Gaming Innovation Group

Q4 2019

Interim Report

iGaming solutions based on innovative technology

GiG

18 February 2020

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GAMING INNOVATION GROUP INC.

Q4 2019 Interim Report

GiG has on 14 February 2020 entered into an agreement to divest its B2C operations. In accordance with IFRS 5, the B2C financial results are reported as a discontinued operation in the Company's financial statements for the year ended 31 December 2019. For transparency and comparison with previous periods, the comments to the financial statements below are based on B2C as a continued operation, the financial tables on pages 23-25 are showing B2C as both a discontinued and continued operation.

Financial Highlights

- Revenues in Q4 2019 of €29.4m (39.9)
- EBITDA in Q4 2019 was €4.8m (5.0) with an EBITDA margin of 16.4% (12.6%)
- Revenues for the B2C segment in Q4 2019 were €19.0m (25.8), EBITDA was €4.1m (0.8) with an EBITDA margin of 22% (3%)
- The Rizk brand represented 78% (70%) of B2C revenues in Gaming Operators with an EBITDA of €4.0m (3.4)
- Revenues for the B2B segment in Q4 2019 were €12.1m (16.4), EBITDA was €0.8m (4.3)
- Revenues in the B2B Media Services were €7.5m (8.7) in Q4 2019, EBITDA was €4.0m (4.9)
- Other operating expenses were €13.7m (15.4) a reduction by 12%, the number of employees decreased from 706 to 648 year-on-year.
- Cash flow from operations in Q4 2019 was €2.4m (2.7) and cash used in investing activities was €2.3m (3.3)

Operational Highlights

- Richard Brown appointed new CEO on 6 November 2019
- Strategic review initiated in November 2019, leading to an evolved strategic direction to reduce complexity and improve efficiency in the Company
- Introduction of fixed fee platform payment model
- GiG launches Hard Rock International's online sportsbook in Iowa
- GiG signed an agreement with Mr Green in Latvia for platform services, casino and sportsbook
- Renewal of contract with B2B partner Armstrong Operations Ltd. including the addition of two new brands which are the first to be signed on the platform with the new fixed fee payment model
- Market entry into Croatia by acquiring 75% of shares in Top Games d.o.o. including a remote gambling permit
- SEK400 million senior secured floating rate bonds (due 2022) listed at Nasdaq Stockholm on 27 December 2019

MEUR	Q4-19	Q4-18	2019	2018	Q4-19	Q4-18	2019	2018
	B2C as discontiued operations				B2C as continued operations			
Revenue	10.4	14.1	44.0	51.6	29.4	39.9	123.0	151.4
Gross profit	10.2	13.9	43.1	50.9	25.0	32.1	98.9	124.0
Marketing expenses	1.1	1.4	5.3	5.8	6.5	11.6	31.1	47.2
Operating expenses	9.1	7.8	34.4	29.6	13.7	15.4	53.7	60.7
EBITDA	0.1	3.8	3.4	14.4	4.8	5.0	14.1	16.1
EBIT	-6.7	-1.4	-24.0	-4.5	-42.5	-14.1	-55.7	-17.6
Loss from discontinued operations	-35.8	-12.7	-31.7	-13.1	-	-	-	-
Net results	-47.3	-16.6	-64.7	-22.8	-47.3	-16.6	-64.7	-22.8
EPS	-0.53	-0.19	-0.72	-0.25	-0.53	-0.19	-0.72	-0.25

Events after Q4 2019

- Divestment of the B2C vertical to Betsson Group
- Introduction of GiG's next generation data platform, to be sold to existing customers and separately to external customers
- Extension of contract with a current platform customer with the addition of two new brands on the fixed fee model
- Revenues in January were 8% higher than the average in Q4 2019

Outlook and guidance

- GiG will become one of the few fully independent of B2C, B2B providers after divestment of the B2C segment which will give the Company dedicated focus on building the B2B business
- GiG will continue its focus on cost control, execution and global expansion as a pure B2B business
- Strategic review continues for its proprietary sportsbook; GiG is actively discussing joint ventures or other constellations with potential partners to release the true asset value of the sportsbook and to secure external long term funding
- With the divestment of the B2C vertical, full year 2020 revenues are expected in the range of €70 - 75 million, with an EBITDA expected in the range of €14 – 17 million, including, for comparison, B2C as continued operations until completion of the transaction.

LETTER FROM THE CEO

Richard Brown

“I am inspired, confident and extremely excited to begin this new chapter in GiG’s history"

Dear Shareholders,

It is a great honor to write my first shareholder letter to you after my appointment as CEO in November 2019. The dynamics in the online gambling industry, both competitive and regulatory, have changed dramatically in the last two years and we as a company are forcefully adapting to that. We are coming out of a strategic review initiated in November last year, I am certain the actions taken will place the Company in a truly exciting position for growth while securing the sustainability of the Company’s financial position by significantly reducing its debt and leverage

The revenue numbers for Q4 2019 were down on 2018, largely due to the impact of Swedish regulation and the termination of a customer in Q1 2019, both affecting comparable figures. This was aggravated by weaker than anticipated seasonality. In this light, I am pleased to have seen the continued effort to optimise both the ROI on marketing spend and the reduction in other OPEX, lead to only a marginal decline year-on-year in EBITDA and a positive development quarter-on-quarter.

The divestiture of our B2C business provides us with a three-pronged strategic advantage to the historical business model. While the previous strategy, which included the B2C business, had significant advantages historically, leading into 2020 with regulation of core markets and the upcoming further regulation across the world, mid-sized B2C operations will come under increasing pressure where scale is the only real way to drive long term success. The internal complexity, conflicting agendas and priorities between the B2C and B2B business within GiG was becoming a critical factor in the Company’s ability to operate efficiently. By focusing our business entirely as a B2B supplier, GiG will not only be able to improve its product offering and its operational efficiency, but most importantly, the full focus will allow us to capitalise on the growing demand for platform services. My vision is for GiG to be the best platform provider in the industry and the quality of the platform, the scalability and focus of efforts will enable the realisation of that goal. This will, in turn, lead to sustainable growth for the Company.

During the review, it became very clear that the current leverage position for GiG was not sustainable, being constrictive on the business operations. Therefore, the opportunity to divest the B2C business allows us to significantly reduce the debt position of the Company.

I am confident that such a leading B2C Group as Betsson will be able to drive our divested B2C business forward, with our support. As a customer on our platform, the partnership provides real opportunity for both parties. GiG can now focus on providing the best possible B2B solution for the online gambling industry.

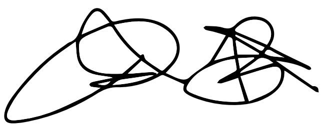
I am proud of the strategic position we have in sports betting and the work achieved through 2019 to become one of only a handful of suppliers offering both sportsbook and player account management (PAM) solutions in multiple states in the US. This investment has been heavy and the return will be over the long term. In order to maintain the strategic position, we are working towards a solution which can support this while at the same time bringing the cost level in line with the revenue. We are in negotiations with several interested parties which we believe can not only bring in financial sustainability to the segment, also provid us with strategic and competitive advantage in this exciting space.

In expanding our global reach, the demand for market-specific sportsbooks has become apparent. Therefore, for us to continue to win platform contracts and expand our reach, it is essential to have a sportsbook agnostic platform, allowing us to integrate multiple third-party sportsbooks into our PAM. We believe this to be the key to improving the quality of our product offering which combined with our expanding sales capability will drive sales. In addition to integrating Betsson’s sportsbook products, we have agreed in principle to integrate with several other sportsbooks and will be executing said integrations on an ongoing basis. The above actions will lead to financial sustainability within the sportsbook vertical while concurrently enhancing GiG’s sportsbook offering.

Our B2B focus will also allow us to address the capital allocation structure within the business. Further, it has become clear to me that we have over the last 18 months under-invested in our very profitable and cash generative B2B Media segment. While the diversification of the business, which started in 2018, has enabled us to mitigate losses in the Scandinavian markets during 2019, going forward we will ensure that projects and product development receive the required funding to return the business to profitable growth.

I am inspired, confident and extremely excited to begin this new chapter in GiG’s history.

Yours sincerely,
Richard Brown



STRATEGIC REVIEW

In Q4 2019, the Board and the CEO initiated a strategic review to conduct a review of the whole Company to identify value-creating opportunities, reduce complexity and improve efficiency within the business.

In February 2020, GiG signed a Share Purchase Agreement (SPA) with Betsson Group for the divestment of GiG's B2C assets. Betsson will, through this agreement, become a long term partner of GiG, generating revenues to GiG's Platform Services. Betsson commits to initially keep the brands operational on GiG's platform for a minimum of 30 months. For the first 24 months, Betsson will pay a premium platform fee based on NGR generated. Based on the expected platform fees, the total value of the transaction is estimated at approximately €50 million.

The sale of the B2C vertical is a result of GiG's strategic review, initiated in November 2019, leading to an evolved strategic direction to reduce complexity and improve efficiency. By divesting the B2C vertical, GiG will free up resources, enabling full dedication on driving and growing its B2B business, securing stable and sustainable earnings and profit margins. GiG sees a large and sustainable addressable market for its platform business as the regulation of the iGaming industry continues and is well positioned with the omni-channel platform offering to capitalise on the continued digital transformation of the worldwide gambling market.

In order to keep the strategic position for its own proprietary sportsbook, GiG is actively discussing joint ventures or other constellations with potential partners to release the true asset value of the sportsbook and to secure external long term funding. The ambition is to gradually grow with existing and new long term partners, including the fast growing US market. GiG is one of the few B2B providers present with omni-channel online gambling services in multi-state jurisdictions in the US.

The Board and management have decided that the best opportunity for GiG's performance long term and to create sustainable shareholder value, is to focus only on B2B and hence divest its B2C vertical. This move will secure the payment of the 2017 bond which matures in March 2020, strengthening the balance sheet; lower the cost of funding, and to improve the general risk profile of the business. The full effect of the strategic decision to divest the B2C vertical will materialise from April 2020.

This action will increase the competitiveness of GiG's B2B solutions as one of the few fully independent of B2C, B2B providers with an ISO accredited platform. The new SaaS and fixed fee platform payment model will further strengthen the unique selling point, support the growth of GiG's partners and limit downside risk for GiG. Managed solutions and other ancillary services add extra upside to the contract values.

