

**RAKETECH**

**Q2| Interim Report**

**2023**

## Strong quarter driven by organic growth

EUR thousands	Apr-Jun	Apr-Jun	Change	Jan-Jun	Jan-Jun	Change
	2023	2022		2023	2022	
Revenue	17,606	11,289	56.0%	33,393	23,983	39.2%
Organic growth	56.0%	(4.0%)	60.0pp	39.2%	1.1%	38.1pp
Reported EBITDA	5,482	3,792	44.6%	11,587	8,876	30.5%
Operating profit	2,461	1,966	25.2%	6,298	5,174	21.7%

### Q2 2023 FINANCIAL HIGHLIGHTS

- Q2 of 2023 reached an all-time high in terms of revenues, totaling EUR 17.6 million (EUR 11.3 million) with an organic growth of 56.0% (-4.0%).
  - A particularly strong development within Sub-affiliation/Network was complemented by continued stable growth within high-margin Affiliation Marketing, primarily driven by continued strong contributions from Casumba.
- Revenues from Betting Tips & Subscriptions were down by 6%, essentially in line with last year, somewhat impacted by currency effects.
- EBITDA, which grew by 45% Y/Y to EUR 5.5 million during the quarter, was positively impacted by the strong development in Casumba.
- The AGM approved a dividend to shareholders corresponding to EUR 0.094 per share. The first of two installments was distributed to the shareholders in May.

### SUBSEQUENT EVENTS AFTER THE END OF THE PERIOD

- Revenues in July 2023 amounted to EUR 6.9 million (EUR 3.9 million).

## CEO Comment

**Raketech continued to deliver strong growth during the second quarter of 2023, with total revenues of EUR 17.6 million, another all-time high for the group, corresponding to an organic growth of 56% Y/Y. A particularly strong development within Sub-affiliation/Network was complemented by continued stable growth within high-margin Affiliation Marketing, resulting in an EBITDA of 5.5 million, up by 45% from the same period last year. Based on the strong first half of the year, we remain confident about our recently upgraded full-year guidance for 2023. Whereof revenues are expected to amount to EUR 65-70 million, excluding acquisitions, EBITDA is expected to come in between EUR 23-25 million and free cash flow is expected to increase to EUR 13-15 million.**

Revenues from Affiliation Marketing, our largest business area, accounting for 59% of total revenue, grew by 28%, primarily driven by continued strong contributions from Casumba. Furthermore, the Sub-Affiliation business area, providing SaaS solutions and club commercials to affiliates, had an exceptionally strong quarter, driven by favourable market development, with Latin America and the Nordics leading the way. Revenues from Betting Tips & Subscriptions were essentially in line with last year, somewhat impacted by currency effects.

EBITDA, which grew by 45% Y/Y to EUR 5.5 million during the quarter, was positively impacted by the strong development in Casumba. The EBITDA margin was 31.1%, compared to 33.6% in the corresponding quarter of last year, as an effect of the increased contributions from Sub-affiliation/Network, to the groups' market and product mix.

During the quarter, AffiliationCloud, our affiliation infrastructure solutions as a service (SaaS) offering, continued to deliver according to our long-term operational plan even though revenue growth was somewhat soft and the business area still is small in absolute numbers, compared to our other business

areas. We aim to accelerate growth during the last part of the year.

Our geographical position within Affiliation Marketing remained stable compared to last quarter. But as an effect of our Network business being particularly successful in Latin America and the Nordics our revenues from these markets increased more than others on group level.

The calculation period for the majority of the contingent considerations relating to the acquisition of Casumba is coming to an end in December. The calculation period is 18 months in total and considering there are only 5 months remaining, only exceptional events would lead us to change the provisioned amount for this part of the earn out significantly.

### OUTLOOK

July revenues amounted to EUR 6.9 million (EUR 3.9 million), mainly driven by continued strong growth in Casumba and Sub-affiliation/Network.

Strengthened by the recent successful development in Casumba and Sub-affiliation/Network, I look forward to driving progress within our strategic growth initiatives, focusing on our flagship products, accelerated US growth and AffiliationCloud.

In conclusion, I would like to thank our strong dedicated teams across the globe, helping our clients to stay ahead of the game. I am confident that we are well-placed to leverage the opportunities ahead and position ourselves as the first choice in the growing iGaming affiliation market.

**Oskar Mühlbach, Group CEO**

## Consolidated Key Data and Ratios

Some financial measures presented in this report, including key data and ratios are not defined by International Financial Reporting Standards (IFRS). These measures will not necessarily be comparable to similarly titled measures in the reports of other companies. Further definitions can be found on page 21 of this report. These non-IFRS measures may provide valuable additional information to investors and management although they should not be considered as substitutes for financial reporting measures prepared in accordance with IFRS.

