Interim report Q1 2018

catenamedia

Interim report January - March 2018

January-March 2018 (compared with January - March 2017)

- Revenues increased by 57 percent and totalled EUR 23.9 million (15.2)
- EBITDA increased by 44 percent and totalled EUR 10.4 million (7.2) corresponding to an EBITDA margin of 44 percent (47)
- Adjusted EBITDA excluding non-recurring costs increased by 63 percent and totalled EUR 12.4 million (7.6) corresponding to an adjusted EBITDA margin of 52 percent (50)
- Net cash generated from operating activities was EUR 10.3 million (4.0)
- New Depositing Customers (NDCs) totalled 133,322 (80,421), an increase of 66 percent
- Earnings per share amounted to EUR 0.09 (0.08) before dilution
- Earnings per share amounted to EUR 0.08 (0.08) after dilution

"The quarter was the best to date, up 19 percent from Q4 2017 and we are progressing well towards our 2020 target."

Henrik Persson Ekdahl, Acting CEO

SIGNIFICANT EVENTS DURING THE FIRST QUARTER

- CTM (Catena Media) confirms its market leading position in the US by acquiring the assets of the top affiliate site BonusSeeker.com
- In a strategic move, CTM hires top talent to head finance vertical in London
- CTM agrees on pre-payment of earn-out in relation to the acquisition of affiliate related assets in Beyondbits Media Ltd
- Per Hellberg - Appointed New CEO of CTM
- CTM agrees on amended and advantageous terms for the acquisition of affiliate assets in the US
- Increased number of shares and votes in CTM plc
- The Nomination Committee's proposal of CTM's Board of Directors for the AGM 2018
- CTM announces early redemption of existing bonds due to mature in 2019
- CTM issues EUR 150 million with a total framework of EUR 250m in new senior unsecured bonds and refinances existing secured bonds of EUR 100 million
- CTM resolves to implement a directed new issue of shares as payment for assets acquired in January 2018
- CTM strenghthens its position in Germany as leading affiliate within sports betting and finance by acquiring assets in Dreamworx Online Ltd

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Increased number of shares and votes in CTM plc
- Catena Media acquires assets in gg.co.uk, a well-positioned UK horse racing site
- CTM resolves to implement a directed new issue of shares as payment for assets acquired in March 2018
- CTM enters the French market by acquiring assets in top sports betting site ParisSportifs.com
- CTM strengthens its financial services vertical by acquiring assets in BrokerDeal.de
- CTM publishes a bond prospectus and applies for listing of its new bonds on Nasdaq Stockholm

JAN-MARCH 2018	JAN-MARCH 2018	JAN-MARCH 2018	JAN-MARCH 2018
57%	**63%**	**66%**	**158%**
EUR 23.9m	EUR 12.4m	133.3 thousands	EUR 10.3m
REVENUE GROWTH YOY	ADJUSTED EBITDA GROWTH YOY	NDC GROWTH YOY	NET CASH OPERATING ACTIVITIES GROWTH YOY

Catena Media in brief

CATENA MEDIA PROVIDES COMPANIES WITH HIGH-QUALITY ONLINE LEAD GENERATION.

Catena Media provides companies with high-quality online lead generation. Through strong organic growth and strategic acquisitions, Catena Media has, since 2012, established a leading market position with approximately 300 employees in the US, Australia, Japan, Serbia, the UK, Sweden and Malta (HQ). Total sales in 2017 reached EUR 67.6m. The company is listed on Nasdaq Stockholm Mid Cap.

Consolidated key data and ratios

Some financial measures presented in this interim report are not defined by IFRS. These measures will provide valuable additional information to investors and management for evaluating the financial performance and position of Catena Media. These measures, as defined on page 25 and 26 of this report, will not necessarily be comparable to similarly titled measures in other companies' reports. These non-IFRS measures should not be considered as substitutes to financial reporting measures prepared in accordance with IFRS. The alternative performance measures reported in the following tables are not defined by IFRS. More information as well as calculations of key ratios are found at www.catenamedia.com/investors/key-performance-indicators-definitions.

	Jan–Mar 2018	Jan–Mar 2017	Jan–Dec 2017
Financial measures defined by IFRS:			
Operating revenues (€ '000)	**23,850**	15,228	67,650
Earnings per share before dilution (€)	**0.09**	0.08	0.40
Earnings per share after dilution (€)	**0.08**	0.08	0.40
Number of outstanding shares at period's end before dilution (€ '000)	**54,164**	51,773	52,024
Number of outstanding shares at period's end after dilution (€ '000)	**55,544**	52,899	53,171
Alternative Performance Measures:			
EBITDA (€ '000)	**10,402**	7,215	32,637
EBITDA margin (%)	**44**	47	48
Adjusted EBITDA (€ '000)	**12,399**	7,558	36,139
Adjusted EBITDA margin (%)*	**52**	50	53
Effective tax rate (%)	**8.2**	6.9	7.8
NDC ('000)	**133**	80	386
Average shareholders' equity (€ '000)	**79,892**	50,853	69,568
Return on equity, rolling 12 months (%)	**27**	33	30
Equity to assets ratio (%)	**32**	37	36
Quick ratio (%)	**149**	180	67
Net interest-bearing liabilities (NIBL) (€ '000)	**96,716**	26,959	87,654
NIBL/EBITDA multiple	**2.70**	1.14	2.69
NIBL/adjusted EBITDA multiple	**2.36**	1.07	2.43
Net debt/equity ratio multiple (%)	**2.15**	1.70	1.78
Equity per share before dilution (€)	**1.95**	1.20	1.86
Equity per share after dilution (€)	**1.91**	1.17	1.82
Average number of employees	**286**	209	243
Employees at period's end	**288**	228	282
Revenue productivity ratio (€ '000)	**83**	73	278
Adjusted EBITDA productivity ratio (€ '000)	**43**	36	149

*Adjusted for non-recurring bond costs of EUR 1.9m and EUR 0.1m reorganisation costs in Q1 2018 and EUR 0.3m non-recurring IPO costs in Q1 2017. Total IPO and bond costs and reorganisation costs for the year ended 31 December 2017 amounted to EUR 2.5m and EUR 1.0m respectively.

CEO comments

The first quarter of 2018 resulted in Catena Media strengthening its position as one of the world's foremost lead generators. The quarter was the best to date, up 19 percent from the fourth quarter of 2017. Through strong organic growth and successful acquisitions, we are progressing well towards our 2020 target. In March we issued a new bond under a framework of EUR 250 million, not only providing a lower cost of financing but also increased flexibility for additional acquisitions. This represents an important step in our continued plan to increase our momentum and further outrun the competition.

