

17 March 2021

B90 Holdings plc
("B90", the "Company" or "Group")

UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

B90 Holdings plc (AIM:B90), the online marketing and operating company for the gaming industry, announces its unaudited interim results for the six months ended 30 June 2020.

Financial overview

- Revenues decreased to €321,000 (H1 2019: €520,000), primarily due to the impact of the COVID-19 pandemic, which caused cancellation of the vast majority of sporting events globally.
- Net loss after tax amounted to €1.0 million (H1 2019: €1.0 million)
- Completed raising of €515,000 through the issue of convertible loan notes during the period to provide working capital
 - Raised a further €450,000 in September 2020, €700,000 in December 2020 and €1,847,000 in March 2021, each in the form of a convertible loan

Operational overview

- Completed the acquisition of the remaining 49% not held by the Company in Quasar Holdings Ltd, which wholly owns Bet90 Sports Limited, resulting in a full ownership of Bet90 Sports Limited
- Completed a name change of Veltco Group plc to B90 Holdings plc to better reflect the Group's focus on the Bet90 operations
- Completed internal restructuring of Group to focus on online sportsbook operations as the main operations

Commenting on the results, Paul Duffen, Executive Chairman, said: *"2020 started as planned, completing the acquisition of 49% of the issued share capital of our trading subsidiary Bet90 Sports Ltd, not previously owned by the Group. This signalled the opportunity to invest in our core operations and grow the business in line with our strategy. The timing and impact of COVID-19 was significant, as almost all sporting events were cancelled globally, which removed a significant percentage of our betting product and had a substantial adverse effect on revenues. Operations eventually restarted in June when the main European football leagues resumed fixtures. The funds from the €1.85m Convertible Loan, announced today, will enable us to focus on launching new products and expanding our geographical presence as well as enter into new marketing agreements for the existing markets."*

This announcement contains inside information for the purposes of the UK Market Abuse Regulation.

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About B90

B90 Holdings plc is a group of companies focused on the operation of its own online Sportsbook and Casino product as well as marketing activities for other online gaming companies.

Website: www.b90holdings.com

CHAIRMAN'S STATEMENT

I hereby present the unaudited interim results for the six months ended 30 June 2020, which consolidate the results of B90 Holdings plc ("B90" or the "Company") and its subsidiaries (the "Group").

Business

As previously communicated, the Group is now focused on the sportsbook and casino operations of our Bet90 brand, in which we initially had a 51% interest. After completing the acquisition of the remaining 49% in January 2020, for consideration of €500,000 in cash and 5 million new ordinary shares, we now own 100% of Bet90 and our principal focus is to expand this online operation. At the same time, the Group has terminated all its landbased Bet90 operations, effective 31 December 2019, which did generate revenue but was loss-making and had a negative impact on cash flow. The Group's strategy is to focus and expand the online operations of Bet90 Sports Ltd.

The impact of the global COVID-19 pandemic was significant due to the cancellation of the vast majority of sporting events in our target markets, with restrictions only being partially lifted since early June in some of the territories. We have seen a slight recovery in revenues since June, but not yet to the levels of the months prior to the COVID-19 pandemic. During the period, we were able to secure further funding of approximately €515,000 to partially offset these losses and provide additional working capital for the Group.

Financial review and outlook

Revenue for the first six months of 2020 amounted to €321,000. Reported revenue for H1 2019 amounted to €520,000.

During the period the Company completed a fundraise to provide additional working capital, raising €515,000 via the abovementioned unsecured convertible loan note, which has a 3 year term, a 5% coupon and can be converted into new ordinary shares of the Company at 5p.

Whilst trading since the end of June 2020 has been in line with the Board's revised expectations, as set out in its 2019 Accounts, the Group continues to reduce its operating costs to match the current operations and the Directors continue to manage the Group's cash resources carefully. Whilst the Group raised additional funds by way of the issue of the abovementioned convertible note during the period, and post the period end, amounting in aggregate to €3.5 million, it remained reliant, *inter alia*, on being able to manage its cash resources carefully, continuing to manage its creditors and trading being in-line with management's expectations.

Whilst the funds raised today of €1,847,000 provide the Group with additional working capital and further strengthen the balance sheet, the Group continues to remain reliant on being able to manage its creditors. Furthermore, should trading not be in-line with management's expectations going forward, the Group's ability to meet its liabilities may be further impacted, in which case the Group will need to raise additional funding. In such circumstances, whilst the directors are confident of being able to raise the necessary funding, there is no certainty that such funding will be available and/or the terms of such funding.

A significant development as part of today's €1,847,000 fundraising, is the participation of Ronny Breivik, who contributed €500,000 via a convertible loan, on the terms described above. Ronny has an impressive track record operating in the online gaming sector and will be joining the Group in a senior role to oversee all operations.

