



YEAR-END REPORT

January – December 2018

Q4

CONCLUDING AN AMAZING YEAR

FOURTH QUARTER 2018 (OCT-DEC)

- Revenues increased by 71.6% to €32.9 million (19.2)
- B2B Revenues increased by 87.3% to €19.3 million (10.3)
- EBITDA increased by 71.4% to €6.6 million (3.8)
- EBITDA margin amounted to 20.0% (20.0%)
- EBIT increased to €6.0 million (3.5)
- Earnings after tax from continued operations increased to €4.6 million (1.3)
- Earnings per share after tax from continued operations increased to €0.10 (0.03)
- Cash flow from operating activities increased by 103.9% to €5.3 million (2.6)
- First time depositors (FTDs) increased by 82.1% to 123.7 thousand (67.9)

FULL YEAR 2018 (JAN-DEC)

- Revenues increased by 45.5% to €104.6 million (71.9)
- B2B Revenues increased by 52.6% to €56.6 million (37.1)
- EBITDA increased by 48.6% to €21.2 million (14.3)
- EBITDA margin amounted to 20.3% (19.8%)
- EBIT increased to €19.3 million (13.0)
- Earnings after tax from continued operations increased to €16.2 million (9.8)
- Earnings per share after tax from continued operations increased to €0.36 (0.23)
- Cash flow from operating activities increased by 42.8% to €22.9 million (16.0)
- First time depositors (FTDs) increased by 50.5% to 370.4 thousand (246.1)
- The Board of Directors proposes a dividend of approximately 1.27 SEK per share, to be paid for the 2018 fiscal year

SIGNIFICANT EVENTS DURING AND AFTER THE FOURTH QUARTER

- On October 25th 2018, the sports operator BetRegal migrated to Aspire Global from another platform
- On October 22nd 2018, Aspire Global launched a bingo offering in addition to casino and sports.
- On November 28th 2018, Aspire Global was granted a sports gaming license in Ireland.
- On December 5th 2018, Aspire Global presented new financial targets for 2019-2021; revenues of €200 million and an EBITDA of €32 million, excl. material acquisitions, and an EBITDA-margin of 16%.
- On December 21st 2018, Aspire Global was granted a Swedish gaming license. On January 1st, 2019, the re-regulation entered into force and Aspire Global started operating under the new license.
- On January 9th 2019, Ziv Shtaeinberg was appointed as Chief Technology Officer (CTO) and member of the management team at Aspire Global, leading the technology site in Kiev, Ukraine.

KEY FIGURES

€ million	FOURTH QUARTER		FULL YEAR	
	2018	2017	2018	2017
Revenues	32.9	19.2	104.6	71.9
EBITDA	6.6	3.8	21.2	14.3
EBITDA, %	20.0	20.0	20.3	19.8
EBIT	6.0	3.5	19.3	13.0
EBIT, %	18.3	18.0	18.5	18.1
Earnings per share*, €	0.1	0.03	0.36	0.23
Company hold, %	50.6	53.6	52.4	52.7
FTDs (K)	123.7	67.9	370.4	246.1

* from continued operations

A WORD FROM THE CEO



As I conclude the fourth quarter and 2018 as a whole, I feel excited and extremely proud of our progress. December rounded off yet another record quarter in line with our seasonal pattern. We maintained strong focus on regulated markets with new licenses granted in Sweden and Ireland and finalized compliance for the Swedish re-regulation. Furthermore, we launched five new brands on the platform, two of which were migrations of established operators, all while pursuing high activity in B2B and B2C through effective CRM-campaigns. As a result, revenues in the fourth quarter increased by 71.6% from 2017, reaching €32.9 million.

CONCLUDING 2018

As for the full-year, it was an exciting journey. Aspire Global entered into 8 new partnerships and launched 13 new B2B-sites. We also launched over 240 new games, 6 of which are our own, and managed to expand our offering to bingo and sports, the latter of which is growing steadily and contributing to both segments. We also received two new licenses for regulated markets, Sweden and Ireland, enabling us to create a stronger presence in northern Europe. The iGaming license for sports in Ireland expands Sportsbook to yet another regulated market, enabling partners to target new audiences through a wider offering. Moreover, we issued and listed a bond under a €80 million framework that, together with our strong cash flow, would enhance our growth potential and allow us to explore attractive investment and acquisition opportunities, in line with operational focus. Last but not least, we arranged our first capital markets day in Stockholm. The fact that we will be exceeding previous financial targets ahead of schedule is the result of an amazing progress in 2018, following our growth strategy.

ENTERING 2019

We are excited to be up and running in the re-regulated Swedish market, creating a stronger footprint in the Nordics. Aspire Global sees considerable growth potential from the modest starting point and is looking forward to initiating new partnerships under the new conditions.

Aspire Global recently announced updated financial targets for 2019-2021, aiming at revenues of €200 million and an EBITDA of €32 million, excluding material acquisitions, and an EBITDA-margin of 16%. The strategy going forward remains focused on B2B and B2C, but also on game development. Aspire Global will continue to pursue strong growth, both organically and through acquisitions, with a consistent focus on improving the offering, strengthening partnerships and seizing attractive opportunities in regulated markets. To ensure the appropriate infrastructure and flexibility for various market conditions and coming integrations, we will be initiating considerable investments in the company platform from our tech site in Ukraine, starting with the recent appointment of a group CTO and further recruitments to strengthen the tech-team going forward.

Welcome to a new and exciting year with Aspire global.

Tsachi Maimon, CEO Aspire Global

ABOUT ASPIRE GLOBAL

Aspire Global is a leading platform-provider to iGaming operators, providing a first-rate turnkey solution for casino, sports and bingo, enhanced by professional services and exclusive content. Aspire Global manages every aspect from regulation and compliance to payment processing, risk management, CRM, support and player value optimization. In addition to the B2B offering, Aspire Global operates several proprietary brands (B2C), mainly Karamba, based on the same operational setup and platform.

UNIQUE STRENGTHS

1. Scalable platform

Aspire Global's business model enables companies to launch an iGaming brand without investing the level of resources and funds required for a strong full service-platform solution. Partners thus are able to focus entirely on marketing of the iGaming offering, while Aspire Global manages all other aspects. New brands can easily be added to Aspire Global's scalable platform, increasing cost benefits without substantially raising fixed costs.

2. Lucrative partnership model

Thanks to a unique pricing model that aligns interests and incentives, all parties benefit when partners achieve their full potential as operators, resulting in a high degree of partner loyalty and long-term relationships. This is primarily done by keeping the mark-up on third party services to a minimum while increasing the revenue share element of the partnerships, which is believed to be competitive advantage over competitors who charge a higher mark-up.

3. Exclusive features

The platform itself offers unique features that increase company hold and profit for all parties such as a large, exclusive selection of in-house games as well as data-driven (CRM) performance evaluation, ensuring disciplined use of marketing resources. For instance, unprofitable campaigns can quickly be identified and ended, and under-performing games replaced.