EUR thousands	Apr- Jun 2023	Apr- Jun 2022	Change	Jan- Jun 2023	Jan- Jun 2022	Change	Jan- Dec 2022
<b>Financial Data</b>							
<b>Revenue (IFRS)</b>	<b>17,606</b>	<b>11,289</b>	<b>56.0%</b>	<b>33,393</b>	<b>23,983</b>	<b>39.2%</b>	<b>52,644</b>
<i>Organic growth</i>	56.0%	(4.0%)	60.0	39.2%	1.1%	38.1	10.8%
<i>Revenue share</i>	33.4%	42.4%	(9.0)	34.0%	40.9%	(6.9)	38.9%
<i>Upfront payment</i>	45.6%	31.0%	14.6	43.6%	30.4%	13.2	34.4%
<i>Flat fee</i>	15.4%	17.3%	(1.9)	15.1%	15.6%	(0.5)	14.8%
<i>Betting tips &amp; subscription income</i>	5.6%	9.3%	(3.7)	7.3%	13.1%	(5.8)	11.9%
<b>Affiliation marketing</b>	<b>10,326</b>	<b>8,082</b>	<b>27.8%</b>	<b>21,080</b>	<b>16,234</b>	<b>29.9%</b>	<b>35,204</b>
<i>% of total revenue</i>	58.6%	71.6%	(12.9)	63.1%	67.7%	(4.6)	66.9%
<b>Sub-affiliation</b>	<b>6,294</b>	<b>2,157</b>	<b>191.8%</b>	<b>9,885</b>	<b>4,612</b>	<b>114.3%</b>	<b>11,154</b>
<i>% of total revenue</i>	35.8%	19.1%	16.6	29.6%	19.2%	10.4	21.2%
<b>Betting tips and subscription income</b>	<b>986</b>	<b>1,050</b>	<b>(6.1%)</b>	<b>2,428</b>	<b>3,137</b>	<b>(22.6%)</b>	<b>6,286</b>
<i>% of total revenue</i>	5.6%	9.3%	(3.7)	7.3%	13.1%	(5.8)	11.9%
<b>Casino</b>	<b>14,256</b>	<b>7,759</b>	<b>83.7%</b>	<b>26,266</b>	<b>16,077</b>	<b>63.4%</b>	<b>37,282</b>
<i>% of total revenue</i>	81.0%	68.7%	12.2	78.7%	67.0%	11.6	70.8%
<b>Sport</b>	<b>3,350</b>	<b>3,503</b>	<b>(4.4%)</b>	<b>7,127</b>	<b>7,841</b>	<b>(9.1%)</b>	<b>15,250</b>
<i>% of total revenue</i>	19.0%	31.0%	(12.0)	21.3%	32.7%	(11.4)	29.0%
<b>Other</b>	<b>-</b>	<b>27</b>	<b>(100.0%)</b>	<b>-</b>	<b>65</b>	<b>(100.0%)</b>	<b>112</b>
<i>% of total revenue</i>	-	0.3%	(0.3)	-	0.3%	(0.3)	0.2%
<b>Revenue from the Nordics</b>	<b>7,212</b>	<b>5,264</b>	<b>37.0%</b>	<b>12,966</b>	<b>10,645</b>	<b>21.8%</b>	<b>23,432</b>
<i>% of total revenue</i>	41.0%	46.6%	(5.7)	38.8%	44.4%	(5.6)	44.5%
<b>Revenue from Rest of Europe</b>	<b>753</b>	<b>682</b>	<b>10.5%</b>	<b>1,322</b>	<b>1,351</b>	<b>(2.2%)</b>	<b>2,637</b>
<i>% of total revenue</i>	4.3%	6.0%	(1.8)	4.0%	5.6%	(1.7)	5.0%
<b>Revenue from US</b>	<b>1,252</b>	<b>1,348</b>	<b>(7.1%)</b>	<b>3,170</b>	<b>3,797</b>	<b>(16.5%)</b>	<b>7,733</b>
<i>% of total revenue</i>	7.1%	12.0%	(4.9)	9.5%	15.8%	(6.3)	14.7%
<b>Revenue from Rest of World</b>	<b>8,389</b>	<b>3,995</b>	<b>110.0%</b>	<b>15,935</b>	<b>8,190</b>	<b>94.6%</b>	<b>18,842</b>
<i>% of total revenue</i>	47.6%	35.4%	12.3	47.7%	34.2%	13.5	35.8%
<b>EBITDA</b>	<b>5,482</b>	<b>3,792</b>	<b>44.6%</b>	<b>11,587</b>	<b>8,876</b>	<b>30.5%</b>	<b>20,009</b>
<i>EBITDA margin</i>	31.1%	33.6%	(2.5)	34.7%	37.0%	(2.3)	38.0%
<b>Adjusted EBITDA<sup>1</sup></b>	<b>5,482</b>	<b>3,956</b>	<b>38.6%</b>	<b>11,587</b>	<b>9,040</b>	<b>28.2%</b>	<b>20,173</b>
<i>Adjusted EBITDA margin<sup>1</sup></i>	31.1%	35.0%	(3.9)	34.7%	37.7%	(3.0)	38.3%
<b>Operating profit</b>	<b>2,461</b>	<b>1,966</b>	<b>25.2%</b>	<b>6,298</b>	<b>5,174</b>	<b>21.7%</b>	<b>12,356</b>
<i>Operating margin</i>	14.0%	17.4%	(3.4)	18.9%	21.6%	(2.7)	23.5%
<b>Adjusted Operating profit<sup>1</sup></b>	<b>2,461</b>	<b>2,130</b>	<b>15.5%</b>	<b>6,298</b>	<b>5,338</b>	<b>18.0%</b>	<b>12,520</b>
<i>Adjusted Operating margin<sup>1</sup></i>	14.0%	18.9%	(4.9)	18.9%	22.3%	(3.4)	23.8%
<b>Profit for the period/year</b>	<b>1,769</b>	<b>1,249</b>	<b>41.6%</b>	<b>4,591</b>	<b>3,497</b>	<b>31.3%</b>	<b>8,334</b>
<i>Profit margin</i>	10.0%	11.1%	(1.0)	13.7%	14.6%	(0.8)	15.8%
<b>Adjusted profit for the period/year<sup>2</sup></b>	<b>1,769</b>	<b>1,413</b>	<b>25.2%</b>	<b>4,591</b>	<b>3,661</b>	<b>25.4%</b>	<b>8,893</b>
<i>Adjusted profit margin<sup>2</sup></i>	10.0%	12.5%	(2.5)	13.7%	15.3%	(1.5)	16.9%

<sup>1</sup> In Q2 2022, redundancy costs of EUR 0.2 million incurred due to the organisational restructuring, were recognised as non-recurring costs.

<sup>2</sup> Changes to deferred taxation were reflected in 2022 in relation to prior years' temporary differences amounting to EUR 0.4 million.

EUR thousands	Apr-Jun 2023	Apr-Jun 2022	Change	Jan-Jun 2023	Jan-Jun 2022	Change	Jan-Dec 2022
<b>Other Performance Measures</b>							
New depositing customers (NDC)	58,117	33,776	72.1%	112,751	69,299	62.7 %	161,146
Full time employees	143	113	26.5%	143	113	26.5%	113
Contractors	83	103	(19.4%)	83	103	(19.4%)	90
Net interest-bearing debt	2,600	11,663	(77.7%)	2,600	11,663	(77.7%)	6,732
Net debt-to-adjusted EBITDA LTM	0.11	0.62	(81.4%)	0.11	0.62	(81.4%)	0.33
Earnings per share before dilution (EUR) (IFRS)	0.04	0.03	38.4%	0.11	0.08	28.1%	0.20
Earnings per share after dilution (EUR) (IFRS) <sup>3</sup>	0.04	0.03	23.3%	0.09	0.08	16.5%	0.19
Adjusted earnings per share before dilution (EUR) (IFRS) <sup>2</sup>	0.04	0.03	22.2%	0.11	0.09	22.3%	0.21
Adjusted earnings per share after dilution (EUR) (IFRS) <sup>2,3</sup>	0.04	0.03	8.9%	0.09	0.08	11.4%	0.20
Weighted average number of shares, before dilution	42,319,110	41,295,601	2.5%	42,319,110	41,295,601	2.5%	41,761,087
Weighted average number of shares, after dilution <sup>3</sup>	49,824,592	43,351,462	14.9%	48,834,795	43,354,166	12.6%	43,567,065

<sup>2</sup>Changes to deferred taxation were reflected in 2022 in relation to prior years' temporary differences amounting to EUR 0.4 million.

<sup>3</sup> The option to partially settle Casumba Media's earnout with shares of Raketech Group Holding P.L.C. has been reflected in diluted earnings per share and weighted average number of shares. For further details, refer to note 7.

## Financial Performance during the Second Quarter of 2023

### REVENUES

Revenues totalled EUR 17.6 million (EUR 11.3 million) representing an increase of 56.0%. Organic growth amounted to 56.0% (-4.0%) and NDCs increased by 72.1%. The increase in revenues and NDCs is an effect of strong performance within sub-affiliation and affiliation marketing.

### EXPENSES

Direct expenses increased to EUR 6.6 million (EUR 3.0 million) largely driven by increased activity for sub-affiliation.

Employee benefit expenses amounted to EUR 2.6 million (2.2 million) as full-time employees totalled 143 (113) at the end of the period.

Other expenses increased to EUR 2.8 million (EUR 2.3 million), representing primarily increased costs through product investments and consultancy fees. Contractors totalled 83 (103) at the end of the period.

Depreciation and amortisation amounted to EUR 3.0 million (EUR 1.8 million). The increase in amortisation was primarily attributable to the upward adjustments to amounts committed on acquisitions relating to Casumba.

### PROFITABILITY

Reported EBITDA increased to EUR 5.5 million (EUR 3.8 million), with organic growth within the high margin portfolio of affiliation marketing assets as well as growth within sub-affiliation.

The EBITDA margin amounted to 31.1% (33.6%) reflecting the current product mix of low versus high margin business areas and with increased investments into the US and AffiliationCloud.

The profit for the period amounted to EUR 1.8 million, (EUR 1.2 million).