EUR 280 MILLION FOR BUSINESS DEVELOPMENT

The new bond raised EUR 150 million in under ten days, showing that our current investors, and new ones, have great confidence in us. We have the option of raising a further EUR 100 million bond and EUR 30 million in bank loans. This ensures our business development for the next three years. The bond, issued alongside strong underlying cash flow, will form a strong financial platform for an increased pace of expansion. We are now ready to complete a number of strategic acquisitions.

TWO NEW ACQUISITIONS IN THE FIRST QUARTER

Acquisitions have always been an important part of Catena Media's successful strategy. We are constantly involved in several negotiations for new acquisitions. During the first quarter, we secured acquisitions in accordance with our plan. US affiliate, BonusSeeker.com, will strengthen our position as the leading iGaming affiliate in the nation.

We have a dedicated acquisition team of three people working full time and combining excellent business intelligence. The new financing will allow us to pick up the pace and become even better at hitting the mark.

After the period, we entered the French market by acquiring the top sports betting site ParisSportifs.com. France is a new market for us, perfectly matched with our strategy in positioning ourselves in regulated markets. GG.co.uk is another example of a site that enhances our position in horse racing in the UK, which is a new area in lead generation for Catena Media.

THREE IMPORTANT RECRUITMENTS

We are also very proud to have presented some great additions to our management team. Per Hellberg has been appointed as our new CEO. His extensive international digital experience from iGaming, publishing, consumer electronics and mobile telecommunications is highly welcome.

Both joining Catena Media in January 2018 our new Group Chief Financial Officer, Pia-Lena Olofsson and our new head of IR & Communication, Åsa Hillsten, bring extensive experience from Collector Bank and the finance sector to the table.

"The quarter was the best to date"

Henrik Persson Ekdahl, Acting CEO

THE US – A FOCUS MARKET

The year 2018 is likely to mark the opening of the first new market for online casino and poker in the US in nearly five years, with Pennsylvania on track to launch late 2018. Catena Media has been building a presence in Pennsylvania for over four years and is well positioned to benefit from what will be the largest online gambling market to open in the US. During April, our new General Manager for the US, Michael Daly, will be taking up office in Las Vegas, Nevada – an important step for Catena Media's presence in the fast growing US online lead generation market.

Several other states are preparing legislation to legalize online casino and/or poker. Our advisors and legal team are closely watching Illinois (casino and poker), Michigan (casino and poker), and New York (poker) for legislative movement this year. We have an established presence in all three markets through our state-focused "Play" brands and our other nationally-focused brands.

The recently-launched agreement between Delaware, Nevada, and New Jersey to share online poker liquidity will help reinvigorate online poker in all three markets. Catena Media is the dominant force in the regulated US online poker vertical thanks to a portfolio that includes OnlinePokerReport.com, USPoker.com, and PokerScout.com.

Within the area of Sports betting, the Supreme Court will rule by late June on the question of whether or not states may offer regulated sports betting. Federal law currently blocks all states (except Delaware, Montana, and Nevada) from regulating sports betting.

Catena Media is well positioned for regulated sports betting through our state-focused "Play" brands, our flagship sports site LegalSportsReport.com, and our existing presence in states such as New Jersey and Pennsylvania.

Another upcoming area of lead generation in the US is Daily fantasy sports. This product generated significant activity for our US business in 2017, and we expect that trend to continue in 2018. The NFL season remains the peak period for DFS NDCs.

ALL SET FOR A FAST MOVING 2018

While sports betting started slower in the first quarter, the end of the quarter ended in an all-time high and April is off to a strong start. The traffic to our sites is increasing continuously, as proven time and again by our growing number of NDCs. We are working hard and staying focused, constantly improving our products and efficiency. Our business intelligence team has sharpened its skills, providing more insight into our visitors' behaviours and needs, letting us create a more valuable experience for them.

Other favourable conditions for us include the new proposition regarding how Sweden now intends to regulate online gambling. This entails considerable opportunities for Catena Media. The iGaming industry in Sweden has long been in need of further regulation – and this will exclude irresponsible actors. Catena Media imposes high demands on its partners – and they impose high demands on us. We welcome the fact that online iGaming will now be pervaded by increased quality and professionalism.

In March, Nigel Frith was appointed to run our Finance services vertical from London. Combined with strengthened management and new financing, we are better prepared for what is to come than we have ever been.

A perfect springboard for leveraging our position, developing and growing the Finance vertical and expanding iGaming in current and new markets.

Henrik Persson Ekdahl, Acting CEO

Financial performance

REVENUES

Catena Media showed strong growth in the first quarter of 2018. Total revenues increased by 57 percent compared with the corresponding period in the previous year and amounted to EUR 23.9m (15.2). The growth has been driven by a combination of organic growth and successful acquisitions. Organic growth excluding paid revenue was 30 percent for the first quarter.

During the quarter, other operating income amounted to EUR nil (0.6). The amount in the comparison quarter related to one-off compensation for loss of revenue received from a partner in relation to PPC traffic.

Of the quarter's total revenues, EUR 20.4m (10.9) was search revenue and EUR 3.4m (3.7) paid revenue. About 65 percent of revenues came from locally regulated or taxed markets.

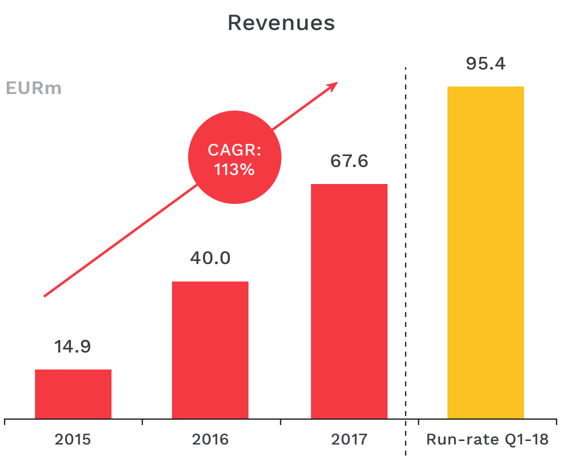
Of Catena Media's total revenues, 51 percent derived from revenue share, 39 percent from cost per acquisition and 10 percent from fixed fees. All revenue streams are growing, but cost per acquisition has been growing even more, since several new acquisitions only apply a cost per acquisition model. Furthermore, in certain markets, only cost per acquisition models are permitted, the US being one example. During the first quarter of 2018, however, Catena Media submitted an application to enter into revenue share transactions in New Jersey. The application is currently pending for approval.

EXPENSES

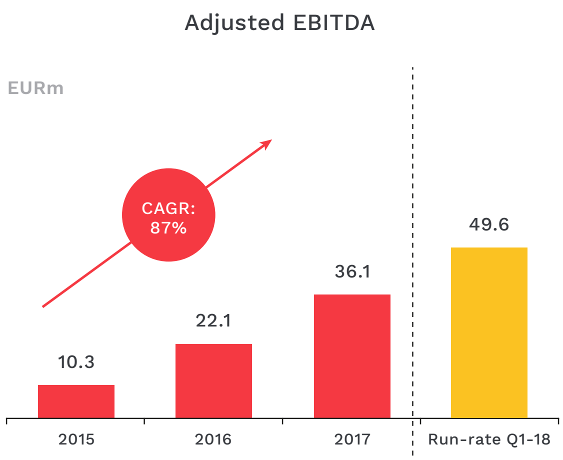
Total operating expenses amounted to EUR 15.3m (8.6).