GROWTH STRATEGY

- **Stronger offering:** Aspire Global continuously seeks ways to improve the iGaming solution through product development and a broader offering.
- **Organic growth:** Accelerate the number of partners and brands without adding major overhead.
- **M&A:** Aspire Global looks actively for acquisition opportunities and new projects that could broaden the offering for players, enhance the scale benefits of the platform or accelerate growth.
- **Geographic expansion:** Aspire Global has a strong focus on regulated markets. In the 12-month period 2018, 70% of company revenues came from taxed or locally regulated or soon to become regulated markets, including Sweden where new regulation enters into force as of 2019.

FINANCIAL TARGETS 2019–2021

- **Revenues of €200 million** by 2021 with EBITDA of **€32 million**, excluding major acquisitions
- **An average EBITDA-margin*** of **16%** of the medium term (2019-2021)
- **Annual dividend**** of at least **50%** of net profits after taxes

*Note that being the license holder, means Aspire Global receives payment directly from players, as oppose to most other B2B-companies who receive a royalty from the operator. Adjusted for this, Aspire Global's EBITDA margin would be significantly higher, meaning our EBITDA-margin is not fully comparable to the EBITDA-margin of our peers. **See page 72 in the 2017 Annual Report for complete Dividend Policy.

OPERATIONAL HIGHLIGHTS

2018 was rounded off with an exceptionally strong quarter where revenues reached €32.9 million and an EBITDA of €6.6 million, repeating the seasonal pattern from 2017 where December outperformed as a result of successful CRM-campaigns. All in all, revenues in 2018 increased by 45.5% to €104.6 million (71.9) thanks to a consistent focus on improving the offering, strengthening partnerships and seizing attractive opportunities in regulated markets.

OPERATIONS

The migration of sports operator BetRegal to Aspire Global's platform was finalized in October – a strategically important event as it confirmed the competitive advantage for Aspire Global's sports solution. BetRegal was the first dedicated sports operator to migrate to Aspire Global from a competing platform. Moreover, in December, the casino brand Spinson was migrated to Aspire Global, joining *Pirate Slots* on the platform – another brand from the partner Spinson Entertainment Ltd. After the year-end, the slots and casino site Slotzo was launched on the company platform together with the partner Fortuna Gaming.

B2B was a strong driver throughout 2018 thanks to the streamlined partner portfolio, better incentive plans and a faster platform. The segment increased revenues over the past year by 45.5%, standing for 59% of the total revenue and 67% of EBITDA in the fourth quarter. B2B. Also, sports continued to grow boosting B2C revenues to an increase of 53% over the fourth quarter of 2017 and the revenues from sport to comprise 15% of B2C revenues and 7% from total revenues.

MARKETS

In November 2018, Aspire Global was granted an iGaming license for sports in Ireland by the Irish sports betting authority, expanding Sportsbook to yet another regulated market and enabling partners to target new audiences through a wider offering.

The Swedish re-regulation entered into force on January 1st, 2019 and Aspire Global was granted a gaming license by the Swedish Gambling Authority (Spelinspektionen) just before the year-end and was ready to address the market after months of technical preparations to comply with Swedish regulations. Pending the integration with the automatic Swedish gaming shutdown service Spelpaus.se, a number of players managed to register accounts with Aspire Global despite being listed on Spelpaus.se, placing bets before being manually suspended and refunded. Sharing Spelinspektionen's ambition to promote a healthy gaming behaviour, Aspire Global decided to close down all Swedish activity pending the integration which was completed in the middle of January, enabling all sites to go live again. Aside from the rocky start, Aspire Global is excited to be up and running in the Swedish re-regulated market.

Going forward, Aspire Global will also be phasing out operations in Belgium and Italy, following changing regulations that require amendments which can't be financially motivated given the limited potential in these minor markets, for Aspire Global, compared to other regulated markets.

CORPORATE EVENTS

In December, the board updated the financial targets in line with the company's ambition for the coming three-year period. According to the new targets for 2019-2021, Aspire Global is expecting to reach revenues of €200 million in 2021 and an EBITDA of €32 million, excluding material acquisitions. This corresponds to an EBITDA-margin of 16%, compared to 15% in previous targets. The strategy remains focused on B2B and B2C, but also on game development – a hidden asset in the company. Aspire Global will continue to pursue strong growth, both organically and through acquisitions, with a consistent focus on improving the offering, strengthening partnerships and seizing attractive opportunities in regulated markets. As some of Aspire Global's existing markets are expected to be regulated by 2021, the new financial targets are adjusted for increased gaming duties. Aspire Global considers the company to be fully financed to execute on its business plan while continuing to pursue an active acquisition strategy. The company analysed a number of interesting M&A-prospects in 2018 and will be continuing these efforts in 2019.

In January, Aspire Global also announced the appointment of Ziv Shtaeinberg as Chief Technology Officer, a new position in the group and the management team. Ziv Shtaeinberg will be based in Kiev, Ukraine, where he will be leading the technology team in the group as of January 2019. He has extensive knowledge of technology development, on-premises software and cloud computing from similar roles at SafeCharge (global payment technology) and Microsoft. Ziv Shtaeinberg was born in 1975 and holds a Bachelor degree in Management and Computer Science from Tel Aviv University, Israel. In addition to the appointment of a Chief Technology Officer, a new Chief Product Officer will be joining the management team replacing Galit Shani (VP Product) who has left Aspire Global for new challenges after more than ten years in the company. The process of finding her replacer has started.

SEGMENT HIGHLIGHTS

B2B

B2B Revenues increased by 87.3% to €19.3 million (10.3), constituting 59% of the company's total revenues and 67% of EBITDA for the fourth quarter. For the full year, the revenues amounted to €56.6 million (37.1). Continued customized commercial offerings to our leading partners boosted performance and contributed to the material increase quarter over quarter. Five brands were launched in the fourth quarter, three by new partners and two by existing partners. During October 2018 and December 2018, the sports operator BetRegal and Casino operator Spinson were migrated to Aspire Global from a competing platform. All-in-all, 39 partners are currently operating on the company platform.

KEY FIGURES B2B

€ million	FOURTH QUARTER		FULL YEAR	
	2018	2017	2018	2017
Net gaming revenues*	19.3	10.3	56.6	37.1
Deposits	37.6	18.4	107.1	69.6
Company hold, %	51.3	56.0	52.8	53.3
First Time Depositors (FTDs)	80.1	40.0	221.2	141.6
Transactions	647.8	322.1	1,871.3	1,220.4
Active users	125.4	74.8	270.2	193.9
<i>*NGR excl. closed markets</i>	<i>19.3</i>	<i>10.3</i>	<i>56.6</i>	<i>34.3</i>

B2C

B2C net gaming revenues increased by 53% to €13.6 million (8.9), constituting 41% of the company's total revenues, and 33% of EBITDA, for the fourth quarter. For the full year, the revenues amounted to €48 million (34.8). The growth was mainly driven by the continuous marketing optimization and efficient CRM, increasing the number of FTDs while maintaining existing players. During the fourth quarter sports revenues continued to increase and exceeded 15% of the total B2C revenues, confirming that the right infrastructure and channels are in place and the new vertical is on the right track.