### CASH AND CASH EQUIVALENTS, FINANCING AND FINANCIAL POSITION

Cash flow from operating activities increased to EUR 5.5 million (EUR 3.7 million), driven by growth.

Cash flow from investing activities amounted to EUR -0.4 million (EUR -3.1 million) primarily due to earn-out settlements made during the quarter.

Cash flow from financing activities amounted to EUR -2.3 million (EUR -0.2 million), primarily as a result of the dividends paid out during the quarter.

Cash and cash equivalents at the end of the quarter amounted to EUR 12.2 million (EUR 3.3 million).

### THE PARENT COMPANY

Raketech Group Holding PLC is the Parent Company. Total operating costs amounted to EUR 0.4 million (EUR 0.2 million). Loss for the period was EUR 0.7 million (EUR 0.4 million).

## Financial Performance during the First Half of 2023

### REVENUES

Revenues totalled EUR 33.4 million (EUR 24.0 million) representing an increase of 39.2%. Organic growth amounted to 39.2% (1.1%) and NDCs increased by 62.7%. The increase in revenues and NDCs is an effect of strong performance within sub-affiliation and affiliation marketing.

### EXPENSES

Direct expenses increased to EUR 11.0 million (EUR 6.4 million) largely driven by increased activity for sub-affiliation.

Employee benefit expenses amounted to EUR 4.9 million (4.3 million) as full-time employees totalled 143 (113) at the end of the period.

Other expenses increased to EUR 5.7 million (EUR 4.4 million), representing primarily increased operational costs for investments in products and consultancy fees. Contractors totalled 83 (103) at the end of the period.

Depreciation and amortisation amounted to EUR 5.3 million (EUR 3.7 million). The increase in amortisation was primarily attributable to the upward adjustments to amounts committed on acquisitions relating to Casumba.

### PROFITABILITY

Reported EBITDA increased to EUR 11.6 million (EUR 8.9 million), with organic growth within the high margin portfolio of affiliation marketing assets as well as growth within sub-affiliation.

The EBITDA margin amounted to 34.7% (37.0%) reflecting the current product mix of low versus high margin business areas and with increased investments into the US and AffiliationCloud.

The profit for the period amounted to EUR 4.6 million, (EUR 3.5 million).

### CASH AND CASH EQUIVALENTS, FINANCING AND FINANCIAL POSITION

Cash flow from operating activities increased to EUR 11.6 million (EUR 9.2 million), driven by growth.

Cash flow from investing activities amounted to EUR -4.8 million (EUR -8.8 million) primarily due to earn-out settlements made during the quarter.

Cash flow from financing activities amounted to EUR -2.7 million (EUR -0.4 million), primarily as a result of the dividends paid out during the period.

Cash and cash equivalents at the end of the quarter amounted to EUR 12.2 million (EUR 3.3 million).

### THE PARENT COMPANY

Raketech Group Holding PLC is the Parent Company. Total operating costs amounted to EUR 0.8 million (EUR 0.3 million). Loss for the period was EUR 1.4 million (EUR 0.8 million).

## Other

### RAKETECH IN BRIEF

Raketech is a marketing tech company combining performance marketing and traditional performance-based affiliation by offering a wide portfolio of advertising space as well as data analysis tools to allow advertisers to maximise the value of their media spend. Our customers span from sports streaming providers and game studios to the largest segment, international betting and casino operators. Raketech's goal is to generate high quality leads and targeted advertisement space by providing relevant and engaging content to users interested in sports, casino and betting. Raketech also offers its services as a software (sub-affiliation) and provides tailored sports data insights, analytics and predictions directly to consumers.

### STOCK MARKET

Raketech Group Holding PLC is listed on Nasdaq First North Premier Growth Market. Raketech's shares commenced trading on 29 June 2018 and the outstanding number of shares is 42,319,110. The Raketech shares are traded under the ticker (RAKE) and ISIN code (MT0001390104).

### SIGNIFICANT RISKS AND UNCERTAINTIES

The remote gaming industry, where the Group has its main customers, continues to undergo regulation. Raketech operates in the emerging online gaming industry in both regulated and unregulated markets and is therefore subject to political and regulatory risk. Although Raketech is a performance marketing company and not an iGaming operator, the legislation concerning online gambling could indirectly affect Raketech's operations. Changes to existing regulations in various jurisdictions might impact the ability for the remote gaming operators to operate and accordingly, revenue streams from these customers may be adversely impacted. The Group may also be exposed to measures brought against customers by public authorities or others, which could be extended to any third-party having abetted the business of such remote gaming operators.

The Group actively monitors regulatory changes and emerging topics within the European market, and also changes in the North American, South American and the Asian markets. If any new regulatory regimes come into force, the Group will conform with such marketing requirements. As the Group continues to embark on its growth strategy with the ambition to enhance the global footprint, the exposure to different regulatory frameworks continue to increase.

In addition to the above, the Board of Directors also consider the following risks to be relevant to the Group:

- Operational risk which can arise in the SEO environment if search engines, such as Google, change their structure. Raketech monitors algorithm changes on an ongoing basis, controls content quality and ensures its websites are well-built, fast and up to date.
- Risk related to information security such as cyberattack or fraud as an effect of Raketech operating in the digital space. The Group conducts constant monitoring to detect any security issues. The Group has a dedicated IT security team tasked with protecting against data breaches and similar weaknesses, based on defined security management processes.

For the principal financial risks and exposures, refer to note 4 'Financial Risk Management' in the Annual Report that details the key risk factors including market risk, credit risk, liquidity risk and the Group's approach towards managing these risks.

### SUPPLEMENTAL INFORMATION

This report has not been subject to an audit by the Group auditor's and is therefore considered to be unaudited.

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

## Upcoming Dates

15 NOV

INTERIM REPORT JUL-SEP 2023

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



## Condensed Consolidated Interim Income Statement

EUR thousands	Note	Apr- Jun 2023	Apr- Jun 2022	Jan- Jun 2023	Jan- Jun 2022	Jan- Dec 2022
<b>Total revenue</b>	3	<b>17,606</b>	11,289	<b>33,393</b>	23,983	52,644
Direct costs relating to fixed fees and commission revenue		<b>(6,623)</b>	(2,983)	<b>(10,956)</b>	(6,385)	(14,705)
Employee benefit expense		<b>(2,624)</b>	(2,243)	<b>(4,917)</b>	(4,340)	(8,702)
Depreciation and amortisation		<b>(3,021)</b>	(1,826)	<b>(5,289)</b>	(3,702)	(7,653)
Movement in loss allowance on trade receivables		-	-	<b>(250)</b>	-	106
Bad debts written-off		<b>(32)</b>	(1)	<b>(5)</b>	(1)	(214)
Other operating expenses		<b>(2,845)</b>	(2,270)	<b>(5,678)</b>	(4,381)	(9,121)
<b>Total operating expenses</b>		<b>(15,145)</b>	(9,323)	<b>(27,095)</b>	(18,809)	(40,288)
<b>Operating profit</b>		<b>2,461</b>	1,966	<b>6,298</b>	5,174	12,356
Revaluation of financial liabilities at fair value through profit or loss		<b>405</b>	(12)	<b>405</b>	(12)	56
Loan finance costs		<b>(352)</b>	(254)	<b>(667)</b>	(506)	(1,042)
Other finance costs		<b>(612)</b>	(371)	<b>(1,106)</b>	(784)	(1,358)
<b>Profit before tax</b>		<b>1,902</b>	1,329	<b>4,930</b>	3,872	10,012
Current tax expense		<b>(120)</b>	(17)	<b>(239)</b>	(240)	(487)
Deferred tax expense		<b>(13)</b>	(63)	<b>(100)</b>	(135)	(1,191)
<b>Profit for the period/ year</b>		<b>1,769</b>	1,249	<b>4,591</b>	3,497	8,334
<b>Earnings per share attributable to the equity holders of the Parent during the period/year</b>						
<b>Earnings per share before dilution (in EUR)</b>		<b>0.04</b>	0.03	<b>0.11</b>	0.08	0.20
<b>Earnings per share after dilution (in EUR)</b>		<b>0.04</b>	0.03	<b>0.09</b>	0.08	0.19
<b>Adjusted earnings per share before dilution (in EUR)<sup>1</sup></b>		<b>0.04</b>	0.03	<b>0.11</b>	0.09	0.21
<b>Adjusted earnings per share after dilution (in EUR)<sup>1</sup></b>		<b>0.04</b>	0.03	<b>0.09</b>	0.08	0.20