As part of our focus on geographic expansion, the Group is in advanced discussions with regards to engaging Oddsens.nu, the leading Norwegian online gaming affiliate, to help us grow our revenues in that territory. A further announcement will be made with regard to details of this agreement, once it is finalised.

In addition, with the issue of the Convertible Loan today and receipt of proceeds thereof, the Group is expected to resume strategic marketing initiatives and partnerships with existing partners to drive revenue, including potentially launching new products and entering into new agreements in its existing markets.

The Board would like to express our thanks to both existing and new shareholders, who have supported the Group through challenging times and we look forward to the continued journey together.

Paul J. Duffen
Executive Chairman
16 March 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

INCOME STATEMENT	<i>UNAUDITED</i>	<i>UNAUDITED</i>	<i>AUDITED</i>
	Period ended	Period ended	Year ended
	30 June 2020	30 June 2019	31 December 2019
	€	€	€
Revenues	321,089	520,321	1,065,612
Salary expense	(501,826)	(551,820)	(1,347,425)
Marketing and selling expense	(180,382)	(476,184)	(931,978)
General administrative expense	(521,216)	(415,122)	(1,981,041)
Depreciation, amortisation and impairment expense	(51,851)	(48,327)	(1,181,601)
Total administrative expenses	(1,255,275)	(1,491,453)	(5,442,046)
Operating loss	(934,186)	(971,132)	(4,376,434)
Financial income/(expense)	(54,556)	(1,606)	(26,454)
Loss before tax	(988,742)	(972,738)	(4,402,888)
Taxation	-	93,735	104,150
Loss for the period from continuing operations	(988,742)	(879,003)	(4,298,738)
Discontinued operations			
Loss for the period from discontinued operations	-	(108,172)	(907,418)
Loss and total comprehensive loss for the period	(988,742)	(987,175)	(5,206,156)
Attributable to:			
Equity holders of the Company	(973,947)	(891,292)	(3,799,744)
Non-controlling interests	(14,795)	(95,883)	(1,406,412)
	(988,742)	(987,175)	(5,206,156)
<i>(Loss)/earnings per share attributable to equity holders of the Company</i>			
- Basic (in €)	(0.0102)	(0.0113)	(0.0472)
- Diluted (in €)	(0.0102)	(0.0113)	(0.0472)
<i>Loss per shares on continuing operations, attributable to equity holders of the Company</i>			
- Basic (in €)	(0.0102)	(0.0106)	(0.0414)
- Diluted (in €)	(0.0102)	(0.0106)	(0.0414)
<i>Loss per shares on discontinued operations, attributable to equity holders of the Company</i>			
- Basic (in €)	-	(0.0007)	(0.0058)
- Diluted (in €)	-	(0.0007)	(0.0058)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>UNAUDITED</i>	<i>UNAUDITED</i>	<i>AUDITED</i>
	6 months ended 30 June 2020	6 months ended 30 June 2019	Year ended 31 December 2019
	€	€	€
Non-current assets			
Goodwill	1,410,931	1,410,931	1,410,931
Other intangible assets	199,711	1,384,217	251,563
Property, plant and equipment	-	619	-
Total non-current assets	<u>1,610,642</u>	<u>2,795,767</u>	<u>1,662,494</u>
Current assets			
Trade and other receivables	16,145	921,613	130,883
Cash and cash equivalents	311,544	189,975	430,626
Total current assets	<u>327,689</u>	<u>1,111,588</u>	<u>561,509</u>
Total assets	<u>1,938,331</u>	<u>3,907,355</u>	<u>2,224,003</u>
Equity and liabilities			
Share capital	-	-	-
Additional paid-in capital	15,466,741	14,644,702	15,162,647
Reverse asset acquisition reserve	(6,046,908)	(6,046,908)	(6,046,908)
Equity portion Convertible Bond	236,422	-	149,836
Retained earnings	(13,528,027)	(6,110,582)	(8,910,238)
Equity attributable to owners of the parent	<u>(3,871,772)</u>	<u>2,487,212</u>	<u>355,337</u>
Non-controlling interests	33,803	(1,507,461)	(2,817,990)
Total shareholders' equity	<u>(3,837,969)</u>	<u>979,751</u>	<u>(2,462,653)</u>
Non-current liabilities			
Borrowings	1,226,369	528,230	774,891
Total non-current liabilities	<u>1,226,369</u>	<u>528,230</u>	<u>774,891</u>
Current liabilities			
Trade and other payables	4,535,194	2,393,472	3,887,543
Corporate income tax payable	14,737	5,902	24,222
Total current liabilities	<u>4,549,931</u>	<u>2,399,374</u>	<u>3,911,765</u>
Total equity and liabilities	<u>1,938,331</u>	<u>3,907,355</u>	<u>2,224,003</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<i>Share capital</i>	<i>Additional paid in capital</i>	<i>Equity portion convertible Loan Note</i>	<i>Other reserves - Reverse asset acquisition reserve</i>	<i>Retained earnings</i>	<i>Total</i>	<i>Non-controlling interest</i>	<i>Total Equity</i>
	€	€	€	€	€	€	€	€
Balance as at 1 January 2019	-	14,344,702	-	(6,046,908)	(5,262,378)	3,035,416	(1,411,578)	1,623,838
Profit for the financial period	-	-	-	-	(891,292)	(891,292)	(95,883)	(987,175)
Share based payments	-	-	-	-	43,086	43,086	-	43,086
Issue of share capital	-	300,000	-	-	-	300,000	-	300,000
Balance as at 30 June 2019	-	14,644,702	-	(6,046,908)	(6,110,584)	2,487,210	(1,507,461)	979,749
Balance as at 1 January 2019	-	14,344,702	-	(6,046,908)	(5,262,378)	3,035,416	(1,411,578)	1,623,838
Profit for the financial period	-	-	-	-	(3,799,744)	(3,799,744)	(1,406,412)	(5,206,156)
Convertible loan note	-	-	149,836	-	-	149,836	-	149,836
Share based payments	-	-	-	-	151,884	151,884	-	151,884
Issue of share capital	-	817,945	-	-	-	817,945	-	817,945
Balance as at 31 December 2019	-	15,162,647	149,836	(6,046,908)	(8,910,238)	355,337	(2,817,990)	(2,462,653)
Profit for the financial period	-	-	-	-	(973,947)	(973,947)	(14,795)	(988,742)
Convertible loan note	-	-	86,586	-	-	86,586	-	86,586
Acquisition of non-controlling interest	-	304,094	-	-	(3,670,682)	(3,366,588)	2,866,588	(500,000)
Share based payments	-	-	-	-	26,840	26,840	-	26,840
Balance as at 30 June 2020	-	15,466,741	236,422	(6,046,908)	(13,528,027)	(3,871,772)	33,803	(3,837,969)

