



QUARTERLY INVESTOR UPDATE | **Q4 2017**



Welcome to AGOF's Q4 2017 shareholders report

Welcome to AGOF's Q4 2017 shareholders report and the first closing of annual accounts in AGOF. We would like to summarize 2017 as a great start for AGOF. We managed to conclude two very interesting investments, Casumo and Investoo, and along with that an add-on investment in Casumo.

AGOF has positioned itself right in the spot where we want to be. We have identified established business models with strong cash generation but at the same time, business models that are showing great growth potential. AGOF has taken a significant stake in Casumo and we are now among top ten shareholders in the company, we are also second largest shareholder after Veralda (Anders Ström), excluding the founders.

During the fourth quarter AGOF launched its website mainly dedicated to you as an investor (will follow up on this topic under the section "Practical Information"). By all means the website also works as our window out to new potential investments.

Past ending of the quarter, we attended the ICE conference in London (February). This is the leading conference within the industry and all-important decision makers are in place during this week. It showcases new products and game releases. We went there with our eyes and ears wide open to get the picture of where the industry is heading. We clearly observed that the greater the 'Big Guys' get the slower they become, so there is evidently room for more innovative and faster moving companies in the industry. From the conference we brought with us several interesting opportunities that we will further evaluate and analyses. We hope that some of these opportunities will deliver to our expectations, so that we can introduce them to you in the near future.

The market in Q4 remained highly active, where the iGaming segment continues to showcase an industry in a rapid change. In line with last quarterly report, we can recognize further developments of regulatory requirements. More and more markets are regulating the online gambling industry and the shift from grey to white revenue is becoming more apparent.

Event of significant importance occurred during this quarter. On December 21, 2017 the Swedish Government proposed new gambling act and new gambling tax act. The new regulations will be designed as a license system and it is proposed that the regulations enter into force on 1 January 2019.

The new gambling regulations will be designed as a license system, in which all operators providing gambling services in the Swedish market must have a license. Operators without a license will not be allowed to provide gambling services. The act will apply to all gambling for money in Sweden, including online gambling. The tax is set at the rate of 18% and the goal is to bring as many operators in Sweden as possible under the control of this new regulation. The regulation looks fair and should, in the light of other regulations, be viewed as positive. Companies will be able to start applying for a license in mid-2018. We consider this to be positive development and expect it to bring even more acceptance for the industry, not least from the investor community.

What we take with us from the last quarter is fully in line with the investment philosophy for AGOF. Since the industry is being regulated in a fast pace, companies must reach certain size and level of maturity in order to be able to become compliant across several markets. AGOF will continue its focus on identifying the best in class when it comes to mature growth companies within the industry.

Comment from CEO: During the fourth quarter the routines and procedures established in previous quarter enabled us to spend more time to investments. I am also very pleased with AGOF's new website which makes our communication with potential investments easier.

I am very happy and proud over AGOF's first 6 months and I am especially happy with the last quarter. In Q4, AGOF started off by closing the deal in Investoo. Investoo has developed way above our wildest expectations and showed all time high in revenue and EBITDA during December. Late in Q4 AGOF also signed a deal with one of the shareholder in Casumo, taking AGOF to become one of the top ten shareholders in the company.

During ICE in London we spent a lot of time with the Casumo guys and even though we can not reveal any figures yet, I can assure you that we have a very attractive entry level for this investment and we also have full confidence in the future development of Casumo.

As you might have seen, AGOF appeared in the biggest business newspaper (Dagens Industri) in Sweden in February 2018. We wanted to control what was written about AGOF, so we agreed on the article, unfortunately, the reporter did some investigation on our structure that lead to disclosure of the names of some investors in the article. We work discretely within AGOF, but journalists are hard to control sometimes. On the good side, we have received very positive feedback around the article and it has really placed AGOF in a new league as an investor.

For the next few months me and Nicolai will try to take care of existing and new opportunities that have appeared. ICE brought us many new interesting cases to evaluate. We will also start to plan for AGOF's general shareholders meeting that will be held in or around Stockholm by the end of May. We hope to see as many as possible of you then.