## Condensed Consolidated Interim Statement of Comprehensive Income

EUR thousands	Notes	Apr- Jun 2023	Apr- Jun 2022	Jan- Jun 2023	Jan- Jun 2022	Jan- Dec 2022
<b>Other comprehensive income</b>						
Currency translation adjustments taken to equity		<b>8</b>	947	<b>(250)</b>	1,226	866
<b>Total other comprehensive income/(loss) for the period/year</b>		<b>8</b>	947	<b>(250)</b>	1,226	866
<b>Total comprehensive income for the period/year</b>		<b>1,777</b>	2,196	<b>4,341</b>	4,723	9,200

<sup>1</sup>Changes to deferred taxation were reflected in 2022 in relation to prior years' temporary differences amounting to EUR 0.4 million.

The notes on pages 12 to 17 are an integral part of these condensed consolidated interim financial statements.

## Condensed Consolidated Interim Statement of Financial Position

EUR thousands	Notes	Jun 2023	Jun 2022	Dec 2022
<b>Assets</b>				
<b>Non-current assets</b>				
Goodwill	5	1,210	1,472	1,214
Intangible assets	5	141,653	119,391	130,907
Right-of-use assets		164	298	229
Property, plant and equipment		131	142	144
<b>Total non-current assets</b>		<b>143,158</b>	121,303	132,494
<b>Current assets</b>				
Trade and other receivables		8,955	6,249	7,768
Cash and cash equivalents		12,192	3,264	8,061
<b>Total current assets</b>		<b>21,147</b>	9,513	15,829
<b>TOTAL ASSETS</b>		<b>164,305</b>	130,816	148,323
<b>Equity &amp; Liabilities</b>				
<b>Equity</b>				
Share capital		85	83	85
Share premium		48,587	46,379	48,587
Currency translation reserve		589	1,199	839
Other reserves		1,031	819	921
Retained earnings		46,849	41,393	46,236
<b>Equity attributable to owners of the Company</b>		<b>97,141</b>	89,873	96,668
Non-controlling interests		-	1	-
<b>TOTAL EQUITY</b>		<b>97,141</b>	89,874	96,668
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings	6	-	14,927	-
Deferred tax liabilities		3,190	2,029	3,093
Amounts committed on acquisition	7	27,460	6,726	23,136
Lease liability		46	163	99
<b>Total non-current liabilities</b>		<b>30,696</b>	23,845	26,328
<b>Current liabilities</b>				
Borrowings	6	14,792	-	14,793
Amounts committed on acquisition	7	13,698	12,932	5,845
Trade and other payables		5,323	4,024	4,191
Current tax liabilities		540	-	360
Dividends payable		1,989	-	-
Lease liability		126	141	138
<b>Total current liabilities</b>		<b>36,468</b>	17,097	25,327
<b>TOTAL LIABILITIES</b>		<b>67,164</b>	40,942	51,655
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>164,305</b>	130,816	148,323

The notes on pages 12 to 17 are an integral part of these condensed consolidated interim financial statements.

The condensed consolidated financial statements on pages 8 to 17 were approved for publication by the Board of Directors on 17 August 2023 and were signed on the Board of Directors' behalf by:

*Erik Skarp, Board member*

*Johan Svensson, Board member*

## Condensed Consolidated Interim Statement of Changes in Equity

EUR thousands	Share capital	Share premium	Currency translation reserve	Other reserves	Retained earnings	Total equity attributable to owners of the company	NCI	Total equity
Balance at 1 January 2023	85	48,587	839	921	46,236	96,668	-	96,668
<b>Comprehensive income</b>								
Profit for the period	-	-	-	-	4,591	4,591	-	4,591
<b>Other comprehensive income</b>								
Currency translation	-	-	(250)	-	-	(250)	-	(250)
	-	-	<b>(250)</b>	-	<b>4,591</b>	<b>4,341</b>	-	<b>4,341</b>
<b>Transactions with owners</b>								
Equity-settled share-based payments	-	-	-	110	-	110	-	110
Dividends provided for or paid	-	-	-	-	(3,978)	(3,978)	-	(3,978)
<b>Total transactions with owners</b>	-	-	-	<b>110</b>	<b>(3,978)</b>	<b>(3,868)</b>	-	<b>(3,868)</b>
<b>Balance at 30 June 2023</b>	<b>85</b>	<b>48,587</b>	<b>589</b>	<b>1,031</b>	<b>46,849</b>	<b>97,141</b>	-	<b>97,141</b>
Balance at 1 January 2022	83	46,379	(27)	734	37,896	85,065	1	85,066
<b>Comprehensive income</b>								
Profit for the period	-	-	-	-	3,497	3,497	-	3,497
<b>Other comprehensive income</b>								
Currency translation	-	-	1,226	-	-	1,226	-	1,226
	-	-	<b>1,226</b>	-	<b>3,497</b>	<b>4,723</b>	-	<b>4,723</b>
<b>Transactions with owners</b>								
Equity-settled share-based payments	-	-	-	85	-	85	-	85
<b>Total transactions with owners</b>	-	-	-	<b>85</b>	-	<b>85</b>	-	<b>85</b>
<b>Balance at 30 June 2022</b>	<b>83</b>	<b>46,379</b>	<b>1,199</b>	<b>819</b>	<b>41,393</b>	<b>89,873</b>	<b>1</b>	<b>89,874</b>
Balance at 1 January 2022	83	46,379	(27)	734	37,896	85,065	1	85,066
<b>Comprehensive income</b>								
Profit for the year	-	-	-	-	8,334	8,334	-	8,334
<b>Other comprehensive income</b>								
Currency translation	-	-	866	-	-	866	-	866
	-	-	<b>866</b>	-	<b>8,334</b>	<b>9,200</b>	-	<b>9,200</b>
<b>Transactions with owners</b>								
Issue of share capital	2	2,208	-	-	-	2,210	-	2,210
Equity-settled share-based payments	-	-	-	187	-	187	-	187
Liquidation of subsidiary	-	-	-	-	6	6	(1)	5
<b>Total transactions with owners</b>	<b>2</b>	<b>2,208</b>	-	<b>187</b>	<b>6</b>	<b>2,403</b>	<b>(1)</b>	<b>2,402</b>
<b>Balance at 31 December 2022</b>	<b>85</b>	<b>48,587</b>	<b>839</b>	<b>921</b>	<b>46,236</b>	<b>96,668</b>	-	<b>96,668</b>

The notes on pages 12 to 17 are an integral part of these condensed consolidated interim financial statements.

