



aspireGlobal

INTERIM REPORT

April – June 2018



"Everything we do, we do to enable our partners to achieve their full potential"



COMPANY OVERVIEW

Aspire Global is a leading platform-provider to iGaming-operators, providing a first-rate turn-key solution, enhanced by professional services and exclusive content.

Founded in 2005. Counting 162 people today, with offices in Malta, Israel and Ukraine.

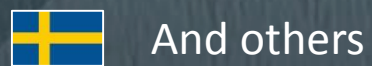
IN BRIEF: ASPIRE GLOBAL - BUSINESS LINES



Local regulated markets
(or paying TAX/gaming duties)



Soon to be regulated



71% of revenues

Q2 IN BRIEF: FINANCIAL HIGHLIGHTS

€24.7M

REVENUES
+43% Y/Y

€5.7M

EBITDA
+58% Y/Y

€14.2M

B2B REVENUES*
+40% Y/Y

23%

EBITDA Margin

80.8k

FTD's
+34% Y/Y

- Revenues growth driven by increase in both segments, B2B and B2C
- Return on investment in sport exceeded expectations
- Revenue from proprietary games amounted to €252K, representing an increase Q/Q and Y/Y

*B2B Revenues includes intersegment

Q2 IN BRIEF: OPERATIONAL HIGHLIGHTS

1.

SPORTBOOK VERTICAL

First full Quarter for the sport vertical, proving success during the world cup, having around 10% share of the B2C already

4

Brands
signed

2.

BET- REGAL SIGNED DEAL

After several migrations done for casino operators to move to our platform, we are happy to sign the first sportbook operator to migrate to Aspire platform during Q4

2

Brands
launched

3.

IMPROVING CASINO PORTFOLIO

During the Quarter , we launched 75 games. We also added 4 new game providers to our platform

38

Partners on
the platform

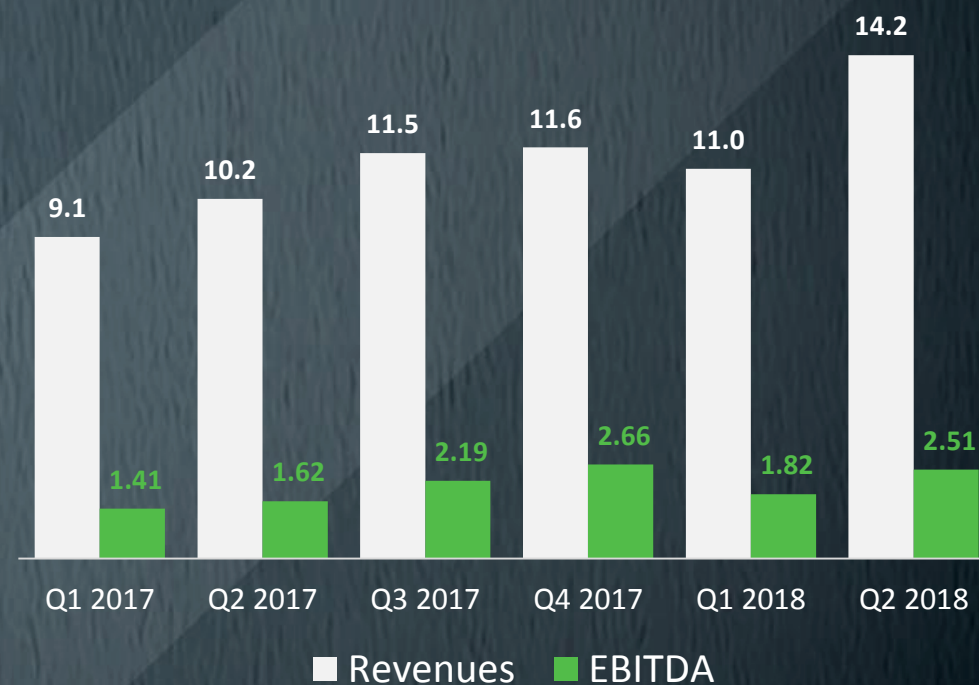
OPERATIONAL UPDATE

B2B – RECORD NUMBERS

- Launched 2 new brands. 1 of them is Hyggespil.dk (Aller Media)
- Signed 4 new partners
- Sport launch for Goliath Brand
- Income from proprietary games amounted to €252K