The B2C vertical needs substantial financial backing and dedication, with necessary investments in both marketing and regulatory demands in order to secure healthy growth in a volatile and challenging market environment. GiG sees considerable opportunities with the divestment of the B2C vertical as the transaction will free up resources and enable full dedication on driving and growing its B2B business where it sees higher long term potential. It will also offer GiG a strategic advantage in selling its B2B solutions into new and existing target markets and customers, in an environment without conflict of its B2C brands.

Several strategic measures in the B2B vertical have already been taken in Q4 2019 and in so far in Q1 2020. One example is the evolved strategy to focus on targeting customers in long term Software-as-a-Service (SaaS) partnerships where GiG has a competitive edge powered by its cutting-edge technology. The implementation of monthly fixed fees on the technical platform, instead of the previous revenue share based white label agreements, will put a limit on the financial risk; predict the minimum revenue generation, and support a loyal customer base. Another example is additional resource and focus of the sales capacity, with country managers and an advanced sales targeting approach.

GiG divesting its B2C vertical to Betsson Group

GiG signed a Share Purchase Agreement (SPA) with Betsson Group (Betsson) in February 2020 for the divestment of its B2C assets which include the operator brands Rizk, Guts, Kaboo and Thrills. Betsson will, through this agreement, become a long term partner of GiG, generating revenues to GiG's Platform Services. On the day of closing, Betsson will pay €31 million, consisting of a €22.3 million cash payment for the acquisition, plus a prepaid platform fee of €8.7 million. GiG will use the proceeds to repay the Company's SEK300 million 2017 - 2020 bond.

Betsson commits to keep the brands operational on GiG's platform for a minimum of 30 months. For the first 24 months, Betsson will pay a premium platform fee based on NGR generated. Based on the expected platform fees, the total value of the transaction is estimated at approximately €50 million.

Betsson, listed at Nasdaq Stockholm, is one of the most dominant European companies in online gambling with a long and strong track record of brand building, both organically and via acquisitions. It offers online casino, proprietary sportsbook and other online games in a multi-brand strategy via gaming licences in twelve countries in Europe and Central Asia.

GiG has, as part of the strategic review, made a decision to make its technical platform sportsbook agnostic, and partner with other sportsbook providers to offer the best solutions to its customers. Betsson's sportsbook solution is intended to be integrated on GiG's platform-offering. Both GiG and Betsson will gain strategic advantage in having the possibility to sell their respective B2B solutions in an environment without conflict of their own B2C brands.

Expected completion of the transaction is mid-April 2020, giving time for the compulsory regulatory approvals from merger control and gaming authorities.

GiG Other events after Q4

GiG offers its cutting-edge Data platform to external customers

GiG launched its new data platform in January 2020. It has so far received positive interest from the market. The updated Data platform is GiG's next-generation, scalable data platform, which can be integrated with GiG's Platform Service or with third-party solutions. It features standard KPI libraries across all tools and incorporates artificial intelligence applications which work together to seamlessly enhance data systems.

The cutting-edge platform offers operators a fast and scalable self-service tool which enhances business intelligence and produces data and back office reports in real-time. The Data platform provides a secure and compliant data framework, which is responsive to the critical data needs of GiG's partners. The revenue contribution from the Data platform will be recognised within the Platform Services division.

New customers on the fixed fee platform payment model

GiG has extended its contract with a current platform customer with the addition of two new brands on the new fixed fee model.

SUMMARY AND OUTLOOK

Financial highlights

GiG has on 14 February 2020 entered into an agreement to divest its B2C operations. In accordance with IFRS 5, the B2C financial results are reported as a discontinued operation in the Company's financial statements for the year ended 31 December 2019. For transparency and comparison with previous periods, the comments to the financial statements below are based on B2C as a continued operation and the financial tables on pages 23-25 are showing B2C as both a discontinued and continued operation.

Consolidated revenues in Gaming Innovation Group Inc. (GiG), representing income deriving from revenue share and other fee-based agreements from the B2B operations and Net Gaming Revenue (NGR) from the B2C operation, were €29.4 (39.9) million in the fourth quarter 2019. The 26% decline is a result of lower revenues in the B2C segment impacted by the Scandinavian market, and the termination of a B2B customer contract in Q4 2018 affecting the year-on-year comparison by €6.7m and €3.0m respectively. In-house brand Rizk represented 78% (70%) of total B2C revenues.

Gross profit for the Group was €25.0 (32.1) million in the fourth quarter 2019, a decline of 22%. Gross profit margin for the fourth quarter 2019 came in at 85% (80%). The higher gross margin is largely a result of a reversal of prior over-accruals of betting duties.

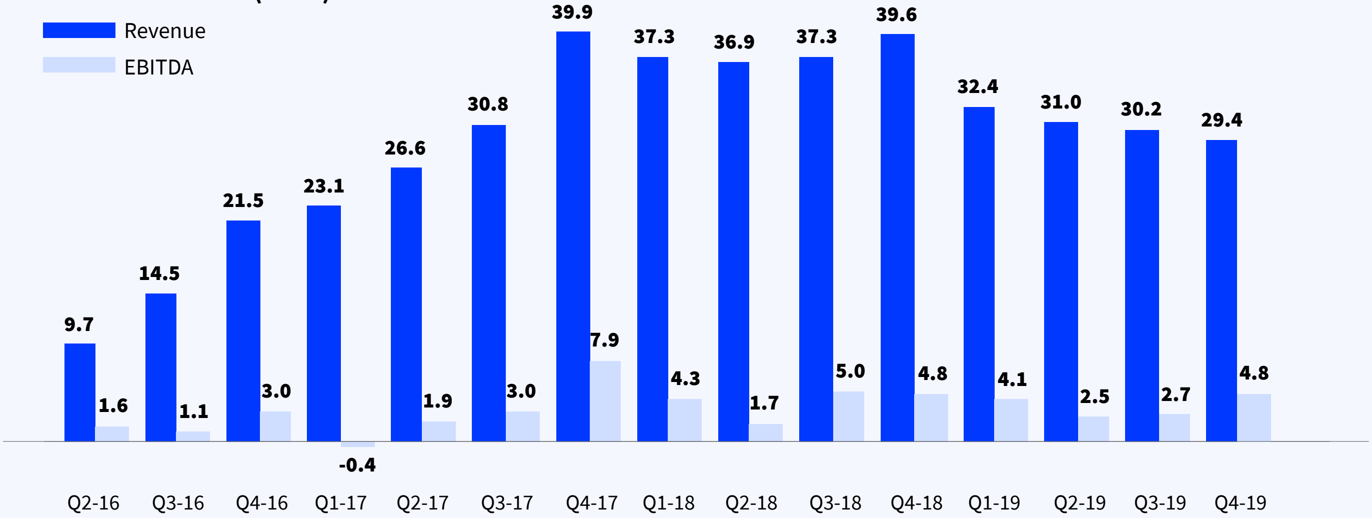
Marketing expenses were €6.5 (11.6) million in the fourth quarter 2019, a reduction of 44% supported by lower marketing levels plus a change in marketing channels to reduce above the line marketing and use more efficient marketing channels. Marketing expenses were 8% lower quarter-on-quarter and represented 22% (29%) of total revenues in the fourth quarter 2019.

Other operating expenses amounted to €13.7 (15.4) million in the fourth quarter 2019, a reduction of 12%. The reduction in operating expenses is a result of initiatives on both cost control and operational efficiency together with a reduction in the average number of employees from 706 in the fourth quarter 2018 to 648 in the fourth quarter 2019. Continued investments into the development of new technology resulted in capitalised salaries of €1.2 (2.0) million, down 38% year-on-year.

EBITDA was €4.8 (5.0) million. In the fourth quarter 2019, Gaming operators were the largest profit generator in the Group with an all-time high EBITDA of €4.1 (0.8), corresponding to an EBITDA margin of 22% (3%).

Depreciation and amortisation amounted to €6.1 (5.4) million in the fourth quarter 2019, whereof €2.3 (2.4) million relates to amortisation of intangible assets from affiliate acquisitions completed in 2015 - 2017. GiG is amortising acquired affiliate assets conservatively over three years for customer contracts and eight years for domains/SEO which is at a faster pace than industry peers. €2.1 (2.0) million relates to capitalised investments in software development and IT infrastructure technology. Depreciation was €1.3 (0.4) million, whereof €0.7 (0.0) million relate to right-of-use assets.
The discontinuation of the Company's B2C assets resulted

REVENUES & EBITDA (MEUR)



in an impairment of €41.2 million in the fourth quarter, mainly related to the goodwill and intangible assets resulting from the acquisition of Betit Group in 2016.

Net other expense was €-4.5 (-2.0) million in the fourth quarter 2019 and included €1.5 (1.2) million in interest expense on the bond, and an unrealised loss of €1.7 (-0.3) million related to the bond due to the change in the SEK/€ exchange rate in the quarter.

The net result in the fourth quarter 2019 was €-47.3 (-16.6) million.

Operational highlights

Group

New Chief Executive Officer

The Board appointed Richard Brown as the new CEO of GiG on 6 November 2019. Richard joined GiG in 2017 as the Managing Director for GiG's Media Services and progressed to Chief Digital Officer prior to the recent position of Chief Operating Officer at GiG. He assumed the position as acting CEO on 5 September 2019, when the Board decided to change leadership in the Company, replacing GiG's former CEO and co-founder Robin Reed.

Bond listing at Nasdaq Stockholm

GiG listed its SEK400 million senior secured floating rate bonds (due 2022) at Nasdaq Stockholm with the first day of trading on 27 December 2019.

B2C

GiG signed a share purchase agreement with the Croatian company Top Games d.o.o. (Top Games), a company which qualifies for a remote gambling permit and provides market access in a growing regulated market. Only a limited number of operators can acquire a land-based licence to offer online casino in Croatia and the regulator will further control market participants by introducing IP blocking for operators without a licence.

GiG will acquire 75% of Top Games with the remaining 25% retained by the local partner. The payment for this acquisition is solely based on a profit-sharing agreement, no cash transaction will take place. The local partner will upfront the initial set-up costs and will cover licence fees, initial marketing expenditure and other operating expenses, whereas GiG will provide rights of use of brand, a gambling platform and operational expertise.

