member where the amount of directors falls below the statutory minimum or to appoint an auditor in case of an unfilled vacancy.
- The right to certain information and the right to vote on issues relating to the certain types of reorganisation or merger of the Company.

It should also be noted that there are no mandatory minority shareholder right provisions relating to the composition of the board of directors. Shares may however be issued with different class specific rights to appoint a number of members of the board of directors. The Company's current articles of association do not split the capital into different classes of shares and directors are appointed and removed by ordinary resolution.

Appointment and dismissal of members of the board of directors

According to Article 137 of the Maltese Companies Act, a public company shall have no less than two board members. The board of directors of the Company shall be elected on individual basis by ordinary resolution in a general meeting.

Unless elected for a longer or shorter period or unless they resign or are removed, directors of the Company shall hold office from the close of the general meeting until the next following annual general meeting. The board and senior executives can be eligible for re-election for a period up to 3 years. Except for any retiring director of the Company, and therefore eligible for re-election to the office, board members shall, in order to be eligible for election, be nominated in accordance with the Company's articles of association.

The Chairman shall not at the same time be the Chief Executive Officer or occupy an executive or senior management position at the Company.

The general meeting may, in accordance with Article 140 of the Maltese Companies Act, remove a director by ordinary resolution at any time prior to the expiration of his or her term of office, provided that the director has had the opportunity to be heard. Furthermore, the director shall resign if: he or she resigns early, he or she is absent from six consecutive board meetings without leave of absence; he or she is prohibited by law to hold the office of director; he or she otherwise ceases to be a director pursuant to law; or if he or she becomes of unsound mind, or is convicted of any crime punishable by imprisonment, or declared bankrupt during his or her term of office.

Nomination committee

The annual general meeting 2018 resolved on the following regulation for the nomination committee.

The Nomination Committee shall consist of five members.

The Chairman of the board of directors will contact the four largest shareholders in terms of votes based on Euroclear Sweden AB's list of registered shareholders on the last business day of August each year, or which by other means can be identified as one of the four largest shareholders. The four largest shareholders will each be given the opportunity to elect one representative to form the Nomination Committee along with one of the members of the board of directors who is independent in relation to the Company's management. If any of these shareholders chooses to waive its right to elect a representative, such right is transferred to the shareholder who, after these shareholders, has the largest share ownership. The Nomination Committee's term of office extends until a new Nomination Committee is appointed.

Unless the members agree otherwise, the Nomination Committee will be chaired by the member who represents the largest shareholder in terms of votes. However, a member of the board of directors shall not be Chairman of the Nomination Committee. The majority of the members of the Nomination Committee are to be independent of the Company and its management. Neither the Chief Executive Officer, nor other members of the management, are to be members of the Nomination Committee. At least one member of the Nomination Committee is to be independent of the Company's largest shareholder in terms of votes or any group of shareholders who act in concert in the governance of the Company. Members of the board of directors shall not constitute a majority of the Nomination Committee. If more than one member of the board of directors is on the Nomination Committee, no more than one of these members of the board of directors may be dependent of a major shareholder of the Company.

The Chairman of the board of directors shall call for the Nomination Committee's first meeting. Fees are not to be paid to the members of the Nomination Committee. As required, the Company shall be responsible for reasonable costs for external consultants that the Nomination Committee deems necessary to perform its work.

The composition of the Nomination Committee will be announced via a separate press release as soon as the Nomination Committee has been appointed, and no later than six months prior to the AGM. Information will also be made available on the Company's website, which shall also explain the manner in which shareholders submit proposals to the Nomination Committee. Members of the Nomination Committee must relinquish their places on the committee if the shareholder who originally appointed them is no longer one of the four largest shareholders, following which new shareholders, in order of the size of their holding, will be offered the opportunity to elect a member, however only ten shareholders need be approached in turn. However, unless there are exceptional circumstances, no changes will be made to the composition of the Nomination Committee if only minor changes to voting rights have taken place, or if the change occurs later than three months prior to the AGM. If a member of the Nomination Committee steps down voluntarily from the committee before its work is completed, the shareholder who elected that member must appoint a successor, provided that the shareholder is still one of the four largest owners in terms of votes that are represented in the Nomination Committee. The Nomination Committee is entitled, if deemed appropriate, to co-opt members appointed by shareholders who became one of the four shareholders with the largest holdings in the Company after the Nomination Committee was formed, and who are not already represented on the Nomination Committee. Such co-opted members do not participate in the decisions of the Nomination Committee.

The tasks of the Nomination Committee shall be to prepare, for the next Annual General Meeting, proposals in respect of the number of board members, remuneration to the Chairman of the board of directors, the other directors of the board of directors and the auditors, respectively, remuneration, if any, for committee work, the composition of the board of directors, the Chairman of the board of directors, principles for appointing the Nomination Committee, Chairman at the Annual General Meeting and election of auditors.

The proposals of the Nomination Committee will be presented in the notice of the Annual General Meeting and on the Company's website. When the notice to the Annual General Meeting is issued, the Nomination Committee is publish a statement explaining its proposals regarding the board of directors on the Company's website. The Nomination Committee shall furthermore complete the tasks required by the Nomination Committee in accordance with the Swedish Corporate Governance Code, as applicable from time to time.

The resolution on the Nomination Committee is applied until further notice.

Dividends

A resolution to pay dividend is made by the annual general meeting, but may not exceed the amount recommended by the board of directors. No dividend may be paid if distributable profits are lacking. Resolutions to pay interim dividends may be passed. Prior to recommending dividends, the board of directors may decide to set aside funds to reserves or to consolidate funds.

Calls on and fortfeiture of shares

The Company may, from time to time, make calls on shares where gradual payments of instalments are agreed upon. Should a shareholder fail to pay such call, the share may be forfeited.

Duties of the board of directors

The board of directors of the Company has a number of duties and areas of responsibility that may be indicatively summarised as follows:

- A general duty such as a fiduciary duty and duty of care to the extent reasonably expected from a bord member, which shall be exercised such that the person observes:
  - (i) the knowledge, skill and experience that may reasonably be expected of a person carrying out the same functions as are carried out by or entrusted to that director; and
  - (ii) the knowledge, skill and experience that the director has.
- Administrative responsibilities pursuant to law such as the responsibility to keep minutes and perform other administrative tasks as well as to perform tasks pertaining to board meetings and general meetings.

The Maltese Companies Act enters into more precise detail of how directors should act depending on the situation at hand.

The personal liability of directors in breach of duty is joint and several. However, if any specific duties have been entrusted to one or more members of the board of directors, such director or directors will be liable. Furthermore, a member of the board of directors shall not be liable for the acts or omissions of another board member, if he or she demonstrates that:

- He or she was unaware of the breach of duty at the time of its occurrence, and that he or she, on becoming aware thereof, notified his or her dissent in writing to the other board members; and
- That knowing that the co-directors intended to commit a breach of duty, he or she took all reasonable measures to prevent it.

A failure to perform duties may result in liability for, inter alia, administrative fines issued by the Maltese Registrar of Companies and payment of damages. Some breaches of the Maltese Companies Act by members of the board of directors may also be regarded as criminal offences and may result in criminal fines or imprisonment or both. Such liability may also arise if, for example, certain tax regulations or anti-money laundering regulations are violated. Furthermore, certain tax regulations (such as the Maltese Social Security Contributions Act, the Maltese Personal Income Tax Act and the Maltese Value Added Tax Act) may lead to personal liability for the members of the board of directors for certain liabilities of the Company.

According to the Maltese Companies Act, any provision, whether contained in the memorandum or articles of a company or in any individual contract, that exempts any director of the company from liability, default or breach of duty, shall be void. Regardless of the general prohibition against such provisions, the Company may indemnify a board member against any liability incurred by him or her in defending him- or herself in any proceedings in which judgment is given in his or her favour or in which he or she is acquitted. This does not prevent the Company or the board of directors themselves from purchasing and maintaining insurance against any such liability.

Remuneration to the members of the board of directors

According to Article 118 of the Company's articles of association, the maximum amount of aggregate remunerations of all directors in any one financial year, as well as any increase of such remunerations, shall be determined pursuant to an ordinary resolution passed by the Company at a general meeting. Any remuneration paid to any director by virtue of his holding a salaried office with the Company shall not be deemed to form part of such director's remunerations. Furthermore, any director that sits on any committee or working group of the Company but which fall outside the scope of the ordinary duties of a director, may be remunerated provided the above-mentioned aggregate is not exceeded.

Notification of shareholdings

Since Nasdaq First North Premier is not a regulated market, there are no obligations under EU Transparency Directive (Directive 2004/109/EC, as amended) as transposed into Maltese law requiring that a shareholder (not affiliated with the Company) shall notify its holdings to the Company or any authority.

Distribution of assets upon dissolution

The Company may be liquidated voluntarily or by means of a court ruling. Any member of the board of directors, any creditor or shareholder may apply in court for the Company to be liquidated according to the provisions of the Maltese Companies Act if grounds for such a liquidation exist.

Upon liquidation of the Company, its assets are applied to cover its liabilities. Once all liabilities are settled, any surplus assets are distributed among the shareholders in proportion to their respective paid-up shareholding. Upon voluntary liquidation of the Company, no commission or fee shall be paid to a liquidator unless such commission or fee shall have been approved by the shareholders in a general meeting.

SHARE OWNERSHIP AND SHARE CAPITAL

SHARES AND SHARE CAPITAL

The Company's memorandum of association allows for a share capital of up to EUR 150,000,000.12 divided among a maximum of 75,000,000,060 shares with a nominal value of EUR 0.002. As of the date of this Prospectus, the issued share capital amounts to EUR 49,134.6 spread across 24,567,300 issued and fully paid up shares with a nominal value of EUR 0.002. The Company has only one class of shares.

The shares in the Company have been issued in accordance with Maltese law and are denominated in EUR. The shares are fully paid and freely transferable. The Company's shares are registered in a Central Securities Depository (CSD) Register in accordance with the Swedish Financial Instruments Accounts Act (1998:1479) and the Maltese Financial Markets Act, section 345. This Central Securities Depository (CSD) Register and the Company's register of shareholders are kept by the securities depository Euroclear Sweden AB (Box 191, SE-101 23 Stockholm, Sweden). No share certificates have been issued in relation to the Company's shares. After the Offering the shares will be traded in SEK on Nasdaq First North Premier with the ISIN code MT0001390104.

The securities are not subject to mandatory bids, squeeze-out or sell-out rights. No takeover bids have occurred regarding the issuer's shares during the period that falls within the historical financial information.

CERTAIN RIGHTS ASSOCIATED WITH THE SHARES

Voting rights

Each of the Company's shares entitles the holder to one vote at general meetings and shareholders are entitled to vote for the total number of shares that they hold in the Company.

Preferential rights to new shares

If the Company issues new shares, warrants or convertibles in a cash issue or an set-off issue, the shareholders generally have preferential rights to subscribe for such securities in proportion to the number of shares held prior to the issue if no decision has been made to deviate from the preferential right. Under the Company's articles of association, new shares, warrants or convertibles may be issued with derogation from the shareholders' preferential rights.

Right to dividends and share of net assets upon liquidation

All of the shares have equal rights to dividends as well as to the Company's assets and any surplus in the event of liquidation. For further information see under section *"Share ownership and share capital – Dividend and dividend policy"*.

SHARE CAPITAL HISTORY

The table below summarises how the Company's share capital and the number of shares have changed over time since the Company was formed.

Year	Event	Change in number of shares	Total number of shares	Change in share capital (EUR)	Share capital (EUR)	Nominal value (EUR)
2017	Company formation	176,971	176,971	47,782.17	47,782.17	0.27
2018	New share issue[1)]	5,009	181,980	1,352.43	49,134.6	0.27
2018	Split	24,385,320	24,567,300	–	49,134.6	0.002
2018	New share issue in conjunction with the offering[2)]	13,333,333	37,900,633	26,666.67	75,801.27	0.002

1) Of the 5,009 new shares issued in total, 1,707 shares are issued to a share price of EUR 601.74 per share, 84 shares are issued to a share price of EUR 620.27 per share and the remaining 3,218 shares are issued to a share price of EUR 332.98 per share.
2) Based on the authorisation in the Company's articles of association, the board of directors intends to resolve to issue up to 15,384,615 new shares in conjunction with the Offering. The change in share capital has been stated under the assumption that the Offering will be fully subscribed and priced in the middle of the price range.

DILUTION

The new share issue in conjunction with the Offering will result in the number of shares in the Company being no more than 39,951,915 shares, which is equivalent to a dilution of no more than 38.5 percent, provided that the Offering is fully subscriped.