## Condensed Consolidated Interim Statement of Cash Flows

EUR thousands	Note	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
<b>Cash flows from operating activities</b>						
Profit before tax		1,902	1,329	4,930	3,872	10,012
Adjustments for:						
Depreciation and amortisation		3,021	1,826	5,289	3,702	7,653
Loss allowance		-	-	250	-	(106)
Bad debts written-off		32	1	5	1	214
Net finance cost		964	625	1,773	1,290	2,400
Equity-settled share-based payment transactions		51	36	110	85	187
Revaluation of financial liabilities at fair value through profit or loss	7	(405)	12	(405)	12	(56)
Loss on disposal of property, plant and equipment		1	-	1	-	-
Loss on disposal of shares		-	-	-	-	1
Liquidation of a subsidiary		-	-	-	-	5
Net exchange differences		3	(1)	58	4	139
		<b>5,569</b>	<b>3,828</b>	<b>12,011</b>	<b>8,966</b>	<b>20,449</b>
Net income taxes paid		(57)	(5)	(59)	(5)	(403)
Changes in:						
Trade and other receivables		(995)	281	(1,450)	22	(1,631)
Trade and other payables		958	(380)	1,109	180	409
<b>Net cash generated from operating activities</b>		<b>5,475</b>	<b>3,724</b>	<b>11,611</b>	<b>9,163</b>	<b>18,824</b>
<b>Cash flows from investing activities</b>						
Acquisition of property, plant and equipment		(14)	(20)	(29)	(60)	(98)
Acquisition of intangible assets		(200)	(2,783)	(4,426)	(8,290)	(12,213)
Payment of software development costs		(186)	(254)	(318)	(446)	(900)
Proceeds from sale of property, plant and equipment		2	-	4	-	1
<b>Net cash used in investing activities</b>		<b>(398)</b>	<b>(3,057)</b>	<b>(4,769)</b>	<b>(8,796)</b>	<b>(13,210)</b>
<b>Cash flows from financing activities</b>						
Dividends paid to shareholders		(1,989)	-	(1,989)	-	-
Lease payments		(33)	(33)	(67)	(65)	(136)
Interest paid		(277)	(162)	(621)	(332)	(625)
<b>Net cash used in financing activities</b>		<b>(2,299)</b>	<b>(195)</b>	<b>(2,677)</b>	<b>(397)</b>	<b>(761)</b>
Net movements in cash and cash equivalents		2,778	472	4,165	(30)	4,853
Cash and cash equivalents at the beginning of the period/year		9,419	2,703	8,061	3,205	3,205
Effects of exchange rate changes on cash and cash equivalents		(5)	89	(34)	89	3
<b>Cash and cash equivalents at the end of the period/year</b>		<b>12,192</b>	<b>3,264</b>	<b>12,192</b>	<b>3,264</b>	<b>8,061</b>

The notes on pages 12 to 17 are an integral part of these condensed consolidated interim financial statements.

# Notes to the Condensed Consolidated Interim Financial Statements

## 1 REPORTING ENTITY

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

Raketech Group Holding Limited was incorporated on 29 September 2016 under the terms of the Maltese Companies Act (Cap. 386). Subsequently, on 13 February 2018, the Company changed its legal status from a private limited company to a public limited company, and as a result, changed its name to Raketech Group Holding PLC.

## 2 ACCOUNTING POLICIES AND BASIS OF PREPARATION

Raketech prepares its financial statements in accordance with the International Financial Reporting Standards (IFRS) as approved by the European Union. These condensed consolidated interim financial statements are prepared in accordance with IAS 34, Interim Financial Reporting, and under the historical expense convention, as modified by the fair valuation of financial liabilities measured at fair value through profit and loss. The principal accounting policies applied in the preparation of the Group's condensed consolidated interim financial statements are consistent with those presented in the Annual Report for the year ended 31 December 2022.

Other than the earnings per share before and after dilution which are expressed in Euro (EUR), all other amounts are expressed in thousand Euro (EUR) or as otherwise indicated. Amounts or figures in parenthesis indicate comparative figures for the corresponding period last year. The comparative figures for the Direct costs and Other operating expenses disclosed in the main components of these condensed consolidated interim financial statements have been reclassified to conform with the current year's presentation for the purpose of fairer presentation. The 2022 Annual Report is available on Raketech's website.

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

The new and amended standards issued by IASB effective from 2023, were not deemed to have a significant impact on Raketech's financial statements.

### *2.2 Critical accounting estimates – impairment assessment*

IFRS requires management to undertake an annual test for impairment of intangible assets with an indefinite useful life. Impairment testing is an area involving management judgement. It requires assessments as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections that have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain estimates are required to be made in respect of highly uncertain matters, including management's expectation of growth in revenues. The Group will continue to carry out regular impairment testing and does not consider that the intangible assets as of 30 June 2023 are impaired. Further, IFRS 9 also requires impairment considerations to be performed for trade receivables on an ongoing basis. Judgement in relation to this assessment is subjective. Continued assessments are being made by management on the adequacy of the loss allowance provision relating to the carrying amount of trade receivables.

More information on where critical judgements are generally applied and where estimation uncertainty exists can be found in the Annual Report 2022, Note 3.

### *2.3 Critical accounting estimates – amounts committed on acquisition*

Amounts committed on acquisition consist of contractual obligations resulting from the purchase of intangible assets from third parties. Some of the obligations have a predetermined value, while others include future payments of performance-based amounts. The latter are further referred to as contingent consideration and amounted to EUR 41.2 million (EUR 19.7 million) as at 30 June 2023. The fair value is calculated on the expected cash outflow for each purchase agreement. Estimates of future cash flow relating to these contingent considerations are inherently uncertain and are made by management for each asset acquisition based on their knowledge of the industry historical performance and taking into account the economic environment at the time. Refer to changes during the year (Note 7).

#### 2.4 Critical accounting estimates – taxation

As the Group operates in different jurisdictions, tax compliance becomes more complex, and applicable tax regulations may be interpreted differently by the respective authorities. Management reviews its intra-group charging mechanisms on a regular basis, and the need for updated transfer pricing assessments is considered as the Group’s cross-border activity continues to evolve. Changes to deferred taxation were reflected in 2022 in relation to prior years’ temporary differences amounting to EUR 0.4 million.

#### 2.5 Working capital deficiency

During the quarter, Raketech has operated with a positive operating cash inflow. As at 30 June 2023, the Group is in a net current liability position of EUR 15.3 million (EUR 7.6 million). During 2023, the Group continued to honour all of its existing obligations (including the settlement of earn-outs) and no amounts were deferred beyond the payment terms. Further, the Group expects to remedy this position by way of its projected quarterly positive cash generation, in combination with considering re-financing options (including the possibility of extending the existing facility beyond March 2024). The Group has complied with the financial covenants of its credit facility during the reporting period.

### 3 REVENUES

The Group targets end-users and generates revenue by driving traffic through various channels to generate customer leads for its business partners. All revenue generated via acquisitions and through the different marketing methodologies is categorised as one revenue segment in line with internal management reporting.

