

Gaming Innovation Group

Q4 2015

18 February 2016
Robin Reed, CEO

Agenda

- Highlights
- Operational update
- Financial update
- Outlook & Summary
- Appendix

Highlights

- Strong revenue growth
- Marketing driving growth in active players
- Operating results affected by marketing campaigns
- iGamingCloud signed 6 new clients in Q4
- Successful affiliate acquisitions
- Raised new equity of NOK 45m

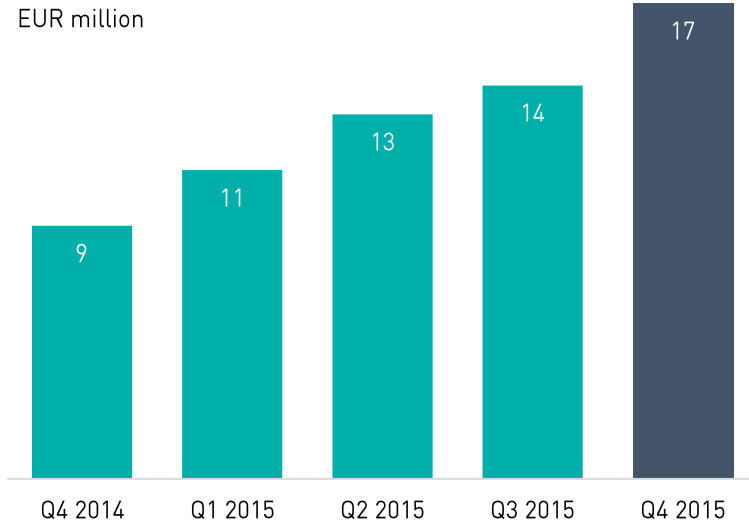


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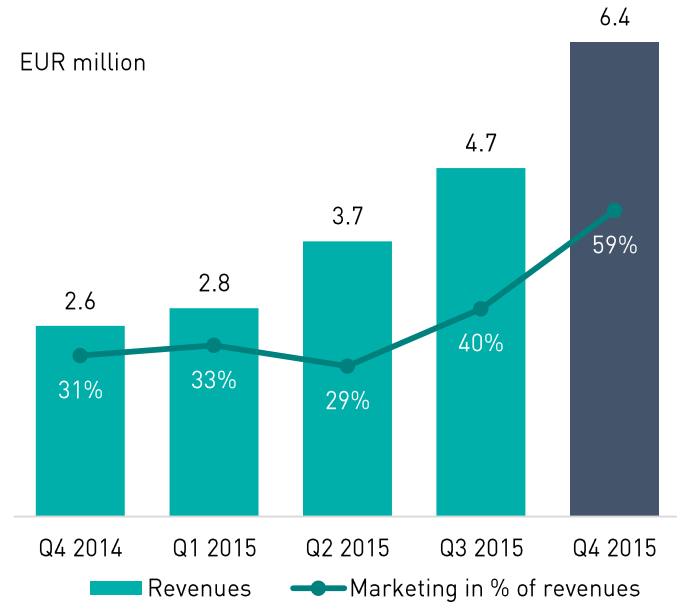
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Deposit growth for Sportsbook and Casino

Deposits



Revenues and marketing in % of revenues



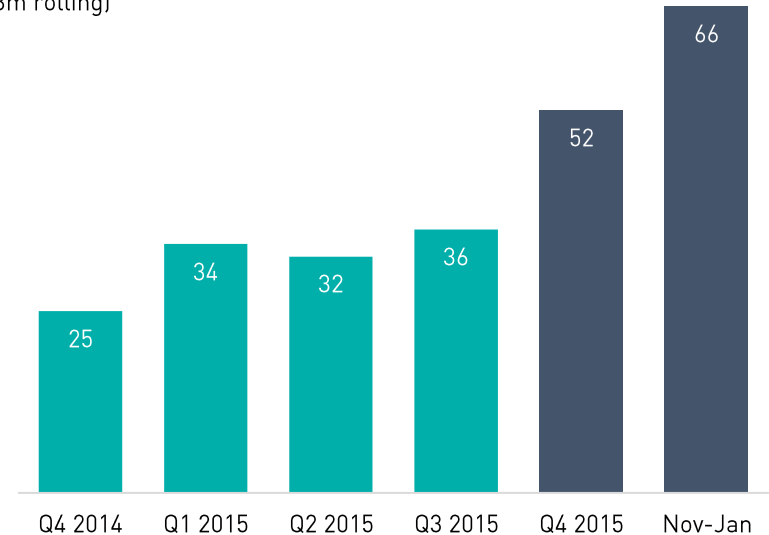
Marketing campaigns driving number of players