+40%
REVENUES Y/Y

+55%
EBITDA Y/Y



* Income in this slide includes: platform fee and royalties from our proprietary games

B2B – HIGHLIGHTS

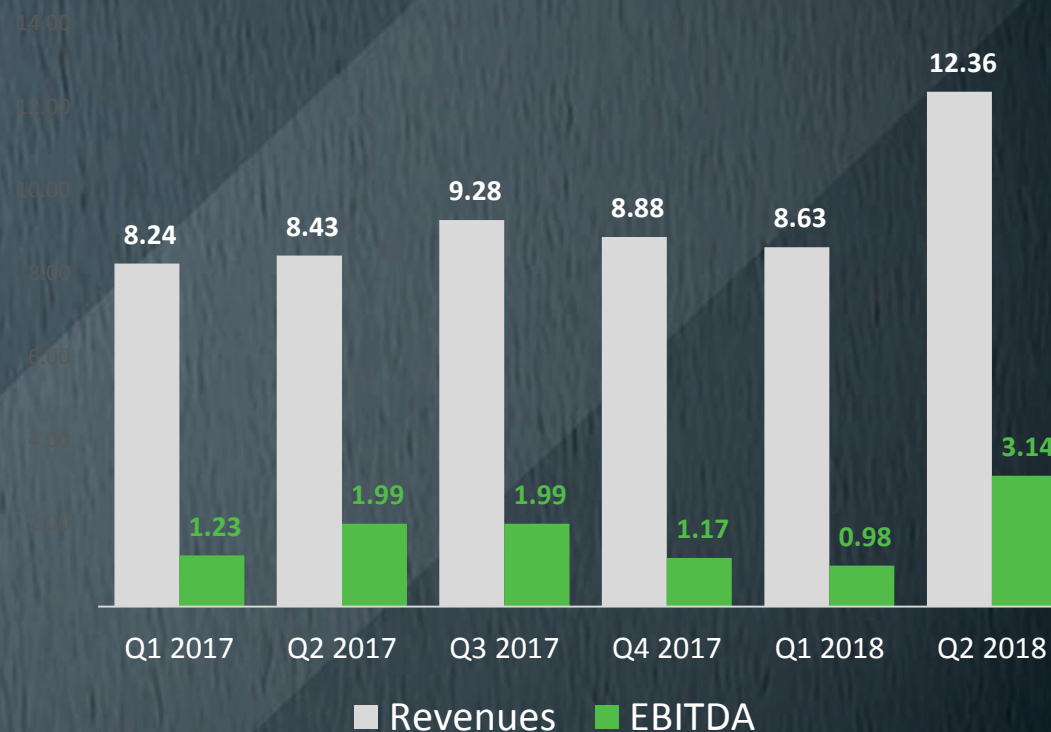
- Improving Commercial rates with 3rd party suppliers. Aspire Global's partners benefit from the economies of scale, as part of a growing network
- Constantly improving our Due Diligence process with potential partners – in order to keep the quality of our portfolio
- “GO TO” company for mid level tier – invest more in brand awareness for Aspire Global
- Swedish re- regulation - working on the technical requirements received by the SGA (Swedish Gambling Authority)
- 3 brands live with Sport, additional 2 expected in the coming months

B2C – REALIZING POTENTIAL

- Q1 B2C organizational changes, bearing fruit
- Full Q for the sport offering - reaches 10% of the revenues
- FTD's: **+52%** (Y/Y)
- Marketing cost **28%** (-20% Y/Y)
- Sport FTD amounted to 8,992 players
- Sport players ARPU in Q2 was **€135** (very high)

