

PRESS RELEASE 5 NOVEMBER 2020

INTERIM REPORT THIRD QUARTER 2020

CONTINUED STRONG PERFORMANCE AND KEY CUSTOMER WINS

THIRD QUARTER

- Revenues increased by 20.7% to €40.1 million (33.2).
- EBITDA increased by 25.7% to €6.6 million (5.2).
- The EBITDA margin amounted to 16.4% (15.7%).
- EBIT increased by 15.5% to €4.9 million (4.3).
- Earnings after tax amounted to €3.8 million (4.4).
- Earnings per share, basic and diluted, amounted to €0.08 (0.09).
- First time depositors (FTDs) increased by 10.1% to 132.0 thousand (119.9).

NINE MONTHS

- Revenues increased by 18.5% to €117.5 million (99.2).
- EBITDA increased by 8.5% to €18.8 million (17.4).
- The EBITDA margin amounted to 16.0% (17.5%).
- EBIT slightly decreased by 0.6% to €14.5 million (14.6).
- Earnings after tax amounted to €10.8 million (13.5).
- Earnings per share, basic and diluted, amounted to €0.22 (0.27).
- First time depositors (FTDs) increased by 22.1% to 413.9 thousand (339.0).

SIGNIFICANT EVENTS IN THE QUARTER AND AFTER THE END OF THE QUARTER

- Revenue growth of 20.7% from Q3 2019 driven by strong development in the B2B segment.
- B2B revenue growth of 32.9% from Q3 2019.
- The markets adjusted towards more normal levels in Q3 2020 after the positive impact from the pandemic in Q2 2020.
- In October total trading volumes, including BtoBet, increased to approximately €14.1 million, which is about 32% higher than the average monthly trading volume in Q4 2019.
- Acquisition of leading B2B sportsbook provider BtoBet.
- In Aspire Core platform one new partner deal was signed for the European market.
- In Aggregation and Games – Pariplay signed eight new customers.
- Deposits and FTDs in B2B segment increased 36.5% and 19.6% respectively from Q3 2019.
- Aspire Global held a [Capital Markets Day](#) on 18 September 2020.
- After the end of the quarter, BtoBet signed a deal with Betfair in Colombia.

€ million, unless other stated	THIRD QUARTER		NINE MONTHS		FULL YEAR
	2020	2019	2020	2019	2019
Revenues	40.1	33.2	117.5	99.2	131.4
EBITDA	6.6	5.2	18.8	17.4	21.7
EBITDA margin, %	16.4	15.7	16.0	17.5	16.5
EBIT	4.9	4.3	14.5	14.6	17.7
EBIT margin, %	12.3	12.9	12.3	14.7	13.5
EPS, basic and diluted, €	0.08	0.09	0.22	0.27	0.01
EPS, basic and diluted, excl one-off tax item, € ¹	0.08	0.09	0.22	0.27	0.31
Operating cash flow	2.4	4.8	16.2	14.0	2.5 ¹
Company hold, %	44.8	53.4	48.6	52.8	52.0
FTDs, thousand	132.0	119.9	413.9	339.0	444.5

¹ The one-off tax items relates to a settlement of €13.7 million with the Israeli tax authority in December 2019 which also impacted operating cash flow.

CEO COMMENTS

“WE AIM TO BECOME THE WORLD’S LEADING IGAMING SUPPLIER”

Aspire Global has recently passed several landmarks and is stronger than ever. With the acquisition of the leading B2B sportsbook provider BtoBet we are in the position to compete for any deal, anywhere and our recent wins with tier 1 operators prove the strength of our offering. Aspire Global’s good business momentum continued in the quarter with strong growth and improved EBITDA margin.

Revenues grew by 20.7% to €40.1 million from Q3 2019 with strong development in the B2B segment. B2B revenue growth was 32.9% from Q3 2019, driven by the attractiveness of our competitive iGaming offering along with our deep market know-how and expansion to markets outside of Europe. The markets adjusted towards more normal levels in the quarter after the positive impact from the pandemic in Q2 2020.

IMPROVED EBITDA MARGIN

EBITDA increased by 25.7% to €6.6 million from Q3 2019 and the EBITDA margin improved. The EBITDA margin raised from 15.7% to 16.4% despite the impact by the increased revenue share from taxed and locally regulated markets of 60% in Q3 2019 to 71% in Q3 2020. The steady margin improvement demonstrates our ability to grow in locally regulated markets while maintaining good profitability by utilizing synergies and closely monitoring our efficiency and expenditures.

ENDLESS GROWTH OPPORTUNITIES

The acquisition of the leading B2B sportsbook provider BtoBet is a significant strategic milestone for Aspire Global. Through the acquisition we can include BtoBet’s cutting-edge Neuron 3 sports platform in our offering. This is essential since we now cover all the main elements of the B2B iGaming value chain with our own products. Aspire Global is now in full control of the IP in the whole value chain which means that we drive the complete roadmap and steer the rollout of new features also in the sportsbook offering.