CONSOLIDATED STATEMENT OF CASH FLOWS

	<i>UNAUDITED</i>	<i>UNAUDITED</i>	<i>AUDITED</i>
	30 June	30 June	31 December
	2020	2019	2019
	€	€	€
Cash flows from operating activities			
Operating (loss)/profit	(934,186)	(1,079,304)	(5,283,852)
<i>Adjustments for:</i>			
Share based payments	26,840	43,086	151,884
Depreciation	-	619	1,238
Amortisation of intangibles	51,851	47,706	137,697
Impairment of intangibles	-	-	1,042,665
Cash flow from operations before working capital changes	(855,495)	(987,893)	(3,950,368)
(Increase)/decrease in trade and other receivables	114,740	(67,398)	723,329
(Decrease)/increase in trade and other payables	312,146	(585,805)	935,022
Cash flow from operations	(428,609)	(1,641,096)	(2,292,017)
Tax (paid)/received	-	-	-
Cash flow from operating activities	(428,609)	(1,641,096)	(2,292,017)
Cash flow from investing activities			
Acquisitions of intangible assets	-	-	-
Net cash inflow/(outflow) from investing activities	-	-	-
Cash flow from financing activities			
Acquisitions of Non controlling interest	(200,000)	-	-
Interest paid	(2,609)	-	-
Proceeds of issue of new shares	-	300,000	300,000
Receipts from loans	512,136	500,000	1,391,572
Net cash inflow from financing activities	309,527	800,000	1,691,572
Net increase in cash and cash equivalents	(119,082)	(841,096)	(600,445)
Cash and cash equivalents at start of period	430,626	1,031,071	1,031,071
Cash and cash equivalents at end of period	311,544	189,975	430,626

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

1. Basis of preparation

The interim consolidated financial statements incorporate the results of B90 Holdings plc (the “Company”) and entities controlled by the Company (its subsidiaries) (collectively the “Group”).

The interim consolidated financial statements are unaudited, do not constitute statutory accounts and were approved by the Board of Directors on 16 March 2021. The auditor’s report on the year ended 31 December 2019 financial statements was unqualified, though it made reference to a material uncertainty in relation to going concern. The year ended 31 December 2019 Annual Report and financial statements is available on the Company’s website.

The preparation of unaudited interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the unaudited interim consolidated financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2019.

The unaudited interim financial information in this report has been prepared using accounting policies consistent with IFRS as adopted by the European Union. IFRS is subject to amendment and interpretation by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee and there is an ongoing process of review and endorsement by the European Commission. These policies are consistent with those to be adopted in the Group’s consolidated financial statements for the year ended 31 December 2019. The accounting policies applied by the Group in this interim report are the same as those applied by the Group in the consolidated financial statements for the year ended 31 December 2019.