During the first quarter, we invested for the future in management and compliance. We have also increased our professional fees regarding GDPR and for filing applications for the US market.

In February, we refinanced our secured bond of EUR 100m with a new unsecured bond of EUR 150m. Apart from lower interest margins going forward and a more flexible structure, the new bond also enables us to examine the possibility of a bank credit facility, the highest of EUR 30m or 75 percent of adjusted EBITDA. Costs relating to the new bond amounted to EUR 1.9m and are classified as non-recurring costs. An early redemption fee of EUR 3.4m in relation to the old bond has been recognised and is classified within "Interest payable on borrowings".



- In the period from 2015 to 2017, Catena Media has increased its revenue by EUR 52.7m, equalling a CAGR (compounded average growth rate) of 113 percent.
- Run-rate is the Q1 2018 revenues multiplied by 4.



- In the period from 2015 to 2017, Catena Media has increased its adjusted EBITDA with EUR 25.8m, equaling a CAGR of 87 percent.
- Run-rate is the Q1 2018 adjusted EBITDA multiplied by 4.

EARNINGS

EBITDA, including non-recurring costs, increased by 44 percent, amounting to EUR 10.4m (7.2). This corresponds to an EBITDA margin of 44 percent (47). Adjusted EBITDA (excluding non-recurring costs) increased by 63 percent and amounted to EUR 12.4m (7.6). This corresponds to an adjusted EBITDA margin of 52 percent (50). The slightly higher margin this quarter compared to Q1 2017 is due to lower costs related to paid revenue and economies of scale in personnel. We anticipate additional economies of scale going forward, especially in the second half of this year.

The effective tax rate for the Group amounted to 8.2 percent (6.9), while earnings after tax (EAT) amounted to 4.7m (4.3), an increase of 9 percent year-on-year. This quarter´s profit is however affected by the non-recurring costs and early redemption fee for the old and new bond. Earnings per share (EPS) before dilution amounted to EUR 0.09 (0.08) and after dilution to EUR 0.08 (0.08).

FUNDING

In March 2018, Catena Media refinanced the secured bond of EUR 100m with a new senior unsecured bond of EUR 150m. The bond will mature on March 2, 2021 and carry a floating rate of Euribor 3m +5.50 percent. Euribor 3m is subject to a floor of 0 percent. The new bond has a total framework of EUR 250m. Since the issue of the first bond, Catena Media has become a more mature company and the refinancing is the first step in the process of aligning our capital structure with the development of the company. Apart from a lower margin on interest rates, the new bond has a more flexible structure. It also enables bank financing of the highest of EUR 30m or 75 percent of adjusted EBITDA. By diversifying our financing sources, we believe the company's financial risk will decrease and the operational flexibility for further credit enhancing development will increase. The excess capital gained will be allocated for general corporate purposes although most will be allocated for further acquisitions in line with the growth strategy.

INVESTMENTS

Investments in intangible assets amounted to EUR 21.2m during the first quarter and are mainly attributed to the acquisitions of assets in Dreamworx and BonusSeeker. Dreamworx Online Ltd. is a lead generator in the German market active in sports and financial services and had an initial investment of EUR 9.5m, EUR 4.0m of which was settled in CTM plc shares. BonusSeeker.com is an iGaming lead generator in the regulated New Jersey market in the US and had an initial investment of USD 6.5m, USD 1.0m of which was settled in CTM plc shares. Following the end of the quarter, an additonal three asset investments have been made; the acquisition of the financial lead generator in Germany, Brokerdeal.de and the french sport lead generator ParisSportifs.com as well as the UK horse racing site gg.co.uk.

LIQUIDITY AND CASHFLOW

On 31 March, cash and cash equivalents amounted to EUR 53.3m (23.0). The new bond has increased cash in the short term but cash holdings are expected to decrease with acquisitions going forward. Excess liquitity is deposited in accounts in European banks.

Catena Media has a high operating cash flow and solid cash conversion underlying its operations. This quarter is affected by the non-recurring cost related to the bond. Cash flow from operating activities before changes in working capital amounted to EUR 10.3m (7.2) for the period, a growth of 43 percent compared to the first quarter 2017. Net cash generated for operating activities grew by 158 percent compared to the first quarter 2017 and amounted to EUR 10.3m (4.0). The cash conversion rate amounted to 99 percent.

Cash flows used in investment activities related primarily to the payments of the assets of the two larger acquisitions Dreamworx Online Ltd. and BonusSeeker.com in the quarter but also to the settlement of earn-outs from previous acquisitions.

Cash flows from financing activities are related to the settlement of the old and new bonds.

Our Segments

iGaming

The iGaming segment comprises Casino and Sports betting brands. Our brands have performed according to plan, increasing revenue by 55 percent and EBITDA by 57 percent compared with the first quarter 2017. During the first quarter 2018, 128 thousand new depositing customers (NDCs) were generated. We hold strong positions in all of the markets in which we operate. In addition, we are continuously focusing on strengthening our products (sites) to provide long-term value to new and experienced players.

THE FOREMOST BRANDS IN THE BUSINESS

The iGaming segment is all about providing tips, advice and guiding players. The product needs to be more than just its temporary offers. It has become clear to us that building great products, with strong brands, is the best way forward.

KEY EVENTS DRIVE

There is a very clear correlation between key events occurring in sports, traffic levels and the number of NDC's being delivered to operators. Key Premier League and Champions League games can drive significant spikes in traffic and NDC's. The Cheltenham Festival, for example, saw a 326 percent increase in monthly traffic on RacingTips.com, most of those being delivered over the four-day period of the actual festival. With the World Cup, The US Masters, Wimbledon, Champions League Final, all occurring in the second quarter, Catena Media will continue to focus on successful campaigns and activations around key sporting events.

Finance

In the fourth quarter of 2017, Catena Media generated its first revenues from the Finance vertical. In the first quarter of 2018, the Finance vertical represented 5 percent of total revenues and had nearly 5 thousand new depositing customers (NDCs). In this complex and well-developed market, Catena Media's set-up is one of the best in terms of a consolidated approach and very rapid growth – in essence, a real transformation of the entire vertical.

A CONSOLIDATED APPROACH

The market is well developed but, to date, no company has taken a consolidated approach.

Catena Media is set to be the marker consolidator with our efficient operational process and well-developed platform. Our easily adaptable and scalable business model will let us expand quickly and efficiently and set a new consolidated standard for the market.

