

26 July 2018

Veltyco Group PLC
(“Veltyco”, “the Company” or “the Group”)

Trading update

Veltyco Group PLC (AIM: VLTY), the online marketing and operator company for the gaming industry, is pleased to announce the following trading update for the six months ending 30 June 2018.

Following the reported growth in 2017, the momentum has continued and revenues for the first six months of 2018 are in line with management expectations, with revenues from marketing activities for the online financial trading sector being ahead of its expectations.

Bet90, the Company’s sportsbook and casino operations in which it has a 51% interest, continues to achieve good growth, albeit slower than management anticipated and the Board has taken the decision to accelerate investments in the marketing of the Bet90 brand, including the roll out into the South American markets. This has resulted in increased costs in the first six months of 2018, meaning that the Group’s EBITDA for the period is likely to be marginally below budget. In addition, as a result of the increased costs the Group had a cash position of approximately €1.0 million as at 30 June 2018.

The Group continues to restructure its corporate banking relationships, which is expected to assist the Group in reducing its receivable position and this process is expected to continue into the second half of 2018. Given this backdrop, the Group has entered into an agreement with Altair Entertainment NV (“Altair”) in respect of Altair’s historic receivable amounting to, in aggregate, €3.4 million as at 30 June 2018. Pursuant to this agreement, Altair will reduce the receivable by a minimum of €300,000 per month, with Veltyco having already received the first payment. Following the strong performance within the online financial trading sector and in line with the receivable profile for the marketing activities in this sector, the Group’s overall receivable position has increased marginally from the last reported figure published in the Group’s report and accounts for 2017 of €8.4 million as at 28 May 2018.

The Company expects to announce its interim results for the six months ended 30 June 2018 during the second half of September 2018.

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About Veltyco

Veltyco is a group of companies focused on generating marketing leads and entering into marketing contracts for the activities of various partners in the gaming industry as well as operating its own brands. Veltyco focuses on complementary activities under one umbrella, leveraging its historical cash generative activities of marketing online casinos and sports betting.

Website: www.veltyco.com