+47%
REVENUES Y/Y

+58%
EBITDA Y/Y



B2C SPORTSBOOK AT A GLANCE

10,230

BETTORS

€1.2M

REVENUE

€17M

BETS

€135

ARPU

8,992

FIRST TIME
DEPOSITORS

SHARE OF SPORT OUT OF ALL B2C

13%

DEPOSITS

10%

NET GAMING



NON-CORE BUSINESS - NEOLOTTO

- Following successful pilot and positive indications from lottery players and existing partners, in which the business KPIs were validated, NeoLotto is preparing for 2018 Christmas Lottery draw
- Money lent to NeoLotto in Q4 2017, served for aggressive marketing campaigns and the creation of infrastructure to support 2018 activities
- In August 2018, NeoLotto shareholders provided additional convertible loan in the amount of EUR 5M to further capitalize on the opportunity. Aspire Global will provide EUR 1M out of the loan amount, based on payment schedule till the end of 2018



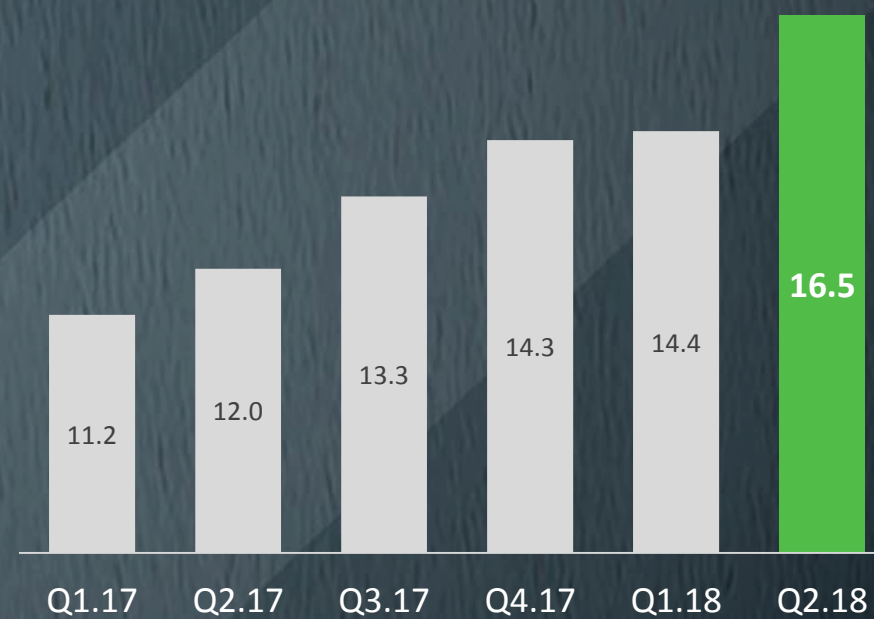
FINANCIAL UPDATES

POSITIVE GROWTH

12 MONTHS ROLLING REVENUES (M€)



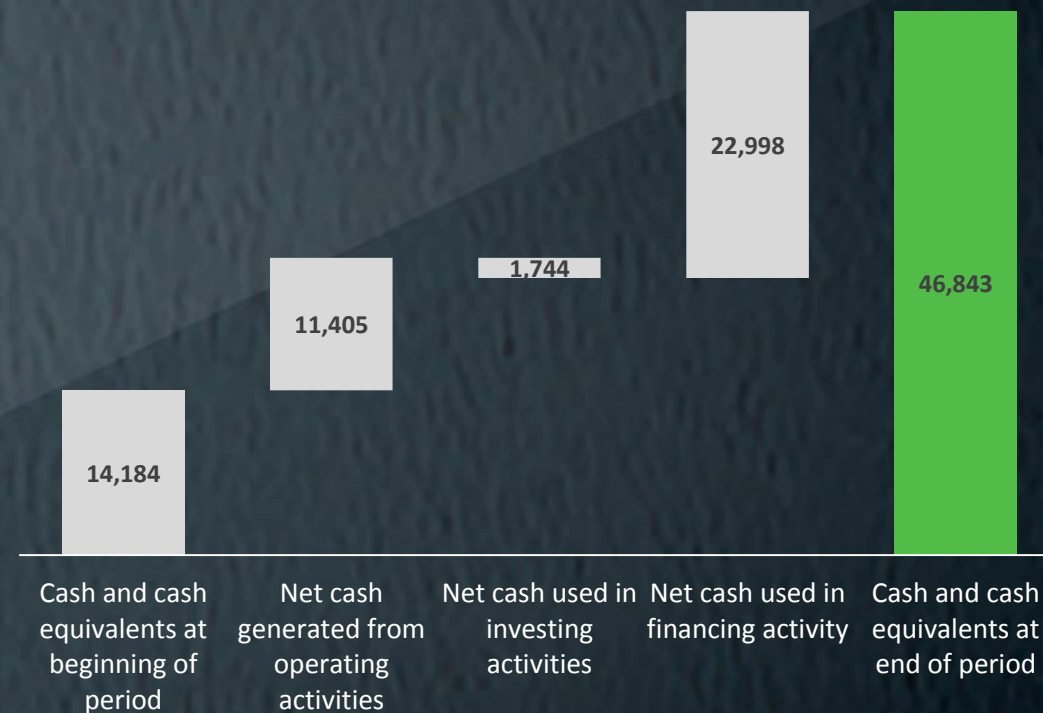
12 MONTHS ROLLING EBITDA (M€)