AUTHORISATION

Under the provisions of the Maltese Companies Act, the board has been authorised by the Company's articles of association to issue shares, warrants or convertibles in the following cases:

- up to the maximum share capital in the Company (EUR 150,000,000.12) in the case of a public offering to subscribe for shares in the Company,
- on one or more occasions within the framework of incentive programmes up to a maximum of 736,695 shares or other securities that can be converted into shares,
- to make payment for the acquisition of assets by the Company or one of its subsidiaries, up to a maximum of 7,366,815 shares or securites that can be converted into shares, provided that at the date of issue the Company is valued at a minimum of EUR 110,000,000, and
- convertibles or other equity securities as refinancing or repayment of the Company's debt up to a maximum number of 9,259,380 shares, provided that at the date of issue the Company is valued at a minimum of EUR 110,000,000.

The authorisation is effective for five years from the date of registration of the articles of association (18 May 2018) and the Company can resolve to extend the authorisation for five years at a time if approved by a simple majority at the general meeting.

OWNERSHIP STRUCTURE BEFORE AND AFTER THE OFFERING

The table below shows shareholdings in the Company on the date of this Prospectus and immediately after completion of the Offering (under the conditions of the Offering and assuming an offer price in the middle of the price range, i.e. SEK 30). As of the date of this Prospectus, the Company has 56 shareholders. For further information, see section *"Other"* in the interim report for the period 1 January – 31 March 2018 included in this Prospectus (the differences in shareholdings between the table below and the information in the interim report is due to the change of shareholdings in the Company between 31 March and the date of the Prospectus). For information on the board's and the senior executives' shareholdings, see *"Board of Director, Senior Executives and Auditor"*. All of the Selling Shareholders can be reached via the Company's address: c/o Raketech Group Holding plc, 6 Paceville Avenue, St. Julian's, STJ 3109, Malta.

	Shareholdings before the Offering		**After the Offering (assuming that the Offering is fully subscribed)**		**After the Offering (assuming that the Offering is fully subscribed and that the over-allotment option is fully utilised)**	
Shareholders	**Number of shares**	**% holding**	**Number of shares**	**% holding**	**Number of shares**	**% holding**
Tobias Persson Rosenqvist[1)]	7,557,975	30.8%	5,895,225	15.6%	4,706,465	12.4%
Erik Skarp[2)]	3,353,265	13.6%	3,353,265	8.8%	3,115,513	8.2%
Johan Svensson[3)]	3,174,930	12.9%	3,174,930	8.4%	2,937,178	7.7%
Reine Beck[4)]	1,544,940	6.3%	1,544,940	4.1%	1,409,082	3.7%
Marcus Ingemansson	1,544,940	6.3%	1,127,810	3.0%	991,952	2.6%
Philip Sirbäck[5)]	1,105,785	4.5%	1,105,785	2.9%	980,116	2.6%
AD94 Holding AB[6)]	944,460	3.8%	944,460	2.5%	835,774	2.2%
Kristian Svensson[7)]	789,750	3.2%	742,370	2.0%	650,666	1.7%
Magne Steier[8)]	755,325	3.1%	755,325	2.0%	667,014	1.8%
Michael Holmberg[9)]	591,030	2.4%	591,030	1.6%	591,030	1.6%
Martin Larsson[10)]	361,665	1.5%	325,505	0.9%	325,505	0.9%
Bengt Sonnert	226,260	0.9%	90,510	0.2%	90,510	0.2%
Mark Zerafa	182,520	0.7%	146,020	0.4%	146,020	0.4%
Other shareholders[11)]	2,434,455	9.9%	2,434,455	6.4%	2,434,455	6.4%
New shareholders	–	–	15,669,003	41.3%	18,019,353	47.5%
Total	**24,567,300**	**100.0%**	**37,900,633**	**100.0%**	**37,900,633**	**100.0%**

1) Tobias Persson Rosenqvist owns his shares in the Company through Caramera AB and endowment assurance provided by Swiss Life (Liechtenstein) AG.
2) Erik Skarp holds his shares in the Company through Light Showdown Ltd.
3) Johan Svensson holds his shares in the Company through Akterbog Limited.
4) Reine Beck holds his shares in the Company through Netfactor AB.
5) Philip Sirbäck holds his shares in the Company through Lunnfästet Förvaltning AB or Videnor Ltd.
6) AD94 Holding AB is owned by David Hjelmstom and Andreas Johannesson.
7) Kristian Svensson holds his shares in the Company through Hibbe Venture Capital Ltd.
8) Magne Steier holds his shares in the Company through Duke Technologies Ltd.
9) Michael Holmberg holds his shares in the Company through Tamiho Invest Ltd.
10) Martin Larsson holds his shares in the Company through LM Online Trading Ltd.
11) Consisting of 42 shareholders who each own between 0.01% and 1.50% of the Company's shares.

AGREEMENTS BETWEEN CURRENT SHAREHOLDERS

The Company's shareholders have entered into a shareholders' agreement. The agreement was executed on 1 January 2017 and governs, among other things, the Company's governance, principles for financing, drag along, tag along and exit rights. The shareholders' agreement will lapse before the first day of trading of the Company's shares on Nasdaq First North Premier. Other than this shareholders agreement, as far as the board of the Company is aware there are no shareholder agreements or other agreements between shareholders in the Company aimed at exercising joint influence over the Company. Neither is the board of the Company aware of any other agreements or similar that could result in a change of control over the Company.

DIVIDEND AND DIVIDEND POLICY

General

No dividend was paid in the financial years ended 31 December 2015, 2016 and 2017. Shareholders are entitled to future dividends subject to approval of the dividend by the general meeting. All of the shares have equal rights to dividends and to the Company's assets and any surplus in the event of liquidation.

Decisions on the distribution of profits will be taken by the general meeting of shareholders. All of the shareholders that are registered in the register of shareholders kept by Euroclear Sweden on the record date decided by the general meeting are entitled to receive dividend.

Dividend policy

The Company is operating on a growing market which undergoes consolidation, and in order to capitalise on this, the Company intends to prioritise growth by way of, among other things, acquisitions. Future dividends will be made after an assessment of the Group's overall financial position, growth potential, profitability, acquisition possibilities and cash flow.

Legal and regulatory requirements

The Company is only permitted to pay a dividend if distributable equity is available, meaning that the Company's restricted equity and non-distributable reserves must be covered in full after payment of the dividend (i.e. the book value of the assets must amount to at least restricted reserves plus any provisions and liabilities after payment of the dividend).

Right to dividends and proceeds from the liquidation

Dividends are normally paid to the shareholders through Euroclear Sweden as a cash amount per share, but can also be paid in kind. If a shareholder cannot be reached via Euroclear Sweden, the dividend amount remains on the books as a receivable by the shareholder from the Company. Such receivables have a limitation period of 12 years. In the event of limitation the amount of the dividend shall accrue to the Company. The Company sets its dividend in EUR. Dividends will therefore preferably be paid out in EUR, provided that EUR can be deposited in the shareholders' income accounts. If a shareholder's income account is unable to receive payments in EUR, dividends will be paid in Swedish kronor following conversion by Euroclear Sweden or the Company. Shareholders with nominee-registered shares must contact their nominee regarding the currency in which dividends will be paid.

There are no restrictions on dividend rights for shareholders resident outside Sweden or Malta. However, payments to shareholders not domiciled in Sweden are usually subject to Swedish withholding tax, see also the section "*Certain tax issues in Sweden and Malta*".

LEGAL MATTERS AND SUPPLEMENTARY INFORMATION

INCORPORATION AND TYPE OF COMPANY

The Company is a public limited company incorporated and registered in Malta according to the Maltese Companies Act on 29 September 2016. The duration of the Company is not limited in time. The Company's registered name is Raketech Group Holding plc and its trade name is Raketech. The Company's registered office is situated in St. Julian's, Malta and its corporate registration number is C77421. The Company operates under Maltese law and the Maltese Companies Act. The Company's shares have not been listed prior to the Offering and there is currently no public market for its shares.

GROUP STRUCTURE

The Company is the parent company and holding company for the wholly owned operating subsidiary Raketech Group Ltd (corporate registration number C48831), which in turn is the parent company of the wholly owned subsidiary Enovator Online Media Ltd (corporate registration number C34309). Furthermore, Raketech Group Ltd holds 50.1 percent of the shares in TV Sports Guide Ltd (previously Turtle Gaming Group Ltd, corporate registration number C73311) and 51 percent of the shares in Shogun Media Ltd (corporate registration number C86220). All Group companies have been incorporated and registered in Malta in accordance with Maltese law and operate under Maltese law. Raketech Group Ltd was formed on 5 February 2010, and Enovator Online Media Ltd, TV Sports Guide Ltd and Shogun Media Ltd were formed on 19 June 2004, 1 December 2015 and 14 May 2018 respectively. Enovator Online Media Ltd and TV Sports Guide Ltd (previously Turtle Gaming Group Ltd) were acquired by the Company in 2017. Since the acquisitions, the operations of Enovator Online Media Ltd and TV Sports Guide Ltd have been gradually transferred to Raketech. In order to perform parts of the launch of TVmatchen on new markets through a joint venture with the founders of TVmatchen (as described in the section "*Business overview – Strengths and competitive advantages – A strong history of strategic acquisitions*", 49.9 percent of the shares in TV Sports Guide Ltd have been transferred to Agonas AB, which is owned by the founders of TVmatchen, as of 28 May 2018 at a purchase price of 599 EUR (equivalent to the quota value of the transferred shares). For launches of TVmatchen performed within TV Sports Guide Ltd the results will be shared between the shareholders of TV Sports Guide Ltd in accordance with their respective shareholding (i.e. the Company will receive 50,1 percent of the results). The shares in Shogun Media Ltd were acquired during 2018 and the Company will perform PPC-investments in Shogun Media Ltd together with Upside Media Ltd (who holds 49 percent of the shares in Shogun Media Ltd). Enovator Online Media Ltd has only limited operations per the date of this Prospectus. Going forward, Raketech expects that certain separate parts of its business, such as initiatives regarding new products or markets, may also be taken by Enovator Online Media Ltd.

TRANSACTIONS WITH RELATED PARTIES

The Company hires its CPO Martin Larsson via LM Online Trading Limited (his wholly owned company). LM Online Trading Limited is also a shareholder of the Company. During the financial year 2017, the Company was charged EUR 134,419, including expenses and travelling expenses, for the work as CPO. The monthly basic salary is EUR 9,583. The term of the consultancy agreement is indefinite and may be terminated by upon three months' mutual notice.

The Chairman of the board of directors, Christian Lundberg has, in addition to and separate from his role as Chairman of the board of directors, a consultancy assignment with the Company, for which he has received remuneration in addition to his remuneration as a board member. The consultancy services provided include, among other things, management coaching for the Company's executive management in general and the Company's CEO in particular, as well as similar operative support to the Company. During the financial year 2017, the Company was charged EUR 51,512 for theses services. The consultancy assignment had commenced prior to the election of Christian Lundberg as Chairman of the board of directors, and ended February 2018.

The director of the board of directors Johan Svensson was hired as CCO pursuing a consulting agreement with Akterbog Limited. During the financial year 2017, the Company was charged EUR 366,078, for these services. Raketech conducts business in an office space which is leased by Bethard Group Ltd, for the purpose of which Raketech has entered into an agreement with Bethard Group Ltd governing the payment of lease in proportion to the space that is utilised by the companies. For the financial year 2017, the rent amounted to, when applying the cost sharing agreement, to EUR 206,990. Prior to the Offering, Bethard Group Ltd is a sister company to the Company, and board member Erik Skarp as well as board member and CSO Johan Svensson is CEO and board member, respectively, in Bethard Group Ltd.

On 1 January 2017 the shareholders in Raketech entered into a shareholder agreement. The agreement will cease to exist in connection with the listing. For more information see "*Shareholdings and share capital – Agreements between current shareholders*" above.

On 20 December 2016, the Company took over assets and debt relating to its business through an asset transfer from Gormadan Solution Ltd (previously a group company to the Company). The assets composed, above all, of domains and intellectual property. The debt amounted to a total of EUR 4,160,451 to the shareholders SweGaming Affiliates AB, Tobias Persson Rosenqvist, Philip Sirbäck, Erik Skarp and Johan Svensson (including through companies). Erik Skarp and Johan Svensson are shareholders and members of the board of directors and Johan Svensson is CCO in the Company. Tobias Persson Rosenqvist has never been hired or involved in the Group (by himself or via related parties) and has never participated in its business.

The debts has been repaid partly towards payment in cash and partly by that the Company in April 2018 issued 3,218 shares to Tobias Persson Rosenqvist, with a share price of approximately EUR 332.98 per share, as a set-off of EUR 1,071,542 in total of the then outstanding debt. In connection with the issuance all accrued interests and the remaining recievable of EUR 928,458 was waived, and therefore as of the day of this Prospectus no part of the loan remains.