Furthermore, the acquisition was a big step in the execution of our growth strategy. All at once Aspire Global increased its footprint significantly from two continents, Europe and North America, to Latin America and Africa. The Group is now operating under 25 regulations and in twelve of these the Group holds gaming licenses. In Q3 2020 we had 129 active partners and by adding BtoBet we now count 150 active partners. This impressive number gives us a solid base for further growth and expansion. We see endless opportunities to grow with present partners as well as to establish Aspire Global as the prime supplier to new customers.

BETFAIR COLOMBIA NEWLY ADDED PARTNER

I am proud to see the recent key customers we have added to our list of partners. By winning tier 1 operators we get the evidence that our offering is competitive, powerful and best-in-class. Such significant references open up for new opportunities on other playing fields. Among our new partners we count Betfair in Colombia where BtoBet, in October, signed an agreement for its sports and iGaming platform. Betfair is part of the Flutter Group which is the world’s leading gaming giant. It’s of course promising to see that such a reputable operator as Betfair chose BtoBet’s advanced platform for their sports offering.

TARGETING NEW PARTNER DEALS GLOBALLY

A key part of our business strategy is acquisitions. With the BtoBet deal we have accomplished an important part of the acquisition strategy. Aspire Global has a strong financial position which make it possible for us to consider further M&A activities. However, in the short term, our focus is on integrating BtoBet and together with Pariplay form an outstanding offering, with the goal of winning new exciting deals across the world and capitalizing on the synergies among the group companies.

Our game studio and game aggregator Pariplay has also this quarter demonstrated its strengths with revenues up 69.3% and EBITDA growth of 73.0% from Q3 2019. Pariplay's leading position in markets such as Switzerland and Portugal, together with its outstanding offering, are key competitive advantages when approaching any iGaming operator.

READY FOR THE GERMAN REGULATED MARKET

In Europe, Germany is next in line to regulate and we have worked very focused to comply with the regulations and to adapt to the transitional period which started 15 October this year. Our prime target is to secure our entrance into the regulated German market in July 2021, for the benefit of Aspire Global and our partners.

SUSTAINABILITY A KEY PRIORITY

I'm happy to welcome our new sustainability officer, Liesbeth Oost, to the Group. This is a strategic recruitment in order to further enhance our sustainability work and ways of working, especially when it comes to responsible gaming.

OUTLOOK

If we include BtoBet in the Group's quarterly results, Aspire Global's revenues would have grown by 26.1% to €41.9 million from Q3 2019. EBITDA would have increased by 38.7% to €7.2 million from Q3 2019 with an EBITDA margin of 17.3%. We expect BtoBet to have a material positive effect on Aspire Global's EBITDA as of 2021.

After the positive impact of the pandemic in Q2 2020, the markets got back to more normal levels in Q3 2020. Due to the acquisition of BtoBet in the quarter, we have decided to share a current trading update: In October total trading volumes, including BtoBet, increased to approximately €14.1 million, which is about 32% higher than the average monthly trading volume in Q4 2019.

The past twelve months have been very special to Aspire Global. We have made two strategic, important acquisitions — Pariplay and BtoBet. At the beginning of the year we quickly adapted to the Covid-19 outbreak. Growth has been good during the year and Aspire Global is now a true powerhouse for iGaming operators and aim to become the world's leading iGaming supplier. We are confident in our ability to deliver on our 2021 financial targets and truly excited by Aspire Global's future prospects.

Tsachi Maimon
CEO

FOR MORE INFORMATION, PLEASE CONTACT

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This is information that Aspire Global is obliged to make public pursuant to the EU Market Abuse Regulation (MAR). The information was submitted for publication by the contact person above at 8.00am CEST on 5 November 2020.

WEBCASTED PRESENTATION OF Q3 RESULTS

CEO Tsachi Maimon and CFO Motti Gil are presenting the Q3 2020 results at 5 November, 09:00am CEST, at [Redeye.se](https://www.aspireglobal.com/wp-content/uploads/2020/11/Q320_20201104_23.15.pdf). There is an opportunity to ask questions after the presentation.

The complete interim report is available through the link: https://www.aspireglobal.com/wp-content/uploads/2020/11/Q320_20201104_23.15.pdf

NEXT REPORT

The year-end report and report for the fourth quarter is published 18 February 2021 at 08.00am CEST.

ABOUT ASPIRE GLOBAL

Aspire Global is a leading B2B-provider of iGaming solutions, offering companies everything they need to operate a successful iGaming brand, covering casino and sports. The B2B-offering comprises of a robust technical platform, proprietary casino games, a proprietary sportsbook, and a game aggregator. The platform itself can be availed of exclusively or combined with a wide range of services. In addition to the B2B-offering, Aspire Global also operates several B2C-brands, including Karamba, the greatest showcase of the strength of the B2B-offering. The Group operates in 25 regulated markets spanning Europe, Latin America and Africa, including countries like the US, UK, Denmark, Portugal, Spain, Poland, Ireland, Nigeria, Colombia and Mexico. Offices are located in Malta, Israel, Bulgaria, Ukraine, North Macedonia, India, Italy and Gibraltar. Aspire Global is listed on Nasdaq First North Premier Growth Market under ASPIRE. Certified Advisor: FNCA Sweden AB, info@fnca.se, +46-8-528 00 399. Please visit www.aspireglobal.com.