KEY FIGURES B2C

€ million	FOURTH QUARTER		FULL YEAR	
	2018	2017	2018	2017
Net gaming revenues*	13.6	8.9	48.0	34.8
Deposits	27.3	17.4	92.6	66.8
Company hold, %	49.8	51.1	51.8	52.1
First Time Depositors (FTDs)	43.5	27.9	149.2	104.5
Transactions	427.4	308.4	1,577.9	1,182.0
Active users	77.4	54.4	188	138.1
Marketing expenses/NGR, %	37	38	35	35
<i>*NGR excl. closed markets</i>	<i>13.6</i>	<i>8.9</i>	<i>48.0</i>	<i>33</i>

FINANCIAL PERFORMANCE

REVENUES

The fourth quarter and full year 2018

The fourth quarter generated €32.9 million (19.2), increasing revenues for the year to €104.6 million (71.9). Moreover, the comparing 12 months period in 2017 included substantial revenues from the Australian operations that were discontinued at the end of the third quarter. Customized commercial offerings to leading partners boosted performance and contributed to material B2B-increase quarter over quarter. As for B2C, sports revenues were a key growth driver, not least in the UK and Ireland, maintaining momentum and exceeding 15% of revenues in the fourth quarter. In the 12-month period we see results of the extensive technology roll-out at the beginning of 2018. All-in-all we have a higher number of partners and brands operating more efficiently on the company platform along with higher activity for B2C compared to last year.

	REVENUES PER SEGMENT					
	FOURTH QUARTER (OCT-DEC)					
	2018		2017		2018/2017	
	€'000	% of total revenues	€'000	% of total revenues	%	
B2B (partner brands)	19.3	59	10.3	54		87
B2C (proprietary brands)	13.6	41	8.9	46		53
Total revenues	32.9	100	19.2	100		71

	FULL YEAR (JAN-DEC)					
	2018		2017		2018/2017	
	€'million	% of total revenues	€'million	% of total revenues	%	
B2B (partner brands)	56.6	54	37.1	52		53
B2C (proprietary brands)	48.0	46	34.8	48		38
Total revenues	104.6	100	71.9	100		45

	REVENUES PER GEOGRAPHY					
	FOURTH QUARTER (OCT-DEC)					
	2018		2017		2018/2017	
	€'million	% of total revenues	€'million	% of total revenues	%	
Nordics	8.5	26	7.1	37		19
UK and Ireland	5.7	17	3.9	20		46
Rest of Europe	17.7	54	7.8	41		127
Rest of world	1.0	3	0.4	2		147
Total revenues	32.9	100	19.2	100		72

	FULL YEAR (JAN-DEC)					
	2018		2017		2018/2017	
	€'million	% of total revenues	€'million	% of total revenues	%	
Nordics	30.2	29	26.7	37		13
UK and Ireland	20.4	19	14.3	20		42
Rest of Europe	51.1	49	24.9	35		106
Rest of world	2.9	3	6.0	8		-52
Total revenues	104.6	100	71.9	100		45

EARNINGS

The fourth quarter and full year 2018

EBITDA increased by 71% to €6.6 million (3.8) in the fourth quarter, keeping a steady EBITDA-margin at 20.0% (20.0%), despite increase in distribution costs and gaming duties following the higher share of revenues from regulated markets. Administrative expenses amounted to €3.3 million (2.4), mainly attributed to higher expenses for legal and accounting services related to M&A initiatives.

For the full year, EBITDA increased to €21.2 million (14.3) with an EBITDA-margin of 20.3% (19.8%). Main cost drivers in 2018 were higher royalties to partners, driven by the significant increase in B2B revenues as well as marketing and customer acquisition for B2C, partly related to Sportsbook during the FIFA World Cup in June and July. Gaming duties in 2018 increased by 46% to €4.4 million (3.0) in line with the focus on regulated markets. Administrative expenses increased by 20% to €12.8 million (10.6) for the year, mainly related to staff and services within legal and accounting following M&A-initiatives and professional services associated with being a publicly listed company.

Operating income increased to €19.3 million (13.0), of which €6.0 million (3.5) generated in the fourth quarter. Amortization and depreciation increased by 54% to €1.9 million (1.2) for the year, primarily driven by higher capitalized development costs and additional depreciation expenses for a new data center that was purchased in 2017, of which €527 thousand (368) were generated in the fourth quarter.

Net income before company's share in the results of associated companies amounted to €18.5 million (12.25) for the full year, €5.7 million (3.3) of which generated in the fourth quarter. The company's interest income and foreign currency exchange differences with respect to funding to a related group increased to €2,430 thousand (€504 thousand) for the full year, of which €657 thousand (€243 thousand) in the fourth quarter, primarily driven by interest gained on a related group loan accompanied by a weakened USD against the EUR. Net finance income and expenses amounted to €-2,238 thousand (-508) for the period, €-691 thousand (-197) of which generated in the fourth quarter, primarily driven by currency exchange rate differences and interest expenses related to the bond. Income taxes for 2018 increased somewhat to €986 thousand (780), following higher taxable income.

Net income and comprehensive income from continued operations amounted to €16.2 million (9.8) for the year, €4.6 million (1.3) of which generated in the fourth quarter. The company's share in the results of associated companies amounted to €-2.3 million (-2.5) for the year, of which €-1.05 million (-1.98) in the fourth quarter, mainly related to investment in Neolotto (see more under related parties) and the activity of Mr. Play which was launched during the fourth quarter of 2017.

EBITDA PER SEGMENT	FOURTH QUARTER (OCT-DEC)					
	2018		2017		2018/2017	
	€'000	% of total	€'000	% of total		%
B2B (partner brands)	4,362	67	2,659	69		64
B2C (proprietary brands)	2,197	33	1,169	31		88
Total earnings	6,559	100	3,828	100		71
	FULL YEAR (JAN-DEC)					
B2B (partner brands)	12,397	58	7,880	55		57
B2C (proprietary brands)	8,804	42	6,382	45		38
Total earnings	21,201	100	14,262	100		49

CASH FLOW

The fourth quarter and full year 2018

Cash flow from operating activities increased to €22.9 million (16.0) for the full year, of which €5.3 million (2.6) was generated in the fourth quarter primarily driven mainly by an increase in the client liability balance following higher player deposits, an increase in trade payables accompanied by a decrease due to interest income and foreign currency exchange differences related to the funding to a related group.

Cash flow used in investing activities decreased by 20% to €6.1 million (7.6) in the year, of which €1.2 million (3.0) in the fourth quarter, mainly constituted by capitalization of development costs. Investment activities in the fourth quarter of 2018 were €1.9 million lower than in 2017, mainly due to lower investments and loans to associated companies in the fourth quarter of 2018. The company began to invest in companies in 2017 and intends to further consider a number of identified investments and acquisition opportunities.

Cash flow from financing activities amounted to €248 thousands (-652) in the fourth quarter, driven by the exercise of employee options in 2018 and costs related to the issuance of shares recorded in the fourth quarter of 2017. For the full year, the issuance of a bond amounting to €26.8 million, offset by a dividend payment of €3.8 million, generated cash flow of €23.4 million (-7.3 million). In the comparative period in 2017, the cash flow was driven by the issuance of ordinary shares (net of related expenses) for €4.8 million related to the company's IPO, offset by a €12.0 dividend payment.