Three senior executives (Andreas Kovacs, Jonas Petersson, Martin Schillig, including through companies) have acquired shares within the twelve months previous to the date of this Prospectus. Each of these acqusitions were made at a share price corresponding (after recalculation of the split that was performed in May 2018) to EUR 2.93 per share.

All transactions between the Company, its subsidiaries and other related companies and parties take place on normal and commercial terms and at market rates.

SIGNIFICANT AGREEMENTS

Customer agreements with operators

The Group regularly enters into agreements with its customers and is therefore a party in numerous customer agreements. Historically many agreements with customers were entered into in a less structured way or according to the customers' standard terms and conditions. However, Raketech is working actively on ensuring that new agreements with customers will be structured and, to the extent possible, in accordance with the standard agreement used by the Group.

The Group's standard agreement normally applies for a period of one (1) year and may be cancelled with one (1) month's notice. The standard agreement regulates compensation, liability and confidentiality, and contains mutual guarantees and an indemnity clause. A majority of the agreements contain a clause whereby the Group's customers have the right to deduct an administrative fee from the revenue that Raketech and the Group are entitled to receive. According to the Group's standard agreement the customers undertake to ensure that no funds are derived from crimes or criminal activity, and both Raketech and the customer undertake to have the necessary permits and registrations, and to file the required reports or notifications.

Acquisition agreements

The Group regularly acquires affiliate-related assets or software. In 2017 the Group made nine acquisitions of assets. In 2017 the Group also acquired two companies. The acquisition agreements typically govern prices (in some cases, including earn-outs), financial rights relating to the assets, whether other agreements – such as consulting agreements – are to be entered into in connection with the acquisition, competition clauses, confidentiality undertakings and warranties. With regard to one acquisition, portion of the purchase price have been paid with shares in the Company. In the event of a breach of warranties or other undertakings under the agreement, a limited liability clause applies in some cases. The Group's acquisition agreements are regulated by either Swedish or Maltese law and disputes are in general settled by a Swedish or Maltese arbitration board. For further information on the acquisitions, see "*Historical financial information*".

Financing agreements

Raketech Group Ltd, a wholly owned subsidiary of the Company, has entered into a credit facility agreement with Ares Management Limited, acting as Lead Arranger and agent for a number of lenders. The credit facility agreement was entered into on 8 February 2017 for the purpose of financing further acquisitions. Under the agreement Raketech Group Holding plc may borrow a maximum of EUR 70,000,000. As of 1 May 2018 the outstanding amount amounted to EUR 38.2 million. The loan carries annual variable interest of EURIBOR or 1 percent + 9.25 percentage points, whichever is highest. The loan matures in its entirety 27 February 2020.

As security under the obligations of the loan agreement, the Company has pledged all the shares in Raketech Group Ltd and around twenty domains used within the business of the Group. The Company (and Raketech Group Ltd) has also provided a guarantee, holding it liable for fulfilment of the obligations under the loan agreement. The obligations under the loan agreement include certain limitations on the Group's ability to obtain additional debt financing.

If Raketech Group Holding Ltd does not fulfil its obligations under the loan agreement, the lenders have, under certain circumstances, the right to terminate the loan, including any accrued interest, and require pre-repayment, and in the event of default, the security may be enforced.

The loan agreement contains a *change of control* provision pursuant to which certain ownership changes in Raketech Group Ltd and the Group can result in cancellation of the loan and lead to pre-payment, including any accrued interest. Ares Management Limited has confirmed that the Offering will not result in cancellation of the credit facility agreement, inter alia, under the conditions that the Offering is completed latest on 30 September 2018 and that parts of the proceeds from the Offering is used as repayment on the loan agreement (in order to reach certain key financial ratios defined in the loan agreement).

IT agreements and intellectual property

Raketech has a number of agreements with suppliers for various types of IT services with, inter alia, Internet Vikings International AB ("**Internet Vikings**"). According to the agreement Internet Vikings provides web hotel or online hosting solutions for the Group's domains, and manages and maintains the Group's domains. Some associated consulting services are also provided. The agreement has a term of one year and is extended quarterly thereafter unless it is cancelled.

In addition to services provided by third parties, the Group utilises a centralised and automised IT-system developed in-house, The Hub. The Hub provides Raketech with information on traffic data, ranking data and revenue data streams in relation to all products of the Group. Raketech owns and maintains a large quantity of domains, which are monitored via The Hub, enabling the Group to, for example, check the expiring of sites and down time. The Group's employee agreements contain confidentiality commitments, non-compete clauses and provisions on that the Group is the owner of any intellectual property created by the Group's employees. In some cases, certain non-disclosure agreements are entered into in order to protect any rights created within the development projects of the Group.

The Group maintains and owns a large amount of domains in various countries. As of the date of this Prospectus, the most prominent domains are Bettingsidor.org, BetXpert.com, CasinoBonusar.nu, Casinobukset.com, Casinoer.com, CasinoFeber.se, CasinoGuide.se, Spelaspel.se, Turtlebet.com and TVmatchen.nu. The Group also maintains domains directed at other industry segments such as Lånapengar.com within the finance vertical as well as associated applications with the websites.

The Group does not hold any patents as a result of the Group's business operations. The Group is not either the owner of any licenses or pertaining agreements that the Group is dependent upon to a material extent.

LOCK-UP AGREEMENTS

The Selling Shareholders, board members and senior executives owning shares in the Company as well as shareholders who hold 0.3 percent or more of the total number of shares prior to the Offering, have committed themselves against Managers to, not without Managers' prior written consent, offer, pledge, allot, sell, enter into agreements of selling, sell any option right or agreements to purchase, purchase any option right or agreements to sell, grant option rights, other rights or warrants to purchase, lend or in any other way, directly or indirectly, transfer or dispose of shares or securities in the Company that may be converted to, or traded against shares or securities in the Company representing the right to be allotted shares in the Company or securities that materially resemble to the Company's shares; enter into swap or other arrangements that, in whole or in part, to a third party, transfer the financial risks associated with the ownership of the shares; or put forward or vote for a proposal on any of the abovementioned in a general meeting, during a period of 180 days from the first day of trading of the shares with regard to the shareholders (including Selling Shareholders) who are not board members or senior executives and during a period of 360 days from the first day of trading of the shares with regard to the board members and senior executives owning shares in the Company. The restrictions above do not apply in relation to certain transfers of shares to family members or family foundations, provided that the buyer accepts to be subject to a lock-up agreement; transfers in connection with public offers from an independent third party or a similar transaction; transfers in connection with redemption or repurchase of the Company's shares; rights connected to a directed issue of shares in the Company; transfers pursuant to law, other regulations or court order; transfers following an event of death or longterm illness; every transfer or deposition of shares in an endowment insurance; transfers of shares or other securities that have been purchased after the completion of the Offering. The Company will further, under the Placing Agreement, undertake towards the Managers to, for a period of 180 days from the first day of trading of the shares, not, without the prior written consent of the Managers or in accordance with certain exceptions, directly or indirectly, offer, pledge, allot, sell, enter into agreements of selling, sell any option right or agreements to purchase, purchase any option right or agreements to sell, grant option rights, other rights or warrants to purchase, lend or in any other way, directly or indirectly, transfer or dispose of shares or securities in the Company that may be converted to, or traded against shares or securities in the Company representing the right to be allotted shares in the Company or securities that materially resemble to the Company's shares; enter into swap or other arrangements that, in whole or in part, to a third party, transfer the financial risks associated with the ownership of the shares; or publically announce an intention to do any of the foregoing.

PLACING AGREEMENTS

The Company, the Selling Shareholders and Managers will enter into a Placing Agreement on or about 29 June 2018 regarding the shares in the Offering. Provided that certain conditions of the Placing Agreement are fulfilled, the Managers have committed to identify buyers of the shares and each of the Selling Shareholders and the Company have committed to issue or sell, as applicable, shares in the Offering to Managers, to such share price specified in the Placing Agreement and that will be made public by the Company on or about the 29 June 2018.

Each Manager, severally but not jointly, has committed to find buyers for the shares sold in the Offering, and otherwise purchase the shares sold in the Offering themselves. The commitments by the Managers to find buyers for the shares are conditional upon that certain conditions in the Placing Agreement are fulfilled, including that legal opinions regarding certain legal issues are provided by the Company's legal counsels.

The Placing Ageement will give the Managers a right to, if certain circumstances occur, e.g. if the Company or the Selling Shareholders violate their respective commitments under the Placing Agreement, all trading on Nasdaq Firth North Premier or other market places is cancelled or if a material adverse effect occurs in the Company's business, operating profit or financial position or on the financial market, the Managers may terminate their respective commitments and exit the Offering before the offered shares are delivered. If the Managers elect to cancel their respective commitments it is possible that the Offering is canceled, and if this occurs, no shares will be delivered. All trading in the shares prior to delivery and payment is thus done at the risk of the respective parties to the trade.

Under the Placing Agreement, the Company takes on certain undertakings and guarantees commitments towards the Managers. The Company and the Selling Shareholders will pay fees to the Managers based on a certain share of the total purchase price for the share. The Company will also reimburse the Managers for certain costs that the Managers may incur in connection with the Offering.

STABILISATION

In connection with the Offering, Danske Bank as the stabilisation agent, or a representative of Danske Bank, may execute transactions on Nasdaq First North Premier to stabilise the market price. Such measures may result in a market price that is higher than the price would otherwise have been. Stabilisation measures may take place during the period 29 June to 28 July 2018. There is no guarantee that such stabilisation measures will take place and the measures may be stopped at any time.

CERTIFIED ADVISER

The Company's Certified Adviser is Erik Penser Bank. Erik Penser Bank does not hold shares in the Company.

MANAGERS INTERESTS

For advice provided in connection with admission to trading of the Company's shares on Nasdaq First North Premier, the Company's financial advisors (see the section "*Addresses*") will receive customary compensation.

The Company's financial advisors SEB and Danske Bank and companies related to SEB and Danske Bank, as part of their normal operations, have from time to time provided and may in the future provide investment banking services, financial advice and other services to the Company, the Selling Shareholders or other parties related to them. Furthermore, SEB and Danske Bank may, as part of their normal operations, hold the Company's shares or the Selling Shareholders' shares for the purpose of making investments on their own behalf or that of their related parties, respectively. In the case of some of these transactions and services, for confidentiality reasons and due to internal procedures or rules and provisions in effect, there are in general restrictions on disclosing information. SEB and Danske Bank have received and will in the future receive customary payments and fees for these transactions and services and may have an interest that may not be consistent with or that would be in conflict with the interests of potential investors and the Group and/or the Selling Shareholders.

DISPUTES

The Group is not at this time, and has not over the past 12 months been, a party in any legal proceedings or arbitration procedures that have had or could have a material effect on the Company's or the Group's liquidity, results or financial position.

INSURANCE POLICIES

The Group has insurance policies that are customary in its respective industries. The board of directors considers that the Group's insurance protection is satisfactory taking into account the nature and scope of the business.

COSTS ASSOCIATED WITH ADMISSION TO TRADING ON NASDAQ FIRST NORTH PREMIER

Transaction costs directly related to admission to the Offering and the listing of the Company's shares on Nasdaq First North Premier are estimated to approximately SEK 35 million including remuneration and fees to Danske Bank and SEB (amounting to SEK 20 million) as well as other advisors.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Company's articles of memorandum, articles of association, the Prospectus, historical financial information referred to in the Prospectus (including audit reports), annual reports and audit reports for the Group's subsidiaries, as well as other information published by the Group referred to in the Prospectus (including the Market Analysis) may, during the full period of validity of the Prospectus, be inspected during normal office hours at the Company's head office at 6 Paceville Avenue, St. Julian's, STJ 3109, Malta. Documents relating to the Company and the Prospectus are also available in electronic format on the Company's website, www.raketech.com.

The abovementioned annual reports for the Group's subsidiaries and information on or referred to on the Company's website do not constitute a part of, and are not incorporated by reference into, the Prospectus.

CERTAIN TAX ISSUES IN SWEDEN AND MALTA

The following is a summary of certain tax issues that may arise in connection with owning shares in the Company as regards private individuals fully subject to tax in Sweden or Malta, limited liability companies tax resident in Sweden or Malta and non-resident private individuals subject to tax in Sweden or Malta. The summary of the Maltese tax legislation describes the expected tax treatment of investors in terms of Maltese legislation. The summaries of the respective countries' tax legislation are based on current Swedish and Maltese tax legislation and are only intended as general information for shareholders who are resident or domiciled in Sweden or Malta for tax purposes, if not otherwise stated.