The revenue for Raketech in the respective periods in 2023 and 2022 is further analysed as follows:

EUR thousands	Apr-Jun 2023	Apr-Jun 2022	Change	Jan-Jun 2023	Jan-Jun 2022	Change	Jan-Dec 2022
<b>Revenue</b>	<b>17,606</b>	<b>11,289</b>	56.0%	<b>33,393</b>	<b>23,983</b>	39.2%	52,644
Commissions	<b>13,909</b>	8,289	67.8%	<b>25,920</b>	17,099	51.6%	38,563
Flat fees	<b>2,711</b>	1,950	39.0%	<b>5,046</b>	3,747	34.7%	7,795
Betting tips and subscription income	<b>986</b>	1,050	(6.1%)	<b>2,427</b>	3,137	(22.6%)	6,286

### 4 BUSINESS COMBINATION

On July 7, 2021, the Group entered into a share purchase agreement with QM Media AB (the sellers), an unrelated party. Raketech acquired all shares in P&P Vegas Group Inc for an upfront payment of EUR 3.9 million in cash and 3,881,968 new shares (having a nominal value of EUR 0.002 per share and issued at a premium of EUR 1.80 per share in Raketech Group Holding P.L.C.) for the amount of EUR 7.0 million. P&P Vegas Group Inc. is registered in the US and provides users with betting tips, with revenue predominantly from US. The acquisition supports the Group’s existing strategy for global expansion.

During the third quarter of 2022, the provisional amounts for the business combination were adjusted. Customer liabilities taken over by the Group have been recognized within ‘Other Payables’. During the measurement period, an adjustment of EUR 0.1 million to ‘Other Payables’ resulted in a further increase in goodwill.

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

Purchase consideration	Provisional	Measurement	Revised
EUR in thousand	Amounts	Period Adjustments	Fair Value
Cash paid	3,934	-	3,934
Ordinary shares issued (at a premium)	7,000	-	7,000
<b>Total purchase consideration</b>	<b>10,934</b>	<b>-</b>	<b>10,934</b>

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

EUR in thousand	Provisional	Measurement	Revised
	Amounts	Period Adjustments	Fair Value
Websites and domains (Note 5)	9,707	-	9,707
Players database (Note 5)	710	-	710
Cash	76	-	76
Other receivables	66	-	66
Other payables	(87)	(115)	(202)
Laon liability	(133)	-	(133)
<b>Fair value of net identifiable assets acquired</b>	<b>10,339</b>	<b>(115)</b>	<b>10,224</b>
Goodwill (Note 5)	595	115	710
<b>Net assets acquired</b>	<b>10,934</b>	<b>-</b>	<b>10,934</b>

The goodwill is predominantly attributable to future revenue synergies, including the opportunity to reach new players through access to know-how and human capital. Goodwill will not be deductible for tax purposes.

On November 8, 2021, the Group entered into an asset purchase agreement with A.T.S. Consultants Inc., Global Opportunities Network LLC and Sports Data Capital Fund LLC (the sellers), all unrelated parties. The agreement was completed on December 9, 2021. Raketech acquired assets held by the sellers for an upfront payment of EUR 10.6 million in cash, a deferred consideration of EUR 0.9 million, an amount of contingent consideration committed on acquisition estimated at EUR 7.6 million and 1,023,509 new shares (having a nominal value of EUR 0.002 per share and a premium of EUR 2.16 per share in Raketech Group Holding P.L.C.) for the amount of EUR 2.2 million which were issued in July 2022. The acquired business provides users, predominantly in the US with betting tips. The acquisition supports the Group's existing strategy for global expansion.

During the third quarter of 2022, the provisional amounts for the business combination were adjusted. Revenues worth EUR 0.9 million were determined to relate to future performance obligations and were adjusted as a contract liability upon acquisition. Updated information provided in relation to revenue patterns on an earned basis led to a revision in amounts committed on acquisition and ultimately resulted in a reduction in the valuation of websites and domains by EUR 2.9 million and goodwill by EUR 2.8 million.

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

Purchase consideration	Provisional	Measurement	Revised Fair
EUR in thousand	Amounts	Period Adjustments	Value
Cash paid	10,595	-	10,595
Ordinary shares issued (at a premium) (issued in 2022)	2,207	-	2,207
Deferred consideration	883	-	883
Amounts committed on acquisition – contingent consideration	7,554	(6,568)	986
<b>Total purchase consideration</b>	<b>21,239</b>	<b>(6,568)</b>	<b>14,671</b>

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

EUR in thousand	Provisional Amounts	Measurement Period Adjustments	Revised Fair Value
Websites and domains (Note 5)	17,140	(2,851)	14,289
Players database (Note 5)	1,047	-	1,047
Computer equipment	49	-	49
Office furniture	5	-	5
Deferred income	-	(926)	(926)
<b>Fair value of net identifiable assets acquired</b>	<b>18,241</b>	<b>(3,777)</b>	<b>14,464</b>
Goodwill (Note 5)	2,998	(2,791)	207
<b>Net assets acquired</b>	<b>21,239</b>	<b>(6,568)</b>	<b>14,671</b>

The goodwill is predominantly attributable to future revenue synergies, including the opportunity to reach new players through access to know-how and human capital. Goodwill will not be deductible for tax purposes.

## 5 INTANGIBLE ASSETS

Assets that have been identified as having a definite lifetime value are amortised between 3-5 years. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ('CGUs'). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Management has concluded that the acquired assets are a single cash-generating unit for the purposes of IAS 36. This conclusion is based on the fact that the Group monitors and manages its operations as one business unit. For further detail, please refer to the Annual Report Note 14.

EUR thousands	Domains and websites	Player databases	Other intellectual property	Technical platform	Software	Goodwill	Total
Cost at 1 January 2023	113,443	14,425	26,034	1,962	562	1,558	157,984
Additions (including adjustments arising as a result of a change in estimates - Note 8)	4,589	3,358	7,963	2	-	-	15,912
Capitalised expenditure	-	-	-	315	-	-	315
Exchange differences	(279)	(20)	-	-	-	(4)	(303)
<b>Cost as at 30 June 2023</b>	<b>117,753</b>	<b>17,763</b>	<b>33,997</b>	<b>2,279</b>	<b>562</b>	<b>1,554</b>	<b>173,908</b>
Accumulated amortisation and impairment 1 January 2023	(40)	(8,732)	(15,499)	(686)	(562)	(344)	(25,863)
Amortisation charge	-	(1,696)	(3,280)	(214)	-	-	(5,190)
Exchange differences	-	8	-	-	-	-	8
<b>Amortisation and impairment as at 30 June 2023</b>	<b>(40)</b>	<b>(10,420)</b>	<b>(18,779)</b>	<b>(900)</b>	<b>(562)</b>	<b>(344)</b>	<b>(31,045)</b>
<b>Carrying amount as at 30 June 2023</b>	<b>117,713</b>	<b>7,343</b>	<b>15,218</b>	<b>1,379</b>	<b>-</b>	<b>1,210</b>	<b>142,863</b>
Carrying amount as at 30 June 2022	109,573	3,695	5,127	996	-	1,472	120,863



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

## 6 BORROWINGS

In July 2021, Raketech entered into an agreement with Avida Finans AB for a one-year revolving credit facility of EUR 15.0 million. During March 2023, discussions with Avida Finance AB were concluded and the Group's revolving credit facility of EUR 15.0 million was extended up until March 2024.

As of 30 June 2023, the utilised credit amounts to EUR 15.0 million (EUR 15.0 million). The contractual terms of the revolving credit facility with Avida Finans AB required Raketech Holding PLC to pledge its entire shareholding in Raketech Group Limited to the lender as collateral.