Cash flow, €'000	FOURTH QUARTER		FULL YEAR	
	2018	2017	2018	2017
Net cash generated from operating activities	5,339	2,619	22,922	16,048
Net cash used in investing activities	-1,185	-3,036	-6,061	-7,609
Net cash generated by (used in) financing activities	248	-652	23,447	-7,287
Net increase (decrease) in cash and cash equivalents	4,402	-1,069	40,308	1,152
Cash and cash equivalents at the beginning of the period	49,318	14,481	13,412	12,260
Cash and cash equivalents at the end of the period	53,720	13,412	53,720	13,412

FINANCIAL POSITION

FINANCING

April 3rd 2018, the company issued of a €27.5 million senior secured bond loan, under a €80 million framework, aimed to enhance the company's business by mergers and acquisitions activities. The Bond has a 3-year tenor with a floating interest rate of Euribor 3m + 7.0% and a Euribor floor of zero. Additional terms and covenants are specified in the Bond terms and conditions found on the company website. The bond is listed on Nasdaq Stockholm and the first day of trading was May 15th.

SHARE AND OWNERSHIP STRUCTURE

Aspire Global's share has been listed for trading on the NASDAQ First North Premier in Stockholm, Sweden as of July 11th 2017. The Offering comprised up to 8,856,603 existing shares offered by the selling shareholders and up to 2,099,716 new shares issued by the company. The Offering Price had been set to SEK 30 per share, corresponding to a value of the company's shares of SEK 1,323 million.

Largest shareholders, December 31st 2018	NUMBER OF SHARES	VOTES AND CAPITAL, %
Matalon Barak	12,048,000	26.7%
Zahavi Pini	7,500,000	16.6%
Azur Eli	7,500,000	16.6%
Aran Aharon	3,000,000	6.6%
BNY MELLON (ESOP)	1,729,089	3.8%
Swedbank Robur Ny Teknik BTI	1,686,650	3.7%
Swedbank Nordic Microcap	1,666,650	3.7%
Fondita Nordic small CAP	1,043,300	2.3%
Skandinaviska Enskilda Banken	968,952	2.1%
BPSS LDN	917,072	2.0%
Total 10 largest shareholders	38,059,713	84.3%
Other 1,687 shareholders	7,074,615	15.7%
Total	45,134,328	100%

OPTIONS

On February 7th 2018, the board of directors of the company, approved a grant of 441,750 options to purchase 441,750 shares to certain employees, according to the company's 2017 share options scheme. The exercise price was set to the share price on the grant day. The options will become exercisable over a period of 3 years from the grant date.

On August 13th 2018, the board of directors of the company, approved a grant of 21,000 options to purchase 21,000 shares to certain employees, according to company's 2017 share options scheme.

During the 12-month period ended December 31st 2018, company options were exercised to a total of 1,040,292 shares. The exercise price consideration received for the shares amounted to EUR 520 thousand.

On February 13th 2019, the board of directors of the company, approved a grant of 105,000 options to purchase 105,000 shares to certain employees, according to company's 2017 share options scheme.

OTHER

RELATED PARTIES

On August 3rd 2018, Neolotto Ltd, a company owned 38% by Aspire Global, was granted an additional convertible loan of €5.0 million to explore the business potential of a nationwide license in Germany for charity lotteries. The loan amounts to €5.0 million in total, out of which Aspire Global's part is €1.0 million along with € 0.5 million from Aspire Global's original shareholders.

For related party transactions see Note 21 "Related parties", page 63-64 in the Annual Report.

SIGNIFICANT EVENTS DURING AND AFTER THE QUARTER

- On October 25th 2018, the sports operator BetRegal migrated to Aspire Global from another platform
- On October 22nd 2018, Aspire Global launched a bingo offering in addition to casino and sports.
- On November 28th 2018, Aspire Global was granted a sports gaming license in Ireland.
- On December 5th 2018, Aspire Global presented new financial targets for 2019-2021; revenues of €200 million and an EBITDA of €32 million, excl. material acquisitions, and an EBITDA-margin of 16%.
- On December 21st 2018, Aspire Global was granted a Swedish gaming license. On January 1st, the Swedish re-regulation entered into force and Aspire Global started operating under the new license.
- On January 9th 2019, Ziv Shtaeinberg was appointed as Chief Technology Officer (CTO) and member of the management team at Aspire Global, leading the technology site in Kiev, Ukraine.
- On February 6th 2019, the Board of Directors proposed a dividend to the Company's shareholders on behalf of the 2018 financial year results equivalent to approximately 1.27 SEK per share. The dividend is subject to the shareholders' approval.

EMPLOYEES

As at Dec 31st 2018, Aspire Global had 179 employees, of which 85 were women.

RISKS AND UNCERTAINTIES

Read more about risk and uncertainties in Aspire Global's Prospectus section "Risk factors" on pages 19-30 and Annual report 2017, section "Risk factors" on pages 45-49 as well as Note 23 "Financial instruments and risk management", page 64-66.

ACCOUNTING POLICIES

The interim condensed consolidated financial information ("Interim Financial Information") of the Group has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' as adopted by the EU ("IAS 34").

The Interim Financial Information has been prepared on the basis of the accounting policies adopted in the company's audited consolidated financial statements for the years ended December 31st 2017 and 2016 ("Annual Financial Statements"), which are prepared in accordance with International Financial Reporting Standards as adopted by the EU. This Interim Financial Information should be read in conjunction with the Annual Report 2017, see Note 2 "Significant Accounting Policies" pages 54-57.

The Interim Financial Information is unaudited, does not constitute statutory accounts and does not contain all the information and footnotes required by accounting principles generally accepted under International Financial Reporting Standards for annual financial statements.

FINANCIAL CALENDAR 2018

Annual report 2018	April 11 th 2019
Interim report for the first quarter January-March (Q1)	May 13 th 2019
Annual General Meeting	May 14 th 2019
Interim report for the second quarter April-June (Q2)	August 20 th 2019
Interim report for the third quarter July-September (Q3)	November 5 th 2019

FOR MORE INFORMATION, PLEASE CONTACT

Tsachi Maimon, CEO, tel: +356-79777898 or email: tsachi@aspireglobal.com
Motti Gil, CFO, tel: +972- 73 372 3154 or email: mottigi@aspireglobal.com

INTERIM REPORT ASSURANCE

The Board of directors and the CEO assures that the interim report for the fourth quarter gives a fair overview of the company's operations, position and result of operations, and describes the significant risks and uncertainties facing the company and the companies included in the Group.