GROWING CASH POSITION Q2 (K€)

KEY MESSAGE

- Strong cash flow from operations
- Investment activity – used for investment and loan to associated company and for investment in intangible assets (R&D capitalization)
- Financing Activity – Issuance of Bond, off-set by dividend distribution
- Out of the cash balance at the end of Q2/18, ~€43M are available for M&A activities



GOING FORWARD



FINANCIAL TARGETS 2020

REVENUES (M€)



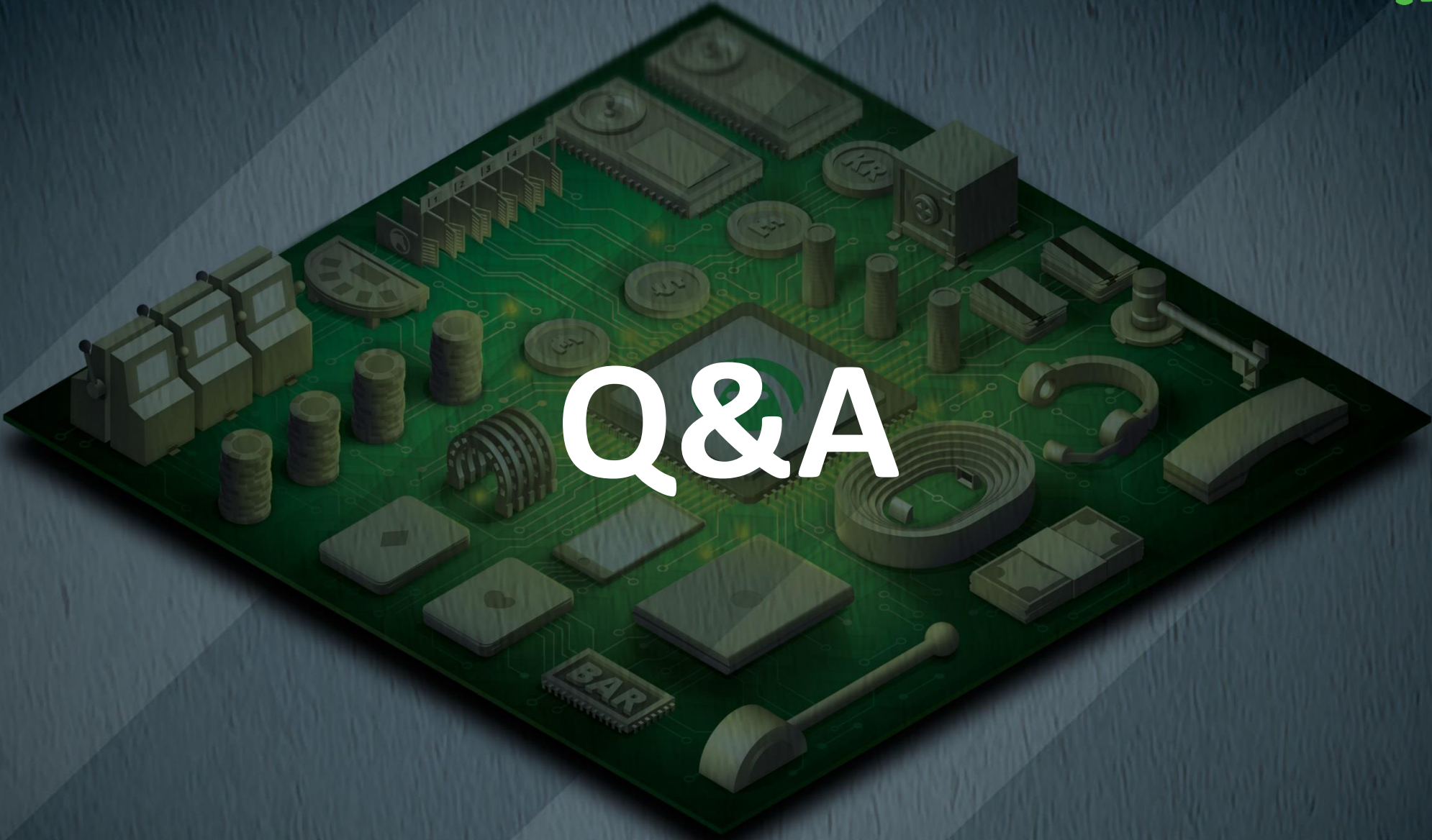
EBITDA (M€)