B2B

Platform Services

In the fourth quarter 2019, GiG introduced its new fixed fee model to make gaming companies more profitable and sustainable. This is achieved by offering a fixed fee solution where GiG's Platform Services, i.e. the technical (platform) costs for the operator, are fixed monthly rather than the traditional model where platform providers take a percentage of the revenue. This allows GiG's partners to benefit from the first-class technical solutions which grows with the partners' revenue, whilst maintaining a fixed platform fee through the duration of the agreement. The new model is being implemented as a standard on all new long term Software-as-a-Service (SaaS) agreements and will lead to a more stable and predictive revenue stream for GiG. The new fee structure is based on a monthly fixed fee depending on location and number of jurisdictions, plus an initial set up fee for customers new to the platform. Furthermore, most of GiG's customers will also use its managed services, which will generate additional revenue.

The revenue share model on white label agreements will gradually be phased out as GiG targets long term sustainable partnerships.

In addition, GiG has developed a new data platform that facilitates automation in payments, responsible gaming and marketing to facilitate a leaner work force thus further reducing operating costs.

GiG has invested in its B2B sales capacity with an enhanced and developed sales organization by adding additional resources and focus of the sales capacity, with country managers and an advanced sales targeting approach.

GiG extended its partnership with Hard Rock International further by supporting its market entry with sports betting in the US state of Iowa. The sportsbook launched in September 2019 with an over-the-counter solution on the casino floor at the Hard Rock Hotel & Casino Sioux City in Iowa and was, in December, followed by the launch of the 'mobile first' online sportsbook. For GiG, this means the Company will be able to leverage its platform in the US, adding more scale to its network and revenues to the business.

GiG strengthened its presence in Latvia with the signing of Mr Green for platform and front end services, together with a competitive and tailored casino and sportsbook product. Mr Green will work closely with GiG in a collaborative partnership model based on a revenue share agreement.

Renewal of contract with Armstrong Operations Ltd. with its brand Dreamz, plus the addition of two new brands from this Company, which all were the first customers on the GiG platform on the new fixed fee model. The two new brands will operate on their own licences.

In January 2020, GiG signed a long term extension with another current platform customer, which will see them transfer over to the new fixed fee model. In addition, the customer signed two new brands on GiG's platform in the regulated markets of Romania and Mexico, with expected launch in 2020. The current brand on the platform is operating on its own licence on a Software-as-a-Service Agreement (SaaS).

Media update

New management team in place and several new strategic initiatives in progress and being accelerated to deliver growth.

For publishing, Google updates impacted with a decline in rankings in both Q3 and into the beginning of Q4 2019, which on top of declining player values in Sweden and Norway impacted revenue. Fluctuations in rankings is normal for the business and GiG expects this trend to turn positive again as Google frequently changes its algorithm. Rankings improved in November and December overall, and Google's algorithm update in mid-January 2020 had a stable to positive effect on GiG's Media Services' publishing assets, particularly in the US. As a result, Media revenues in January was 8% higher than the Q4 2019 average.

Paid media continues to see quarter-on-quarter improvements with an all-time high EBITDA in Q4, the addition of new regulated markets (Romania, Mexico and Belgium in 2019) provides the paid media segment significant opportunity and as more markets open up, we are confident this segment will continue its positive development.

OPERATIONAL REVIEW

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B2C Gaming Operators

The B2C segment included in Q4 2019 GiG's in-house gaming operators; Rizk.com, Guts.com (and gutsXpress.com), Kaboo.com and Thrills.com. The B2C segment including all brands will be divested from April 2020.

MEUR	Q4 2019	Q4 2018	2019	2018
Revenue	19.0	25.8	79.0	99.8
Marketing expense	6.1	11.1	28.7	46.1
EBITDA	4.1	0.8	8.1	-0.5
Total deposits	**81.1**	**113.8**	**320.7**	**428.7**

Revenues and EBITDA

Revenues in the fourth quarter 2019 for the B2C gaming segment were €19.0 (25.8) million, a 26% decline, mainly caused by lower revenues in Scandinavia due to the impact of betting duties and restrictions on marketing. The numbers reflect the four in-house brands operating in Q4 2019 compared to seven in-house brands generating revenues during 2018.

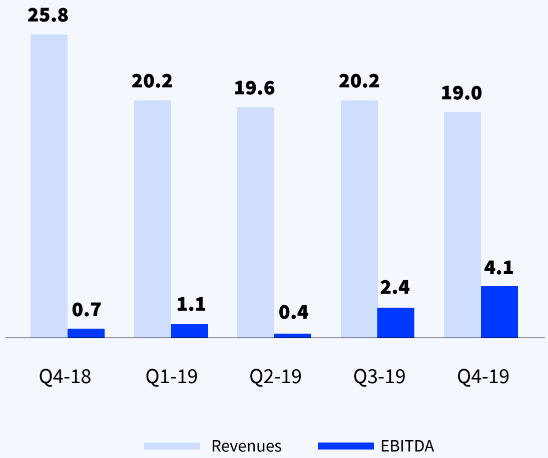
The Rizk represented 78% (70%) of total revenues in Gaming Operators.

EBITDA for the fourth quarter 2019 reached an all-time-high of €4.1 (0.8) million and an EBITDA margin of 22% (3%) driven by adjustments and focus on marketing spend, reversal of previous over-accruals and improved operational efficiency.

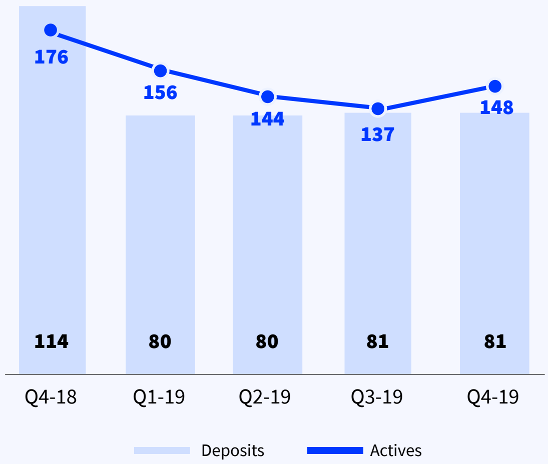
For the full year 2019, B2C revenues were €79.0 (99.8) million, a decrease of 21%. EBITDA was €8.1 (1.5 adj) million.

The numbers were adversely impacted by the challenging

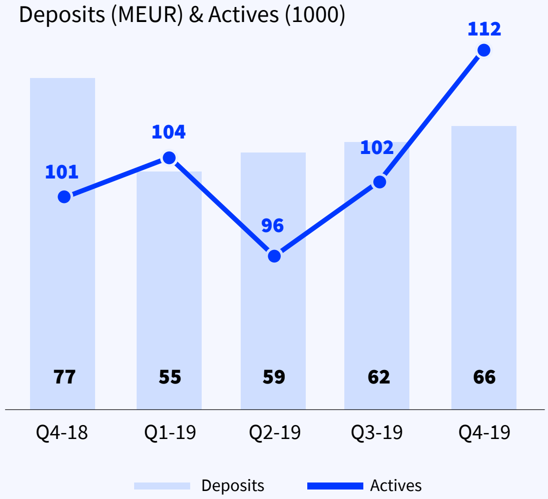
GiG Gaming
Revenue & EBITDA (MEUR)



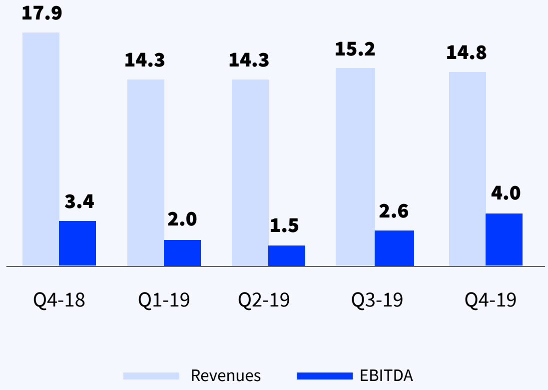
GiG Gaming
Deposits (MEUR) & Actives (1000)



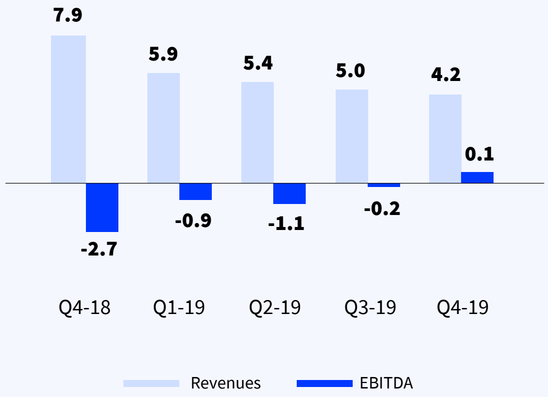
Rizk Only
Deposits (MEUR) & Actives (1000)



Rizk
MEUR



Other brands combined
MEUR



Swedish market, however with a strong underlying performance in other markets such as Central Europe. In-house brand Rizk alone had an EBITDA of €4.0 (3.4) million with an EBITDA margin of % (%). The other brands contributed with an EBITDA of €0.1 (-2.7) million.

53% (48%) of revenues came from regulated and soon-to-be regulated markets. Revenues were split with 45% (65%) from the Nordics, 8% (4%) from Western Europe, 38% (26%) from Central Europe and the balance, 9% (5%) from other markets. Sweden accounted for 7% of total B2C revenues in the quarter with €1.3 million, down from 20% and a revenue of €5.2 million in the fourth quarter 2018 and represented the largest part of the year-on-year decline in B2C revenues.

Cost of sales for the B2C gaming segment were €5.1 (8.6) million, whereof betting duties were €1.7 (1.6) million or 8.5% (6.3%) of B2C revenues. This resulted in a gross profit margin of 73% (67%), where the margin increase was mainly an effect of previous over-accruals of betting duties.

Marketing expenses

B2C marketing expenses were €6.1 million in the fourth quarter 2019, a reduction from €11.1 million in the fourth quarter 2018 and a reduction from €6.6 million in the third quarter 2019. The reduction in marketing expenses is a result of initiatives taken from the second half of 2018 to change the mix in marketing from TV advertising to affiliate marketing and social media and the focus on fewer brands. Of the total B2C marketing expense in the fourth quarter 2019, €2.2 (3.5) million or 34% (30%), was related to revenue share agreements, with the balance attributable to up-front payments.

Gross deposits

Gross deposits were €81.1 (113.8) million in the fourth quarter 2019, down by 30%, mainly due to lower activity in the Nordics and especially in Sweden. The number of active users for the B2C segment was 148,001 (176,044). For the Rizk brand, gross deposits were €65.9 (77.0) million and active users was 112,427 (100,545) in the fourth quarter 2019.