Stockholm, February 13th 2018

Carl Klingberg, Chairman

Aharon Aran
Board member

Fredrik Burvall
Board member

Tsachi Maimon (CEO)
Board member

Barak Matalon
Board member

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

€'000, unaudited, full year 2017 audited	Fourth quarter (Oct-Dec)		Full year (Jan-Dec)	
	2018	2017	2018	2017
Revenues (including EU VAT)	32,879	19,158	104,592	71,923
EU VAT	-695	-346	-2,109	-1,148
Net revenues	32,184	18,812	102,483	70,775
Distribution expenses	-21,161	-11,640	-64,123	-42,876
Gaming duties	-1,123	-914	-4,406	-3,019
Administrative expenses (Note 4)	-3,341	-2,430	-12,753	-10,618
	-25,625	-14,984	-81,282	-56,513
EBITDA	6,559	3,828	21,201	14,262
Amortization and depreciation	-527	-368	-1,895	-1,228
Operating income	6,032	3,460	19,306	13,034
Interest income and foreign currency exchange differences with respect to funding to related group	657	243	2,430	504
Finance income	-	91	92	177
Finance expenses	-691	-288	-2,330	-685
Income before income taxes	5,998	3,506	19,498	13,030
Income taxes	-332	-219	-986	-780
Net income before Company share in the results of associated companies	5,666	3,287	18,512	12,250
Company share in the results of associated companies	-1,050	-1,979	-2,340	-2,465
Net income from continuing operations	4,616	1,308	16,172	9,785
Profit on discontinued operations, net of tax (Note 11)	-	-	-	1,309
Net income and comprehensive income	4,616	1,308	16,172	11,094
<i>Net income (loss) and comprehensive income (loss) attributable to:</i>				
Equity holders of the Company	4,616	1,309	16,172	11,097
Non-controlling interests	-	-1	-	-3
<i>Earnings per share attributable to the equity holders of the Company (€) (Note 6):</i>				
Net income from continuing operations attributable to the equity holders of the Company:				
Basic	0.10	0.03	0.36	0.23
Diluted	0.10	0.03	0.35	0.22
Net income attributable to the equity holders of the Company:				
Basic	0.10	0.03	0.36	0.26
Diluted	0.10	0.03	0.35	0.25

The accompanying Notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

€'000, 2018 – unaudited, 2017 - audited	As at Dec 31 st	
	2018	2017
ASSETS		
NON-CURRENT ASSETS		
Property and equipment	1,228	1,313
Intangible assets	7,031	4,950
Capital notes, loans and accrued interests due from a related group	11,243	9,001
Investments and loans – associated companies	1,688	1,939
Deferred income taxes	73	63
	21,263	17,266
CURRENT ASSETS		
Trade receivables	10,201	9,575
Other receivables	1,518	1,215
Income taxes receivables	9,779	9,058
Related group receivables	214	224
Restricted cash	782	854
Cash and cash equivalents	53,720	13,412
	76,214	34,338
Total assets	97,477	51,604
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY		
Share capital and premium	5,643	4,882
Share based payment reserve	1,616	1,642
Reserve with respect to funding transactions with a related group	-15,371	-15,371
Retained earnings	46,786	34,439
Total equity attributable to the equity holders of the Company	38,674	25,592
Non-controlling interests	-217	-217
Total equity	38,457	25,375
NON-CURRENT LIABILITIES		
Employee benefits, net	350	304
Loans with respect to leasehold improvements	305	438
Senior secured bonds (Note 10)	26,872	-
	27,527	742
CURRENT LIABILITIES		
Client liabilities	6,686	3,515
Trade and other payables	13,019	11,505
Senior secured bonds' current maturities and interest payable (Note 10)	481	-
Income taxes payable	11,307	10,467
	31,493	25,487
Total equity and liabilities	97,477	51,604

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Equity attributable to the equity holders of the Company €'000	Share capital and premium	Share based payments reserve	Reserve with respect to funding transactions with related groups	Retained earnings	Total attributable to the equity holders of the Company	Non-controlling interests	Total equity
FOURTH QUARTER 2018 (OCT-DEC)							
Balance as at Oct 1st 2018	5,278	1,681	-15,371	42,170	33,758	-217	33,541
Comprehensive income for the period	-	-	-	4,616	4,616	-	4,616
Exercise of stock options	365	-115	-	-	250	-	250
Employee stock option scheme	-	50	-	-	50	-	50
Balance as at Dec 31st 2018	5,643	1,616	-15,371	46,786	38,674	-217	38,457
FOURTH QUARTER 2017 (OCT-DEC)							
Balance as at Oct 1st 2017	4,882	1,605	-15,371	33,130	24,246	-216	24,030
Issuance of ordinary shares, net of related expenses	-	-	-	-	-	-	-
Comprehensive income for the period	-	-	-	1,309	1,309	-1	1,308
Employee stock option scheme	-	37	-	-	37	-	37
Balance as at Dec 31st 2017	4,882	1,642	-15,371	34,439	25,592	-217	25,375
FULL YEAR 2018 (JAN-DEC)							
Balance as at Jan 1st 2018 (audited)	4,882	1,642	-15,371	34,439	25,592	-217	25,375
Comprehensive income for the period	-	-	-	16,172	16,172	-	16,172
Dividends payments to equity holders of the Company	-	-	-	-3,825	-3,825	-	-3,825
Exercise of stock options	761	-242	-	-	519	-	519
Employee stock option scheme	-	216	-	-	216	-	216
Balance as at Dec 31st 2018	5,643	1,616	-15,371	46,786	38,674	-217	38,457
FULL YEAR 2017 (JAN-DEC)							
Balance as at Jan 1st 2017 (audited)	62	1,333	-9,716	35,342	27,021	-214	26,807
Issuance of ordinary shares, net of related expenses	4,820	-	-	-	4,820	-	4,820
Comprehensive income for the period	-	-	-	11,097	11,097	-3	11,094
Dividends payments to equity holders of the Company	-	-	-	-12,000	-12,000	-	-12,000
Benefit to the Company equity holders with respect to funding transactions	-	-	-5,655	-	-5,655	-	-5,655
Employee stock option scheme	-	309	-	-	309	-	309
Balance as at Dec 31st 2017	4,882	1,642	-15,371	34,439	25,592	-217	25,375

CONSOLIDATED STATEMENTS OF CASH FLOW

€'000, unaudited, full year 2017 audited	Fourth quarter (Oct-Dec)		Full year (Jan-Dec)	
	2018	2017	2018	2017
CASH FLOW FROM OPERATING ACTIVITIES:				
Income before income taxes	5,998	3,506	19,498	13,030
<i>Adjustment for:</i>				
Decrease in options fair value	84	-	84	-
Amortization and depreciation	527	368	1,895	1,228
Employee stock option scheme expenses	50	37	216	309
Interest expense on senior secure bonds	5	-	481	-
Interest income and foreign currency exchanges differences with respect to funding to a related group	-659	-243	-2,432	-504
Interest received	-	-	188	-
Profit on discontinued operations net of tax (Note 11)	-	-	-	1,309
Increase in trade receivables	-851	-2,983	-626	-4,509
Decrease in restricted cash	6	192	72	669
Increase in other receivables	-308	-87	-303	-837
Decrease in a related group's receivables	40	360	10	287
Decrease in income taxes payable net of income taxes receivables	-27	-115	-16	-95
Increase (Decrease) in trade and other payables	-664	1,545	1,514	4,665
Decrease in loans with respect to leasehold improvements	-37	-2	-14	-21
Increase in client liabilities	1,101	23	3,171	499
Increase in employee benefits	87	56	46	128
	5,352	2,657	23,784	16,158
Income taxes paid, net	-13	-38	-862	-110
Net cash generated from operating activities	5,339	2,619	22,922	16,048
CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of property and equipment	-40	-166	-313	-575
Investment in and purchase of intangible assets	-1,000	-1,036	-3,578	-3,067
Investments and loans – associated companies	-145	-1,834	-2,170	-3,967
Net cash used in investing activities	-1,185	-3,036	-6,061	-7,609
CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of loans with respect to leasehold improvements	-	-27	-119	-107
Issuance of ordinary shares, net of related expenses	-	-625	-	4,820
Exercise of stock options	250	-	519	-
Issuance of senior secured bonds	-2	-	26,872	-
Dividends payments to equity holders of the Company	-	-	-3,825	-12,000
Net cash generated from (used in) financing activities	248	-652	23,447	-7,287
Net increase (decrease) in cash and cash equivalents	4,402	-1,069	40,308	1,152
Cash and cash equivalents at the beginning of the quarter	49,318	14,481	13,412	12,260
Cash and cash equivalents at the end of the quarter	53,720	13,412	53,720	13,412