FOREIGN EXCHANGE, STOCKS, BONDS AND CFDS

In the Finance vertical, Catena Media has started off by focusing on lead generation for brokers and banks within trading. This includes shares and bonds, foreign exchange and contracts for difference (CFDs). The first acquisition was Beyondbits Media Ltd, with its focus on the German-speaking DACH region. We opened an office in London, as the financial heart of Europe, and we are planning to set up an office in New York, the financial hub of the US market. During the quarter, we acquired Dreamworx Online Ltd., which includes leads to financing in the German Market, and we appointed Nigel Frith to lead the segment from our office in London.

KEY EVENTS DURING THE QUARTER

- **Acquired the assets in the top affiliate site BonusSeeker.com in the regulated New Jersey market, in the US.**
- **Acquisition of the assets in Dreamworx Online Ltd., which includes casino and sports betting leads in the German market.**

KEY EVENTS DURING THE FIRST QUARTER

- **Acquisition of the assets in Dreamworx Online Ltd, which includes financial services leads in the German market.**
- **Nigel Frith has been appointed to lead the new Financial vertical and will be located in London.**

Other

CATENA MEDIA SHARES

On 11 February 2016, Catena Media plc was listed on Nasdaq First North Premier, Stockholm (CTM). On 4 September 2017, Catena Media plc made the move to Nasdaq Stockholm's main market, Mid Cap. The shares are traded under the same ticker (CTM) and with the same ISIN code (MT0001000109) as before. Further information about the listing is available in the prospectus, which is available on the company's website at https://www.catenamedia.com/investors/prospectus.

On 7 February 2018, 385,924 new shares in Catena Media plc were issued with a nominal value of EUR 0.0015 per share and a share premium of EUR 10.36323503 per share. These shares were issued to be utilised as part settlement of the initial payment for the Dreamworx Online Ltd. acquisition.

SHARE CAPITAL

As of 31 March 2018, the share capital amounted to EUR 81,587 divided into 54,391,469 ordinary shares. The Company has one (1) class of shares. Each share entitles the owner to one (1) vote at the General Meeting. The total number of shareholders as of 31 March 2018 was approximately 7,700.

SHAREHOLDER STRUCTURE

Shareholders in Catena Media plc as of March 31 2018

10 largest shareholders as of 31 March 2018	**%**
Optimizer Invest Ltd*	13.37%
Swedbank Robur Fonder	8.89%
Aveny Ltd**	8.32%
Investment AB Öresund	6.91%
Pixel Wizard Ltd	6.17%
Handelsbanken Fonder	4.69%
Michael Knutsson	4.27%
Andra AP-fonden	3.85%
Carnegie Fonder	3.43%
Baybets Ltd	2.86 %
Sub-total, 10 largest shareholders	62.76%
Other shareholders	37.24%
Total	100%

* Optimizer Invest Ltd is owned by Henrik Persson Ekdahl, Andre Lavold and Mikael Riese Harstad.
** Aveny Ltd is owned by Founder, Erik Bergman.

RELATIONSHIPS WITH RELATED PARTIES

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 service agreement with Optimizer Invest Limited expired on 9 November 2017 after a contractual termination period of three months.

DIVIDEND

According to the adopted dividend policy, Catena Media will focus on growth, which means that dividends may be low or not occur at all in the medium term. There was no dividend paid for the 2017 financial year.

FINANCIAL TARGETS

Catena Media has two financial targets, the first one relates to growth and earnings. Catena Media should reach an adjusted EBITDA in excess of EUR 100m by 2020. The second target relates to leverage. The medium term goal is to operate with net debt divided by run rate adjusted EBITDA in the range of 1.5-2.5X.

EMPLOYEES

The Group´s total number of employees at 31 March 2018 amounted to 288 (228), of which 99 (88) were women and 189 (140) were men. Expressed as percentages, women represented 34 percent (39) of the total number of employees, while men represented 66 percent (61). All employees are employed on a full-time basis.

PARENT COMPANY

The Parent Company is the ultimate holding company and was incorporated in Malta on 29 May 2015 with the purpose of receiving dividend income from the main operating company, Catena Operations Limited.

During the first quarter of 2018, no dividends were received from subsidiaries. During the comparative quarter "Investments and related income" included a dividend of EUR 3.6m and a refund of tax charged to non-resident shareholders upon distribution of these dividends amounting to EUR 1.1m. During the first quarter of 2018, costs related to the bond issue in the Parent Company amounted to EUR 1.7m (0.01).
Bond finance costs, classified as "Interest payable on borrowings", amounted to EUR 5.5m (0.9) during the first quarter. Following a decision taken by the Board in 2017, the bond costs and interest payable on the bond have been recharged to Catena Operations Limited.

The fair value movement classified in "Other gains/(losses) on bond liability at fair value through profit or loss" during the first quarter relates to the old bond. No fair value movement has been recognised on the new bond during this quarter since the directors made an assessment that there were no significant changes in market forces in the intervening period between issue date and the reporting date. During the first quarter of 2018, personnel expenses amounted to EUR 0.1m (0.1), while other operating expenses amounted to EUR 0.1m (0.1). The profit for the first quarter of 2018 amounted to EUR 2.7m (1.5m).

The Parent Company's cash and cash equivalents amounted to EUR 47.3m (7.0) and borrowings, which are recognised at fair value through profit and loss, comprising the bond, amounted to EUR 150.0m (51.4). Equity amounted to EUR 55.6m (30,4) at the end of the reporting period.

SIGNIFICANT RISKS AND UNCERTAINTIES

Although the Group does not conduct any online gambling operations, the Group is dependent on the online gambling industry which comprises the majority of its customers.

The laws and regulations surrounding the online gambling industry are complex, constantly evolving and in some cases also subject to uncertainty, and in many countries online gambling is prohibited and/or restricted. If enforcement or other regulatory actions are brought against any of the online gambling operators, which are also the Group's customers, whether current or future, the Group's revenue streams from such customers may be adversely affected. Furthermore, the authority concerned may also claim that the same or similar actions should be brought against any third party having promoted the business of such online gambling operator, including the Group. Accordingly, any such event, including future changes to laws and regulations, could have a material adverse effect on the Group's business, financial condition and results of operations. To manage this risk, the Group is active in regulated and unregulated markets and Catena Media's customer base is very diverse.

Another risk faced by the Group relates to its reliance on its customers when determining the fees to be invoiced by the Group to its customers. Once a player directed by the Group has registered with one of its customers, the Group has no direct insight into the activities of such a player. Although the Group may request access to the net revenue calculations upon which the Group's fees are determined, there remains a risk of miscalculation, including fraudulent or negligent calculations made by its customers or as a result of human error.

If such miscalculations occur without being detected and subsequently remedied or retroactively adjusted, the Group could receive a lower fee than it is entitled to under its customer agreements, which in turn would result in less revenue. Accordingly, any such miscalculation could have an adverse effect on the Group's business, financial condition and results of operations.