Casino and sports betting margins

The casino margin in the operator business was 3.60% (3.57%) in the fourth quarter 2019. The sports betting margin was 7.2% (9.6) in the quarter. Betting duties represented 8.5% (6.3%) of gaming operators’ revenues in the fourth quarter 2019.

B2B Services

This segment includes GiG's Media Services, Platform Services and Sports Betting Services.

MEUR	Q4 2019	Q4 2018	2019	2018
Revenue	12.1	16.4	51.3	62.7
EBITDA	0.8	4.3	6.2	16.5

Revenues for the B2B segment amounted to €12.1 (16.4) million in the fourth quarter 2019, a 26% decline year-on-year. EBITDA was €0.8 (4.3) million in the quarter with an EBITDA margin of 6% (26%). The decline in revenues and EBITDA is partly attributable to the termination of a larger customer as informed in the Q4 2018 report and should be seen as an isolated one-off-effect when comparing the year-on-year revenue performance from 2018.

For the full year 2019, B2B revenues were €51.3 (62.7) million, a year-on-year decrease by 18%. EBITDA was €6.2 (16.5) million, the decrease being mainly explained by the termination of a large customer contract.

Media Services

Revenues and EBITDA

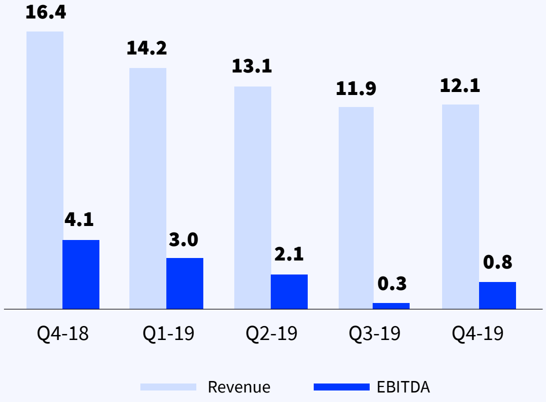
Revenues in Media Services were €7.5 (8.7) million in the fourth quarter 2019. EBITDA was €4.0 (4.9) million with an EBITDA margin of 53% (56%).

The quarter was impacted by a lower seasonality effect than anticipated or seen in previous years. Google updates in September caused a drop in rankings for Media Services sites, which impacted earnings, with October showing the lowest revenue and FTD in 2019. However, rankings are recovering steadily starting in November with month on month increase in all KPI's.

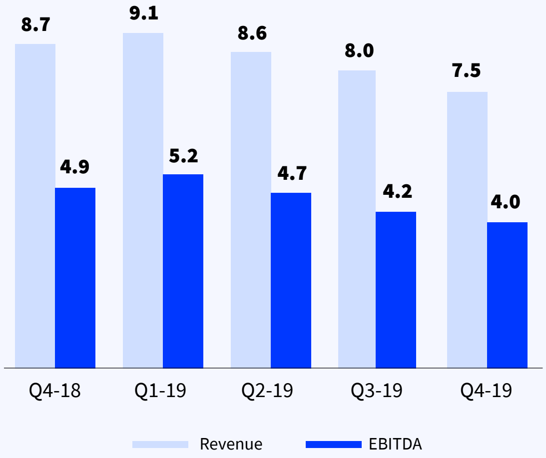
Paid Media further improved its performance with a positive trend for the third consecutive quarter finishing off by an all-time high in EBITDA for the segment in the fourth quarter and a full year revenue increase of 13% year-on-year.

65% (64%) of revenues in the fourth quarter 2019 derived from revenue share agreements, 12% (18%) from CPA (Cost per Acquisition), 21% (18%) from listing fees and 2% (0%) from other services (GiG Comply and agency services).

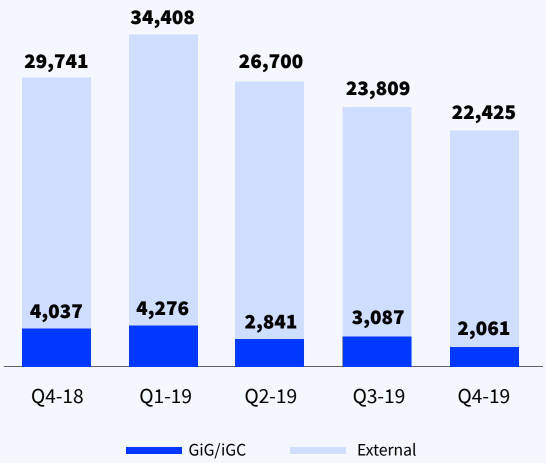
B2B Segment
Revenue & EBITDA (MEUR)



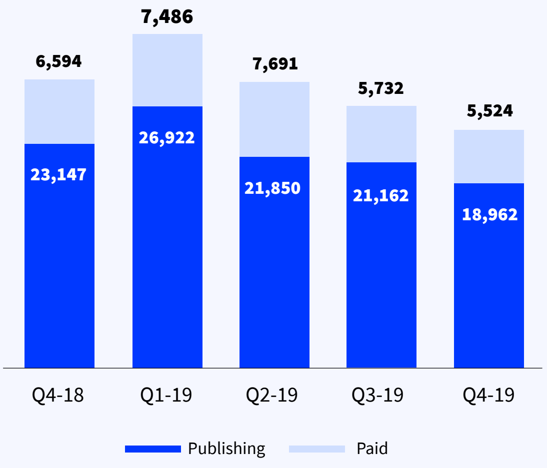
Media Services
Revenue & EBITDA (MEUR)



Media Services - FTDs
Split between own brands/ customers & others



Media Services - FTDs
Split between publishing and paid



FTD's

Media Services referred 24,486 (29,741) new FTDs (First Time Depositors) to operators in the fourth quarter 2019. Of the new FTDs in the quarter, 6% (7%) were referred to GiG's own brands, 2% (7%) to Platform Services customers and the remaining 92% (86%) to other operators.

Trends

For publishing, the Google update impacted a decline in rankings in both Q3 and Q4 2019, this is normal fluctuation of the business and GiG expects this trend to turn positive again for the Company as Google frequently changes its algorithm. Google's algorithm update in mid-January 2020, had a stable to positive effect on GiG's Media Services' publishing assets, particularly in the US.

Headwinds in the Nordic market with declining player values due to regulation in Sweden and the Norwegian government blocking payment methods to and from internationally licensed operators, remain for the foreseeable future and hamper the performance of both GiG and its customers as well as other market participants in these markets.

The paid model represented 18% (15%) of Media Services revenues and continued a positive trend in Q4. Preparations and investments are being made to ensure that further opportunities can be realised when new markets regulate, with new marketing channels opening up.

Strategy

A new management structure is from Q4 in place to bring enhanced focus and skill set into the business area and to align the strategy and target areas for growth with the rest of the business.

GiG's Media Services will continue to expand its global footprint to diversify its revenue base on a market level and capture new growth opportunities in both Publishing and Paid media. This work began in 2018 and GiG will continue to expand said approach through 2020 to build long term growth for the business unit.

Media is expected to improve and show robust performance from Q1 2020.

Platform Services

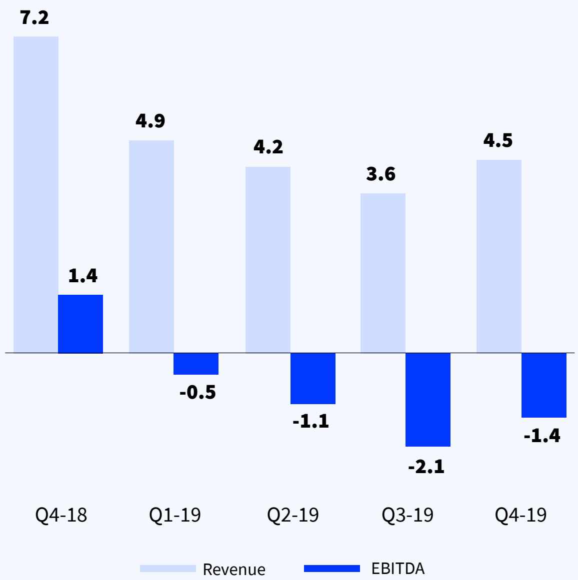
Revenues and EBITDA

Platform Services comprise the technical platform and the front end service.

Revenues for Platform Services were €4.5 (7.2) million in the fourth quarter 2019. The decline from the fourth quarter 2018 is mainly due to the termination of a customer contributing €3.0 million in the fourth quarter 2018. The contribution from GiG's own brands declined by €0.5 million year-on-year, and the like-for-like comparison in revenue generation excluding the termination of the aforementioned customer and GiG's own brands was a 7% increase. 82% (82%) of platform revenues were from external customers with the balance from GiG's own brands.

EBITDA for the fourth quarter 2019 was €-1.4 (1.5) million. GiG's proprietary game studio (closed in Q3 2019) was included in Platform Services in Q4 2019 with an EBITDA contribution of €-0.2 million.

Platform Services
Revenue & EBITDA (MEUR)



Database transactions

Total database transactions in the fourth quarter 2019 were 5.1 (5.1) billion, in line with the fourth quarter 2018.

Brands on the platform

One new customer was signed in the fourth quarter 2019 and two existing customers signed contract extensions for three additional brands. One of these brands will be the first platform customer on the new fixed fee pricing model. Two brands discontinued operations in the fourth quarter 2019, and two brands so far in the first quarter 2020, all being on white label agreements. Seven brands are in the integration pipeline to be launched. Existing live customers and the signed pipeline adds up to a total of 33 brands operating on the platform, including GiG's divested brands.

Strategy – introduction of SaaS, fixed platform fees and the new Data platform

GiG is well positioned as a turnkey and fully managed service provider across the main verticals in iGaming, including managed services. All products and services can be sold separately as modular sales. Customer targets are strong brands with whom GiG can partner for the long term to support growth in the digital space and/or a digital transformation from a land-based operation to an online presence with a Software-as-a-Service. Target markets are regulated or soon-to-be regulated markets plus low tax and high potential markets which will be considered on an opportunistic level.