TAX CONSIDERATIONS IN SWEDEN

The summary does not cover situations where the shares are held by partnerships or current assets in a business. Nor does the summary cover specific regulations regarding tax-free capital gains or dividends, equity holdings in companies that are or have previously been a close company (qualified shares) or shares acquired as a result of such holdings, situations where shares are included in an investment savings account (Sw. *investeringssparkonto*) or an endowment insurance (Sw. *kapitalförsäkring*), specific tax regulations for investment funds or insurance companies or other specific situations and rules. The tax consequences for each individual shareholder will depend on the shareholder's particular circumstances. The shareholders are recommended to consult a tax adviser for information on the specific tax consequences that may arise as a result of holding shares in the Company, including the applicability and effects of foreign or other rules, double tax treaties and from foreign exchange rate fluctuations between currencies which may be applicable.

Private individuals fully subject to tax in Sweden

Capital gains taxation

Individuals who sell shares are subject to capital gains tax in Sweden. Currently, capital gains tax is levied at thirty percent of a capital gain. The capital gain is calculated as the difference between the sales proceeds, after deduction for sales expenses, and the acquisition cost in the shares for tax purposes. The main rule for calculating the acquisition cost is the "average cost method" (Sw. *genomsnittsmetoden*). Under this method, the average acquisition cost for all shares of the same type and class, taking into account changes to the holding, is added and fixed collectively. Alternatively, the "standard rule" (Sw. *schablonmetoden*), according to which the acquisition cost is deemed to equal twenty percent of the net sales price, may be applied for disposal of listed shares.

Capital losses on listed shares are fully deductible against taxable capital gains made on shares during the same fiscal year. Such losses are also deductible against capital gains on other securities that are taxed in the same manner as shares (except for listed units in UCITS funds (Sw. *värdepappersfonder*) or "special funds" (Sw. *specialfonder*) containing only Swedish receivables). A loss in excess of the above mentioned capital gains is deductible against any other taxable income derived from capital, however such deduction is limited to seventy percent.

If there is a net loss in the capital income category, a tax reduction is granted on earned income and business income, and on property tax. The allowed tax reduction amounts to thirty percent on the portion of the net loss that does not exceed SEK 100,000 and amounts to twenty-one percent on any portion of the net loss in excess of SEK 100,000. An excess net loss may not be carried forward to a future financial year.

Dividend taxation

For individuals, dividends on shares are generally taxed as capital income at a rate of thirty percent. For individuals who are resident in Sweden, a preliminary tax on dividends corresponding to thirty percent is normally withheld on the dividend amount. The preliminary tax is normally withheld by Euroclear Sweden or, in respect of nominee-registered shares, by the nominee.

Limited liability companies tax resident in Sweden

Capital gains

All Swedish limited liability companies are taxed on all income from business activities at a flat rate of twenty-two percent at the date of this Prospectus. Regarding the calculation of capital gains or losses and acquisition costs, see section "*Private individuals fully subject to tax in Sweden*" above. Deductible capital losses on shares incurred by a company, may be set off only against gains on shares and other securities that are taxed in the same manner as shares. Such capital losses may, under certain circumstances, also be deductible against capital gains on such securities within the same group of companies, provided the requirements for group contributions are met. Capital losses on shares or other such securities, which have not been deducted from capital gains within a certain year, may be carried forward and set off against similar capital gains indefinitely without any limitation in time.

Dividend taxation

In general, dividends on shares in limited liability companies in Sweden are taxed at a rate of twenty-two percent as ordinary income from business activities.

Non-resident private individuals subject to tax in Sweden

Dividend taxation

For non-resident private individuals subject to tax in Sweden that receive dividends on shares in a Swedish limited liability company, Swedish withholding tax is generally payable. In Sweden, the deduction of withholding tax is normally carried out by Euroclear Sweden, or in case of nominee-registered shares, by the nominee. The tax rate is thirty percent. However, the tax rate is generally reduced for shareholders resident in other jurisdictions either through Swedish domestic tax law or through tax treaties that Sweden has entered into with certain other countries in order to avoid double taxation.

The majority of Sweden's tax treaties allow direct reduction of Swedish tax to the tax rate stated in the treaty at the dividend payment date if the requisite details of the person entitled to the dividend have been provided. In the event that that thirty percent withholding tax is withheld when dividend is paid to a person who is entitled to taxation at a lower tax rate or if withholding tax is otherwise withheld in an excessive amount, a refund may be requested from the Swedish Tax Authority before the end of the fifth calendar year following the year of the payment of the dividend.

Capital gains

Non-resident private individuals subject to tax in Sweden, and who do not operate business from a permanent establishment in Sweden, are normally not subject to capital gains tax in Sweden upon a sale of shares. Shareholders may, however, be subject to taxation where they are domiciled. However, under a separate rule, non-resident shareholders may become subject to taxation in Sweden in connection with a sale of shares, if they have been resident or lived permanently in Sweden at any time during the year when such disposal occurred or during the past ten calendar years. This rule is however limited by many tax treaties between Sweden and other countries.

TAX CONSIDERATIONS IN MALTA

General considerations

Investors and prospective investors are urged to seek professional advice regarding both Maltese and any foreign tax legislation which may be applicable to them in respect of acquisitions, holdings and management as well as any income/gains derived therefrom or made on their disposal of the shares in the Company. The following is a summary of the anticipated tax treatment for shareholders in the Company in relation to taxation law in Malta. The summary does not take into account or discuss the tax laws of any country other than Malta, nor does it take into account investors' individual circumstances.

The information below is given solely as general information and does not constitute legal or tax advice and does not intend to be exhaustive. The precise implications for investors will depend, among other things, on their particular circumstances and on the classification of the shares in the Company from a Maltese tax perspective, and professional advice in this respect should be sought accordingly. Tax consequences may differ according to any applicable provisions of relevant double taxation treaties as well as according to particular circumstances in the individual case.

The information is based on an interpretation of applicable tax law and practice relative to the Company, at the date of this Prospectus, and in respect of areas on which no official guideline exist. Investors are reminded that tax law and practice and interpretation thereof may change from time to time.

Taxation status of the company

The Company, being a company incorporated in Malta, is subject to income tax in Malta on all its income and capital gains at the standard corporate income tax rate which currently stands at thirty-five percent. However, certain interest income may, at the Company's discretion, be received net of a final withholding tax, currently at the rate of fifteen percent of the gross amount of interest and certain other income may not be subject to tax.

Maltese income tax on dividends

Malta does not impose taxes on the payment of dividends to non-Maltese resident persons (individual or legal). Provided that such persons are not owned or controlled by, directly or indirectly, nor act on behalf of, an individual/s who is ordinarily resident and domiciled in Malta.

Dividends to persons in the EU or EEA may be subject to a fifteen percent withholding tax if the Maltese Commissioner for Revenue estimates that at least ninety percent of such individuals' total income derives from Malta.

Malta capital gains on disposals

As a general rule, capital gains derived from a disposal of shares in a Maltese company trigger Maltese income tax. The chargeable gain is computed by the deduction of the cost of acquisition of the shares from the consideration received therefrom. Notwithstanding the above, any capital gains should be exempt from income tax in Malta in terms of Maltese Income Tax Act ("ITA"), provided that:

- the investors is not owned and controlled, nor acts on behalf of an individual who is determined to be ordinarily resident and domiciled in Malta; and
- the company, which shares are transferred, does not own immovable property situated in Malta or any rights attributable to such property, either directly or indirectly, or when such property represents more than five (5) percent of the total value of the said shares.

Maltese stamp duty

The transfer and transmission of shares in a Maltese company may be subject to stamp duty. However, on the basis that the Company is in possession of a valid stamp duty exemption that has been issued in terms of the Maltese Duty on Documents and Transfers Act, the transfer and transmission of shares in the Company should be exempt from stamp duty in Malta, provided Raketech meets certain terms and conditions. As of the date of this Prospectus, the Company is in possession of a valid stamp duty exemption and complies with the terms set out therein.

Having said this however, if the investor or prospective investor aquiring shares in the Company is a natural person considered to be ordinarily resident and domiciled in Malta or any other person who is owned or controlled, or acts on behalf of such an individual, the said stamp duty exemption determination may not be applicable, under which circumstances it is recommended to seek professional advice.

Follow-up of certain information

In the event that an individual ordinarily resident and domiciled in Malta holds an interest in excess of five percent in the Company, this might create an adverse income tax situation in Malta for the Company and its subsidiaries. Therefore, the Company keeps a register of shareholders in the Company to ensure that no Maltese resident owns, equal to or in excess of, five percent of the share capital of the Company.

DEFINITIONS

Unless otherwise stated or implicitly follows by the circumstances, the definitions below shall have the following meaning.

B2B	Business to business.
BI	Business Intelligence.
CAGR	Compound Annual Growth Rate.
Core	The operational area where the Company manages and develops established and mature products in order to grow organically.
CPA	Cost Per Acqusition.
CPC	Cost Per Click.
CPM	Cost Per Mille.
GGR	Gross Gaming Revenue.
iGaming	The internetbased gaming industry.
Lab	The operational area where the Company develops new products and assesses new markets and that constitutes the Company's innovation hub.
LEI	Legal Entity Identifier.
M&A	The operational area comprising the Company's acquisition driven growth by acquisitions of new products in accordance with the Company's core values.
NCI	National Client Identifier.
NGR	Net Gaming Revenue.
NDC	New Depositing Customer.
PPC	Pay-per-click.
SEO	Search Engine Optimisation.

HISTORICAL
FINANCIAL INFORMATION

HISTORICAL FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Audited consolidated financial statements for the financial years ending 31 December 2017, 2016 and 2015, which have been prepared in accordance with IFRS as adopted by the European Union.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 31 December	Notes	2017 €	2016 €	2015 €
ASSETS				
Non-current assets				
Intangible assets	5	**46,392,980**	17,533,677	–
Property, plant and equipment	6	**318,535**	39,502	21,884
Deferred tax asset	13	**89,768**	397,088	–
Total non-current assets		**46,801,283**	17,970,267	21,844
Current assets				
Trade and other receivables	8	**2,609,883**	939,993	1,000,749
Cash and cash equivalents	9	**3,099,917**	57,222	26,108
Total current assets		**5,709,800**	997,215	1,026,857
Total assets		**52,511,083**	18,967,482	1,048,741
EQUITY AND LIABILITIES				
EQUITY				
Share capital	10	**1,770**	1,750	1,691
Share premium	10	**999,980**	–	204,672
Other reserves	11	**1,204,672**	1,204,672	–
Retained earnings		**13,459,904**	7,691,732	48,637
Total equity		**15,666,326**	8,898,154	255,000
LIABILITIES				
Non-current liabilities				
Borrowings	14	**28,076,672**	–	–
Amounts committed on acquisition	15	**585,699**	680,000	–
Total non-current liabilities		**28,662,371**	680,000	–
Current liabilities				
Amounts committed on acquisition	15	**1,332,478**	240,000	–
Trade and other payables	16	**5,967,268**	8,346,829	767,481
Current tax liabilities		**882,640**	802,499	26,260
Total current liabilities		**8,182,386**	9,389,328	793,741
Total liabilities		**36,844,757**	10,069,328	793,741
TOTAL EQUITY AND LIABILITIES		**52,511,083**	18,967,482	1,048,741

The notes on pages F-6 to F-22 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Notes	Year ended 31 December 2017 €	2016 €	2015 €
Revenue	17	**17,145,722**	10,436,972	2,091,783
Direct costs relating to fixed fees and commission revenue		**–858,685**	–189,766	–
Employee benefit expense	19	**–3,496,982**	–986,690	–201,221
Depreciation and amortisation	5, 6	**–667,022**	–59,570	–5,062
IPO related costs		**–186,686**	–	–
Other operating expenses	18	**–3,122,744**	–1,178,700	–1,810,603
Operating profit		**8,813,603**	8,022,246	74,897
Finance costs	20	**–2,738,111**	–	–
Profit before tax		**6,075,492**	8,022,246	74,897
Tax expense	21	**–307,320**	–379,151	–26,260
Profit for the year – total comprehensive income		**5,768,172**	7,643,095	48,637
Earnings per share attributable to the equity holders of the parent during the year (expressed in euro per share)				
Basic earnings per share	22	**33**	45	29
Diluted earnings per share	22	**33**	45	29

The notes on pages F-6 to F-22 are an integral part of these consolidated financial statements..