## 7 AMOUNTS COMMITTED ON ACQUISITION

Amounts committed on acquisitions consist of contractual obligations resulting from acquisitions of intangible assets from third parties. Some of the obligations have a predetermined value, while others include future payments of performance-based amounts. The latter are further referred to as contingent consideration. As at 30 June 2023, amounts committed on acquisition included contingent consideration of EUR 41.2 million (EUR 17.5 million), and nil (EUR 2.2 million) pending a share issuance. This contingent consideration is measured at fair value and is included in Level 3 of the fair value hierarchy. The fair value is determined on the date of purchase and subsequently, at each reporting date, by calculating the expected cash outflow on each purchase agreement.

EUR thousands	<i>Apr-Jun</i> <b>2023</b>	<i>Apr-Jun</i> <b>2022</b>	<i>Jan-Jun</i> <b>2023</b>	<i>Jan-Jun</i> <b>2022</b>	<i>Jan-Dec</i> <b>2022</b>
Opening balance	<b>38,529</b>	21,464	<b>28,981</b>	26,355	26,355
Settlements/setoffs	<b>(200)</b>	(2,771)	<b>(4,426)</b>	(8,256)	(14,390)
Notional interest charge	<b>610</b>	366	<b>1,102</b>	774	1,309
Adjustments arising as a result of a change in fair value	<b>2,219</b>	599	<b>15,501</b>	785	15,706
<b>Closing balance</b>	<b>41,158</b>	19,658	<b>41,158</b>	19,658	28,981

The earn-out condition related to Infinileads S.L. is capped up to a maximum of EUR 4.0 million up until 31 July 2023. Management's best estimate of the total contingent consideration for these assets amounted to EUR 0.5 million (EUR 1.9 million) as of 30 June 2023. The deferred consideration for Infinileads S.L. amounting to EUR 2.2 million was settled during the first quarter of 2022.

The earn-out related to A.T.S. Consultants Inc's assets, which is denominated in USD, is capped up to a maximum of USD 15.0 million up until 31 December 2024. Management's best estimate of the total contingent consideration for these assets, amounted to nil (EUR 2.0 million) net of payments amounting to EUR 0.7 million as of 30 June 2023. During June 2022 the deferred consideration of EUR 1.0 million was settled. The pending issuance of shares valued at EUR 2.2 million, previously included in amounts committed on acquisition was issued in July 2022.

The earn-out condition relating to Casumba is uncapped, based on future performance up until 31 July 2024. Management's best estimate of the total contingent consideration for these assets amounted to EUR 40.7 million (EUR 9.7 million) net of payments amounting to EUR 2.8 million (EUR 2.8 million) as of 30 June 2023. The earnout is divided into two parts. The first part amounting to EUR 30.3 million is based on an annual average EBIT multiple, on expected performance up until 31 December 2023. It is payable in instalments of up to EUR 15.0 million between 2024 and 2025. Raketech has the option to settle any amounts exceeding EUR 15.0 million until 16 September 2026 and to partially settle this amount with shares in Raketech Group P.L.C., estimated at 5,655,150 shares (971,342 shares) as at 30 June 2023. The second part of the earnout amounting to EUR 10.4 million is calculated as a share of expected net profit up until 31 July 2024, payable during 2024 and 2025.

The decrease in the A.T.S. Consultants earn-out in 2023 amounting to EUR 0.4 million (EUR 0.1 million) was recognised in the condensed consolidated interim statement of comprehensive income as Revaluation of financial liabilities at fair value through profit or loss. The remaining adjustments to contingent consideration have been recognised in the condensed consolidated interim statement of financial position according to management’s best estimate. The change in estimates according to the table above is related to contingent consideration for Casumba and Infinileads.

The adjustment to reflect the total impact of discounting in the condensed consolidated interim statement of financial position, amounted to EUR 1.1 million (EUR 0.8 million) by the end of the period. Of the amounts recognised in the condensed consolidated interim statement of financial position at 30 June 2023, EUR 13.7 million (EUR 12.9 million) is considered to fall due for payment within less than 12 months from the end of the reporting year. The current debt will be mainly settled through expected cash generation during 2023.

**8 RELATED PARTY TRANSACTIONS**

In view of its shareholding structure, the Group has no ultimate controlling party. All companies forming part of the Group and other entities under common control are considered by the directors to be related parties.

The following transactions were carried out with related parties during the respective periods:

EUR thousands	<i>Apr-Jun</i> <b>2023</b>	<i>Apr-Jun</i> <b>2022</b>	<i>Jan-Jun</i> <b>2023</b>	<i>Jan-Jun</i> <b>2022</b>	<i>Jan-Dec</i> <b>2022</b>
<b>Revenue</b>	<b>26</b>	137	<b>107</b>	362	661
<b>Expenses</b>					
Compensation (including salaries, consultancy fees and recharges by a related entity) including fees to executive management and directors	<b>384</b>	348	<b>757</b>	807	1,630
<b>Amounts owed to related parties (including accruals)</b>	<b>21</b>	18	<b>21</b>	18	20
<b>Amounts owed by related parties</b>	<b>31</b>	51	<b>31</b>	51	65

In April 2023 Raketech terminated its agreement with Together Gaming Solutions p.l.c. and stopped operating its online casino product Rapidi.com. The termination has no material financial impact for the Group.

## Condensed Interim Statement of Comprehensive Income – Parent Company

EUR thousands	<i>Apr-Jun</i>	<i>Apr-Jun</i>	<i>Jan-Jun</i>	<i>Jan-Jun</i>	<i>Jan-Dec</i>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
Dividend income	-	-	-	-	6,300
Other income	-	-	-	-	488
<b>Total revenue</b>	-	-	-	-	<b>6,788</b>
Employee benefit expense	<b>(160)</b>	(130)	<b>(313)</b>	(258)	(542)
Other operating expenses	<b>(237)</b>	(38)	<b>(479)</b>	(81)	(482)
<b>Total operating expenses</b>	<b>(397)</b>	(168)	<b>(792)</b>	(339)	(1,024)
<b>Operating (loss)/income</b>	<b>(397)</b>	(168)	<b>(792)</b>	(339)	5,764
Finance income	-	-	-	-	638
Finance costs	<b>(352)</b>	(255)	<b>(667)</b>	(507)	(1,042)
<b>(Loss)/profit before tax</b>	<b>(748)</b>	(423)	<b>(1,459)</b>	(846)	5,360
Tax credit	<b>37</b>	-	<b>72</b>	-	103
<b>(Loss)/profit for the period/year - total comprehensive (expense)/profit</b>	<b>(712)</b>	(423)	<b>(1,387)</b>	(846)	5,463

## Condensed Interim Statement of Financial Position – Parent Company

EUR thousands	Jun 2023	Jun 2022	Dec 2022
<b>Assets</b>			
<b>Non – current assets</b>			
Investment in subsidiaries	12,363	12,363	12,363
Trade and other receivables	36,080	37,172	37,225
Loan Receivable from a subsidiary	15,000	15,000	15,000
Deferred tax asset	103	-	103
<b>Total non-current assets</b>	<b>63,546</b>	64,535	64,691
<b>Current assets</b>			
Trade and other receivables	4,317	-	6,300
Cash and cash equivalents	61	66	65
<b>Total current assets</b>	<b>4,378</b>	66	6,365
<b>TOTAL ASSETS</b>	<b>67,924</b>	<b>64,601</b>	<b>71,056</b>
<b>Equity &amp; Liabilities</b>			
<b>Equity</b>			
Share capital	85	83	85
Share premium	50,803	48,595	50,803
Other reserves	93	(119)	(17)
Retained earnings/ (accumulated losses)	(349)	(1,293)	5,015
<b>TOTAL EQUITY</b>	<b>50,632</b>	<b>47,266</b>	<b>55,886</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	-	14,927	-
Deferred tax liability	257	-	-
<b>Total non-current liabilities</b>	<b>257</b>	14,927	-
<b>Current liabilities</b>			
Borrowings	14,792	-	14,793
Amounts committed on acquisition	-	2,210	-
Trade and other payables	254	198	377
Dividends payable	1,989	-	-
<b>Total current liabilities</b>	<b>17,035</b>	2,408	15,170
<b>TOTAL LIABILITIES</b>	<b>17,292</b>	<b>17,335</b>	<b>15,170</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>67,924</b>	<b>64,601</b>	<b>71,056</b>

## Assurance

The Board of Directors and the CEO affirm that this report provides an accurate overview of the operations, financial position and performance of the Group and the Parent Company, and describes the significant risks and uncertainties faced by the Group.