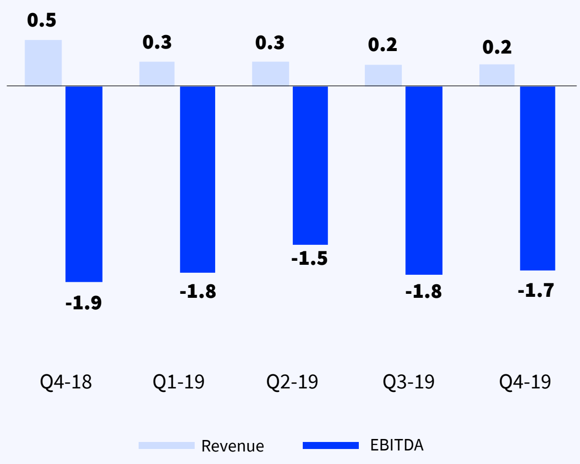
In Q4, GiG introduced its new fixed fee model for all new long term SaaS agreements, this will lead to a more stable and predictive long term revenue stream for GiG. The general fee structure is based on a monthly fixed fee depending on location and number of jurisdictions, plus an initial set-up fee for customers new to the platform. The fixed fee allows GiG to reduce the financial risk of non-performing partners downside, however the model provides the benefit to the partner that the fee is capped, and they will not "overpay" for platform services. In addition to platform services, GiG's managed service solutions such as media services and website development services plus other ancillary services, add further upside to the contract value.

The revenue share model on white label agreements will gradually be phased out as GiG targets long term sustainable partnerships. To shift existing customers on the white label model to a fixed fee Software as a Service (SaaS) model, GiG has offered support to white labels intending to get their own licence and move to the fixed fee SaaS model, with Armstrong Operations Ltd. being the first to sign the new agreement late 2019. The operating expenses related to the white label model are much higher than for the SaaS model, which means the shift will result in better margins.

GiG launched its new data platform in January 2020. The updated Data platform is GiG's next-generation, scalable data platform, which can be integrated with GiG's Platform Service or with third-party solutions. It features standard KPI libraries across all tools and incorporates artificial intelligence applications which work together to seamlessly enhance data system.

The cutting-edge platform offers operators a fast and scalable self-service tool which enhances business intelligence and produces data and back office reports in real-time. The Data platform provides a secure and compliant data framework, which is responsive to the critical data needs of GiG's partners.

Sports Betting Services
Revenue & EBITDA (MEUR)



Sports Betting Services

Revenues and EBITDA

Revenues from Sports Betting Services were €0.2 (0.5) million in the fourth quarter 2019. The sports betting margin was 5.8% (9.6%) in the quarter.

EBITDA was €-1.7 (-1.8) million. The negative EBITDA relates to the investments in technology and people to build the sports betting services in-house.

Strategy

To keep the strategic position for its own proprietary sportsbook, GiG will seek joint ventures or other constellations with partners to release the true asset value of the sportsbook and to secure external long term funding. The ambition is to gradually grow with existing and new long term partners, including the fast growing US market. GiG is one of the few B2B providers present with omni-channel online gambling services in multi-state jurisdictions in the US. The aim is to reach break even in this vertical in the third quarter of 2020.

FINANCIAL REVIEW

GiG has on 14 February 2020 entered into an agreement to divest its B2C operations. In accordance with IFRS 5, the B2C financial results are reported as a discontinued operation in the Company's financial statements for the year ended 31 December 2019. For transparency and comparison with previous periods, the comments to the financial statements below and the financial tables on page 23-25 are showing B2C as both a discontinued and continued operation.

Fourth Quarter 2019

Revenues

Consolidated revenues amounted to €29.4 (39.9) million in the fourth quarter 2019, a decline of 26% mainly due to lower revenues within the B2C segment which was impacted by the challenging Scandinavian market, and the termination of a customer contract in the fourth quarter 2018 affecting year-on-year comparison by €6.7 million and €3.0 million respectively.

With B2C as a discontinued operation, consolidated revenues amounted to €10.4 (14.1) million in the fourth quarter 2019, a decline of 26% mainly due to the termination of a customer contract in the fourth quarter 2018 affecting year-on-year comparison by €3.0 million.

Cost of Sales

Cost of sales include fees to game and payment suppliers, gaming taxes and other variable expenses. In the fourth quarter 2019, cost of sales amounted to €4.4 (7.8) million, a reduction of 44%. Gaming taxes amounted to €1.7 (1.6) million, or 5.7% (4.1%) of consolidated revenues.

With B2C as a discontinued operation, cost of sales amounted to €0.2 (0.2) million in the fourth quarter 2019.

Gross profit

Gross profit amounted to €25.0 (32.1) million during the fourth quarter 2019, a decline of 22% and a gross profit margin of 85% (80%). The margin increase was mainly an effect of reversal of previous over-accruals of betting duties.

With B2C as a discontinued operation, gross profit amounted to €10.2 (13.9) million during the fourth quarter 2019, a decline of 26% and a gross profit margin of 98% (99%).

Marketing expenses

Consolidated marketing expenses were €6.5 (11.6) million in the fourth quarter 2019, a reduction of 44%. Marketing expenses' share of total revenues were 22% (29%). Marketing expenses are mainly derived from the Company's B2C operations, comprising up-front payments, CPA (cost per acquisition), affiliate revenue shares, and payment for traffic in GiG's Media Services Paid media.

With B2C as a discontinued operation, marketing expenses consiste mainly of payment for traffic in GiG's Media Services Paid media, and were €1.1 (1.4) million in the fourth quarter 2019, a reduction of 25%. Marketing expenses' share of total revenues were 10% (10%).

Operating expenses

Other operating expenses amounted to €13.7 (15.4) million in the fourth quarter 2019, a reduction of 12%. Operating expenses are mainly related to salaries, rent and general corporate expenses. Personnel expenses were €9.4 (8.6) million, an increase of 10% mainly due to lower capitalized salaries.

Capitalised expenses related to the Company's development of technology and future products amounted to €1.2 (2.0) in the fourth quarter and are capitalised over 3 years. These costs are mainly related to the development of GiG's platform and sports betting products.

With B2C as a discontinued operation, other operating expenses amounted to €9.1 (7.8) million in the fourth quarter 2019, an increase of 16%. Personnel expenses were €7.0 (5.8) million, an increase of 20%. Capitalised expenses related to the Company's development of technology and future products amounted to €1.2 (2.0) in the fourth quarter and are capitalised over 3 years.

EBITDA

EBITDA for the fourth quarter 2019 was €4.8 (5.0) million, a decrease of 4%. The EBITDA margin was 16.4% (12.5%).

With B2C as a discontinued operation, EBITDA for the fourth quarter 2019 was €0.1 (3.8) million. The EBITDA margin was 0.6% (26.7%).

D&A

Depreciation and amortisation amounted to €6.1 (5.4) million in the fourth quarter 2019, whereof depreciation was €1.3 (0.4) million.

Amortisation related to the affiliate acquisitions completed in 2015 - 2017 were €2.3 (2.4) million, split with €0.9 (1.1) million related to affiliate contracts and €1.4 (1.5) million to domains/SEO. Acquired affiliate assets are conservatively amortised over 3 years for customer contracts and 8 years for domains/SEO. The balance is mainly related to capitalised development expenses with €2.1 (2.0) million and software and licenses with €0.4 (0.4) million. Depreciation expense related to IFRS16 was €0.7 million.

As a result of the divestment of B2C in 2020, an impairment of related assets and goodwill has been completed in the fourth quarter. This resulted in a write down of €41.2 million, the main part derives from the acquisition of Betit Group in 2016.

With B2C as a discontinued operation, depreciation and amortisation amounted to €5.7 (5.1) million in the fourth quarter 2019, whereof depreciation was €1.3 (0.4) million.

EBIT

EBIT came in at €-42.5 (-14.1) million in the fourth quarter 2019.

With B2C as a discontinued operation, EBIT came in at €-6.7 (-1.4) million in the fourth quarter 2019.

Net result

Net other income was €-4.5 (-2.0) million in the fourth quarter 2019 including €-1.5 (-1.2) million in interest on the bond and a loss of €-1.6 million related to the bond due to the strengthening of the SEK towards the EUR during the quarter. Interest related to IFRS 16 was €0.2 million. The net result was €-47.3 (-16.6) million.

With B2C as a discontinued operation, net other income was €-4.5 (-2.0) million in the fourth quarter. The net result from continuing operations was €-11.5 (-3.8) million. With a loss from discontinued operations of €-35.8 (-12.7) million, the net result was €-47.3 (-16.6) million including impairments of €41.2 (13.7) million.

Cash flow

The consolidated net cash flow from operating activities amounted to €2.4 (2.7) million for the fourth quarter 2019. Included in the net cash flow from operating activities are changes in operating assets and liabilities, mainly consisting of release of rolling reserves, marketing prepayments and payments of receivables.

The net cash flow used on investments was €2.3 (3.3) million, whereof €1.2 (2.0) million were capitalised development expenses and €0.6 (0.4) million for software and computer equipment.

The net cash flow from financing activities was €-0.9 (1.6) million in the fourth quarter 2019 and relates interest payments. Cash and cash equivalents decreased by €-0.6 (0.8) million.

See also Note 5.

Financial position

As at 31 December 2019, holdings of cash and cash equivalents amounted to €10.3 (14.7) million. In addition, cash in transit from payment providers amounted to €7.5 (12.3) million. Customer monies, that are held in fiduciary capacity, amounted to €8.8 (8.0) million, which are partly secured by balances with payment providers and partly by cash balances.

With B2C as a discontinued operation, holdings of cash and cash equivalents as at 31 December 2019 amounted to €4.6 million. In addition, cash in transit from payment providers amounted to €2.7 million. Customer monies, that are held in fiduciary capacity, amounted to €5.9 million, these are partly secured by balances with payment providers and partly by cash balances.

As at 31 December 2019, GiG held total assets of €135.6 (190.0) million. Shareholders' equity was €22.3 (88.1) with an equity ratio of 16% (46%). The interest-bearing debt as at 31 December 2019 was €66.9 (66.2) million. The Company's lease liability is included with €12.5 million under long-term liabilities as per IFRS 16.

January to December 2019

Revenues

Consolidated revenues amounted to €123.0 (151.4) million in the full year 2019, a decline of 19% mainly due to lower revenues within the B2C segment which was impacted by the challenging Swedish market and the termination of a customer contract in Q4 2018 affecting YoY comparison by €18.5 and €9.0 million respectively.

With B2C as a discontinued operation, consolidated revenues amounted to €44.0 (51.6) million in the full year 2019, a decline of 15% mainly due to the termination of a customer contract in Q4 -18 affecting year-on-year comparison by €9.0 million.