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Notes	Share capital €	Share premium €	Other reserves €	Retained earnings €	Total €
Balance at 1 January 2015		1,200	–	–	–	1,200
Comprehensive income						
Profit for the year		–	–	–	48,637	48,637
Transactions with owners						
Issuance of shares	10	491	204,672	–	–	205,163
Balance at 31 December 2015		1,691	204,672	–	48,637	255,000
Comprehensive income						
Profit for the year		–	–	–	7,643,095	7,643,095
Transactions with owners						
Issue of share capital	10	1,750	–	–	–	1,750
Equity-settled share-based payments	11	–	–	1,000,000	–	1,000,000
Total transactions with owners		1,750	–	1,000,000	–	1,001,750
Adjustments relating to reorganisation						
Reorganisation of the Group	12	–1,691	–204,672	204,672	–	–1,691
Balance at 31 December 2016		1,750	–	1,204,672	7,691,732	8,898,154
Comprehensive income						
Profit for the year		–	–	–	5,768,172	5,768,172
Transactions with owners						
Issue of share capital	10	20	999,980	–1,000,000	–	–
Equity-settled share-based payments	11	–	–	1,000,000	–	1,000,000
Total transactions with owners		20	999,980	–	–	1,000,000
Balance at 31 December 2017		**1,770**	**999,980**	**1,204,672**	**13,459,904**	**15,666,326**

The notes on pages F-6 to F-22 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended 31 December 2017 €	2016 €	2015 €
Cash flows from operating activities				
Cash generated from/(used in) operations	25	**4,757,576**	15,723,670	–157,307
Interest paid		**–1,775,694**	–	–
Income tax paid		**–26,261**	–	–
Net cash generated from/(used in) operating activities		**2,955,621**	15,723,670	–157,307
Cash flows from investing activities				
Purchases of intangible assets	5	**–27,474,975**	–15,660,403	–
Purchases of property, plant and equipment	6	**–332,206**	–32,153	–22,753
Net cash used in investing activities		**–27,807,181**	–15,692,556	–22,753
Cash flows from financing activities				
Issue of share capital		**–**	–	205,163
Proceeds from drawdowns on borrowings	25	**27,894,255**	–	–
Net cash generated from financing activities		**27,894,255**	–	205,163
Net movement in cash and cash equivalents		**3,042,695**	31,114	25,103
Cash and cash equivalents at beginning of year		**57,222**	26,108	1,005
Cash and cash equivalents at end of year	9	**3,099,917**	57,222	26,108

The notes on pages F-6 to F-22 are an integral part of these consolidated financial statements.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 REPORTING ENTITY

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 BASIS OF PREPARATION

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.

On 11 October 2016, Raketech Group Holding p.l.c. acquired 100% shareholding in Raketech Group Limited from its previous shareholders. The substance of this transaction was that of a group restructuring by virtue of which Raketech Group Holding p.l.c. became the new parent company of Raketech Group Limited. Accordingly, the shareholders of Raketech Group Holding p.l.c. are identical to those of Raketech Group Limited prior to this reorganisation, and the restructuring solely interposed an additional holding company as holder of the shares in Raketech Group Limited. This transaction has been accounted for in the consolidated financial statements as a restructuring as described in accounting policy 2.2(d), and these financial statements have been compiled as if Raketech Group Holding p.l.c. was the parent company of the Group already from incorporation.

All of the companies included in the financial statements have a common controlling interest as all of these companies are owned by the shareholders in Raketech Group Limited, which, in establishing the new parent company, became a shareholder in Raketech Group Holding plc in September 2016 (see note 12). As this is a reorganisation through a common control transaction, the financial statements are presented as a continuation of Raketech Group Limited due to the fact that Raketech Group Holding plc cannot be seen to be in accounting terms, the acquirer. Consequently, the comparative figures for all periods presented solely comprise Raketech Group Limited's financial statements up to the point in time at which Raketech Group Holding plc acquired the company.

The financial statements have been prepared specifically for this Prospectus and present the income, including comprehensive income, assets, liabilities, cash flows, equity and associated notes by applying the consolidation principles in IFRS 10.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and the requirements of the Ordinance on Prospectuses. The consolidated financial statements have been prepared under the historical cost convention except for certain financial assets and financial liabilities which are fair valued.

The preparation of financial statements in conformity with IFRSs as adopted by the EU requires the use of certain accounting estimates. It also requires directors to exercise their judgement in the process of applying the Group's accounting policies (see note 4 – Critical accounting estimates and judgements).

As at 31 December 2017 and 2016, the Group's current liabilities exceeded its current assets by €2,472,586 (2016: €8,392,113). The Group's current liabilities include related party payables amounting to €4,499,769 (2016: €6,442,415), and the financial statements have been prepared on a going concern basis, which assumes that the various related parties would not request payment until sufficient cash was available to the Group. Refer to the additional disclosure in note 16 to these financial statements, which describes the Group's plans to settle its financial liabilities.

As at 31 December 2015, Raketech Group Limited was in a net current asset position.

Standards, interpretations and amendments to published standards effective in 2017

In 2017, the Group adopted new standards, amendments and interpretations to existing standards that are mandatory for the Group's accounting period beginning on 1 January 2017. The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in substantial changes to the Group's accounting policies.

Standards, interpretations and amendments to published standards that are not yet effective

Certain new standards, amendments and interpretations to existing standards have been published by the date of authorisation for issue of these financial statements but are mandatory for the Group's accounting periods beginning after 1 January 2017. The Group has not early adopted these revisions to the requirements of IFRSs as adopted by the EU and, except as disclosed below, the parent company's directors are of the opinion that there are no requirements that will have a possible significant impact on the Group's financial statements in the period of initial application.

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. IFRS 9 has been endorsed by the EU. 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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

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 have 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 introduced a new expected credit losses model that replaced the incurred loss impairment model used in IAS 39. This amendment impacted the Group only to the extent of trade and other receivables. Provisions had already been recognised under IAS 39 on the basis of credit assessments carried out on each debtor, therefore, the adoption of IFRS 9 has not had a material impact on the Group's impairment allowances. The adoption of IFRS 9 did not have an impact on the Group's recognition and measurement of financial liabilities.

IFRS 15, 'Revenue from contracts with customers' 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 good or service and thus has the ability to direct the use and obtain the benefits from the goods or service.

The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. IFRS 15 has been endorsed by the EU, and the Group will adopt the standard in its financial statements for the year ending 31 December 2018, which is the financial period in which the Group must mandatorily adopt the new standard. As allowed by IFRS 15, the Group may elect, in its financial statements for the year ending 31 December 2018, to not restate its financial position as at 31 December 2017 and its financial performance for the year ended 31 December 2017.

The Group earns revenue by attracting potential players to its domains and website content and, thereafter, referring the potential players to operators in the iGaming sector. Commissions are earned by the Group when, and if, the referred players effect deposits or, as the case may be, place wagers with the operators. The Group has not been significantly impacted by the adoption of IFRS 15.

Under IFRS 16, 'Leases', a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16 requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts; as a practical expedient, an optional exemption is available for certain short-term leases and leases of low-value assets. Short-term leases are leases which have a term of not more than one year, and in determining a contract's lease term upon initial application of the standard, IFRS 16 allows the use of hindsight where the contract contains options to extend or terminate the lease.

IFRS 16 has been endorsed by the EU and is effective for annual periods beginning on or after 1 January 2019. Although earlier application is permitted, the Group intends to adopt this standard on 1 January 2019. As described in note 23, the Group presently leases office premises for which the non-cancellable period ends on 31 October 2019; the Group may however continue to rent these premises for an additional period of up to two years. Management's current determination is that the lease term will qualify for the practical expedient for short-term leases, with the result that the Group will not be impacted significantly by the adoption of IFRS 16. Nevertheless, circumstances may change until 1 January 2019 when, with the use of hindsight, management will reassess the current determination of the lease term.

2.2 CONSOLIDATION

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The intra-Group transactions, balance sheet items, unrealised gains and transactions between Group companies are eliminated. Unrealised losses are also eliminated if the transaction results in an indication of an impairment requirement of the transferred asset.

(b) Business combinations

The Group applies the acquisition method of accounting to account for business combinations that fall within the scope of IFRS 3. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

(identifiable net assets) in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Goodwill is initially measured as the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired. If this is less than the fair value of the identifiable net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Business combinations between entities under common control, which do not fall within the scope of IFRS 3, are accounted for using the predecessor method of accounting. Under the predecessor method of accounting, assets and liabilities are incorporated at the predecessor carrying values, which are the carrying amounts of assets and liabilities of the acquired entity from the consolidated financial statements of the highest entity that has common control and for which consolidated financial statements are prepared. When the controlling party does not prepare consolidated financial statements because it is not a parent company, the financial statement amounts of the acquired entity are used.

No new goodwill arises in predecessor accounting, and any difference between the consideration given and the aggregate book value of the assets and liabilities (as of the date of the transaction) of the acquired entity, is included in equity in a separate reserve. The financial statements incorporate the acquired entity's results only from the date on which the business combination between entities under common control occurred.

Under both methods of accounting, upon consolidation, inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests, where the acquisition or disposal of partial interests in a subsidiary has no impact on the Group's ability to control the subsidiary's financial and operating policies, as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(d) Group reorganisations

Reorganisations between group entities under common control are accounted for using the reorganisation method of accounting. Under the reorganisation method of accounting, assets and liabilities are incorporated at the predecessor carrying values, which are the carrying amounts of assets and liabilities of the acquired entity as recognised and measured in that entity's pre-reorganisation financial statements. No goodwill arises in reorganisation accounting, and any difference between the consideration given and the aggregate book value of the assets and liabilities of the acquired entity, is included in equity. The financial statements incorporate the acquired entity's full year results, including comparatives for 2016 and 2015, as if the post-reorganisation structure was already in place at the commencement of the comparative period.

2.3 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CEO and the board of directors.

2.4 FOREIGN CURRENCY TRANSLATION

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in euro ("€"), which is the functional currency of the parent company and its subsidiaries and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses are presented in the statement of profit or loss on a net basis.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are not re-translated at the end of the reporting period.

2.5 INTANGIBLE ASSETS

(a) Recognition and measurement

Acquired intangibles are analysed between website and domains, player databases and computer software.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are initially measured at cost. The cost of a separately acquired intangible asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Where the cost of acquisition includes contingent consideration, cost is determined to be the current fair value of the contingent consideration as determined on the date of acquisition. Any subsequent changes in estimates of the likely outcome of the contingent event are reflected in the statement of financial position. The cost of acquisition of intangible assets for which the consideration comprises an issue of equity shares is calculated as being the fair value of the equity instruments issued in the transaction.

Intangible assets are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains or losses arising from derecognition represent the difference between the net disposal proceeds, if any, and the carrying amount, and are included within 'other income/(expense)' in the statement of comprehensive income in the period of derecognition.

(b) Amortisation of intangible assets

Intangible assets with a finite useful life are amortised over their useful life and reviewed for impairment whenever there is an indication that the asset may be impaired. The estimated useful lives of intangible assets are as follows:

	Useful life
Websites and domains	Indefinite
Player databases	3 years
Computer software	3 years

The estimated useful life and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not systematically amortised and are tested for impairment annually or whenever there is an indication that the intangible asset may be impaired. The useful life of these assets is reviewed annually to determine whether their indefinite life assessment continues to be supportable. If the events and circumstances do not continue to support the assessment, the change in the useful life assessment from indefinite to finite is accounted for prospectively as a change in accounting estimate and on that date the asset is tested for impairment. Commencing from that date, the asset is amortised systematically over its useful life.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.7).

2.6 PROPERTY, PLANT AND EQUIPMENT

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. They are initially measured at cost; cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Items of property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains and losses on disposals of property and equipment are determined by comparing the proceeds with carrying amount and are recognised within 'other income/(expense)' in the statement of comprehensive income in the period of derecognition.

(b) Depreciation of property, plant and equipment

Items of property, plant and equipment are depreciated over their useful life and reviewed for impairment whenever there is an indication that the asset may be impaired. Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Their estimated useful lives are as follows:

	%
Office equipment	25
Furniture and fixtures	25

Leasehold improvements are depreciated over the shorter of the lease term and the improvements' useful lives of 10 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.7).

2.7 IMPAIRMENT OF NON-FINANCIAL ASSETS

Non-financial assets with indefinite useful lives, comprising websites and domains, are reviewed at each reporting date to determine whether there is any impairment. The carrying amounts of the Group's non-financial assets with finite useful lives, as well as those with indefinite useful lives, are reviewed for impairment whenever there is an indication that the asset may be impaired. The asset's recoverable amount is estimated annually for intangible assets with indefinite useful lives and is also estimated for all non-financial assets if an indication of impairment exists.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

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.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had previously been recognised.

2.8 FINANCIAL ASSETS

2.8.1 Classification

The Group classifies its financial assets into the loans and receivables category. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money or services directly to a debtor with no intention of trading the asset. They are included in current assets, except for maturities greater than twelve months, after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the statement of financial position (notes 2.9 and 2.10).

The Group does not hold any financial assets that are classified into any of the other IAS 39 categories of financial assets.