The principal risks and uncertainties of the Group have not changed since the last annual financial statements for the year ended 31 December 2019, where a detailed explanation of such risks and uncertainties can be found.

Going concern

The Group continued to experience significant operational difficulties during 2019 after its restructuring in respect to marketing within the online financial trading and lottery verticals. As a result, the Company has completed a number of fund raises from investors during 2020 and in 2021.

As a result of the above, the Group achieved a net loss of €5.2 million for the year ended 31 December 2019. Furthermore, the Group had a negative cash flow from operations of €2.1 million for the year ended 31 December 2019 and the Group has recorded a further loss for the year ending 31 December 2020, expected to exceed €1.75 million.

Whilst trading during the second half of 2020 has been in line with the Board’s revised expectations, the Group continues to reduce its operating costs to match the current operations and the Directors continue to manage the Group’s cash resources carefully. Whilst the Group raised additional funds by way of the issue of convertible loan note since the 2019 year-end, amounting in aggregate to €4.1 million (including the funds raised on 16 March 2021), it remains reliant, *inter alia*, on being able to manage its cash resources carefully, continuing to manage its creditors and trading being in line with management’s expectations. Whilst the funds raised on 16 March 2021 of €1,847,000 provide the Group with additional working capital and further strengthen the balance sheet, the Group continues to remain reliant on being able to manage its creditors.

Furthermore, should trading not be in line with management's expectations going forward, the Group's ability to meet its liabilities may be impacted, in which case the Group will need to raise further funding. In the circumstance that this is needed and whilst the directors are confident of being able to raise such funding if required, there is no certainty that such funding will be available and/or the terms of such funding. These conditions are necessarily considered to represent a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

Whilst acknowledging this material uncertainty, the Directors remain confident that the recent fundraise will allow the Group to expand its operations and generate a positive operational cash flow within a reasonable time or, if needed, be able to raise additional funding when required, therefore the Directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Group and Company was unable to continue as a going concern.

2. Earnings per share

The calculation of earnings per share is based on the following earnings and number of shares.

	6 months ended 30 June 2020 €	6 months ended 30 June 2019 €	Year ended 31 December 2019 €
Earnings			
Loss for the purpose of basic and diluted earnings per shares being net profit attributable to equity shareholders			
- Continuing operations	(973,947)	(836,124)	(3,336,961)
- Discontinued operations	-	(55,168)	(462,783)
- Continuing and discontinued operations	<u>(973,947)</u>	<u>(891,292)</u>	<u>(3,799,744)</u>
Number of shares			
Weighted average number of ordinary shares for the purposes of basic earnings per share	95,472,825	78,567,270	80,528,381
Weighted average number of dilutive share options	-	-	-
	<u>95,472,825</u>	<u>78,567,270</u>	<u>80,528,381</u>
Weighted average number of ordinary shares for the purposes of diluted earnings per share	<u>95,472,825</u>	<u>78,567,270</u>	<u>80,528,381</u>
Loss per share from continuing operations			
Basic loss per share (in €)	(0.0102)	(0.0106)	(0.0414)
Diluted loss per share (in €)	(0.0102)	(0.0106)	(0.0414)
Loss per share from discontinued operations			
Basic loss per share (in €)	-	(0.0007)	(0.0058)
Diluted loss per share (in €)	<u>-</u>	<u>(0.0007)</u>	<u>(0.0058)</u>

Share options and warrants outstanding are anti dilutive due to the losses incurred in each period.

3. Significant events during the reporting period

On 17 January 2020 the Company announced that it had completed the acquisition of the 49% of Quasar Holdings Ltd (“Quasar”) not owned by the Company from Binbar GmbH. Quasar wholly owns Bet90 Sports Ltd, the online sportsbook and casino gaming company.

On 3 February 2020, the Company announced that it had changed the Company’s name to B90 Holdings plc. The ticker code on the London Stock Exchange changed from VLTY to B90 on that day.

On 17 March 2020, the Company announced that, as a result of the uncertainty of the Group’s financial position, the Directors requested a suspension of trading in the Company’s shares on the London Stock Exchange

On 7 May 2020, the Company announced that it had raised €515,000 (approximately £450,000) pursuant to subscriptions for convertible loan notes.

4. Subsequent events

Fundraise

On 11 September 2020, the Company announced that it had raised €450,000 (approximately £408,000) pursuant to subscriptions for convertible loan notes.

On 9 December 2020, the Company announced that it had raised €700,000 (approximately £638,000) pursuant to subscriptions for convertible loan notes.

On 16 March 2021, the Company announced that it had raised €1,847,000 (approximately £1,585,000) pursuant to subscriptions for convertible loan notes.