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.
- Liquidity risk being the risk of difficulties in obtaining funding to meet the Group's obligations when they fall due.
- Operational risk being the risk that the Group loses its ability to maintain efficient SEO and PPC capabilities.

Full details on risks are published in the 2017 Annual Report.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Increased numbers of shares and votes in CTM plc.
- CTM acquires gg.co.uk, a well-positioned UK horse racing site.
- CTM resolves to implement a directed new issue of shares as payment for assets acquired in March 2018.
- CTM enters the French market by acquiring top sports betting site ParisSportifs.com.
- CTM strenghthens its financial services vertical by acquiring BrokerDeal.de.
- CTM published a bond prospectus and applies for listing of its bonds on Nasdaq Stockholm.

PRESENTATION TO INVESTORS AND MEDIA

A live conference call will be held on 4 May 2018 at 09:00 CET, at which Acting CEO Henrik Persson Ekdahl and Group CFO Pia-Lena Olofsson will present the report. The presentation will be in English and will be broadcast live at https://financialhearings.com/event/10592
To participate in the conference, please call
SE: +46 856 642 701.
UK: + 44 20 300 898 09
US: +1 855 753 22 37.

The switchboard opens at 8:55 a.m. (CET). The presentation will be available on our website https://www.catenamedia.com/investors/reports/quarterly
Another upcoming event will be on 20 November 2018 when Catena Media will hold a Capital Markets Day in Stockholm.

Supplemental information

The Board of Directors and the CEO affirm that this interim 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 Parent Company and the companies in the Group.

This interim report has not been reviewed or audited by the company's auditors.

Malta, 4 May 2018

THE BOARD OF DIRECTORS,

Kathryn Moore Baker

Henrik Persson Ekdahl

Andre Lavold

Anders Brandt

Mats Alders

Mathias Hermansson

Upcoming report dates

10 August 2018 Interim report January–June	**6 November 2018** Interim report January–October	**20 November 2018** CTM Capital Markets Day At Berns in Stockholm	**7 February 2019** Year-end report January - December

FUR FURTHER INFORMATION, PLEASE CONTACT

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This information is information that Catena Media plc is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons above, on 4 May 2018 at 08.30 CET.

REGISTERED OFFICE
Quantum Place, Triq ix-Xatt, Ta' Xbiex
Gzira GZR 1052, Malta

Condensed consolidated statement of comprehensive income

Amounts in '000 (EUR)	Notes	**Jan–Mar 2018**	Jan–Mar 2017	Jan–Dec 2017
Revenue	2	**23,850**	14,628	66,590
Other operating income	4	**-**	600	1,060
Total revenue		**23,850**	15,228	67,650
Direct costs related to Paid revenue		**(3,231)**	(2,959)	(8,851)
Personnel expenses		**(4,114)**	(2,838)	(12,555)
Depreciation and amortisation		**(1,824)**	(571)	(4,219)
Non-recurring costs:				
IPO and bond related costs	5	**(1,936)**	(343)	(2,461)
Reorganisation costs	5	**(61)**	-	(1,041)
Other operating expenses		**(4,106)**	(1,873)	(10,105)
Total operating expenses		**(15,272)**	(8,584)	(39,232)
Operating profit		**8,578**	6,644	28,418
Interest payable on borrowings		**(5,453)**	(850)	(5,298)
Other gains/(losses) on bond liability at				
fair value through profit or loss		**2,882**	(875)	(1,401)
Other finance costs		**(935)**	(278)	(2,196)
Other finance income		**-**	–	3,330
Profit before tax		**5,072**	4,641	22,853
Tax expense		**(417)**	(318)	(1,785)
Profit for the period/year attributable to the equity holders of the parent company		**4,655**	4,323	21,068
Other comprehensive income				
Items that may be reclassified to profit for the period/year				
Currency translation differences		**75**	85	(69)
Total comprehensive income for the period/year attributable to the equity holders of the parent company		**4,730**	4,408	20,999
Earnings per share attributable to the equity holders of the parent during the period/year (expressed in Euro per share):				
Basic earnings per share				
From profit for the period/year		**0.09**	0.08	0.40
Diluted earnings per share				
From profit for the period/year		**0.08**	0.08	0.40

The notes on pages 18 to 22 are an integral part of these condensed consolidated financial statements.

Condensed consolidated balance sheet

Amounts in '000 (EUR)	Notes	**31 Mar 2018**	31 Mar 2017	31 Dec 2017
ASSETS				
Non-current assets				
Goodwill		**7,333**	7,333	7,333
Other intangible assets	6	**253,301**	121,095	232,132
Property, plant and equipment		**3,868**	1,024	3,484
Other investments	7	**589**	589	589
Total non-current assets		**265,091**	130,041	243,538
Current assets				
Trade and other receivables		**14,901**	12,379	13,592
Taxation recoverable		**-**	1,685	-
Cash and cash equivalents		**53,284**	23,041	12,346
Total current assets		**68,185**	37,105	25,938
Total assets		**333,276**	167,146	269,476
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital		**82**	78	81
Share premium		**51,152**	29,267	47,153
Other reserves		**6,236**	5,624	6,077
Retained earnings		**48,362**	26,962	43,707
Total equity attributable to the equity holders of the parent		**105,832**	61,931	97,018
Liabilities				
Non-current liabilities				
Borrowings	8	**150,000**	51,375	102,882
Amounts committed on acquisition	9	**27,616**	30,308	27,655
Deferred tax liabilities		**3,317**	2,063	3,159
Total non-current liabilities		**180,933**	83,746	133,696
Current liabilities				
Amounts committed on acquisition	9	**40,394**	16,830	33,641
Trade and other payables		**4,911**	2,566	4,178
Current tax liabilities		**1,206**	2,073	943
Total current liabilities		**46,511**	21,469	38,762
Total liabilities		**227,444**	105,215	172,458
Total equity and liabilities		**333,276**	167,146	269,476

The notes on pages 18 to 22 are an integral part of these condensed consolidated financial statements.

These condensed consolidated financial statements on pages 13 to 22 were authorised for issue by the Board on 4 May 2018 and were signed on its behalf by:

Kathryn Moore Baker
Chairperson

Per Anders Henrik Persson Ekdahl
Director

Condensed consolidated statements of changes in equity

Amounts in '000 (EUR)	Share capital	Share premium	Other reserves	Retained earnings	Total equity
	Attributable to owners of the parent				
Balance at 1 January 2018	81	47,153	6,077	43,707	97,018
Comprehensive income					
Profit for the period	-	-	-	4,655	4,655
Foreign currency translation movement	-	-	75	-	75
Total comprehensive income for the period	-	-	75	4,655	4,730
Transactions with owners					
Issue of share capital	1	3,999	-	-	4,000
Equity-settled share-based payments	-	-	84	-	84
Total transactions with owners	1	3,999	84	-	4,084
Balance at 31 March 2018	**82**	**51,152**	**6,236**	**48,362**	**105,832**

The notes on pages 18 to 22 are an integral part of these condensed consolidated financial statements.