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – GENERAL

Aspire Global plc (the "Company") was incorporated in Gibraltar on Dec 17th 2003. On May 9th 2017, the Company re-domiciled to Malta. On May 23rd 2017, the Company completed a 4:1 share split of its share capital and issued 31,495,740 new ordinary shares. On June 9th 2017, the Company changed its name from Aspire Global Limited to Aspire Global plc.

On July 11th 2017, the Company completed an Initial Public Offering ("IPO") on Nasdaq First North Premier in Stockholm, Sweden, under the ticker "ASPIRE", pursuant to a prospectus published on 26 June 2017:

- A. The Company registered 12,598,296 shares (including 1,641,977 over-allotment), of which 2,099,716 are newly issued shares and the remaining were sold by the existing shareholders, reflecting 29% of the Company shares (upon completion). The offering price was SEK30 (approximately €3.1 as at July 11th 2017 exchange rate).
- B. The Company raised gross proceeds of €6,537 thousand which were recorded as part of the Consolidated Statement of Changes in Equity during the nine and three-month periods ended September 30th 2017 and the year ended December 31st 2017, such amount was offset by legal and professional service fees aggregated to €1,717 thousand which were incurred in connection with the IPO.

The Company together with its subsidiaries (the "Group") is a top platform provider which offers a total "all-in-one" solution for online gaming operators. The Group provides an advanced solution combining a robust platform, interactive games, and a set of comprehensive operational services. Gaming operators, affiliates and media companies benefit from flexible cross-platform solutions that include fully managed operations and customized integrations of a vast games offering.

NOTE 2 – BASIS FOR PREPARATION

The interim condensed consolidated financial information ("Interim Financial Information") of the Group has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' as adopted by the EU ("IAS 34").

The Interim Financial Information has been prepared on the basis of the accounting policies adopted in the Group's audited consolidated financial statements for the year ended December 31st 2017 ("Annual Financial Statements"), which were prepared in accordance with International Financial Reporting Standards as adopted by the EU. This Interim Financial Information should be read in conjunction with the 2017 Annual Financial Statements and notes thereto issued on April 9th 2018.

The Interim Financial Information is unaudited, does not constitute statutory accounts and does not contain all the information and footnotes required by accounting principles generally accepted under International Financial Reporting Standards for annual financial statements.

International Financial Reporting Standard 9, "Financial Instruments" ("IFRS 9")

IFRS 9, which was published in July 2014, changes the accounting treatment of financial instruments in three main areas: Classification and measurement, impairment of financial assets and hedge accounting.

IFRS 9 applies from annual periods beginning on or after January 1st, 2018.

The implementation of the Standard has no material effect on the Company's financial statements.

NOTE 3 – SEGMENT INFORMATION

Segmental results are reported in a manner consistent with the internal reporting provided to management. The operating segments identified are:

- Business to Business ("B2B")
- Business to Customer ("B2C")

Management assesses the performance of operating segments based on revenues and segment results. Segment results contain revenues net of royalties and acquisitions and other expenses for the B2B and B2C segments, respectively.

€'000, unaudited	FOURTH QUARTER 2018 (OCT-DEC)			
	B2B	B2C	Elimination	Total
Revenues (including EU VAT)	19,264	13,615	-	32,879
Revenues (inter-segment)	2,042	-	-2,042	-
EU VAT	-190	-505	-	-695
Net revenues	21,116	13,110	-2,042	32,184
Expenses	-16,754	-8,871	-	-25,625
Expenses (inter-segment)	-	-2,042	2,042	-
Total Expenses	-16,754	-10,913	2,042	-25,625
EBITDA	4,362	2,197	-	6,559
UNALLOCATED EXPENSES:				
Amortization and depreciation				-527
Operating income				6,032
Interest income and foreign currency exchange differences with respect to funding to a related group				657
Finance income				-
Finance expenses				-691
Income before income taxes				5,998

€'000, unaudited	FOURTH QUARTER 2017 (OCT-DEC)			
Revenues (including EU VAT)	10,283	8,875	-	19,158
Revenues (inter-segment)	1,331	-	-1,331	-
EU VAT	-83	-263	-	-346
Net revenues	11,531	8,612	-1,331	18,812
Expenses	-8,872	-6,112	-	-14,984
Expenses (inter-segment)	-	-1,331	1,331	-
Total Expenses	-8,872	-7,443	1,331	-14,984
EBITDA	2,659	1,169	-	3,828
UNALLOCATED EXPENSES:				
Amortization and depreciation				-368
Operating income				3,460
Interest income and foreign currency exchange differences with respect to funding to a related group				243
Finance income				91
Finance expenses				-288
Income before income taxes				3,506

€'000, unaudited	FULL YEAR 2018 (JAN-DEC)			
	B2B	B2C	Elimination	Total
Revenues (including EU VAT)	56,604	47,988	-	104,592
Revenues (inter-segment)	7,198	-	-7,198	-
EU VAT	-508	-1,601	-	-2,109
Net revenues	63,294	46,387	-7,198	102,483
Expenses	-50,897	-30,385	-	-81,282
Expenses (inter-segment)	-	-7,198	7,198	-
Total Expenses	-50,897	-37,583	7,198	-81,282
EBITDA	12,397	8,804	-	21,201
UNALLOCATED EXPENSES:				
Amortization and depreciation				-1,895
Operating income				19,306
Interest income and foreign currency exchange differences with respect to funding to a related group				2,430
Finance income				92
Finance expenses				-2,330
Income before income taxes				19,498

€'000, audited	FULL YEAR 2017 (JAN-DEC)			
Revenues (including EU VAT)	37,095	34,828	-	71,923
Revenues (inter-segment)	5,224	-	-5,224	-
EU VAT	-250	-898	-	-1,148
Net revenues	42,069	33,930	-5,224	70,775
Expenses	-34,189	-22,324	-	-56,513
Expenses (inter-segment)	-	-5,224	5,224	-
Total Expenses	-34,189	-27,548	5,224	-56,513
EBITDA	7,880	6,382	-	14,262
UNALLOCATED EXPENSES:				
Amortization and depreciation				-1,228
Operating income				13,034
Interest income and foreign currency exchange differences with respect to funding to a related group				504
Finance income				177
Finance expenses				-685
Income before income taxes				13,030