2.8.2 Recognition, measurement and derecognition

The Group recognises loans and receivables on the date that they are originated and the Group becomes a party to the contractual provisions of the instrument. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method. Amortised cost is the initial measurement amount adjusted for the amortisation of any difference between the initial and maturity amounts using the effective interest method.

If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

The Group derecognises a financial asset when the contractual right to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control over the transferred asset.

2.8.3 Impairment

Financial assets are assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset is impaired if as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event'), and that loss event(s) has an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not otherwise consider, indications that a debtor or issuer will enter bankruptcy.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the asset's original effective interest rate.

Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

2.9 TRADE AND OTHER RECEIVABLES

Trade receivables are amounts due from operators in the iGaming sector for transactions and services performed in the ordinary course of business (as described in note 2.18). They are presented as current assets unless collection is expected after more than one year. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment (note 2.8.3). The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss. When a receivable is uncollectible, it is written off against the allowance account for trade and other receivables. Subsequent recoveries of amounts previously written off are credited against profit or loss.

2.10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried in the statement of financial position at face value. In the statement of cash flows, cash and cash equivalents comprise deposits held at call with banks and e-wallets.

2.11 SHARE CAPITAL AND SHARE PREMIUM

Ordinary shares are classified as equity. Any excess of the issue price over the par value on shares issued is recognised as share premium. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

2.12 SHARE-BASED PAYMENTS

The Group's strategy to pursue its objective includes the acquisition of intangible assets. Certain acquisitions have resulted in the agreement by the Group to partially settle the purchase price through the transfer of shares in Raketech Group Holding p.l.c. to the sellers. The Group measures the acquired intangible assets at their fair value at the acquisition dates, and recognises an equivalent increase in the share-based payment reserve.

The related amounts previously recognised in the share-based payment reserve are credited to share capital (nominal value) and share premium when Raketech Group Holding p.l.c. issues new shares in settlement of the obligation to deliver shares to the sellers of the intangible assets.

2.13 FINANCIAL LIABILITIES

The Group recognises a financial liability in its statement of financial position when it becomes a party to the contractual provisions of the instrument. The Group's financial liabilities are classified as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost.

Other liabilities are recognised initially at fair value, being the fair value of consideration received, net of transaction costs that are directly attributable to the acquisition or the issue of the financial liability. These liabilities are subsequently measured at amortised cost. The Group derecognises a financial liability from its statement of financial position when the obligation specified in the contract or arrangement is discharged, is cancelled or expires.

2.14 BORROWINGS

Borrowings are recognised initially at the fair value of proceeds received, net of transaction costs incurred, and subsequently measured in accordance with the policy described in note 2.13. On derecognition, any difference between the carrying amount and the redemption or settlement amount is recognised in profit or loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

2.15 TRADE AND OTHER PAYABLES

Trade payables comprise obligations to pay for services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.16 OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.17 CURRENT AND DEFERRED TAX

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.18 REVENUE RECOGNITION

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The amount of revenue comprises the fair value of the consideration received or receivable from transactions in the ordinary course of the Group's activities.

The Group's revenue is derived from online and affiliate marketing; it consists of revenue generated in the form of commissions on players directed or referred to iGaming operators, as well as advertising fees charged to iGaming operators who want additional exposure on the Group's websites.

(a) Commission income

Commission arrangements with iGaming operators take the form of one, or both, of the following:

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Revenue share	When the Group enters into a revenue share arrangement it receives a share of the revenues that the iGaming operator has generated as a result of a referred player playing on the operator's site. Revenue is recognised in the month that it is earned by the respective operator.
Cost per acquisition ('CPA')	CPA deals are arrangements in which iGaming operators remit a one-time fee for each referred player who deposits money on the operator's iGaming site. CPA contracts consist of a pre-agreed rate with the client. Revenue from such contracts is recognised in the month in which the deposits are made.

(b) Flat fees

The Group also generates revenues by charging a fixed fee to customers that would like to be listed and critically reviewed on the Group's websites as well as through advertising revenue whereby an advertising space is sold to gaming operators who wish to promote their brands more prominently on one of the many sites the Group has to offer. Such revenue is apportioned on an accruals basis over the whole term of the contract.

2.19 OPERATING LEASES

Leases of assets in which a significant portion of the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

2.20 DIVIDEND DISTRIBUTION

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's and the Group's financial statements in the period in which the dividends are approved by the Group's shareholders.

2.21 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing profit attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume exercise of all dilutive potential ordinary shares.

NOTE 3 FINANCIAL RISK MANAGEMENT

3.1 FINANCIAL RISK FACTORS

The Group's activities potentially expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including foreign exchange risk and cash flow and fair value interest rate risk). The management of the Group's financial risk is based on a financial policy approved by the directors and exposes the Group to a low level of risk. The Group provides principles for overall risk management. The Group did not make use of derivative financial instruments to hedge risk exposures during the current and preceding period.

(a) Credit risk

Credit risk is the risk of a financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations. It mainly arises on trade and other receivables and on cash and cash equivalents. The Group exposure to credit risk at the end of the reporting period is analysed as follows:

	2017 €	2016 €	2015 €
Cash and cash equivalents (note 9)	**3,099,917**	57,222	26,108
Trade receivables – gross (note 8)	**2,717,319**	914,475	941,383
Amounts due from other related parties (note 8)	**46,061**	235	59,366
Other receivables (note 8)	**73,829**	9,259	–
Accrued income (note 8)	**18,836**	–	–
Gross amount of loans and receivables	**5,955,962**	981,191	1,026,857
Cash in hand (note 9)	**–**	–3,783	–
Provision for impairment of trade receivables (note 8)	**–390,804**	–	–
Maximum exposure to credit risk	**5,565,158**	977,408	1,026,857

The Group has policies in place to ensure that it only deals with financial institutions with quality standing. As at 31 December 2017, 2016 and 2015, the Group's cash at bank was held with a leading local financial institution which has a credit rating of BBB+ as assessed by the international rating agency Standard and Poor's. Credit risk from cash held with financial institutions is not considered to be significant.

The Group usually extends 30-day credit to the iGaming operators with which it operates. The Group regularly monitors the credit extended to these operators and assesses their general financial position in order to ensure that the Group provides services only to customers with an appropriate credit background. The Group assesses its customer's credit quality taking into their account financial position, past experience and other factors. The Group monitors the performance of these financial assets on a regular basis to identify incurred collection losses which are inherent in the Group's receivables, taking into account historical experience in collection of accounts receivable. The Group does not hold any collateral as security in respect of its receivables.

The Group manages credit limits and exposures actively and in practicable manner such that past due amounts receivable from customers are within controlled parameters. These receivables are assessed to determine whether there is objective evidence that an impairment loss has been incurred but not yet been identified. Any estimated impairment losses are recognised in a separate provision for impairment and are recognised in profit or loss within other expenses; subsequent recoveries of amounts previously written off are credited against other expenses. Receivables against which a provision has previously been recognised are subsequently written off against the provision when there is no expectation of recovering additional cash.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2017, the Group had impaired receivables amounting to €390,804 (2016 and 2015: nil). The movement for the year is entirely attributable to new provisions that were recognised during the year to 31 December 2017; this movement is recognised in profit or loss within other operating expenses (note 18).

As at 31 December 2017, the Group's receivables also include an amount of €324,774 (2016: €231,020) which was past but which is not considered to be impaired. These refer to a number of customers for whom there is no recent history of default. Categorisation of receivables as past due is determined by the Group on the basis of the nature of the credit terms in place and the credit arrangements actually utilised in the managing exposures with customers. The ageing analysis of these receivables, based on the number of days past due, is as follows:

	2017 €	2016 €	2015 €
Days past due			
1 – 60 days	**151,021**	202,913	239,512
61 – 120 days	**84,171**	–	70,905
Over 120 days	**89,582**	28,107	25,901
	324,774	231,020	336,318

Management does not expect any material losses from non-performance by these customers.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities which comprise borrowings and trade and other payables (including amounts committed on acquisition). Liquidity risk is monitored at a group level by ensuring that sufficient funds are available to each subsidiary within the Group.

The approach to managing liquidity is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. This risk management process includes the regular forecasting of cash flows by the Group's management.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining term at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances, as the impact of discounting is not significant. Additional information regarding amounts committed on acquisition is disclosed in note 15.

	Carrying amount €	On demand €	Less than 1 year €	Between 1 and 2 years €	Between 2 and 3 years €
Group					
At 31 December 2017					
Borrowings (note 14)	28,076,672	–	3,075,000	3,075,000	30,747,396
Amounts committed on acquisition (note 15)	1,918,177	–	1,332,478	240,000	345,699
Amounts payable to related parties (note 16)	4,499,769	4,499,769	–	–	–
Other trade and other payables (note 16)	620,901	–	620,901	–	–
	35,115,519	**4,499,769**	**5,028,379**	**3,315,000**	**31,093,095**
At 31 December 2016					
Borrowings (note 14)	–	–	–	–	–
Amounts committed on acquisition (note 15)	920,000	–	240,000	240,000	440,000
Amounts payable to related parties (note 16)	6,442,415	6,442,415	–	–	–
Trade and other payables (note 16)	1,904,414	–	1,904,414	–	–
	9,266,829	**6,442,415**	**2,144,414**	**240,000**	**440,000**
At 31 December 2015					
Amounts payable to related parties (note 16)	3,285	3,285	–	–	–
Trade and other payables (note 16)	764,196	764,196	–	–	–
	767,481	**767,481**	**–**	**–**	**–**

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2017 and 2016, the Group's current liabilities exceeded its current assets by €2,472,586 (2016: €8,392,113). The directors do not consider liquidity risk to be a significant risk on the following basis:

- the Group's current liabilities include amounts committed on acquisitions amounting to €1,332,478 (note 15) for which the Group has secured undrawn borrowing facilities of €40,000,000 for the purpose of payments required on asset acquisitions; and
- the Group's current liabilities also include related party payables amounting to €4,499,769 (2016: €6,442,415) which have no fixed date for repayment and are accordingly presented as falling due for repayment on demand. The directors do not consider liquidity risk to be a significant risk on the basis of the commitment of these related parties to not request amounts due to them unless alternative funds are made available to the Group. As disclosed further in note 26, it was agreed with one of these related parties that an amount of €2,000,301 will be partly converted into share capital during 2018, and partly waived.

As at 31 December 2015, Raketech Group Limited was in a net current asset position.

(c) Market risk

(i) Foreign exchange risk
Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities which are denominated in a currency that is not the respective group company's functional currency. The Group's financial assets and financial liabilities are mainly denominated in euro, which is the functional currency of the main operating subsidiary within the Group. Accordingly, the directors of Raketech Group Holding p.l.c. do not consider the Group to be significantly exposed to foreign exchange risk, and a sensitivity analysis for foreign exchange risk disclosing how profit or loss and equity would have been affected by changes in foreign exchange rates that were reasonably possible at the end of the reporting period is not deemed necessary.

(ii) Cash flow and fair value interest rate risk
Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on fair values of financial assets and liabilities and future cash flows. The Group's main exposure to cash flow interest rate risk arises on its borrowings (note 14) which are subject to floating rates of interest. At year end, the impact of a shift in interest rate of 50 basis points on the Group's equity with all variables remaining constant would be that post-tax profits would increase or decrease by €142,500 (2016 and 2015: nil). The directors consider the interest rate risk arising on other balances to be immaterial.

The Group is not exposed to fair value interest rate risk.

3.2 CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern whilst maximising the return to shareholders through the optimisation of debt and equity balances. Strategies are expected to remain unchanged in the foreseeable future. The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets.

The Group's equity, as disclosed in the statement of financial position, constitutes its capital. The Group maintains the level of capital by reference to its financial obligations and commitments arising from operational requirements. In view of the nature of the Group's activities, the capital level as at the end of the reporting period is deemed adequate by the directors.

3.3. FAIR VALUES OF FINANCIAL INSTRUMENTS

At 31 December 2017, 2016 and 2015 the carrying amounts of cash at bank, receivables, payables and accrued expenses reflected in the financial statements are reasonable estimates of fair value in view of the nature of these instruments or the relatively short period of time between the origination of the instruments and their expected realisation. Borrowings as disclosed in Note 14 are not measured at fair value in line with the Group's accounting policy and therefore the carrying amount may not be a reasonable estimate of fair value.

NOTE 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

Determination of whether acquisitions constitute asset acquisitions or business combinations

The Group made a number of affiliate asset purchases during the year. Management performed an assessment of the application of IFRS 3, 'Business combinations' in concluding whether such purchases meet the definition of a business. In making its assessment, management took into account the standard's definition of a business: under IFRS 3 a 'business' consists of inputs and processes applied to the inputs that have the ability to create outputs.