Condensed consolidated statements of changes in equity - continued

Amounts in '000 (EUR)	Share capital	Share premium	Other reserves	Retained earnings	Total equity
	Attributable to owners of the parent				
Balance at 1 January 2017	77	25,741	5,378	22,639	53,835
Comprehensive income					
Profit for the period	–	–	–	4,323	4,323
Foreign currency translation movement	–	–	85	–	85
Total comprehensive income for the period	–	–	85	4,323	4,408
Transactions with owners					
Issue of share capital	1	3,526	–	–	3,527
Equity-settled share-based payments	–	–	161	–	161
Total transactions with owners	1	3,526	161	–	3,688
Balance at 31 March 2017	78	29,267	5,624	26,962	61,931

Amounts in '000 (EUR)	Share capital	Share premium	Other reserves	Retained earnings	Total equity
	Attributable to owners of the parent				
Balance at 1 January 2017	77	25,741	5,378	22,639	53,835
Comprehensive income					
Retained earnings including profit for the year	–	–	–	21,068	21,068
Foreign currency translation movement	–	–	(69)	–	(69)
Total comprehensive income for the year	–	–	(69)	21,068	20,999
Transactions with owners					
Issue of share capital	4	21,412	–	–	21,416
Equity-settled share-based payments	–	–	768	–	768
Total transactions with owners	4	21,412	768	–	22,184
Balance at 31 December 2017	81	47,153	6,077	43,707	97,018

The notes on pages 18 to 22 are an integral part of these condensed consolidated financial statements.

Condensed consolidated statements of cash flows

Amounts in ‘000 (EUR)	**Jan–Mar 2018**	Jan–Mar 2017	Jan–Dec 2017
Cash flows from operating activities			
Profit before tax	**5,072**	4,641	22,853
Adjustments for:			
Depreciation and amortisation	**1,824**	571	4,219
Impairment of receivables	**-**	–	80
Unrealised exchange differences	**245**	(260)	(3,818)
Interest expense	**5,929**	1,289	7,494
Net (gains)/losses on bond liability at fair value			
through profit or loss	**(2,882)**	875	1,401
Share based payments	**84**	83	768
	10,272	7,199	32,997
Taxation paid	**-**	–	(1,430)
Changes in:			
Trade and other receivables	**(1,334)**	(2,515)	(2,368)
Trade and other payables	**1,333**	(709)	(1,354)
Net cash generated from operating activities	**10,271**	3,975	27,845
Cash flows from investing activities			
Acquisition of property, plant and equipment	**(571)**	(284)	(3,099)
Acquisition of intangible assets	**(12,114)**	(23,956)	(102,041)
Acquisition of other investments	**-**	(589)	(589)
Net cash used in investing activities	**(12,685)**	(24,829)	(105,729)
Cash flows from financing activities			
Net proceeds on issue of bond	**48,650**	–	50,045
Interest paid	**(5,032)**	(851)	(5,198)
Net cash generated from/(used in) financing activities	**43,618**	(851)	44,847
Net movement in cash and cash equivalents	**41,204**	(21,705)	(33,037)
Cash and cash equivalents at beginning of period/year	**12,346**	44,713	44,713
Currency translation differences	**(266)**	33	670
Cash and cash equivalents at end of period/year	**53,284**	23,041	12,346

The notes on pages 18 to 22 are an integral part of these condensed consolidated financial statements.

Notes to the condensed consolidated financial statements

1. ACCOUNTING PRINCIPLES

The interim report is prepared in the accordance with IAS 34 “Interim financial reporting”. It has been prepared under the historical cost 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 financial statements are consistent with those presented in the Annual Report for the year ended 31 December 2017, except regarding segment reporting and financial instruments as a result of the implementation of IFRS 9. The Parent Company applies the same accounting principles as the Group.

Following changes to internal management reporting in the first quarter of 2018, two operating segments have been identified in terms of the definition of IFRS 8. Hence, operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Catena Media Plc, together with the chief executive officer, assess the financial performance and position of the group, and make strategic decisions. Previously, all revenue generated from the various acquisitions and through the different marketing methodologies were being treated as one revenue segment in line with internal management reporting.

The new standards which became effective as from 1 January 2018 have had no or very limited impact on the Group’s financial position, profit or disclosures. IFRS 9 “Financial instruments” addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 retains but simplifies the mixed measurement model in IAS 39 and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI (FVOCI) and fair value through P&L (FVTPL). Notwithstanding this change, trade and other receivables which are measured at amortised cost under IAS 39, will also continue to be measured at amortised cost.

Investments in equity instruments, which for the Group comprise a strategic investment are required to be measured at FVTPL unless the entity makes an irrevocable option at inception to present changes in fair value in OCI instead of the income statement. The directors have in this case elected to classify the investment at FVOCI under IFRS 9, and therefore all fair value movements will be recognised in ‘other comprehensive income’.

IFRS 9 also introduces a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. This amendment impacts the Group only to the extent of trade and other receivables, and there has been no significant impact on the Group as a result of this amendment. The hedge accounting provisions in IFRS 9 will also have no impact on the Group.

For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income for liabilities designated at fair value through profit or loss. There has been no impact on the recognition of fair value movements in the company’s bond measured at FVTPL as a result of this amendment. This standard will be applied retrospectively however since no impact has been identified no adjustments to comparative figures will be required.

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.

Catena Media earns commission-based fees that are either revenue share contracts, CPA contracts or a hybrid of these two models. In Catena Media’s revenue model, potential players are referred to iGaming operators, and commissions are earned when, and if, the referred players effect deposits or as the case may be, place wagers, Catena Media’s revenues are thus deemed to be variable, however determinable at each month end.

The standard requires that variable considerations be estimated, and that estimate is recognised in the statement of comprehensive income as the performance obligation is satisfied.

The Catena Media revenue model lends itself to a narrow exception on variable consideration that is applicable to variable consideration generated from sales- or usage-based royalties on licences of intellectual property, the amount of which is dependent on the licensee’s sales or usage efforts and therefore unknown until the licensee uses the intellectual property. In these instances, the consideration is only recognised as revenue when there is no longer any variability. Under IFRS 15, Catena Media therefore recognises income from revenue share contracts and CPA contracts at the end of each month, when there is no longer any variability on the consideration.

On the basis of the above, the effects of the introduction of IFRS 15 have not resulted in any changes to Catena Media’s revenue recognition model and have not had material effect on the Group’s financial statements. This standard will be applied retrospectively however since no impact has been identified no adjustments to comparative figures will be required.