Cost of Sales

In the full year 2019, cost of sales amounted to €24.1 (27.4) million, a reduction of 12%. Gaming taxes amounted to €7.1 (5.1) million, or 5.8% (3.4%) of consolidated revenues.

With B2C as a discontinued operation, cost of sales amounted to €0.9 (0.7) million in the full year 2019.

Gross profit

Gross profit amounted to €98.9 (124.0) million in the full year 2019, a decline of 20% with a gross profit margin of 80% (82%), the decline in the gross profit margin is mainly related to an increase in betting duties, mainly from Sweden and the addition of VAT in certain jurisdictions.

With B2C as a discontinued operation, gross profit amounted to €43.1 (50.9) million in the full year 2019, a decline of 15% and a gross profit margin of 98% (99%).

Marketing expenses

Consolidated marketing expenses were €31.1 (47.2) million in the full year 2019, a reduction of 34%. Marketing expenses' share of total revenues were 25%, down from 31% in the full year 2018.

With B2C as a discontinued operation, marketing expenses were €5.3 (5.8) million in the full year 2019, a decline of 9%. Marketing expenses' share of total revenues were 12% (11%).

Operating expenses

Other operating expenses amounted to €53.7 (60.7) million in the full year 2019, a reduction of 12%. Operating expenses are mainly related to salaries, rent and general corporate expenses. Personnel expenses were €36.0 (38.2) million, a reduction of 6% year-on-year due to a lower number of employees. Capitalised expenses related to the Company's development of technology and future products amounted to €6.2 (6.1) and are capitalised over 3 years. These costs are mainly related to the development of GiG's platform, sports betting products and games (the game studio closed in Q3 2019).

With B2C as a discontinued operation, other operating expenses amounted to €34.4 (30.7) million in the full year 2019, an increase of 3%. Personnel expenses were €26.0 (24.3) million, an increase of 7%. Capitalised expenses related to the Company's development of technology and future products amounted to €6.1 (6.0) in the full year 2019 and are capitalised over 3 years.

EBITDA

EBITDA for the full year 2019 was €14.1 (16.1) million, a decline of 12%. The EBITDA margin was 11.5% (10.6%).

With B2C as a discontinued operation, EBITDA for the full year 2019 was €3.4 (14.4) million. The EBITDA margin was 7.7% (27.9%).

D&A

Depreciation and amortisation amounted to €25.8 (20.0) million in the full year 2019, whereof depreciation was €4.6 (1.5) million.

Amortisation related to the affiliate acquisitions completed in 2015 - 2017 were €9.3 (9.7), split with €3.7 (4.1) million related to affiliate contracts and €5.6 (5.7) million to domains/SEO. Acquired affiliate assets are amortised over 3 years for customer contracts and 8 years for domains/SEO. The balance is mainly related to capitalised development expenses with €8.7 (6.4) million.

The discontinuation of the Company's game studio resulted in an impairment of €2.5 in 2019. In addition, an investment in a start-up company was impaired by €0.4 million. In 2018, impairment of intangible assets in B2C resulted in a €13.6 million impairment. As a result of the divestment of B2C in 2020, an impairment of related assets and goodwill has been completed in 2019. This resulted in a write down of €41.2 million, the main part derives from the acquisition of Betit Group in 2016.

With B2C as a discontinued operation, depreciation and amortisation amounted to €23.5 (18.9) million in the full year 2019, whereof depreciation was €4.5 (1.5) million.

EBIT

EBIT came in at €-55.7 (-17.6) million in the full year 2019. The decline is mainly due to impairments of B2C assets.

With B2C as a discontinued operation, EBIT came in at €-24.0 (-4.5) million in the full year 2019.

Net result

Net other income was €-8.3 (-4.3) million in the full year 2019, and includes €5.4 (4.9) million in interest on the bond and a net unrealised foreign exchange loss of €1.7 million on the bond due to the weakening of the SEK towards the EUR during 2019. The net result for the full year 2019 was €-64.7 (-22.8) million.

With B2C as a discontinued operation, net other income was €-8.3 (-4.3) million in the full year 2019. The net result from continuing operations was €-33.0 (-9.7) million. With loss from discontinued operations of €-31.7 (-13.1) million, the net result was €-64.7 (-22.8) million including impairments of €41.2 (13.7) million.

Cash flow

The consolidated net cash flow from operating activities in the full year 2019 amounted to €12.7 (12.9) million. Included in the net cash flow from operating activities are changes in operating assets and liabilities, mainly consisting of release of rolling reserves, marketing prepayments and payments of receivables.

The net cash flow used on investments was €11.9 (12.9) million, whereof €6.2 million were capitalised development expenses. The net cash flow from financing activities was €-5.0 (2.0) due to interest payments and the repayment of short term loan facilities.

Cash and cash equivalents decreased by €-4.4 (2.6) million in the full year 2019.

See also Note 5.

Personnel

By the end of the fourth quarter 2019, 648 (706) employees were spread throughout Malta, Spain, Gibraltar, Denmark, Norway and some satellite offices at other locations. Approximately 165 people are working in Gaming Operators, 200 in Platform Services, 75 in Sports Betting Services and 105 in Media Services, with the balance in corporate functions.

Shareholder matters

GiG was listed on the main list at Nasdaq Stockholm on 26 March 2019. From this date the share is dual-listed on Nasdaq Stockholm and Oslo Børs with the same ISIN code: US36467X2062.

As at 31 December 2019, the total number of shares outstanding in GiG was 90,005,626 (par value USD 1.00). The number of authorised shares is 100,000,000.

In May 2019, 500,000 options were granted with an exercise price of NOK 30.00 per share. The options are exercisable with 20% after 1 April 2020, 30% after 1 April 2021 and 50% after 1 April 2022. All options expire on 31 March 2025 and are conditional upon employment at the time of exercise. In 2019, 80,000 options have been exercised and GiG borrowed shares for the immediate transfer of the option shares. GiG will issue new shares later and the number of shares outstanding will then increase to 90,085,626. During the fourth quarter 2019, 100,000 options were cancelled, and 1,011,000 options were outstanding as at 31 December 2019.

Bonds

Gaming Innovation Group Plc. issued a new SEK400 million senior secured bond with a SEK1,000 million borrowing limit on 28 June 2019. SEK350 million of the net proceeds were used to refinance part of the existing GIGLTD01 bond, reducing the outstanding amount from SEK650 to SEK300 million. The balance of the new bond was used to pay down the parent Company's working capital facility and short-term loans in July. The bond has a floating coupon of 3 months STIBOR + 9% per annum and maturity on 28 June 2022. The issue strengthened the longer-term financing of the business and increases GiG's capacity and flexibility for growth opportunities.

Expected completion of the Betsson transaction is mid-April 2020, giving time for the compulsory regulatory approvals from merger control and gaming authorities. GiG is in dialogue with its largest bondholders and has asked for consent from its bondholders to extend the repayment of the 2017 - 2020 bond from the maturity date on 6 March 2020 until 22 April 2020. Written resolutions for the two bonds have commenced, and GiG has so far received voting undertakings from investors representing around 53% of the outstanding volume in the 2017 – 2020 bond, and around 46% of the outstanding volume in the 2019 – 2022 bond. As compensation for the extension of repayment date in the 2017- 2020 bond, bondholders in said bond will receive a consent fee of 0.35% of the nominal amount.

SUSTAINABILITY

GiG's sustainability priority areas are:

- Fair and safe iGaming
- Responsible marketing and advertising
- Encourage employees to thrive

Sustainable and long-term profitable growth is at the core of all aspects of GiG's corporate strategy. GiG focuses its sustainability strategy on areas most relevant to its business, at the heart of which is responsible gambling. This means offering customers and end users a full suite of solutions across the iGaming value chain while upholding strict rules to minimise harm caused by gambling; to prevent gambling from being a source of crime; and to ensure it is conducted in a fair and safe way. GiG supports end users to comply with technical, legislative and responsible marketing demands, both as an online operator and software supplier providing online gambling platform and services.

GiG invests in its employees' knowledge and skills to understand their individual and organisational responsibility towards responsible gambling, to understand how to identify problem gambling, and to have the knowledge to be able to conduct brief interventions and signpost for further support. Tailor-made sustainability and responsible gambling training are provided for each department within the Organisation. During the fourth quarter of 2019, GiG improved transaction monitoring and AML controls through the integration of tools into its systems which continuously monitor transactions and risk evaluation of end consumers. GiG's new technologies are industry-leading and put the company ahead of the competition. For example, cutting-edge technology is being introduced to facilitate ID validation, facial biometrics and address proofing, which will positively contribute to a smooth KYC protocol and an enhanced customer journey throughout the whole customer lifecycle.

GiG works with several research institutions and charities, using its knowledge of the iGaming industry to support research projects for the benefit of all parties. Besides the ongoing collaboration with Bournemouth University on the GamInnovate project, GiG has sponsored a one-year Masters In Research (MRes) at Bournemouth University, with the objective of designing and assess tools which can help minimise gambling-related harm real-time.

GiG entered a collaboration with YGAM, an education charity providing tools and information to build digital resilience, educate and safeguard young people against problematic gaming and gambling. Firstly, YGAM will pilot and evaluate accredited and certified Responsible Gambling training on their supplier chain for GiG employees, and secondly, GiG will support YGAM's roll-out of educational programmes in Malta, with the initiative supported by the Malta Gaming Authority.

GiG is committed to progressively working towards its sustainability goals and to report on progress and development in annual sustainability reporting. In the fourth quarter 2019, a dedicated, insightful and interactive section on Sustainability was launched on the GiG website.

For further information and reports on Sustainability at GiG, please refer to the dedicated Sustainability pages on www.gig.com/sustainability

Annual Meeting of Shareholders

The Annual Meeting of Shareholders will be held at 10:00 CET on Tuesday 19 May at 7A Posthuset, meeting room No. 304, Vasagatan 28, Stockholm, Sweden. The Notice of the Meeting will be published on the Company website and advertised in the Swedish daily newspaper Svenska Dagbladet no later than four weeks prior to the Meeting.

The Nomination Committee consists of: Petter Nylander, Chairman of the Board, Mikael Riese Harstad (nominated by Andre Lavold), Petter Moldenius (nominated by Henrik Persson Ekdahl) and Kjetil Garstad (nominated by Hans Michael Hansen), and can be reached on this email address: ir@gig.com. Garstad has replaced Robin Erik Reed who resigned from the nomination committee.