- Total registered users for Guts, Betspin and Rizk as of January 31, 2016 were 307,667 (16% increase in January)
- Real money actives across Guts and Betspin for Q4 were 51,654 (up 44%)
- Rizk.com successfully launched in January
 - 25,000 *NRC's and 10,000 **FTD's first month
- Poker product launched on Guts.com
 - Sponsor of Norwegian Championship in both online and live poker

Active real money players

1000 players
(3m rolling)



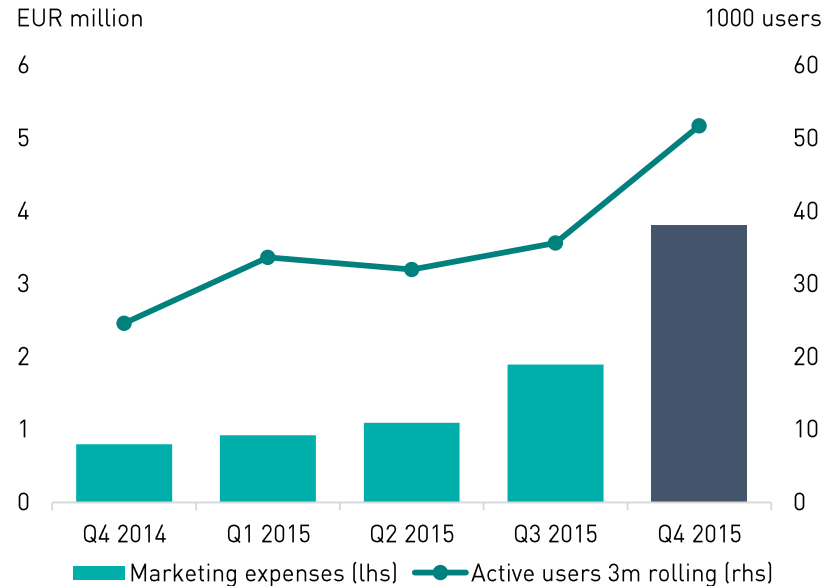
*NRC's: New Registered Customers

**FTD's: First Time Depositors

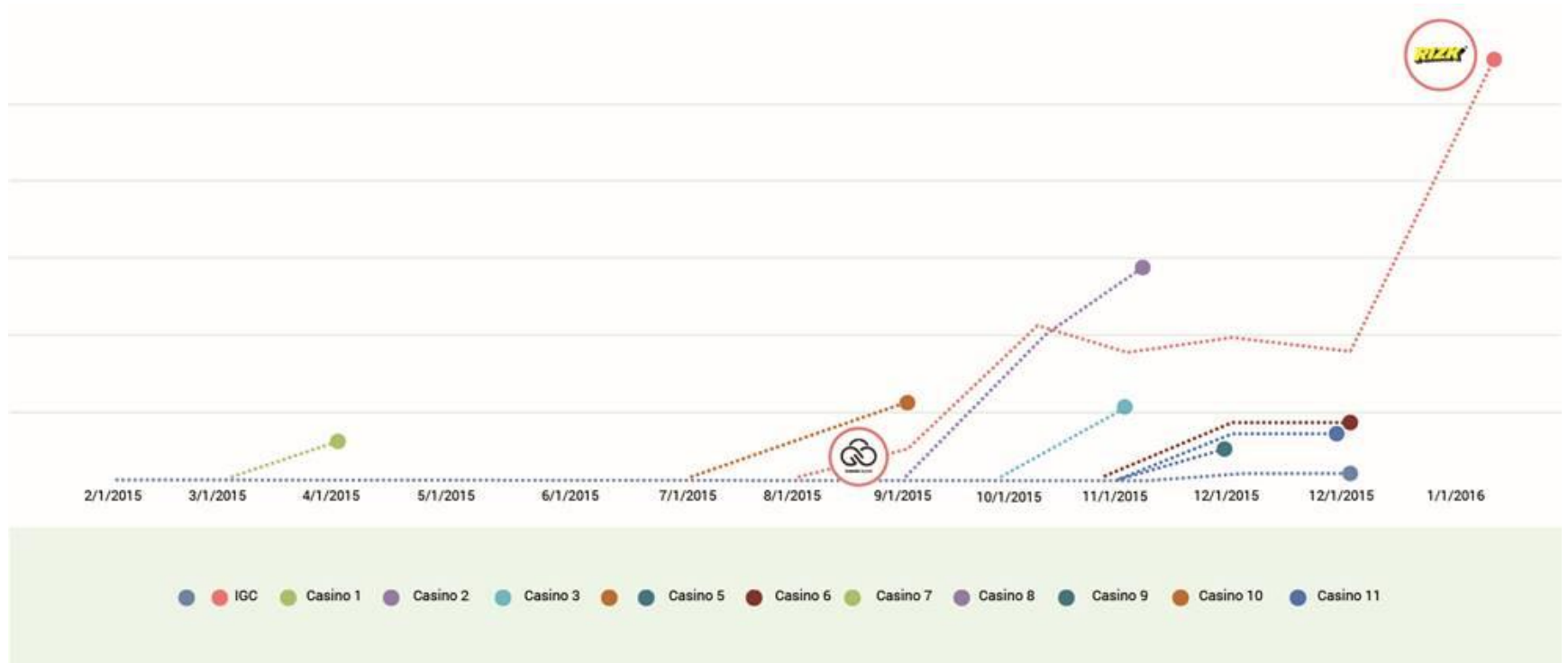
Investing in marketing to drive growth

- TV marketing campaigns launched in 2015
 - Doubled the amount of real money actives
 - Campaigns paid up-front with no further cost on acquired players