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 a 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. The standard is effective for annual periods beginning on or after 1 January 2019 and earlier application is permitted, and subject to the Group also adopting IFRS 15. An assessment of the impact of the standard is currently under way and the preliminary conclusion is that the long-term office leases entered into by subsidiaries of the Group will fall within the remits of this standard.

As at the reporting date, the Group has non-cancellable operating lease commitments in respect of long-term office leases amounting to EUR 7.6m. However, the Group has not yet assessed what other adjustments, if any, are necessary for example because of the different treatment of variable lease payments and of extension and termination options. It is therefore not yet possible to estimate the amount of right-of-use assets and lease liabilities that will have to be recognised on adoption of the new standard and how this may affect the Group's profit or loss and classification of cash flows going forward.

2. REVENUE

The revenue of the Group for the first quarter of 2018 is further analysed as follows:

Amounts in '000 (EUR)	**Jan–Mar 2018**	Jan–Mar 2017	Jan–Dec 2017
Search revenue	**20,447**	10,937	53,880
Paid revenue	**3,403**	3,691	12,710
Total revenue	**23,850**	14,628	66,590

Search revenue is comprised of EUR 19.2m (10.9) iGaming revenue and EUR 1.2m (nil) Finance revenue, whilst Paid revenue relates to iGaming in its entirety.

3. SEGMENT REPORTING

The Group's operations are reported on the basis of the two operating segments, iGaming and Finance since 1 January 2018. No comparable figures are available for periods before the first quarter 2018. The segments have been identified in accordance with the definition of an operating segment in IFRS 8, Operating Segments. The CEO and Board monitors performance for the two segments and allocates resources on the basis of these segments. There are no intersegment revenues during the period. Further, total assets and liabilities for each reportable segment are not presented since they are not referred to for monitoring purposes.

Amounts in '000 (EUR)	iGaming	Finance	Unallocated	**Total**
Revenue form external customers	22,683	1,167	–	**23,850**
Total revenue	22,683	1,167	–	**23,850**
Direct cost related to Paid revenue	(3,231)	-	–	**(3,231)**
Personal expenses	(4,099)	(15)	–	**(4,114)**
Depreciation and amortisation	(1,699)	(125)	–	**(1,824)**
Non-recurring costs:				
IPO and bond related costs	–	–	(1,936)	**(1,936)**
Reorganisation costs	–	–	(61)	**(61)**
Other operating expenses	(4,016)	(90)	–	**(4,106)**
Total operating expenses	(13,045)	(230)	(1,997)	**(15,272)**
Operating profit	9,638	937	(1,997)	**8,578**
Interest payable on borrowings	–	–	(5,453)	**(5,453)**
Other gains/(losses) on bond liability at				
fair value through profit or loss	–	–	2,882	**2,882**
Other finance costs	–	–	(935)	**(935)**
Profit before tax	9,638	937	(5,503)	**5,072**
Tax expense	–	–	(417)	**(417)**
Profit for the period/year attributable				
to the equity holders of the parent company	9,638	937	(5,920)	**4,655**
Other comprehensive income				
Items that may be reclassified to profit for the period				
Currency translation differences	–	–	75	**75**
Total comprehensive income for the				
period attributable of the parent company	9,638	937	(5,845)	**4,730**
Adjusted EBITDA	11,337	1,062	–	**12,399**
Adjusted EBITDA margin	50 %	91 %	–	**52 %**
NDC's ('000)	128	5	–	**133**

During the first quarter of 2018, an operational team had as yet not been allocated to the Finance segment. Such an allocation was finalised in Q2 and hence a decline in EBITDA margin is expected going forward.

4. OTHER OPERATING INCOME
No other operating income was generated during the quarter. Other operating income of EUR 0.6m, recognised in the comparative quarter, related to a one-off compensation for loss of revenue received from a partner in relation to PPC traffic.

5. NON-RECURRING COSTS
Non-recurring costs relate to costs which are not deemed to be in the ordinary course of the Catena Media's business, including IPO, bond and reorganisation costs. During the first quarter, bond costs amounted to EUR 1.9m (nil), whilst reorganisation costs, which comprise termination benefits amount to EUR 0.1m (nil). Non-recurring costs in the comparative quarter of EUR 0.3m related to IPO costs.

6. OTHER INTANGIBLE ASSETS
The Group acquired a number of websites, domains and player databases.

Additions during the first quarter of 2018, which mainly comprised the affiliate assets of Dreamworx, BonusSeeker and BetfreeBet, amounted to EUR 21.2m (52.3). The additions, are presented net of a fair value adjustment of EUR 1.9m (5.4), an adjustment to the previously acquired US assets following the amendment to the original agreement of EUR 4.0m (nil) and an adjustment to previously recognised contingent considerations of EUR 1.4m (nil) as a result of changes in estimates of the likely outcome of a contingent event. Further, development of websites and other applications amounted to EUR 1.7m (0.4) for the first quarter.

7. OTHER INVESTMENTS
The directors have elected to classify the equity investment at FVOCI under IFRS 9, and therefore the fair value movements will be recognised in other comprehensive income. The fair value of the equity investment which at reporting date amounted to EUR 0.6m (0.6), was determined by reference to the cost of acquiring the shares. The directors considered that there were no significant changes in the fair value of the shares in the intervening period between the acquisition date and the reporting date. The fair value has been categorised within the IFRS 13 fair value hierarchy as Level 3.

8. BORROWINGS
Borrowings as at the end of the reporting period comprise a three-year unsecured bond loan ("new bond") amounting to EUR 150.0m, under a framework of EUR 250.0m, which matures in March 2021. The corresponding balance in the first quarter of 2017 and the balance as at 31 December 2017 comprised of an amount of EUR 50.0m which was issued on 16 September 2016, and a tap issue of EUR 50.0m issued on 14 June 2017. The new bond was listed on Nasdaq Stockholm on 6 April 2018 at a nominal value of EUR 100,000

The debt securities bear a floating rate coupon of Euribor 3m + 5.5 percent. Euribor 3m is subject to a floor of 0 percent.

Similar to the previous bond issue, the new bond has been designated by management as a financial liability at fair value through profit and loss since it contains an embedded derivative that may significantly modify the resulting cashflow. This embedded derivative is an early redemption option with the redemption price set in accordance with a mechanism as set out in the prospectus. The fair value of the bond, which at the end of the reporting period amounted to EUR 150.0m, was determined by reference to the issue price (par value); the directors considered that there were no significant changes in market forces in the intervening period between the issue date and the reporting date. Accordingly, the bond's fair value has been categorised within the IFRS 13 fair value hierarchy as Level 2.

9. 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 considerations.

