

25 May 2018

**Veltyco Group PLC**  
("Veltyco" or "the Group")

**Acquisition of customer database and proposed brand launch**

Veltyco Group plc (AIM:VLT), the online marketing and operating company for the gaming industry, is pleased to announce that it has entered into an agreement with Altair Entertainment N.V. ("Altair") to acquire the entire issued share capital of Marsovia Holding Ltd ("Marsovia") (the "Acquisition"). The Acquisition is the first step in the Group seeking to launch a new regulated brand, active in the online trading sector.

**Highlights**

- Acquisition is the first step in the Group seeking to launch a new regulated brand, active in the online trading sector, expected to be in the second half of 2018
  - Marsovia, holds a database of approximately 43,500 customers, of which approximately 26,000 are considered to be active, in the online trading sector (the "Database")
- Consideration of €4.0 million to be offset against existing indebtedness and receivables due to the Group by Altair, resulting in the Acquisition being cash neutral for Veltyco
- Existing marketing agreements with Altair for various brands in the online trading sector to continue for at least a further three years

**Further Information**

Veltyco has entered into an agreement with Altair to acquire Marsovia, a company that holds a copy of the Database. The Database is for customers of various brands, active in the online trading sector, which are beneficially owned by Altair and for which Veltyco currently undertakes marketing activities (together the "Existing Marketing Agreements"). Pursuant to the Acquisition, the Existing Marketing Agreements have been confirmed for a minimum term of at least three years from the date of the Acquisition, and the Group will continue to seek to maximise the income generated from these agreements going forward.

The Board of Veltyco (the "Board") believes that the Acquisition will enable the Group to expand its own trading operations, through the launch of a regulated brand in the online trading sector. The Board is seeking to launch its own regulated brand during the second half of 2018 and believes that the Acquisition will provide Veltyco with a readymade database of active users in the sector to target immediately on its launch, thereby enabling it to grow and expand the brand more quickly than would otherwise be the case. The Board believes that the launch of the brand will provide the Group with a greater exposure to the operating results in the online trading sector, than it achieves through its current marketing activities.

The intended launch of the regulated brand also continues the Group's strategy of seeking to build and own its own brands, in addition to its existing marketing activities. The first step in developing its own brands, was taken with the acquisition of its 51% interest in Bet90 Sports Ltd and, since it commenced operations in July 2017, it has achieved significant growth in revenues and the Board expects that it will be a significant contributor to the Group's growth in 2018.

The consideration payable by the Group for the Acquisition is €4.0 million. The total consideration will be offset against the existing indebtedness of, in aggregate, approximately €2.6 million owed by Altair pursuant

to certain loans provided by the Group to Altair and certain trade receivables of approximately €1.4 million resulting from the Existing Marketing Agreements, resulting in the Acquisition being cash neutral for Veltco.

As previously disclosed, the Group and Altair have been seeking to develop a joint venture in the trading sector, pursuant to which the value of these receivable balances would be offset against the consideration for such a joint venture. However, as discussions progressed, Veltco's focus has moved to developing a regulated brand in this area and the parties agreed that the Acquisition was the best way to achieve this. Altair has also undertaken that it will not sell or licence a copy of the Database for at least a three year period to any other third party.

The Board confirms that results for the year ended 31 December 2017 will be in line with previous guidance and is also pleased to confirm a very positive start of 2018, with the first quarter in line with market expectations.

**Gilles Ohana, Chairman of Veltco Group plc**, commented: "We believe that the Acquisition will provide further opportunities for growth and is an important step in the continued development and expansion of our own brands. Trading conditions remain positive for Veltco and we are very much looking forward to the start of the World Cup on 14 June 2018 whereupon we hope to benefit from the uptake in gaming activities."

*This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.*

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**About Veltco**

Veltco 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. Veltco focuses on complementary activities under one umbrella, leveraging its historical cash generative activities of marketing online casinos and sports betting.

Website: [www.veltco.com](http://www.veltco.com)