FOCUS AHEAD

- Capital Market Day
- Karamba Lottery
- To have a successful migration for Bet Regal
- Platform Tech preparation for the Swedish market
- M&A





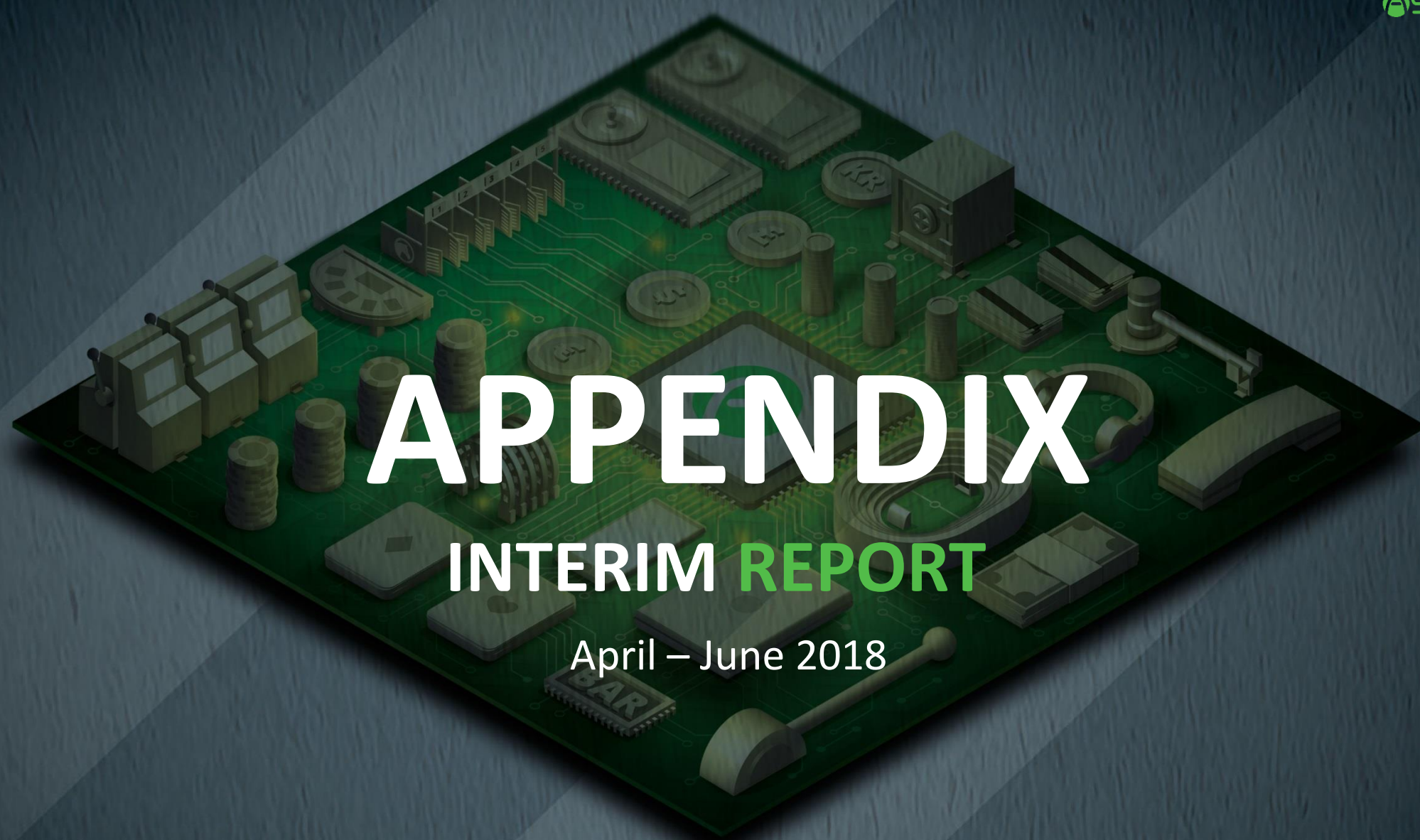
Q&A



THANK YOU

INTERIM REPORT

April – June 2018



APPENDIX

INTERIM REPORT

April – June 2018

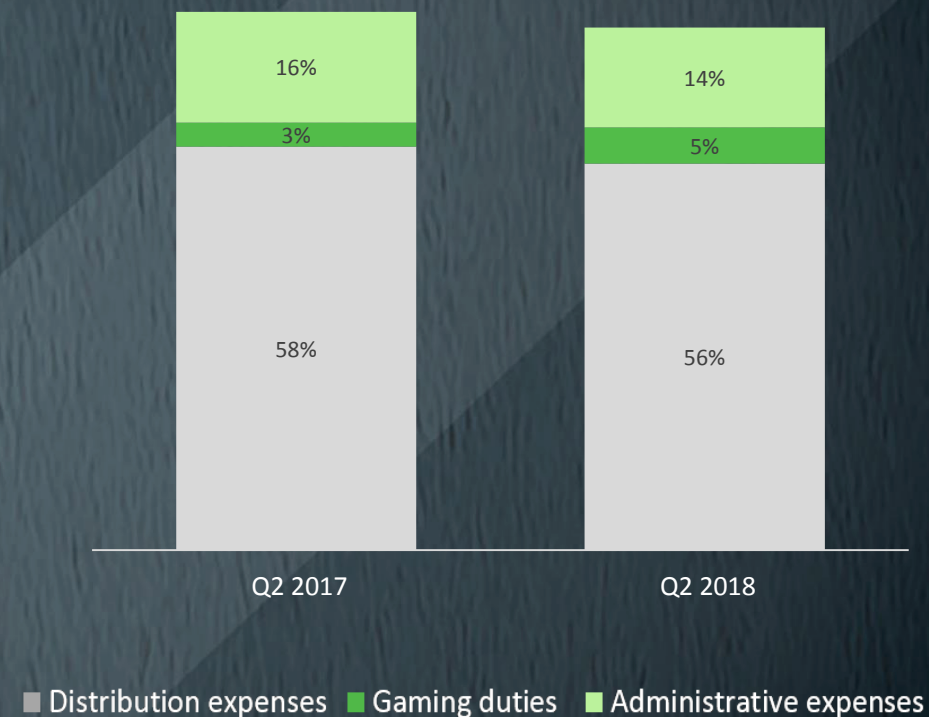
LARGEST SHAREHOLDERS

LARGEST SHAREHOLDERS , MARCH 31 st 2018	NUMBER OF SHARES	VOTES AND CAPITAL, %
Matalon, Barak	12 048 000	27.2%