NOTE 4 – ADMINISTRATIVE EXPENSES

€'000, unaudited, full year 2017 audited	Fourth quarter (Oct-Dec)		Full year (Jan-Dec)	
	2018	2017	2018	2017
Staff expenses	1,947	1,505	7,520	6,805
Employee stock option scheme expenses	50	37	216	309
Legal and accounting	728	157	1,535	600
Rent and maintenance	179	268	720	826
Research and development services from a related group	70	15	588	408
Professional services	219	115	920	455
Other	148	333	1,254	1,215
	3,341	2,430	12,753	10,618

NOTE 5 – STAFF COSTS AND BENEFITS

On February 28th 2017, the Company granted certain employees 66,000 options to purchase its shares, such options shall vest over a three-year period on a straight-line basis and also dependent upon a Merger and Acquisition (“M&A”) transaction or an IPO, the latter occurred on July 11th 2017, see also Note 1 above. Due to the completion of the 4:1 Company’s share split at May 23rd 2017 as mentioned in Note 1 above, upon conversion those options will convert to 264,000 shares. On August 29th 2017, the Company granted all its employees who completed a minimum of certain number of months of service, based on seniority 126,500 options to purchase its shares, such options shall vest over a three-year period on a straight-line basis.

On February 7th 2018, the Company granted certain employees 441,750 options to purchase its shares, such options shall vest over a three-year period on a straight-line basis. On August 13th 2018, the Company granted certain employees 21,000 options to purchase its shares, such options shall vest over a 3-year period on a straight-line basis.

The fair value of the above-mentioned granted options was calculated based on the Black-Scholes model, utilizing the following assumptions: Stock price €3.01-4.00, Expected term 2.9-6.5 years, Volatility 44-45%, dividend yield 17% and risk-free rate (0.5%)-2.8%. During the year ended December 31st 2018, Company options were exercised to a total of 1,040,292 shares. The exercise price consideration received for the shares amounted to €520 thousand.

NOTE 6 – EARNINGS PER SHARE

€'000, except per share data and number of shares, unaudited, full year 2017 audited	Fourth quarter (Oct-Dec)		Full year (Jan-Dec)	
	2018	2017	2018	2017
Basic and Diluted earnings per share:				
Net income attributable to the equity holders of the Company	4,616	1,309	16,172	11,097
Weighted average number of ordinary shares issued	44,750,127	44,094,036	44,475,645	42,956,690
Dilutive effect of share options	1,747,003	2,392,961	1,706,632	2,046,669
Weighted average number of dilutive ordinary shares	46,497,130	46,486,997	46,182,277	45,003,359
Basic earnings per share (€)	0.10	0.03	0.36	0.26
Diluted earnings per share (€)	0.10	0.03	0.35	0.25
Basic and Diluted earnings per share:				
Net income from <u>the continuing operations</u> attributable to the equity holders of the Company	4,616	1,309	16,172	9,788
Weighted average number of ordinary shares issued	44,750,127	44,094,036	44,475,645	42,956,690
Dilutive effect of share options	1,747,003	2,392,961	1,706,632	2,046,669
Weighted average number of dilutive ordinary shares	46,497,130	46,486,997	46,182,277	45,003,359
Basic earnings per share (€)	0.10	0.03	0.36	0.23
Diluted earnings per share (€)	0.10	0.03	0.35	0.22

NOTE 7 – DIVIDENDS

On January 23rd 2017, the Company's Board of Directors declared a dividend of €6 million to the Company shareholders which was paid in February 2017.

On May 18th 2017, the Company's Board of Directors declared a dividend of €6 million to the Company shareholders which was paid in June 2017.

On February 7th 2018, the Company's Board of Directors proposed a dividend in the amount of €3.825 million to the Company shareholders. The dividend was approved at the annual general meeting on May 8th 2018 and was paid on May 24th 2018.

NOTE 8 – RELATED PARTIES

This note should be read in conjunction with note 21 “Related Parties” in the Annual Financial Statements and notes thereto issued on April 9th 2018.

- A. Barak Matalon, who is one of the Principal Shareholders of the Company and a Director has been engaged as a consultant. The consulting fees for the year ended December 31st 2018 and 2017 amounted to €126 thousand and €133 thousand, respectively and 3-month periods ended December 31st 2018 and 2017 amounted to €31 thousand and €33 thousand, respectively.
- B. With respect to the Capital notes, loans and accrued interests due from a related group, on May 18th 2017, an agreement was reached between the Company and the related group, pursuant to which, the payment terms were changed such that the outstanding amounts will be repaid in 2018 or 2020 in the case of the exercise of call option by a shareholder of the related group and if not, in 2022. The new terms are below market terms for such financial assets, therefore the difference of €5,655 thousand of the discounted cash flows to be generated from the outstanding amounts based on the Market Annual Interest amounted to €8,651 thousand ("Fair Value of the Outstanding Amounts"), and their face value were recorded in the three-month period ended June 30th 2017 directly into the statement of changes in equity under "Reserve with respect to funding transactions with a related group" as "Benefit to the Company equity holders with respect to funding transaction". From that date, interest income should have been recorded based on the Market Interest Rate on the Fair Value of the Outstanding Amounts.

CAPITAL NOTES, LOANS AND ACCRUED INTEREST

€'000, 2018 - unaudited, 2017 - audited	As at Dec 31 st	
	2018	2017
Principal amount	19,072	18,292
Balance*	11,243	9,001
Contractual interest rate, %	1	1
Effective interest rate, %	20	20

* including accrued interest and exchange rate differences of €8,253 thousand and €6,011 thousand as of December 31st, 2018 and December 31st 2017, respectively.

- C. Other transactions

€'000, unaudited, full year 2017 audited	Fourth quarter (Oct-Dec)		Full year (Jan-Dec)	
	2018	2017	2018	2017
Research and development services capitalized as an intangible asset	697	737	2,258	2,619
Research and development services within administrative expenses	70	15	588	408
Reimbursement of certain administrative expenses	-45	-70	-246	-304
Reimbursement of rent and related	-278	-312	-1,240	-1,340