Management concluded that each purchase of affiliate marketing assets is an asset acquisition. In each of these purchases, the Group has not acquired any processes, such as management processes, organisational structures, strategic goal-setting, operational processes and human and financial resource management. In this respect, management has determined that although it is possible for a business to have been acquired even if some processes have not been acquired, an acquisition of an asset or group of assets not accompanied

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

by any associated processes is unlikely to meet the definition of a business. These purchases were therefore accounted for as assets acquisitions, with the consideration allocated on a fair value basis to player databases and content and domains, as disclosed in note 5.

Impairment of intangible assets with an indefinite useful life

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, requiring assessment 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 assumptions are required to be made in respect of highly uncertain matters, including management's expectation of growth in EBITDA (earnings before interest, taxes, depreciation and amoritisation). The Group prepares and approves management plans for its operations, which are used in the calculations. Having considered the recent timing of the Group's acquisitions, the Group's future plans, and the significant headroom in the recoverable amount in comparison to the carrying amount, management considers that the Group's intangibles assets are not impaired. Further disclosures on key assumptions are included in note 5.

In the opinion of the directors, other than the above, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1.

NOTE 5 INTANGIBLE ASSETS

	Websites and domains €	Player databases €	Computer software €	Total €
At 1 January 2015 and 31 December 2015	–	–	–	–
At 1 January 2016				
Cost	–	–	–	–
Accumulated amortisation	–	–	–	–
Net book amount	**–**	**–**	**–**	**–**
Year ended 31 December 2016				
Additions	16,482,848	1,095,864	–	17,578,712
Amortisation charge	–	–45,035	–	–45,035
Closing net book amount	**16,482,848**	**1,050,829**	**–**	**17,533,677**
At 31 December 2016				
Cost	16,482,848	1,095,864	–	17,578,712
Accumulated amortisation	–	–45,035	–	–45,035
Net book amount	**16,482,848**	**1,050,829**	**–**	**17,533,677**
Year ended 31 December 2017				
Opening net book amount	16,482,848	1,050,829	–	17,533,677
Additions	28,447,780	705,993	319,379	29,473,152
Amortisation charge	–	–531,798	–82,051	–613,849
Closing net book amount	**44,930,628**	**1,225,024**	**237,328**	**46,392,980**
At 31 December 2017				
Cost	44,930,628	1,801,857	319,379	47,051,864
Accumulated amortisation	–	–576,833	–82,051	–658,884
Net book amount	**44,930,628**	**1,225,024**	**237,328**	**46,392,980**

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Intangible assets – amortisation and impairment

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.

The directors have evaluated websites and domains for impairment as at 31 December 2017 and are of the view that the carrying amount of domains amounting to €44,930,628 (2016: €16,482,848) is recoverable on the basis of the cash flows generated from these assets being in line, or exceeding, the estimated projections made prior to the acquisitions. Consequently, the directors have assessed that there is no need to impair the acquired domains and websites.

The recoverable amount of the acquired websites and domains and websites was assessed on the basis of value-in-use calculations, and a detailed assessment was performed at the end of the reporting period. The Group's conclusion is that the recoverable amount is well in excess of the assets' carrying amount disclosed above. The recoverable amount was based on:

- the cash flow projections reflecting actual income from operations in 2017;
- the expected cash flows for 2018 – 2022 (2016: 2017 – 2020);
- an annual growth rate of 1% (2016: 2%) beyond these dates; and
- a pre-tax discount rate of 14.7%.

The discount rate is based on the Group's pre-tax weighted average cost of capital. Management's method for determining the values inherent to each significant assumption is based on experience and expectations regarding the performance of the market. The directors are satisfied that the judgements made are appropriate to the circumstances relevant to these assets and their cash-generation.

The Group concluded that the recoverable amount is well in excess of the carrying amount of the said assets and, accordingly, a sensitivity analysis in this regard is not disclosed.

NOTE 6 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements €	Office equipment €	Furniture and fixtures €	Total €
At 1 January 2015				
Cost	–	6,663	5,603	12,266
Accumulated depreciation	–	–6,284	1,789	8,073
Net book amount	**–**	**379**	**3,814**	**4,193**
Year ended 31 December 2015				
Opening net book amount	–	379	3,814	4,193
Additions	–	14,715	8,038	22,753
Depreciation charge	–	–4,835	–227	–5,062
Closing net book amount	**–**	**10,259**	**11,625**	**21,884**
At 31 December 2015				
Cost	–	21,378	13,641	35,019
Accumulated depreciation	–	–11,119	–2,016	–13,135
Net book amount	**–**	**10,259**	**11,625**	**21,884**
Year ended 31 December 2016				
Opening net book amount	–	10,259	11,625	21,884
Additions	–	32,153	–	32,153
Depreciation charge	–	–13,171	–1,364	–14,535
Closing net book amount	**–**	**29,241**	**10,261**	**39,502**
At 31 December 2016				
Cost	–	53,531	13,641	67,172
Accumulated depreciation	–	–24,290	–3,380	–27,670
Net book amount	**–**	**29,241**	**10,261**	**39,502**
Year ended 31 December 2017				
Opening net book amount	–	29,241	10,261	39,502
Additions	39,569	245,204	47,433	332,206
Depreciation charge	–2,643	–46,453	–4,077	–53,173
Closing net book amount	**36,926**	**227,992**	**53,617**	**318,535**
At 31 December 2017				
Cost	39,569	289,486	61,074	390,129
Accumulated depreciation	–2,643	–61,494	–7,457	–71,594
Net book amount	**36,926**	**227,992**	**53,617**	**318,535**

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

NOTE 7 PARTICIPATION IN GROUP COMPANIES

The Group had the following subsidiaries at 31 December 2017 and 2016:

			Percentage of shares held directly by the parent		Percentage of shares held by the Group		Percentage of shares held by non-controlling interests	
Subsidiaries	**Registered office**	**Class of shares held**	**2017**	2016	**2017**	2016	**2017**	2016
Raketech Group Limited	Paceville Avenue, St. Julians STJ 3109 Malta	Ordinary shares	**100%**	100%	**100%**	100%	**–**	–
Enovator Online Media Limited	Office 1 / 1056, Level G, Quantum House, 75, Abate Rigord Street, Ta' Xbiex XBX 1120 Malta	Ordinary shares	**–**	–	**100%**	–	**–**	–
Turtle Gaming Group Limited	32, Triq it-Tabib Robert Naudi, Msida MSD 1353 Malta	Ordinary shares	**–**	–	**100%**	–	**–**	–

All the above subsidiaries operate within the iGaming sector and are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

Raketech Group Limited operated as a standalone company in the year to 31 December 2015.

NOTE 8 TRADE AND OTHER RECEIVABLES

As at 31 December	**2017 €**	2016 €	2015 €
Current			
Trade receivables – gross	**2,717,319**	914,475	941,383
Provision for impairment of receivables	**–390,804**	–	–
Trade receivables – net	**2,326,515**	914,475	941,383
Amounts due from related parties	**46,061**	235	59,366
Indirect taxation receivable	**4,323**	8,264	–
Other receivables	**73,829**	9,259	–
Prepayments and accrued income	**159,155**	7,760	–
	2,609,883	939,993	1,000,749

Amounts due from related parties are unsecured, interest-free and have no fixed date for repayment. Further detail on the performance of receivables is disclosed in note 3.1(a). Included within trade and other receivables - gross, are amounts due from related parties amounting to €191,119, €Nil and €102,227 as at 31 December 2017, 2016 and 2015 respectively.

NOTE 9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand and balances with banks. For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

As at 31 December	**2017 €**	2016 €	2015 €
Cash in hand	–	3,783	–
Cash at bank	**3,099,917**	53,439	26,108
	3,099,917	57,222	26,108

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

NOTE 10 SHARE CAPITAL

Raketech Group Holding p.l.c. was incorporated on 29 September 2016 with an issued share capital of 35,000 shares with a nominal value of €0.05 per share. These shares were subsequently split into 5 shares of €0.01 per share for each share previously held; the total number of shares in issue accordingly increased to 175,000.

On 16 June 2017, a further 1,971 new shares in Raketech Group Holding p.l.c. were issued with a nominal value of €0.01 per share and a share premium of €507.35 per share. Details of Raketech Group Holding p.l.c's share capital as at 31 December 2017 and 2016 are as follows:

As at 31 December	**2017 €**	2016 €
Authorised		
500,000 ordinary shares of €0.01 each	**5,000**	5,000
Issued and fully paid		
176,971 (2016: 175,000) ordinary shares of €0.01 each	**1,770**	1,750

On 4 January 2018, Raketech Group Holding p.l.c. redenominated each authorised and issued share from €0.01 per share to €0.27 per share. This increase, which resulted in total proceeds of €46,012, will be reflected in the Group's financial statements for the year ending 31 December 2018. On the same date, the authorised share capital was increased by 555,055,556 shares to 555,555,556 shares of €0.27 each.

On 28 April 2018, a further 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.

In view of the impending IPO, in May 2018, the nominal value of all of the authorised and issued shares of Raketech Group Holding p.l.c. was reduced from €0.27 to €0.002 and that each of the authorised and issued ordinary shares be divided into 135 ordinary shares. As a result of this division, the authorised share capital is now €150,000,000.12 divided into 75,000,000,060 Ordinary shares of €0.002 each. The issued share capital of €49,134.6 is divided into 24,567,300 Ordinary shares of €0.002 each and fully paid up.

During the year to 31 December 2015, share premium amounting to €204,672 was created as a result of two allotments that took place in the year at Raketech Group Limited. On 12 June 2015, 423 shares having a nominal value of €1 each were allotted with the share premium amounting to €384.28. Between 21 July 2015 and 6 August 2015, a further 68 shares having a nominal value of €1 each were allotted with the share premium on each share amounting to €619.44. As at 31 December 2015, Raketech Group Limited's authorised, issued and fully paid shares amounted to 1,690 Ordinary A shares of €1 each and 1 Ordinary B share of €1.

NOTE 11 OTHER RESERVES

The Group's other reserves comprise the following:

	Share-based payments reserve €	Other reserve €	Total €
At 1 January and 31 December 2015	**–**	**–**	**–**
Group re-organisation (note 12)	–	204,672	204,672
Equity-settled share based payments	1,000,000	–	1,000,000
At 31 December 2016	1,000,000	204,672	1,204,672
At 1 January 2017	1,000,000	204,672	1,204,672
Equity-settled share based payments	1,000,000	–	1,000,000
Issue of shares	–1,000,000	–	–1,000,000
At 31 December 2017	**1,000,000**	**204,672**	**1,204,672**

The Group's share-based payments reserve represents the value of shares committed to third parties as partial settlement of the Group's acquisition of intangible assets, but for which transfer of the shares is outstanding as at the end of the reporting period.

During the year to 31 December 2016, the Group entered into an agreement with a third party for the purchase of intangible assets, for which it was contractually agreed that an amount of €1,000,000 would be settled through the transfer of shares in Raketech Group Holding p.l.c.. The contract established the amount of shares to be delivered to the sellers, which was equivalent to €1,000,000 divided by the value per share as determined on the acquisition date. These shares were subsequently issued on 16 June 2017 (note 10).

The Group similarly entered into another agreement with a third party during the year to 31 December 2017, through which the Group contractually agreed that an amount of €1,000,000 (denominated in SEK) would also be settled through the transfer of shares in Raketech Group Holding p.l.c.. The amount of shares to be delivered to the sellers was established in the contract, which was equivalent to €1,000,000 divided by the value per share as determined on the acquisition date. These shares were not yet delivered by 31 December 2017.

The Group's other reserve arose upon the reorganisation through which Raketech Group Holding p.l.c. was interposed as the new parent company of Raketech Group Limited (note 12). The amount of €204,672 represents the excess of Raketech Group Limited's acquisition-date equity (excluding retained earnings) over the consideration paid by Raketech Group Holding p.l.c..

The Group's reserves are not distributable.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

NOTE 12 GROUP REORGANISATION

On 29 September 2016, Raketech Group Holding p.l.c. acquired 100% of the share capital of Raketech Group Limited for cash consideration of €1,691. Raketech Group Limited's shareholders prior to this transaction became shareholders of Raketech Group Holding p.l.c., and this reorganisation has been recognised in accordance with the accounting policy applicable to such transactions (refer to note 2.2d).