Pini Zahavi	7 500 000	16.9%
Eli Azur	7 500 000	16.9%
Aran, Aharon	3 000 000	6.8%
Oppenheimer and Co (ESOP)	1,687,689	3.8%
Swedbank Robur Ny Teknik BTI	1,686,650	3.8%
Swedbank Nordic Microcap	1,666,650	3.8%
Fondita Nordic small CAP	1,350,000	3.0%
BPSS LDN/Henderson European smaller	1,096,370	2.5%
Ram One	565,594	1.3%
Total 10 largest shareholders	38,100,953	85.9%
Other 1,258 shareholders	6,272,115	14.1%
Total	44,373,068	100%

% EXPENSE ALLOCATION

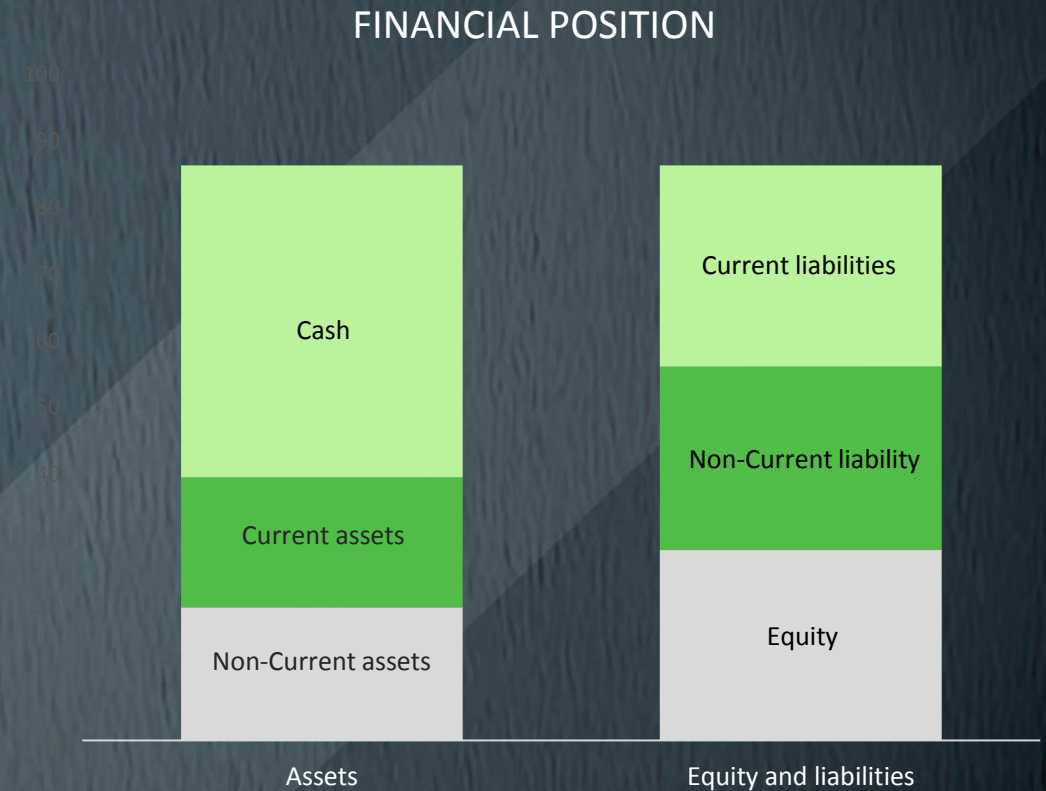
- Although distribution and administrative expenses increased during the reported period, percentage of total revenues decreased compared to the increase in total revenues, contributing to the increase in EBITDA
- Gaming duties expenses increased in accordance with company's focus on regulated and taxed markets

% EXPENSE ALLOCATION



FINANCIAL POSITION

- Total Assets – €86.3 M
- Issuance of bond increased non-current liabilities and cash amounts
- Cash and Cash Equivalents - €46.8 M