 - ROI expected over the next 12-15 months
- EBITDA affected by TV marketing campaigns and product developments
 - New Sportsbook
 - Integration of new iGC clients
 - New brand Rizk – launched in Jan. 2016
 - New poker product

Marketing expenses and active players



Net Entertainment launches in 2015 by revenues



Poker launched on Guts.com

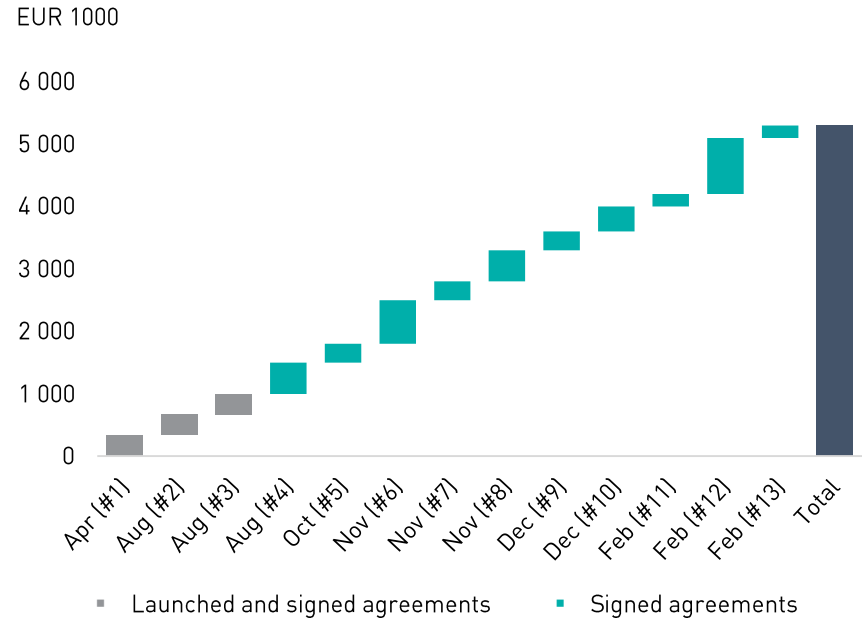


13 clients signed to iGamingCloud platform

Cloud services

- Platform offering the full range of services needed for an iGaming operator
- A very competitive cost structure
- 13 clients signed to date (6 in Q4 2015)
- Third external client went live on iGC platform
- Remaining signed clients to launch 1H 2016
- Q4 in line with expectations