Expected cash outflows relating to these contingent considerations are assessed by the Directors for each asset acquisition on the basis of their knowledge of the industry and how the economic environment is likely to impact it. Total amounts committed on acquisition, which are presented net of present value adjustments (as further explained below), as at 31 March 2018 of EUR 68.0m (47.1) include an amount of EUR 64.6m (43.6) which is contingent. The current portion of amounts committed on acquisition of EUR 40.4m (16.8) includes an amount of EUR 37.0m (14.1) which is contingent. An amount of EUR 3.4m (2.7) is not contingent.

These contingent considerations are measured at fair value and are 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 expected cash flows are discounted to present value by utilising a discount rate of 6.75 percent. The fair value adjustment to the expected cash flows as at 31 March 2018 is of EUR 9.0m (5.2), EUR 3.3m (1.1) of which is attributable to amounts committed on acquisition due within twelve months from the end of the current financial year. The corresponding adjustment impacts the value of the assets acquired as recognised in the statement of financial position.

The notional interest charge on the contingent considerations is included in 'Other finance costs', net of foreign exchange differences.

During the quarter, amounts committed on acquisition relating to contingent considerations have been adjusted by an amount of EUR 1.4m (nil) to reflect a change in estimates (refer to Note 6). A further adjustment of EUR 4.0m relates to the amendment of the original US asset acquisition agreement.

Movements during the quarter are summarised below:

Amount in '000 (EUR)	
Amounts committed as at 31 December 2017	61,296
Acquisitions during the quarter	28,453
Settlements	(14,711)
Present value adjustments	(1,857)
Notional interest charges	209
Adjustments to contingent considerations	(5,380)
Amounts committed as at 31 March 2018	**68,010**

The maximum potential undiscounted amount that the Group may be required to settle under such contingent consideration arrangements is EUR 123.8m, of which EUR 73.6m (gross of fair value adjustment of EUR -9.0m and excluding an amount of Eur 3.4m which is not contingent) has been recognised based on estimates of future earnings.

10. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

Amount in '000 (EUR)	**Jan–Mar 2018**	Jan–Mar 2017	Jan–Dec 2017
Purchases of services:			
Entities with significant shareholding*	**388**	680	2,352

* Purchases of services from entities with significant shareholding comprise consultancy, advisory and success fees payable to Optimizer Invest Limited. Fees relating to acquisitions reflect the amount paid during the periods and not the maximum amount that could be due in terms of contractual agreements in place which are dependent on the achievement of target earnings. The maximum amount that could be due under this agreement is EUR 1.0m (1.8). The agreement was terminated on 9 November 2017.

Condensed Parent Company statements of income and other comprehensive income

Amount in ' 000 (EUR)	**Jan–Mar 2018**	Jan–Mar 2017	Jan–Dec 2017
Investment and related income	**-**	4,746	4,746
Personnel expenses	**(81)**	(56)	(293)
IPO and bond related costs	**(1,725)**	(7)	(908)
Recharge of IPO and bond related costs to subsidiary	**1,725**	-	900
Other operating expenses	**(69)**	(52)	(219)
Other operating income	**20**	-	59
Total operating expenses	**(130)**	(115)	(461)
Operating (loss)/profit	**(130)**	4,631	4,285
Interest payable on borrowings	**(5,453)**	(850)	(5,299)
Recharge of interest to subsidiary	**5,451**	-	5,278
Other gains/(losses) on bond liability at			
fair value through profit or loss	**2,882**	(875)	(1,401)
Other finance costs	**(15)**	(128)	(238)
Profit before tax	**2,735**	2,778	2,625
Tax expense	**-**	(1,266)	(1,266)
Profit for the period/year - total comprehensive income	**2,735**	1,512	1,359

Condensed Parent Company balance sheet

Amount in ’000 (EUR)	**31 Mar 2018**	31 Mar 2017	31 Dec 2017
ASSETS			
Non-current assets			
Investment in subsidiaries	**948**	297	904
Current assets			
Trade and other receivables	**159,622**	74,712	149,597
Cash and cash equivalents	**47,308**	7,044	1,967
Total current assets	**206,930**	81,756	151,564
Total assets	**207,878**	82,053	152,468
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	**82**	78	81
Share premium	**51,683**	29,797	47,684
Other reserves	**1,309**	619	1,226
Retained earnings/accumulated losses including profit for the period/year	**2,498**	(84)	(237)
Total equity	**55,572**	30,410	48,754
Liabilities			
Non-current liabilities			
Borrowings	**150,000**	51,375	102,882
Total non-current liabilities	**150,000**	51,375	102,882
Current liabilities			
Trade and other payables	**2,306**	268	832
Total liabilities	**152,306**	51,643	103,714
Total equity and liabilities	**207,878**	82,053	152,468

Definitions of Alternative Performance Measures

ATERNATIVE KEY RATIO	DESCRIPTION	SCOPE
EBITDA	Operating profit before depreciation and amortisation.	The Group reports this key ratio so that users of the report can monitor operating profit and cash flow. This is also used by investors, analysts and the Group's management to evaluate the Group's operational profitability.
EBITDA MARGIN	EBITDA as a percentage of revenue.	The Group reports this key ratio so that the users of the report can monitor the value creation generated by the operation. This is also used by investors, analysts and the Group's management to evaluate the Group's operational profitability.
ADJUSTED EBITDA	EBITDA adjusted for non-recurring expenses.	The Group reports this key ratio because it provides a better understanding of the operating profit than non-adjusted EBITDA, which also provides a more comparable financial measure over time.
ADJUSTED EBITDA MARGIN	Adjusted EBITDA as a percentage of revenue.	The Group reports this key ratio to show the underlying EBITDA margin before non-recurring costs, which provides a better understanding of EBITDA margin than non-adjusted EBITDA margin, which also provides a more comparable financial measure over time.

ATERNATIVE KEY RATIO	DESCRIPTION	SCOPE
NDC (NEW DEPOSITING CUSTOMERS)	A new customer placing a first deposit on a client's website.	The Group reports these key figures since they are key to measure revenues and long-term organic growth.
NON-RECURRING COSTS	Costs that are not part of the normal operation of the business.	Non-recurring expenses are costs that do not relate to the ongoing operations of the business. Examples include bond issue costs, IPO-costs, including costs associated with the planned change in the listing on Nasdaq Stockholm, as well as reorganisation costs.
ORGANIC GROWTH	Revenue growth rate adjusted for acquired portfolios and products. Organic growth includes the growth in existing and acquired portfolios and products.	The Group reports this key ratio since it is key to measure revenues and long-term organic growth.
REVENUE GROWTH	Increase in revenue compared to the previous accounting period as a percentage of revenue in the previous accounting period.	The Group reports this key ratio so that users of the report can monitor business growth.
REVENUE PRODUCTIVITY RATIO	Revenue per average number of employees.	The Group reports this key ratio to be used by management and investors to assess productivity per employee.
ADJUSTED EBITDA PRODUCTIVITY RATIO	Adjusted EBITDA per average number of employees.	The Group reports this key ratio to be used by management and investors to assess productivity per employee.