NOTE 9 – INVESTMENTS AND LOANS

- A. The Company has an investment in Neolotto Limited (“Neolotto”), an entity registered in Malta. The Company holds approximately 38% of the share capital of Neolotto. The total investment in Neolotto at December 31st 2018 amounted to €2.8 million. In addition to the investment, at December 31st 2018 the Company has provided loans amounting to €3.7 million to Neolotto and other shareholders have provided loans amounting to €5 million. The total loans provided by the Company are under a convertible loan agreement, which may be converted into equity in Neolotto in accordance with the terms of the loan agreements. The amount which is recognized in the Statement of Financial Position at December 31st 2018, comprises the loans, accrued interest and the Company share of the deficit of Neolotto, totaling to €650 thousand.
- B. In February 2017, the Company, through its wholly owned subsidiary (the “Acquirer”), acquired 30% of the shares of Minotauro Media Limited (“MML”) for a total consideration of €1,183 thousand, of which €828 thousand and €355 thousand were paid on February 3rd 2017 and June 30th 2017, respectively. MML is engaged in the business of marketing and promoting online gaming services via its domain names. The Acquirer was granted a call option for the remaining 70% of MML and the seller was granted a put option, exercisable subject to certain performance terms as described in the shareholders’ agreement, from October 2018 to June 2021, based on a multiple of 6 times of the exit EBITDA of MML capped at €12.6 million. Such options are considered financial derivative instruments and are measured and presented at fair value based on a valuation which is considered as a level 3 category of the fair value hierarchy and conducted by a reputable appraiser, pursuant to which, the call and put options were valued as €371 thousand and €33 thousand respectively, as at the transaction date and included as part of the Investments and loans - associated companies in the Consolidated Statement of Financial Position. The allocated cost to the acquired shares was valued at €845 thousand by the reputable appraiser. As of December 31st 2018, the call and put options were revaluated by a reputable appraiser as €277 thousand and €24 thousand respectively. The net effect of impairment in the value of the options was recorded in the year and 3-month periods ended December 31st 2018 to Finance expenses under “Consolidated Statements of Comprehensive Income”. In the year and 3-month periods ended December 31st 2018 the Group recorded its share of MML results aggregated to €45 and €9 thousand loss and gain, respectively, such amount is presented as part of the “Company share in the results of associated companies and other related” within the “Consolidated Statements of Comprehensive Income”.
- C. On November 20th 2017, the Company’s board of directors approved an investment in a company that launched Mr. Play, a new casino and sports betting brand. The company provides the technology and is a significant shareholder in the venture, holding 40% of its shares, along with various investors. The shareholders will fund the new company up to €4 million, of which, the Company will invest up to €2 million, based on business milestones. As at December 31st 2018 the Group has invested €1,050 thousand which were included as part of the Investments and loans - associated companies in the Consolidated Statement of Financial Position. In the year and three-month period ended December 31st 2018 the Group recorded its share of Mr. Play results aggregated to €1,225 and €306 thousand loss, respectively, such amount is presented as part of the “Company share in the results of associated companies and other related” within the “Consolidated Statements of Comprehensive Income”.

NOTE 10 – SENIOR SECURED BONDS

April 3rd 2018, the company issued senior secured bonds of €27.5 million, under a €80 million framework. On May 18th 2018, the Company listed the Bond on Nasdaq Stockholm. The Bond has a 3-year term with a floating interest rate of Euribor 3m + 7.0% and a Euribor floor of zero. The bond loan is aimed to allow the Company to grow through mergers and acquisitions. Net proceeds of the bond amounted to €26.8 million and the amount presented under long-term liabilities reflects the discounted cash flow net of related issuance costs which amounted to €700 thousand. The related accrued interest for the period amounted to €481 thousand and is presented under the current liabilities Bond interest payable.

NOTE 11 – DISCONTINUED OPERATIONS

In May 2017, the Group ceased major operations in a European country due to a change in the regulatory environment as it affected the Group's business there. As a result, the Group presented the results of its operations there as a "Profit on discontinued operations, net of tax" within the "Interim Condensed Consolidated Statements of Comprehensive Income". The profit on discontinued operations, net of tax approximates the net cash generated from operating activities and there were no cash flows from investing or financing relating to the discontinued operations.

€'000, unaudited, full year 2017 audited	Fourth quarter (Oct-Dec)		Full year (Jan-Dec)	
	2018	2017	2018	2017
Revenues	-	-	-	1,567
Distribution expenses	-	-	-	-394
Administrative income	-	-	-	205
				-189
EBITDA and income before income taxes	-	-	-	1,378
Income taxes	-	-	-	-69
Net income	-	-	-	1,309
<i>Earnings per share attributable to the equity holders of the Company (€)</i>				
Basic	-	-	-	0.03
Diluted	-	-	-	0.03

NOTE 12 – SUBSEQUENT EVENTS

- A. On January 14th 2019, the board of directors of the Company, approved an exercise of options to purchase 174,292 shares to certain employees, according to company's 2017 share options scheme.
- B. On February 6th 2019, the Board of Directors proposed a dividend to the Company's shareholders on behalf of the 2018 financial year results equivalent to approximately 1.27 SEK per share. The dividend is subject to the shareholders' approval.
- C. On February 13th 2019, the board of directors of the Company, approved a grant of 105,000 options to purchase 105,000 shares to certain employees, according to company's 2017 share options scheme.

DEFINITIONS

Active players	Players with activated (played) deposits during the period
Affiliate	Companies that convey advertising on the internet on behalf of various websites
Betting duties	Betting duties are excise duties on gaming. The tax is paid by anyone organizing gaming for the public or organizing games for business purposes.
Company hold	Net gaming revenues/deposits
CRM	Customers Relation Management
Earnings per share	Profit for the period divided by the average number of outstanding shares during the period
EBITDA	Earnings before interest, taxes, depreciation and amortization
EBITDA margin	EBITDA/net revenues (Note that being the license holder means Aspire Global receives payment directly from players, as oppose to a royalty from partners; which is the case for most other B2B-companies. Adjusted for these circumstances, the Company's EBITDA margin would be much higher, meaning EBITDA-margin is not fully comparable to the EBITDA-margin of peers.)
EBITDA margin, adjusted	EBITDA margin adjusted for discontinued operations
EBITDA, adjusted	EBITDA adjusted for discontinued operations
Gaming license	Approval to operate and provide online gaming in a regulated market
Gaming transactions	Total bets on games in a certain period
GDPR	Abbreviation of the English name General Data Protection Regulation. In Swedish, this is called the Allmänna dataskyddsförordningen. GDPR is a regulation adopted by the EU, which applies as of May 25th 2018. The aim is to strengthen protection for individuals in the handling of personal information and the regulation defines the handling of information that can be directly or indirectly linked to an individual
Gross Gaming Revenues (GGR)	Total bets minus prizes
HTML	Hyper Text Markup Language. A standard markup language for web pages
Jackpot	Typically, a large cash prize, accumulated of un-won prizes
LTV	Total net profit from a specific player
LTV-model	Lifetime Value Model – Statistic tool for prediction of the total future net profit from a specific player
MGA	Malta Gaming Authority
Net Gaming Revenues	Gross gaming revenue (GGR) adjusted for bonus costs and external jackpot contributions
Partner royalties	Share of net gaming revenue (NGR) kept by Aspire Global before paying partners.
Player acquisition cost	The cost of acquiring FTDs
Regulated markets	Markets with local regulations for online gaming, limiting casinos operations to companies holding a local license
Revenue growth	Revenues (period)/Revenues (previous period)
Revenues, adjusted	Revenues adjusted for discontinued operations
Set-up-fee	A fixed set-up fee is charged immediately following the agreement to launch a new casino
Slots	Casino game with three or more reels which spin when a button is pushed. Slot machines are also known as one-armed bandits.