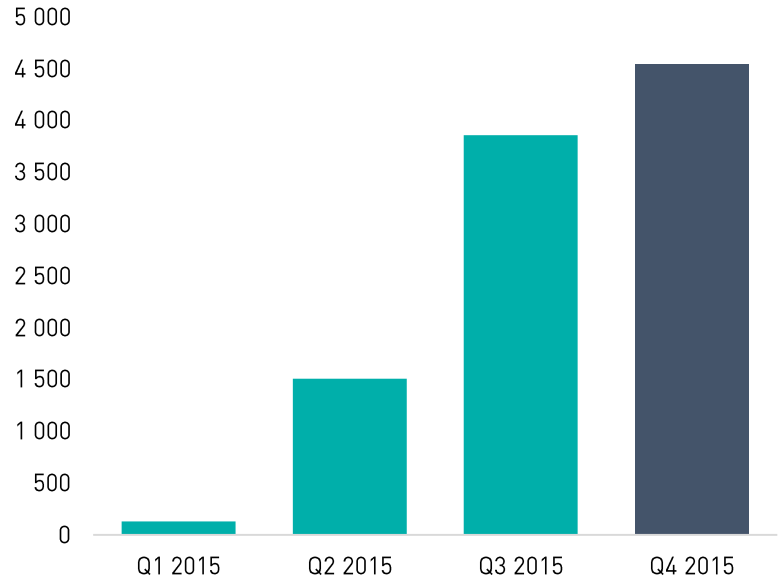
iGC agreements



Innovation Labs increasing First Time Depositors (FTD's)

- Acquisitions of three affiliate networks has proven successful
 - Economies of scale from integration
 - Larger network of referral sites can boost current money sites
- Strong start on cooperation with first external iGC client
 - More than 1,000 FTD's during first quarter
- Steady revenue growth
 - 19% Q/Q

Number of First Time Depositors



Strategic acquisition activities

New equity of NOK 45 million



Publishers

- Affiliates with good traffic driving capability to strengthen distribution channel



Content providers

- Content and technology complementing and/or amplifying B2C and B2B offering
- Cost saving technology



Strategic partnerships

- Equity investments in strategic partners

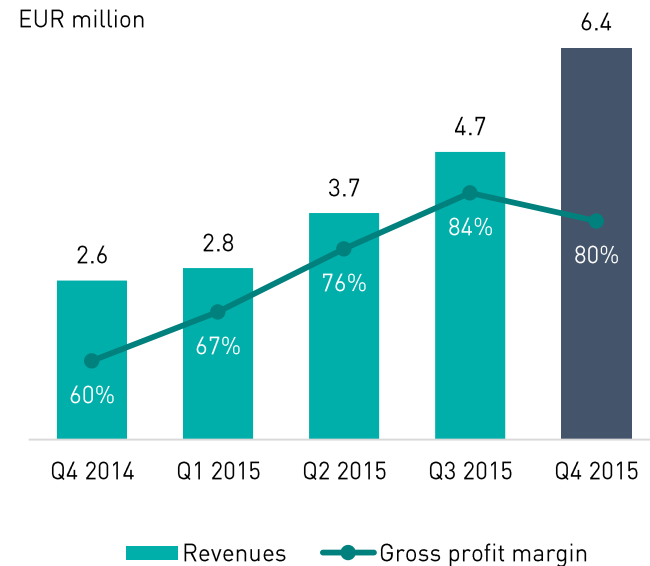
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Quarterly revenues

- All time high revenues of EUR 6.4m, up 148% year-on-year, up 37% quarter-on-quarter
- Change in revenue recognition
 - Reduced revenues and cost of sales, margins unchanged
- Gross margin of 80%
 - Up from 60% in Q4 14
 - Down from 84% in Q3 15
- Cost of sales EUR 1.3m related to Gaming services, payment services and gaming taxes
- Marketing expenses 59% of revenues

Quarterly revenues and gross profit margin



Income Statement

Condensed Statements of Operations in 1000 EUROS (Unaudited)

	Q4 2015	Q4 2014	2015	2014
Revenues	6 384	2 571	17 749	9 592
Cost of sales	1 300	1 032	4 042	3 413
Gross profit	5 084	1 539	13 707	6 179
Gross profit margin	80%	60%	77%	64%
Marketing expenses	3 769	799	7 670	3 522
Other operating expenses	3 071	1 021	8 099	2 774
Total operating expenses	6 840	1 820	15 769	6 297
EBITDA	-1 756	-281	-2 062	-117
EBIT	-1 935	-316	-2 395	-245
Other income (expenses)	153	24	337	179
Results before income taxes	-1 782	-292	-2 058	-67
Marketing in % of revenue:	59 %	31 %	43 %	37 %
Other operating in % of revenue:	48 %	40 %	46 %	29 %
EBITDA in % of revenue:	-28 %	-11 %	-12 %	-1 %