/ Marcus Blom

FINANCIAL OVERVIEW

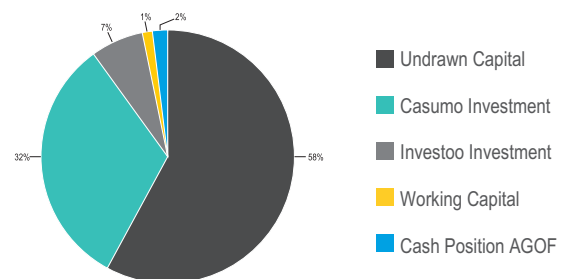
To date, AGOF has concluded 4 Drawdowns. The fourth and last Drawdown was concluded after the ending of the fourth quarter. So, in total during 2017 AGOF called for approximately SEK 44.5m and to date after the fourth Drawdown, AGOF has called for approximately SEK 109m in total. As shown in the graph below, AGOF still has SEK 150m to invest in new opportunities.

The first drawdown that AGOF carried out in July was aimed for AGOF's initial working capital needs and for the establishment of the structure of our company. Drawdown 2 and 4 were carried out to finance AGOF's investments in Casumo. Purpose of Drawdown 3 was to finance AGOF's investment in Investoo.

AGOF's investment period lasts 3 years from inception, i.e. until June 2020.

AGOF - CAPITAL OVERVIEW		
	SEK	%
Total commitments	259 467 000	100%
No of shareholders (#)	82	100%
Drawdown 1	3 000 000	1.2%
Drawdown 2	23 450 000	9.0%
Drawdown 3	18 000 000	6.9%
Drawdown 4	64 400 000	24.8%
Total drawdowns	108 850 000	42.0%
Undrawn capital	150 617 000	58.0%

As you can see, AGOF still has a big pot available for future investments. Our work will continue at a high pace to enable investment of still undrawn capital in interesting opportunities.



AGOF INVESTMENTS	
(SEK '000)	Actual
P&L	2017
Net Sales	-
Other income	-
Total income	
Operating costs	
Employee costs	-
Other operating costs	(291)
Total operating costs	(291)
EBITDA	(291)
Depreciation	-
EBIT	(291)
Financial net	160
EBT	(132)

* Preliminary figures. Not yet audited

(SEK '000)	Actual
Balance Sheet	2017-12-31
Fixed assets	
- Financial assets	40 255
Total fixed assets	40 255
Current assets	
- Accounts receivables	-
- Other receivables	-
- Tax receivables	-
- Prepaid expenses/accrued income	160
Total current assets	160
Cash and cash equivalents	2 578
Total assets	42 993
Equity	42 993
Long term financing	-
Current liabilities	
- Accounts payable	-
- Tax liabilities	-
- Other liabilities	-
- Accrued exp./deferred income	-
Total current liabilities	-
Total equity and liabilities	42 993

* Preliminary figures. Not yet audited

AGOF'S PORTFOLIO

Casumo

Casumo as a company is a technology startup formed in 2012. Casumo as a product is a recognized and award winning online casino; Mobile operator of the year 2017 (EGR), Best Marketing Campaign 2016 (EGR), Best In-house Innovation 2016 (EGR). Casumo has managed to establish a strong position in the UK market. The UK market showcases Casumo's ability to operate in regulated markets – strong potential in other regulated markets such as Denmark and soon also in Sweden. Casumo has an interesting pipeline when it comes to entering new regulated markets in the near future.

Veralda Investments, Anders Ström's investment company, holds a 10% stake of Casumo. Via AGOF's additional investment in Casumo we are now owner of approximately 4.0% of the outstanding shares in Casumo which makes us one of the top 10 shareholders in the company.

Casumo now constitute approximately 30% of AGOF's portfolio. We will actively work with the company and support Casumo in any way possible.

investoo group

Investoo as a company officially launched in December 2016 with £ 1,640,000 of funding from Adam Grunwerg, Kinetic Investments, Optimizer Invest, Samuel Miranda and Catena Media (silent).

Business model is based on assisting customers looking to trade through either educating them with premium content or referring them to a broker that provides the products needed, receiving a financial commission in return.

Quickly growing into one of the biggest financial trading affiliate networks in the world, driving over 10,000 registered customers per month, Investoo has surpassed 120,000 registered customers across the network.

It continues to grow via multi-channel marketing campaigns, launch of innovative high quality products and an aggressive acquisition strategy.

Investoo constitutes approximately 10% of AGOF's portfolio.

PIPELINE AND FUTURE DRAWDOWNS

For first half of 2018 we expect one to two new investments for AGOF. Investors should be prepared, that the remaining of available funds in AGOF could be called for during the beginning of 2018. As for earlier investments we will try to give you all as long heads-up as possible.