18 February 2020

The CEO and Board of Directors of
Gaming Innovation Group Inc.

About Gaming Innovation Group

Gaming Innovation Group Inc. is a technology company providing products and services throughout the entire value chain in the iGaming industry. Founded in 2012, Gaming Innovation Group's vision is 'To open up iGaming and make it fair and fun for all'. Through its ecosystem of products and services, GiG is connecting operators, suppliers and users, to create the best iGaming experiences in the world. The headquarters are based in Malta and the Company is listed on the Oslo Stock Exchange under the ticker symbol GiG and on Nasdaq Stockholm under the ticker symbol GIGSEK.

Legal disclaimer

Gaming Innovation Group Inc. gives forecasts. Certain statements in this report are forward-looking and the actual outcomes may be materially different. In addition to the factors discussed, other factors could have an impact on actual outcomes. Such factors include developments for customers, competitors, the impact of economic and market conditions, national and international legislation and regulations, fiscal regulations, the effectiveness of copyright for computer systems, technological developments, fluctuation in exchange rates, interest rates and political risks.

Financial calendar

Q4 2019 Interim Report: **18 February 2020**
2019 Annual Report: **7 April 2019**
Q1 2020 Interim Report: **5 May 2020**
2020 Annual Shareholder Meeting: **19 May 2020**
Q2 2020 Interim Report: **11 August 2020**

Contacts

CEO
Richard Brown
richard.brown@gig.com

Group CFO
Tore Formo
tore@gig.com

Head of IR & Corporate Communications
Anna-Lena Åström
anna.lena@gig.com

GAMING INNOVATION GROUP
GiG Beach Office,
Triq id-Dragunara c/w Triq San Gorg,
St. Julians, STJ 3148 Malta

This information is information that Gaming Innovation Group Inc. (GiG) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, at 08:00 CET on 18 February 2020.

Gaming Innovation Group Inc.

Condensed Statements of Operations

EUR 1000 - Unaudited	B2C included as discontinued operations				B2C included as continued operations			
	Q4 2019	**Q4 2018**	**2019**	**2018**	**Q4 2019**	**Q4 2018**	**2019**	**2018**
Revenues	10 393	14 074	44 034	51 559	29 385	39 864	123 006	151 372
Cost of sales	165	175	906	664	4 396	7 795	24 090	27 358
Gross profit	**10 228**	**13 899**	**43 128**	**50 895**	**24 989**	**32 069**	**98 916**	**124 014**
Operating expenses								
Marketing expenses - revenue share	-	-	-	-	2 241	3 453	10 364	14 659
Marketing expenses - other	1 080	1 443	5 279	5 793	4 276	8 140	20 748	32 588
Non-recurring expenses	-	898	-	1 086	-	1 839	-	2 819
Other operating expenses	9 091	7 796	34 439	29 654	13 654	13 598	53 673	57 866
Total operating expenses	**10 171**	**10 137**	**39 718**	**36 533**	**20 171**	**27 030**	**84 785**	**107 932**
EBITDA	**57**	**3 762**	**3 410**	**14 362**	**4 818**	**5 039**	**14 131**	**16 082**
Depreciation & amortization	5 732	5 139	23 517	18 882	6 146	5 414	25 772	19 973
Impairment of intangibles	1 000	-	3 911	-	41 185	13 726	44 097	13 726
EBIT	**-6 675**	**-1 377**	**-24 018**	**-4 520**	**-42 513**	**-14 101**	**-55 738**	**-17 617**
Financial income (expense)	-4 563	-1 984	-8 352	-4 210	-4 563	-1 982	-8 352	-4 210
Other income (expense)	53	4	11	-113	53	3	11	-113
Result before income taxes	**-11 185**	**-3 357**	**-32 359**	**-8 843**	**-47 023**	**-16 080**	**-64 079**	**-21 940**
Tax income/(expense)	-326	-491	-628	-815	-326	-491	-628	-815
Loss from continuing operations	**-11 511**	**-3 848**	**-32 987**	**-9 658**	**-47 349**	**-16 571**	**-64 707**	**-22 755**
Loss from discontinuing operations	**-35 838**	**-12 723**	**-31 720**	**-13 097**	**-**	**-**	**-**	**-**
Loss for the year	**-47 349**	**-16 571**	**-64 707**	**-22 755**	**-47 349**	**-16 571**	**-64 707**	**-22 755**
Exchange differences on translation of foreign operations	15	-157	-244	133	15	-157	-244	133
Fair value movement in available for sale investment	77	-15	95	-15	77	-15	95	-15
Total comprehensive income (loss)	**-47 257**	**-16 743**	**-64 856**	**-22 637**	**-47 257**	**-16 743**	**-64 856**	**-22 637**
Total Comprehensive income (loss) attributable to:								
Owners of the Company	-47 259	-16 722	-64 854	-22 639	-47 259	-16 722	-64 854	-22 639
Non-controlling interests	2	-21	-2	2	2	-21	-2	2
Total comprehensive income (loss)	**-47 257**	**-16 743**	**-64 856**	**-22 637**	**-47 257**	**-16 743**	**-64 856**	**-22 637**
Weighted average shares outstanding (1000)	90 006	89 565	90 006	89 567	90 006	89 565	90 006	89 567
Diluted weighted average shares outstanding (1000)	90 006	89 565	90 006	89 567	90 006	89 565	90 006	89 567
Basic and diluted earnings (losses) per share from continuing operations:	-0,13	-0,04	-0,37	-0,11	-0,53	-0,19	-0,72	-0,25
Basic and diluted earnings (losses) per share from discontinuing operations	-0,40	-0,15	-0,35	-0,14	-	-	-	-
Basic and diluted earnings (losses) per share attributable to GiG Inc.	-0,53	-0,19	-0,72	-0,25	-0,53	-0,19	-0,72	-0,25

Gaming Innovation Group Inc.

Condensed Statements of Financial Position

EUR 1000 - Unaudited	B2C included as discontinued operations		B2C included as continued operations	
	31 DEC 2019	31 DEC 2018	31 DEC 2019	31 DEC 2018
ASSETS				
Non-current assets:				
Goodwill	15 995	69 570	40 822	69 570
Intangible assets	40 912	69 253	40 912	69 253
Deposits and other non-current assets	21 570	8 061	21 570	8 061
Total non-current assets	**78 477**	**146 884**	**103 304**	**146 884**
Current assets:				
Prepaid and other current assets	3	5	3	5
Trade and other receivables	19 589	28 473	21 990	28 473
Cash and cash equivalents	4 557	14 669	10 295	14 669
Total current assets	**24 149**	**43 147**	**32 288**	**43 147**
Assets classified as held for sale	32 966	-	-	-
TOTAL ASSETS	**135 592**	**190 031**	**135 592**	**190 031**
LIabilities and shareholders' equity				
Shareholders' equity:				
Share capital	78 858	78 858	78 858	78 858
Share premium/reserves	31 210	32 176	32 952	32 176
Retained earnings (deficit)	-87 817	-22 987	-89 559	-22 987
Total equity attributable to GiG Inc.	22 251	88 047	22 251	88 047
Non-controlling interests	24	25	24	25
Total shareholders' equity	**22 275**	**88 072**	**22 275**	**88 072**
LIabilities:				
Trade payables and accrued expenses	24 089	34 204	32 608	34 204
Short term loans	-	617	-	617
Bond payable	33 792	-	33 792	-
Total current liabilities	**57 881**	**34 821**	**66 400**	**34 821**
Bond payable	33 151	64 230	33 151	64 230
Deferred tax liability	1 270	955	1 270	955
Other long term liabilities	12 496	-	12 496	-
Long term loans	-	1 953	-	1 953
Total long term liabilities	**46 917**	**67 138**	**46 917**	**67 138**
Total liabilities	**104 798**	**101 959**	**113 317**	**101 959**
Liabilities directly associated with assets classified as held for sale	8 519	-	-	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**135 592**	**190 031**	**135 592**	**190 031**
CONDENSED STATEMENTS OF CHANGES IN EQUITY:				
Equity at beginning of period	**88 072**	**108 783**	**88 072**	**108 783**
Issuance of shares for cash	-	26	-	26
Adjustment in prior period	-264	-	-264	-
Exercise of options	-	822	-	822
Fair value movement in available for sale investments	95	-15	95	-15
Share compensation expense	-677	1 078	-677	1 078
Non-controlling interests	-2	2	-2	2
Exchange differences on translation of foreign operations	-244	133	-244	133
Net results from continuing operations	-32 985	-9 660	-64 705	-22 757
Net results from discontinuing operations	-31 720	-13 097	-	-
Equity at end of period	**22 275**	**88 072**	**22 275**	**88 072**

Gaming Innovation Group Inc.

Condensed Statements of Cash Flows

EUR 1000 - Unaudited	Q4 2019	Q4 2018	2019	2018
Cash flows from operating activities:				
Results from continuing operation before income taxes	-11 185	-3 357	-32 359	-8 843
Loss from discontinued operations	-35 838	-12 723	-31 720	-13 097
Adjustments. to reconcile profit before tax to net cash flow:				
Tax expense	-326	-491	-628	-815
Depreciation and amortization	6 146	5 414	25 772	19 973
Impairment of intangibles	41 185	13 726	44 097	13 726
Cash deposit for licence application	-	-4 000	-	-4 000
Other adjustments for non-cash items and changes in operating assets and liabilities	2 404	4 087	5 160	1 540
Net cash provided by operating activities	**2 386**	**2 656**	**10 339**	**12 484**
Cash flows from investing activities:				
Purchases of intangible assets	-1 673	-2 436	-8 096	-8 988
Purchases of property, plant and equipment	-582	-716	-3 735	-2 479
Purchases of affiliates	-	-100	-100	-500
Cash flow from other investing activities	-	-	-	-460
Net cash used by investing activities	**-2 255**	**-3 252**	**-11 931**	**-12 427**
Cash flows from financing activities:				
Proceeds from bond issue	-	-	2 446	-
Exercise of options and issuance of shares for cash	-	13	-	452
Proceeds from loans	-	1 551	-	1 551
Repayment of loans	-872	-	-2 570	-
Interest paid on bonds	-	-	-4 896	-
Cash flow from other investing activities	-	-	-	-
Net cash provided by financing activities	**-872**	**1 564**	**-5 020**	**2 003**
Translation loss	15	-157	-244	133
Fair value movements	77	-15	95	-15
Net increase (decrease) in cash	**-649**	**796**	**-4 374**	**2 590**
Cash and cash equivalents - beginning	10 944	13 873	14 669	12 079
Cash and cash equivalents - end	**10 295**	**14 669**	**10 295**	**14 669**

See Note 5 for discontinued operations activities

Gaming Innovation Group Inc.