Cash Flow

In EUR 1000	Q4 2015	Q4 2014	2015	2014
Cash flow from operating activities	-1 205	-45	-2 117	-570
Cash flow from investment activities	-91	-295	-864	-519
Cash flow from financing activities	1 825	1 305	3 941	1 600
Net change in cash and cash equivalents	449	965	810	511
Cash and cash equivalents at start of period	1 643	317	1 282	771
Cash and cash equivalents at end of period	2 092	1 282	2 092	1 282

Financial Position

Condensed Balance Sheet in 1000 EUROS (Unaudited)

	31.12.15	31.12.14
Assets		
Goodwill	22 230	-
Intangible assets	7 333	749
Total non-current assets	29 564	749
Other current assets	3 634	2 233
Cash and cash equivalents	2 092	1 282
Total current assets	5 726	3 515
Total assets	35 290	4 263
Liabilities and Shareholders' Equity		
Total shareholders' equity	27 070	2 704
Short term loans	2 031	-
Other current liabilities	4 647	1 560
Total current liabilities	6 678	1 560
Long term loans	1 541	-
Total liabilities	8 220	1 560
Total liabilities and shareholders' equity	35 290	4 263

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Outlook: Continued growth in all business areas

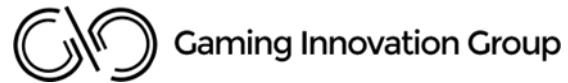
- Innovation Labs preparing for further growth
 - Scale up organization and technological capability
 - Increase geographical footprint of organic search beyond Nordic markets
 - Richard Brown hired as Managing Director to Malta organisation
- Sportsbook and casino growing faster than the underlying market
 - EPG live on iGC
 - Close eye on several regulated markets
 - Can enter with both B2B partners or B2C brands
- iGamingCloud to exceed 20 signed agreements in 2016
 - New clients live in 2016 – increase in revenue
 - Continued focus on leading start-ups
 - Aim at signing up Tier 1-3 operators

Summary

- Strong revenue growth
- Marketing driving growth in active players
- Several new iGamingCloud clients
- Successful acquisitions

- Continued focus on acquisitions
- Expect doubling of group revenues in 2016
- See operating profit exceeding EUR 5 million in 2016

Q&A



Next event:
1st quarter 2016 presentation
04 May 2016

www.gaminginnovationgroup.com

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Top 20 shareholders as of 17 February 2016

Shareholder	# shares	%
Bryggen Holding AS	57 096 707	10.9 %
Super Innovative Limited (Robin Reed)	52 468 528	10.0 %
Hans Michael Hansen	39 101 744	7.4 %
Frode Fagerli	36 362 648	6.9 %
Bolshoy AS	35 252 732	6.7 %
J.P. Morgan Chase Bank	24 446 599	4.7 %
GIG Share Options Ltd	18 712 673	3.6 %
Anders Berntsen	18 328 623	3.5 %
ICKC Ltd. (Ben Clemens)	16 506 568	3.1 %
Nordnet Bank AB	13 096 252	2.5 %
Nordea Bank Danmark	7 946 896	1.5 %
Jussi Hietalahti	7 385 301	1.4 %
Mikko Halmela	7 385 301	1.4 %
Kjetil Myrliid Aasen	7 000 000	1.3 %
Skabo Offshore AS	6 900 000	1.3 %
Molasset AS	6 438 928	1.2 %
Nordea Bank AB	6 374 709	1.2 %
CMM Invest AS	6 161 818	1.2 %
Flaxvatn Holding AS	6 161 818	1.2 %
Foo Holding Ltd.	5 000 000	1.0 %
Nordnet Livsforsikring	4 753 691	0.9 %
Other	133 324 415	25.4 %
Sum outstanding	516 205 952	98.3 %
Bonus shares held in escrow	8 500 000	1.6 %
Nio treasury shares	415 000	0.1 %
Total issued shares	525 120 952	100.0 %

GAMING INNOVATION GROUP INC.
DELAWARE

AFFILIATE MARKETING
Innovation Labs Ltd.
(Malta)



INNOVATION
Labs

CLOUD SERVICES
iGaming Cloud Ltd. (Malta 90%)



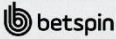
iGAMING CLOUD

**GAMING INNOVATION
GROUP LTD.**
MALTA




OPERATORS


Candid Gaming Ltd.
(Malta)



MT Secure Trade Ltd.
(Malta 99%)



Zecure Gaming Ltd.
(Malta)



SPORTS BETTING
Gridmanager Ltd.
(Malta)