PRACTICAL INFORMATION

AGOF launched its website during Q4 2017. We would like to advise you all to go in on the website (www.agofinvestments.com) and click on Investor Register. Going forward we will use this as a window for communication with you as an investor.

Regarding this document, the Quarterly Investor Update, after evaluation we have concluded that events do not occur as frequently as required to fill a full Quarterly reporting. It also consumes a lot of time in the "organization", whereas we suggest that we consolidate longer updates on semi-annual basis. We will continue communicating on a quarterly basis but on slightly lower level than this extensive report. Also, we will extend the communication in conjunction with the drawdowns. Please get back to me if you have any concerns around this action.

In this report we have published preliminary figures for 2017. The annual report is not yet audited but we are expecting this to be done within the next weeks. When the annual report is audited, we will further communicate with you and provide more details around the general shareholders meeting.

Yours sincerely

Marcus Blom
Marcus Blom



Management of the Company

The Board of Directors shall consist of maximum six directors. Troop Invest Holding AB shall be entitled to appoint three ordinary board members, including the chairman. The Class B JV Partners with the three largest Commitments shall be entitled to appoint one ordinary board member each. In case of a tied vote the chairman of the Board of Directors shall have the casting vote.

The Company shall establish an investment committee, which shall consist of maximum five people appointed by the Founders. The Investment Committee passes resolutions with simple majority.

Investments and the investment period

Investment period three years from the Closing Date (21 June 2017). Could be terminated at an earlier date (Company's sole discretion) provided that (i) Class B JV Partners representing more than 50 per cent of Total Commitments consent thereto, or (ii) at least 75 per cent of Total Commitments have either been (a) drawn down for Investments or (b) reserved for Investments.

At least MSEK 150 should be invested during a period of 18 months from 21 June 2017 in Casumo and another, not named, investment. If the Company fails to carry out such identified investments, or part of it, the Total Commitment shall be reduced correspondingly (crown by crown).

Expenses

The Company shall be entitled, in its sole discretion, to charge Portfolio Companies for services rendered. Any such payments received shall be offset against Expenses but shall not result in any reduction of Total Undrawn Commitment.

The Company may, in its sole discretion, use Proceeds to cover all or part of the Expenses instead of issuing Drawdown Notices therefore, in which case the allocation of Expenses shall not result in any reduction of Total Undrawn Commitment.

Drawdowns

Drawdowns are made during the Investment Period through a written notice being issued by the Company (a "Drawdown Notice"), sent by email. The due date for payment should not be earlier than the 10th Business Day following the date of the Drawdown Notice. Funds shall always be drawn down from Class B JV Partners pro rata to their respective Commitments except as explicitly set out in this Agreement.

Failure to comply with a Drawdown Notice

If a Class B JV Partner fails to pay to the Company the amount set out in a Drawdown Notice:

- Within 10 business days the Company shall issue a reminding notice (a "Default Notice") for the amount plus interest compensation (8%) for each day of default within 15 business days after the Default Notice.
- Should the investor fail to make full payment in accordance with a Default Notice the Defaulting Class B JV Partner shall, as liquidated damages, forfeit its Class B Shares in which event the Class B Shares of the Defaulting Class B JV Partner shall be transferred and allocated to the other Class B JV Partners and/or to one or more Substitute Class B JV Partners.
- The Company shall not be entitled to waive the application of this rule against a Defaulting Class B JV Partner, but shall be entitled to postpone its application by up to 20 Business Days.
- Upon such transfer and reallocation, the Defaulting Class B JV Partner shall also be expelled from this Agreement.
- The Company shall be entitled to draw down the shortfall from the non-defaulting Class B JV Partners in the form of an advance payment (a "Default Advance") pro rata to the respective Commitments of such non-defaulting Class B JV Partners. Undrawn Commitments of such Class B JV Partners shall then be reduced correspondingly.
- If the defaulting Class B JV Partner subsequently makes payment, the Company shall repay the non-defaulting Class B JV Partners the amount of the advance payment plus interest. The amount repaid shall constitute part of the Undrawn Commitment of such Class B JV Partner.