Malta, 17 August 2023

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**OSKAR MÜHLBACH**

*CEO*

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**ULRIK BENGTSOON**

*Chairman of the Board*

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**JOHAN SVENSSON**

*Board member*

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**CLARE BOYNTON**

*Board member*

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**ERIK SKARP**

*Board member*

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**PIERRE CADENA**

*Board member*

### Presentation for investors, analysts and the media

CEO Oskar Mühlbach and CFO Måns Svalborn will present the report and answer questions at 09.00 a.m. CET on 17 August 2023. The presentation will be held in English.

In order to participate via webcast please use the link below. Via the webcast you are able to ask written questions.

<https://ir.financialhearings.com/raketech-q2-2023>

In order to participate via teleconference please register via the link below. After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference.

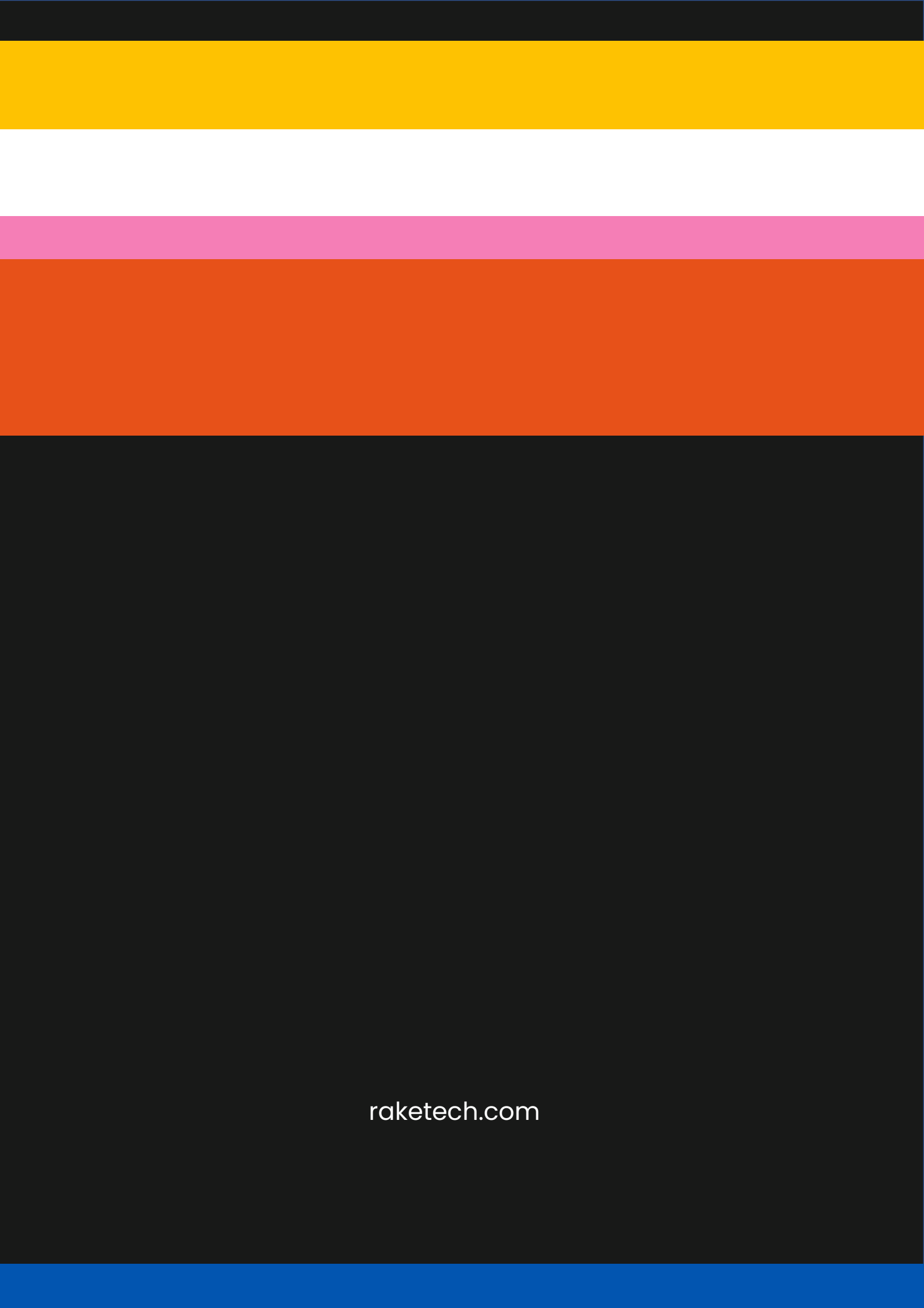
<https://conference.financialhearings.com/teleconference/?id=2001424>

This information is such that Raketech Group Holding PLC is required to publish under the EU Market Abuse Regulation. The information was submitted under the auspices of the above contact person for publication at 8.00 a.m. CET on 17 August 2023.

## Definitions of Alternative Performance Measures

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

<b>ADJUSTED EBITDA</b>	EBITDA adjusted for non-recurring costs
<b>ADJUSTED EBITDA MARGIN</b>	Adjusted EBITDA as a percentage of total revenue for the period/year
<b>ADJUSTED OPERATING MARGIN</b>	Operating margin adjusted for non-recurring costs
<b>ADJUSTED OPERATING PROFIT</b>	Operating profit adjusted for non-recurring costs
<b>EBITDA</b>	Operating profit before depreciation, amortisation and impairment
<b>EBITDA MARGIN</b>	EBITDA as a percentage of revenue for the period/year
<b>FREE CASH FLOW</b>	Cash generated from operating activities, net of earnouts, lease and interest payments
<b>LTM</b>	Last twelve months
<b>NDC (NEW DEPOSITING CUSTOMER)</b>	A new customer placing a first deposit on a partners' website
<b>NET DEBT-TO-ADJUSTED EBITDA</b>	Net interest-bearing debt at the end of the period/year in relation to adjusted LTM EBITDA
<b>NET INTEREST-BEARING DEBT</b>	Interest-bearing debt at the end of the period/year, excluding earn-outs from acquisitions, minus cash and cash equivalents at the end of the period/year
<b>OPERATING MARGIN</b>	Operating profit as a percentage of revenue for the period/year
<b>OPERATING PROFIT</b>	Profit before financial items and taxes
<b>ORGANIC GROWTH</b>	Revenue growth rate excluding portfolios and products that have been acquired in the past 12 months. Organic growth includes the growth in existing portfolios and products.
<b>REVENUE GROWTH</b>	Increase in revenue compared to the previous accounting period/year as a percentage of revenue in the previous accounting period/year
<b>TRAFFIC</b>	Relates to the number of visitors/users of Raketech's assets



[raketech.com](https://raketech.com)