INCOME STATEMENT

	Second quarter (Apr-June)		Interim period (Jan-June)		Full year (Jan-Dec)
	2018	2017	2018	2017	2017
Revenues (including EU VAT)	24,731	17,327	43,085	33,416	71,923
EU VAT	-478	-295	-879	-534	-1,148
Net revenues	24,253	17,032	42,206	32,882	70,775
Distribution expenses	-13,764	-10,069	-25,271	-19,907	-42,876
Gaming duties	-1,283	-596	-2,060	-1,281	-3,019
Administrative expenses	-3,551	-2,760	-6,420	-5,443	-10,618
	-18,598	-13,425	-33,751	-26,631	-56,513
EBITDA	5,655	3,607	8,455	6,251	14,262
Amortization and depreciation	-456	-283	-877	-535	-1,228
Operating income	5,199	3,324	7,578	5,716	13,034
Interest income and foreign currency exchange differences with respect to funding to related group	1,059	-306	1,295	120	504
Finance income	29	86	57	57	177
Finance expenses	-266	-42	-1,017	-166	-685
Income before income taxes	-521	-	7,913	5,727	13,030
Income taxes	-231	-208	-377	-361	-780
Net income before company share in the results of associated companies	5,269	2,854	7,536	5,366	12,250
Company share in the results of associated companies and other related parties	-338	-120	-739	-270	-2,465
Net income from continuing operations	4,931	2,734	6,797	5,096	9,785
Profit on discontinued operations, net of tax	-	224	-	1,309	1,309
Net income and comprehensive income	4,931	2,958	6,797	6,405	11,094

BALANCE SHEET

	As at June 30th		As at Dec 31st
	2018	2017	2017
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	1,305	1,138	1,313
Intangible assets	5,888	3,754	4,950
Capital notes, loans and accrued interests due from a related group	10,156	8,617	9,001
Investments and loans – associated companies	2,545	1,493	1,939
Deferred income taxes	80	45	63
	19,974	15,047	17,266
CURRENT ASSETS			
Trade receivables	7,581	5,580	9,575
Other receivables	899	1,205	1,215
Income taxes receivables	9,948	7,046	9,058
Related group receivables	287	650	224
Restricted cash	785	1,374	854
Cash and cash equivalents	46,843	6,202	13,412
	66,343	22,057	34,338
Total assets	86,317	37,104	51,604

BALANCE SHEET

EQUITY AND LIABILITIES	As at June 30 th		As at Dec 31 st
	2018	2017	2017
EQUITY ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY			
Share capital and premium	5,091	62	4,882
Share based payment reserve	1,687	1,569	1,642
Reserve with respect to funding transactions with a related group	-15,371	-15,371	-15,371
Retained earnings	37,412	29,752	34,439
Total equity attributable to the equity holders of the Company	28,819	16,012	25,592
Non-controlling interests	-218	-219	-217
Total equity	28,601	15,793	25,375
NON-CURRENT LIABILITIES			
Employee benefits, net	309	213	304
Loans with respect to leasehold improvements	369	517	438
Senior secured bonds (Note 10)	26,851	-	-
	27,529	730	742
CURRENT LIABILITIES			
Client liabilities	4,831	2,865	3,515
Trade and other payables	13,392	9,487	11,505
Bonds' interest payable (Note 10)	471	-	-
Income taxes payable	11,493	8,229	10,467
	30,187	20,581	25,487
Total equity and liabilities	86,317	37,104	51,604

CASH FLOW

	SECOND QUARTER		INTERIM PERIOD		FULL YEAR
	2018	2017	2018	2017	2017
Net cash generated from operating activities	11,405	4,988	13,469	8,899	16,048
Net cash used in investing activities	-1,744	-1,062	-3,149	-2,904	-7,609
Net cash generated by (used in) financing activities	22,998	-6,026	23,111	- 12,053	-7,287
Net increase (decrease) in cash and cash equivalents	32,659	-2,100	33,431	-6,058	1,152
Cash and cash equivalents at the beginning of the period	14,184	8,302	13,412	12,260	12,260
Cash and cash equivalents at the end of the period	46,843	6,202	46,843	6,202	13,412