Distributed funds

The main rule is that any amounts distributed from the Company to the Class B JV Partners shall not constitute part of Total Undrawn Commitment and will thus not be available for further Drawdown. Exceptions:

- if and to the extent that such amounts have been drawn down in order to effect an investment which did not proceed, and such amounts have therefore been returned to the Class B JV Partners,
- if and to the extent (up to the Acquisition Cost of the relevant Portfolio Company) that the Company has distributed Proceeds from a divestment, partial divestment, refinancing of, or other distribution from, a Portfolio Company before the end of the Investment Period; and
- if and to the extent that Drawdowns have been made to cover Expenses (other than Transaction Expenses allocated to an Investment made), and then distributed to Class B JV Partners.

Key Persons

During the Investment Period, the Company shall procure that the Key Persons shall devote required business time and efforts to the business of the management of the Company and the business of Portfolio Companies. The Founders may, subject, in each case, to the consent of Class B JV Partners representing more than 50 per cent of Total Commitments, at any time, appoint one or more additional Key Persons.

If the number of Key Persons falls below one, and replacements aren't made within 180 days, the Investment Period shall immediately expire.

Distribution and allocations

The Company shall distribute Proceeds as soon as such Proceeds have become available for distribution. However, the Company shall always be entitled to retain Proceeds in such amounts and for so long as the Company, in its reasonable opinion, deems necessary in order to cover costs for potential disputes and other post settlement costs in relation to Proceeds received.

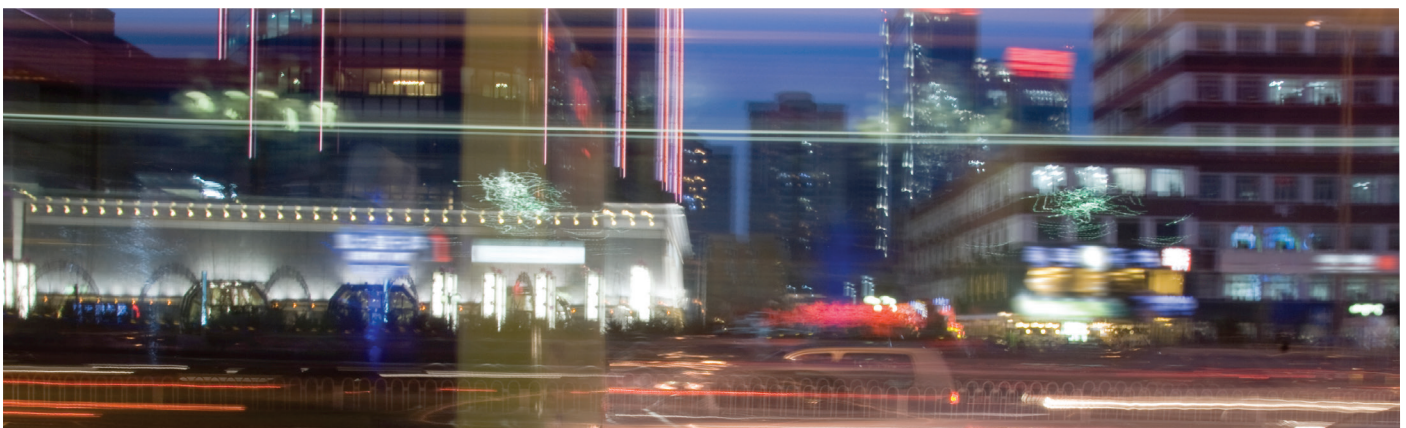
Proceeds may also be retained to the extent that the Company, acting in good faith, finds it likely that such funds, if distributed, would become subject to Drawdown in accordance with this Agreement within six months from the Company's receipt of such Proceeds.

Before the end of the Investment Period:

1. 100 per cent to the Class B Shares until the Class B Shares have received, in aggregate, an amount equal to the Commitments Drawn Down;
2. 100 per cent to the Class B Shares until the Class B Shares have received, in aggregate, an amount equal to the Preferred Return on Commitments Drawn Down from the date payment of any amount was due to the Company, or such later date when the amount was actually paid up to and including the respective dates of distributions,
3. of any amounts remaining for distribution, 80 per cent to the Class B Shares (pro rata to Commitments Draw Down) and 20 per cent to the Class A Shares.