The following table summarises the consideration paid by Raketech Group Holding p.l.c. and the amounts of assets acquired, and liabilities assumed, that were recognised in the consolidated statement of financial position as at 29 September 2016, being the date of the legal reorganisation:

	€
Consideration	
Cash consideration	1,691
Total consideration transferred	**1,691**
Recognised amounts of identifiable assets acquired and liabilities assumed	
Property, plant and equipment	45,526
Trade and other receivables	4,390,584
Cash and cash equivalents	494,436
Trade and other payables	–330,400
Current tax liabilities	–26,260
Total net assets acquired	**4,573,886**
Excess of net assets acquired over total consideration	**4,572,195**
Represented by:	
Retained earnings	4,367,523
Share premium reclassified to other reserves on reorganisation	204,672
	4,572,195

NOTE 13 DEFERRED TAX

Deferred tax is calculated on all temporary differences under the liability method using the tax rate that is expected to apply to the period when the assets/liabilities are settled, based on the tax rates expected in the tax jurisdictions concerned. The principal tax rate used is 5% (2016: 5%), which is the effective tax rate for the Group's profits earned in Malta. There were no deferred taxes (both recognised and unrecognised) as at 31 December 2015.

The movement in deferred tax balances for 2017 and 2016 is analysed as follows:

31 December 2017	**Balance at 1 January €**	**Recognised in profit or loss €**	**Balance at 31 December €**
Deferred tax assets			
Unremitted earnings of subsidiary	–687,815	–	–687,815
Unutilised tax losses	–	–413,410	–413,410
Temporary differences on provision for impairment of receivables	–	–19,533	–19,533
	–687,815	–432,943	–1,120,758
Deferred tax liabilities			
Temporary differences on amortisation of intangible assets	290,727	740,263	1,030,990
Net deferred tax asset	**–397,088**	**307,320**	**–89,768**
31 December 2016			
Deferred tax assets			
Unremitted earnings of subsidiary	–	–687,815	–687,815
	–	**–687,815**	**–687,815**
Deferred tax liabilities			
Temporary differences on amortisation of intangible assets	**–**	**290,727**	**290,727**
Net deferred tax asset	**–**	**–397,088**	**–397,088**

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

NOTE 14 BORROWINGS

As at 31 December	2017 €	2016 €	2015 €
Non-current			
Third party borrowings	**28,076,672**	–	–

During 2017, the Group drew down third party borrowings with a nominal value of €30,000,000; transaction costs have been recognised as a reduction of the borrowings in accordance with the accounting policy set out in note 2.14. All borrowings bear interest at floating rates, and mature on the third anniversary of the draw down of each tranche.

The Group's undrawn senior term facilities as at 31 December 2017 amounted to €40,000,000. As disclosed further in note 26, an additional amount was drawn down by the Group in 2018. 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.

NOTE 15 AMOUNTS COMMITTED ON ACQUISITION

As at 31 December	2017 €	2016 €	2015 €
Non-current			
Amounts committed on acquisition	**585,699**	680,000	–
Current			
Amounts committed on acquisition	**1,332,478**	240,000	–
	1,918,177	**920,000**	**–**

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. The maximum potential amount that the Group may be required to settle under such contingent consideration arrangements as at 31 December 2017 is €2,540,000 (2016: €Nil) of which €523,000 (€Nil) has been recognised in the consolidated statement of financial position, whilst the remaining amount has not been recognised on the basis of management's best estimate.

One of the acquisitions entered into by the Group in the year to 31 December 2016 had a contractual arrangement to have part of the consideration settled through monthly payments of €20,000. As at 31 December 2017, the remaining term of this contractual arrangement amounted to 34 months (2016: 46 months).

During the year to 31 December 2017, the Group also entered into a further three acquisition agreements which have given rise to outstanding amounts committed on acquisition as at 31 December 2017 of €1,238,177. These amounts mainly fall due for settlement within less than 12 months from the end of the reporting period.

NOTE 16 TRADE AND OTHER PAYABLES

As at 31 December	2017 €	2016 €	2015 €
Current			
Trade payables	**186,481**	1,837,057	699,345
Amounts owed to other related parties	**4,499,769**	6,442,415	3,285
Indirect taxes	**66,598**	–	63,101
Other payables	**8,067**	–	–
Accruals and deferred income	**1,206,353**	67,357	1,750
	5,967,268	8,346,829	767,481

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 December 2017 are payable to two separate parties, both of which have provided support to the Group and confirmed that the amount would not be recalled within a period of twelve months from the date when these financial statements were available for issuance or until the Group has sufficient available cash to settle such liabilities.

As disclosed further in note 26, it was agreed with one of these related parties that an amount of €2,000,301 has been partly converted into share capital during 2018, and partly waived.

NOTE 17 REVENUE

The Group attracts end-users and generates revenue by generating organic traffic through search engine optimisation, including 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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

NOTE 18 OTHER OPERATING EXPENSES

The Group's other operating expenses comprise the following:

	2017 €	2016 €	2015 €
Other staff costs	**58,522**	8,524	–
IT services	**511,270**	465,237	109,838
Consultancy services	**1,288,460**	253,223	–
Professional fees	**257,478**	299,692	21,854
Rent	**206,990**	3,219	–
Travelling and entertainment	**188,388**	78,806	–
Provision for impairment of trade receivables	**390,804**	–	–
Support services re-charged by a related party	**–**	–	1,592,936
Other expenses	**220,832**	69,999	85,975
	3,122,744	1,178,700	1,810,603

Auditor's fees

Fees (exclusive of VAT) charged by the auditor for services rendered during the financial years ended 31 December 2017, 2016 and 2015 relate to the following:

	2017 €	2016 €	2015 €
Annual statutory audit	**50,500**	28,150	–
Other assurance services	**8,750**	–	12,500
Tax advisory and compliance services	**11,400**	1,400	–
Other non-audit services	**36,000**	–	–
	106,650	29,550	12,500

NOTE 19 EMPLOYEE BENEFIT EXPENSE

	2017 €	2016 €	2015 €
Wages and salaries	**2,706,096**	863,375	174,674
Social security costs	**790,886**	123,315	26,547
	3,496,982	986,690	201,221

The average number of persons employed during the year:

	2017	2016	2015
Management	**6**	2	2
Administration and operating	**83**	29	12
	89	31	14

NOTE 20 FINANCE COSTS

	2017 €	2016 €	2015 €
Interest cost and similar expenses	**2,738,111**	–	–

The interest cost during the year arises on the borrowings as disclosed in note 14.

NOTE 21 TAX EXPENSE

The tax charge for the year comprises the following:

	2017 €	2016 €	2015 €
Current tax expense	**–**	776,239	26,260
Deferred tax expense/(income)	**307,320**	–397,088	–
	307,320	379,151	26,260

The tax on the Group's results before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	2017 €	2016 €	2015 €
Profit before tax	**6,075,492**	8,022,246	74,897
Tax on profit at 5% (2015: 35%)	**303,775**	401,112	26,214
Tax effect of:			
Other differences	**3,545**	–21,961	46
Tax expense	**307,320**	379,151	26,260

NOTE 22 EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing profit attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	2017 €	2016 €	2015 €
Profit attributable to owners of the parent	**5,768,172**	7,643,095	48,637
Weighted average number of ordinary shares in issue	**176,069**	170,599	1,691

Diluted earnings per share

The Group does not have any potential dilutive ordinary shares in issue, and accordingly the diluted earnings per share is equivalent to the basic earnings per share.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

NOTE 23 COMMITMENTS

The Group leases office premises under a contract which was initially entered into for a five-year lease term commencing on 1 November 2016. Nevertheless, the Group may terminate the lease on the third and the fourth anniversaries from the commencement of the lease. This leases is classified as an operating lease.

The future aggregate minimum lease payments (excluding indirect taxation) that are unavoidable under these operating leases are as follows:

	2017 €	2016 €	2015 €
No later than 1 year	**396,072**	324,419	–
Later than 1 year and no later than 5 years	**305,877**	568,245	–
	701,949	892,664	–

NOTE 24 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 years:

	2017 €	2016 €	2015 €
Revenue	**802,392**	595,614	–
Expenses			
Compensation (including salaries, consultancy fees and recharges from a related entity) including fees to executive management and directors	**1,147,865**	389,955	20,000
Support services re-charged by a related party	**–**	–	1,592,936

In addition to the above, €12,898,262 of intangible assets were acquired by the Group from a related party in the year to 31 December 2016 (note 5).

Year-end balances with related parties, arising principally from the above transactions and from the acquisitions that took place in 2016, are disclosed in notes 8 and 16 to these financial statements.

The directors did not charge the Group any director fees in the years to 31 December 2016 and 31 December 2015.

NOTE 25 CASH GENERATED FROM/(USED IN) OPERATIONS

Reconciliation of operating profit to cash generated from/(used in) operations

	2017 €	2016 €	2015 €
Operating profit for the year	**8,813,603**	8,022,246	74,897
Adjustments for:			
Amortisation of intangible assets (note 5)	**613,849**	45,035	–
Depreciation of property, plant and equipment (note 6)	**53,173**	14,535	5,062
Movement in provision for impairment of receivables (note 18)	**390,804**	–	–
Changes in working capital:			
Trade and other receivables	**–1,954,292**	62,506	–983,503
Trade and other payables	**–3,159,561**	7,579,348	746,237
	4,757,576	15,723,670	–157,307

Significant non-cash transactions
The Group has acquired a number of assets throughout the current and the comparative period. Notes 10 and 11 include details of any acquisitions for which it was agreed that settlement would not be paid in cash.

Net debt reconciliation
Movements in the Group's liabilities arising from financing activities, comprising third party loans (note 14), are set out below:

	2017 €	2016 €	2015 €
At 1 January	**–**	–	–
Proceeds from drawdowns and new issues, net of transaction costs	**27,894,255**	–	–
Amortisation of transaction costs	**182,417**	–	–
At 31 December	**28,076,672**	–	–

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

NOTE 26 EVENTS AFTER THE REPORTING PERIOD

In addition to the issue of shares as described in note 10, the significant events that took place after 31 December 2017 are disclosed in this note.

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 the second quarter in 2018.

On 7 February 2018 additional amount of EUR 8.2m was drawn down from the senior term facility in order to finance Raketech's acquisition pipeline.

On 28 February 2018, the Group entered into an asset transfer agreement with Daniel Stensiö ab and Lukas Brisman 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 consist of an initial purchase price of €3.3m plus additional earn-out payments if the Sellers meet pre-defined targets within the earn-out period being 1 March 2018 to 28 February 2021. According to management's best estimate, the earn-out liability amounts to €4.3m, but may increase to €17.0 million, which is the maximum earn-out liability.

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 €4.7m (SEK 50 million) plus additional earn-out payments if the Sellers meet pre-defined targets within the earnout period until 31 December 2018. The maximum earn-out liability amounts to, approximately, €1.5m (SEK 15 million) and is due for payment in February 2019.

On 6 June 2018, the Group entered into a share purchase agreement with Upside Media Ltd (the "Sellers"), unrelated parties, regarding 51 per cent of the shares in Shogun Media Ltd. The purchase price will be paid in cash. Furthermore, the Group has committed to contribute €0.4m to Shogun Media Ltd.

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report

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

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements of Raketech Group Holding p.l.c. (the Group) present fairly, in all material respects, the Group's financial position as at 31 December 2017, 2016 and 2015 and the Group's financial performance and cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

What we have audited

The Group's consolidated financial statements on pages F-2 to F-23 in this Prospectus comprise:

- the consolidated statements of financial position as at 31 December 2017, 2016 and 2015;
- the consolidated statements of comprehensive income for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with the IESBA code.

Independent auditor's report - *continued*

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

Other matter

Raketech Group Holding p.l.c. has prepared a separate set of consolidated financial statements for the year ended 31 December 2017 in accordance with IFRSs as adopted by the EU and in accordance with the requirements of the Maltese Companies Act (Cap. 386) on which we issued a separate auditor's report to the shareholders of Raketech Group Holding p.l.c. dated 30 April 2018.

Responsibility of the directors for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS as adopted by EU and with the requirements in the Prospectus Regulation (EC) No 809/2004, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend to liquidate the Group or to cease operation, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

pwc

Independent auditor's report - continued

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

PricewaterhouseCoopers

78, Mill Street
Qormi
Malta

Romina Soler
Partner
18 June 2018

INTERIM REPORT, JANUARY – MARCH 2018

Reviewed consolidated financial statements for the three-month period ending 31 March 2018, which have been prepared in accordance with IFRS as adopted by the European Union.

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

RAKETECH

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%*
NIBL/ Adjusted EBITDA				
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

RAKETECH

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).

RAKETECH

FINANCIAL PERFORMANCE DURING THE FIRST QUARTER OF 2018

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*

RAKETECH

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.

RAKETECH

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.

RAKETECH

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

RAKETECH

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.

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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.

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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

RAKETECH

NOTES TO THE FINANCIAL STATEMENTS

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

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NOTES TO THE FINANCIAL STATEMENTS

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.

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NOTES TO THE FINANCIAL STATEMENTS

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).

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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.

RAKETECH

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