

1 June 2018

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

Certain related party transactions

Veltyco Group PLC (AIM: VLTY), the online marketing and operator company for the gaming industry, announces that Bet 90 Sports Ltd, in which the Group has a 51% interest, entered into a loan agreement with Winslet Enterprises Ltd (“Winslet”) for an initial sum of up to €1.5 million on 1 July 2017 (the “Loan”). The Loan was made to the Group to accelerate the launch of www.Bet90.com, the Group’s sports book which went live at the end of July 2017.

The Loan was non-interest bearing, unsecured and for a term of two years. The quantum of the Loan subsequently increased to €2.5 million and on 3 May 2018, the Group entered into a set-off agreement with Winslet (the “Set-off Agreement”) pursuant to which the balance of the Loan of €2.5 million was settled in full against a corresponding amount of trade receivables from operators for whom Veltyco undertakes marketing activities in the online financial trading sector. As a result, the trade receivables reduced by an equivalent amount, resulting in the Set-off Agreement being cash neutral to the Group.

In addition, Winslet made certain payments to suppliers on behalf of the Group for, in aggregate, approximately €105,000 between February to July 2017 (the “Pre-payment”), with the pre-paid amounts subsequently being settled by the Group, initially on a rolling basis, and in full during July 2017. There was no interest or costs charged by Winslet in respect of the Pre-payment.

The Company has become aware, as part of the audit process in respect of the Group’s financial results for the year ended 31 December 2017, that Winslet was and remains wholly owned by Uwe Lenhoff who was, at the time the Loan was entered into and the Pre-payment provided, a Director of the Company (he subsequently resigned as a Director of the Company, as previously announced, on 26 March 2018) and was, and continues to be, a substantial shareholder of the Company as defined in the AIM Rules for Companies (“AIM Rules”).

As a result, Winslet was and remains a related party of the Company pursuant to the AIM Rules and the Loan, Set-off Agreement and Pre-payment are therefore related party transactions for the purposes of Rule 13 of the AIM Rules and should have been announced at the time they were entered into. The Independent Directors, being the current Directors of the Company, consider, having consulted with Strand Hanson Limited, the Company’s nominated adviser, that the terms of the Loan, Set-off Agreement and Pre-payment were fair and reasonable insofar as Veltyco’s shareholders are concerned.

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

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About Veltco

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

Website: www.veltco.com