After the end of the Investment Period:

1. 100 per cent to the Class B Shares until the Class B Shares have received, in aggregate, an amount equal to the Commitments Drawn Down;
2. 100 per cent to the Class B Shares until the Class B Shares have received, in aggregate, an amount equal to the Preferred Return on Commitments Drawn Down from the date payment of any amount was due to the Company, or such later date when the amount was actually paid up to and including the respective dates of distributions;
3. 100 per cent to the Class B Shares until the Class B Shares have received, in aggregate, an amount corresponding to the difference between (1) the Preferred Return calculated, regardless when paid, as from the Closing Date on Commitments Drawn Down on the final date of the Investment Period and (2) the Preferred Return on Commitments Drawn Down from the date payment of any amount was due to the Company, or such later date when the amount was actually paid up to and including the respective dates of distributions;
4. of any amounts remaining for distribution, 80 per cent to the Class B Shares (pro rata to Commitments Draw Down) and 20 per cent to the Class A Shares.



Fault

Class B JV Partners representing more than 50 per cent of Total Commitments may invoke the fault section of the agreement:

- in the event that the Company acts in material breach of the JVA and such breach is not remedied, if capable of remedy, within 90 days of notification of the breach from a Class B JV Partner to the Company, and such breach alone or together with other material breaches, has had a permanent material adverse effect for the Company and/or the Class B JV Partners; or
- fraud, wilful misconduct or gross negligence on the part of a Key Person in relation to the Company or a Portfolio Company (provided that such action, alone or together with other such actions, has had a permanent material adverse effect for the Company).

In the event that Class B JV Partners demand divorce in accordance with the JVA, the Shareholders shall use their reasonable efforts to procure that all Portfolio Companies are Divested and that the Company is liquidated as soon as practicable.

- Exception – Class B JV Partners representing more than 67 per cent of Total Commitments agree within 30 Business Days after the date when such divorce was demanded that the Company shall continue its business.

Breach

If a Class B JV Partner (a “Class B JV Partner in Breach”) acts in material breach of this Agreement or enters into bankruptcy, etc., and such breach or other circumstances is not remedied, if capable of remedy, within 30 days of notification thereof from another Party, then, the Company may, in its sole discretion resolve that the Class B JV Partner in Breach transfers its interest under this Agreement to the other Class B JV Partners, and that the Class B JV Partner in Breach shall be expelled from this Agreement.

The general principle is that the Class B Shares shall be allocated to the other Class B JV Partners pro rata to their respective Commitments and that the transferees shall assume in full the transferor's obligation to contribute its Undrawn Commitment pro rata to the number of Class B Shares received in the allocation.

The Class A JV Partner shall procure (and the Class B JV Partners shall consent to) that 50 per cent of any and all distributions deriving from Investments made after the date of expulsion of the Class B JV Partner in Breach on Class B Shares thus transferred from the Class B JV Partner in Breach shall be made to the Class B JV Partner in Breach instead of to the new holders of such Shares. The other 50 per cent of such distributions shall be forfeited as liquidated damages and paid to the other Class B JV Partners pro rata to their respective Commitments.

Co-Investments

The Company may when it, in its sole discretion, deems appropriate and in the reasonable interest of the Company, provide one or more Class B JV Partners and/or third with co-investment opportunities relating to Investments made or to be made by the Company.

Confidentiality

The Parties may, with some exceptions, not disclose information concerning or relating to (a) this Agreement, (b) the Company's business, (c) the business of any Portfolio Company or its subsidiaries, (d) the Shareholders, or (e) the making or realisation of Investments.

Exceptions from the main rule due to prescriptions by law, if required to execute an investment, etc.

Certain Obligations

Each Class B JV Partner is obliged, upon request from the Investment Committee and within 15 Business Days from such request, to provide passport copies of all ultimate beneficiary owners of such legal entity, legalised by a notary public.

Transfer of interest

A Class B JV Partner may not transfer or otherwise dispose of its Class B Shares without the prior written consent to such transfer from the Company. Consent to a transfer where the transferee is a member of the same corporate group as the transferor provided that the transferor agrees to guarantee, as for its own debt (Sw. såsom för egen skuld), the obligations of the transferee under this Agreement, should not to be unreasonably withheld.

A Substitute Class B JV Partner must agree in writing, in a form satisfactory to the Company, including an Adherence Agreement, to be subject to and bound by all the provisions of the JVA.

Term of Agreement

The Company and the Shareholders shall use their respective reasonable efforts to procure that all Portfolio Companies have been divested on or prior to the fifth anniversary of Closing Date. If proposed by the Class A JV Partner and supported by Class B JV Partners representing more than 50 per cent of Total Commitments, the Company may decide to defer the Termination Date by up to one year at the time up to, in aggregate, a maximum of two additional years.