Selected Notes to Condensed Consolidated Financial Statements as of and for the Years Ending 31 December 2019 and 2018

1. General information

Gaming Innovation Group Inc. ("GiG." or the "Company") is a US corporation incorporated in the state of Delaware and traded on the Oslo Stock Exchange with the ticker symbol "GIG" and on Nasdaq Stockholm from 26 March 2019 with the ticker symbol "GIGSEK" (dual listing). Gaming Innovation Group Plc. ("Plc") is incorporated and domiciled in Malta, having a registered office at @GiG Beach, The Golden Mile, Trig Id-Dragunara, St. Julian's STJ 3148, Malta.

The Company's principal activity is to provide a platform for and facilitate internet gambling, gaming and sports betting.

The condensed consolidated financial statements of the Company as at and for the years ended 31 December 2019 and 2018 are comprised of its subsidiary Plc and Plc's related accounting basis subsidiaries.

Gaming Innovation Group Inc. (GiG) signed a Share Purchase Agreement (SPA) with Betsson Group (Betsson) for the divestment of GiG's B2C assets which include the operator brands Rizk, Guts, Kaboo and Thrills. Betsson will, through this agreement, become a long term partner of GiG, generating revenues to GiG's Platform Services. On the day of closing, Betsson will pay €31 million, consisting of a €22.3 million cash payment for the acquisition, plus a prepaid platform fee of €8.7 million. GiG will use the proceeds to repay the Company's SEK 300 million 2017 - 2020 bond. Betsson commits to keep the brands operational on GiG's platform for a minimum of 30 months. For the first 24 months, Betsson will pay a premium platform fee based on Net Gaming Revenue generated. Based on the expected platform fees, the total value of the transaction is estimated at approximately €50 million. Expected completion of the transaction is mid April 2020, giving time for the compulsory regulatory approvals from merger control and gaming authorities. GiG is in dialogue with its largest bondholders and will seek consent from its bondholders to extend the repayment of the 2017 - 2020 bond from the maturity date in March 2020 until 22 April 2020. Written resolutions for the two bonds will commence shortly, and GiG has received voting undertakings from investors representing approximately 53% of the outstanding volume in the 2017 – 2020 bond, and around 46% of the outstanding volume in the 2019 – 2022 bond. As compensation for the extension of repayment date of the 2017- 2020 bond, bondholders in said bond will receive a consent fee of 0.35% of the nominal amount.

2. Basis of preparation

These unaudited condensed financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. The condensed consolidated financial statements report the full years of operations of both 2019 and 2018 of Gaming Innovation Group Inc. and subsidiaries and have been prepared in conformity with IAS 34 and do not include all of the information required for full annual financial statements. The condensed consolidated financial statements for the years ended 31 December 2019 and 2018 have not been audited by the Company's auditors.

The Company's condensed consolidated financial statements are presented in Euros (EUR), which is the presentation and functional currency of the Company. The functional currencies of its subsidiaries are the United States dollar, the Euro and Norwegian and Danish Kroners which are translated into EUR at monthly average rates for revenues and expenses and at month end rates for assets and liabilities. Equity accounts are translated at historical rates. Exchange differences on translation of foreign operations are shown as a separate component of stockholders' equity (deficit) and reflected as other comprehensive income (loss) on the condensed consolidated statement of comprehensive income (loss).

The Company incurred a net loss of EUR 64.7 million in the year ended 31 December 2019 and as of that date, the Company's current liabilities exceeded its current assets by EUR 33.7 million due to the EUR 33.8 million current portion of the Company's bond payable. EUR 31.7 million of the EUR 64.7 net loss in the year 2019 was attributable to its B2C operations. To address this situation, the Company has entered into an agreement to dispose of its B2C assets. Management believes the closing on the sale of the B2C segment will provide sufficient funds to retire the current maturiies of the debt. See Note 1 for additional information.

3. Summary of significant accounting policies

Accounting Policies

The accounting policies adopted and used in preparing the condensed consolidated financial statements as of and for the years ended 31 December 2019 and 2018 are consistent with those used in preparing the Company's consolidated financial statements as of and for the year ended 31 December 2018.

Discontinued Operations

In accordance with IFRS 5, the B2C financial results are reported as discontinued operations in the Company financial statements as of and for the year ended 31 December 2019. The 2019 statement of operations have been restated for comparability.

Revenue Recognition Policy

Revenue comprises the fair value of the consideration received or receivable for the supply of services in the ordinary course of the Company's activities. The Company recognizes revenue, including other operating revenue, when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and when specific criteria have been met as described below.

GiG Gaming Operators

Gaming transactions that are not deemed to be financial instruments, where the Company revenues stem from commissions. The revenue recognised in this manner relates to Poker. Such revenue represents the commission charged at the conclusion of each poker hand in cash games (i.e. rake). The Company's performance obligation in this service is the provision of the poker game to the individual players. The performance obligation is satisfied and the Company is entitled to its share of the pot (i.e. the rake) once each poker hand is complete. In this respect, revenue recognition under IFRS 15 is consistent with that under IAS 18 (i.e. to recognise revenue as each hand is complete).

Revenue from gaming transactions that are deemed to be financial instruments, where the Company takes open positions against players, are recognised as a net fair value gain or loss after the deduction of players' winnings, bonuses and gaming taxes. The revenue recognised in this manner relates to sports betting and casino. These are governed by IFRS 9 and thus out of the scope of IFRS 15.

Revenue from transactions where the Company is taking positions against players, such as sports betting and online casino, is recognised when the outcome of an event is known. Revenue from commission arising on transactions where the Company does not take open position against players, such as poker, is recognised when players place wagers in a pool.

GiG Platform Services

In contracting with white label operators (operators that are rebranded under another name), the Company considers that it is acting as an intermediary between the third party platform and the related service providers. On this basis revenue is recognised net of payments made to service providers.

Costs that are not reported as part of the net gain or loss within revenue include inter alia bank charges, fees paid to platform and payment providers and certain gaming taxes.

In contracting with own license operators (operators that own their own licences), the Company generates revenue by entering into a revenue share or a fixed arrangement where such revenue is apportioned on an accrual basis over the whole term of the contract. The consideration for such services is generally split between an initial setup to configure the software as per the customer's requirements and on-going charge invoiced monthly.

The uncertainty on the amount of revenue to be received is resolved at each calendar month end since the contracts are such that the amounts reset to zero on a monthly basis. Accordingly, it is appropriate for the Company to recognise the monthly amounts invoiced in the P&L.

The only difference between accounting for such arrangements under the previous revenue standard and IFRS 15 pertains to the set-up fees. Under IAS 18, the set-up fees were deferred over a period of (generally) six months until the go-live date. In accordance with IFRS 15, the set-up is not seen as a distinct PO as the customer cannot benefit from the set-up itself but for the agreement as a whole. Accordingly, the set-up fee is simply seen as being part of the consideration receivable for the software as a service (SAAS) agreement and should therefore be deferred over the period of the agreement.

Management performed a detailed analysis of IFRS 15 impact and concluded that this has an immaterial affect for the Company.

GiG Media Services

For a revenue share arrangement, the Company receives a share of the revenues that the gaming operator has generated as a result of a player playing on their iGaming site. Revenue is recognised in the month that it is earned by the respective gaming operator.

For a cost acquisition arrangement, a client pays a one-time fee for each player who deposits money on the client's site. Cost per acquisition contracts consist of a pre-agreed rate with the client. Revenue from such contracts is recognised in the month in which the deposits are made.

For a listing arrangement, a client pays a fixed fee to be listed and critically reviewed on the Company's websites. Such revenue is apportioned on an accrual basis over the term of the contract.

The Company's performance obligation in this respect can be viewed as a series of distinct performance obligations to stand ready to redirect players on a constant basis. Such contacts give rise to variable consideration from an IFRS 15 point of view since the revenues are not fixed at the outset. In view of the nature of the service provided as a monthly stand-ready obligation, the Company recognises the income in the month in which it has a contractual right to bill the iGaming operators.

Other

Interest income is recognised in profit or loss for interest-bearing instruments as it accrues, on a time proportion basis using the effective interest method, unless collectability is in doubt.

Dividend income is recognised when the right to receive payment is established.

Standards, Interpretations and Amendments to Published Standards Effective in 2019

In 2019, the Company adopted new standards, amendments and interpretations to existing standards that are mandatory for the Company's accounting periods beginning 1 January 2019. The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in substantial changes to the Company's accounting policies.

IFRS 16 Leasing arrangement

IFRS 16 Leasing agreements replaced the previous IAS 17 Leasing agreements and IFRIC 4 determining whether an arrangement contains a Lease or related agreements. The standard is mandatory from 1 January 2019. The new standard requires that all contracts which fulfil the definition of a leasing agreement, except contracts of less than 12 months duration and those with low values be recognised as an asset and liability in the financial statements. The accounting according to IFRS 16 is based upon the approach that the lessee has the right to use the assets under a specific time period and simultaneously have an obligation to pay for the rights. The assets and liabilities are accounted for as a discounted present value of the future leasing payments. The cost regarding the leased assets consists of amortization of the assets and interest cost towards the leasing liability. Contracts that earlier have been classified as operating leases will thereby be accounted for in the balance sheet with the effect that the current operating costs, leasing cost for the period, will be replaced with amortization of the right-to-use asset and interest expense in the income statement.

Transitional method

The Company has implemented IFRS 16 by using the simplified transitional method, which means that the prior periods have not been restated.

Transition effects

As an operational lessee, the effect relates primarily to office premises contracts with the effect that total assts, operating profit and financial costs increases as well as the related cash flows move from the operational activities to financing activities. The opening effect on the Company's balance sheet as of 1 January 2019 is EUR 9.93 million, consisting of a leasing asset as well as a leasing liability in the balance sheet. Equity has not been affected. At 31 December 2019 the total leasing asset amounted to Eur 14.0 million and the leasing liability amounted to EUR 14.4 million. The effect on the Company's income statement during the full year of 2019 amounted to EUR 2.63 million and EUR 0.90million for depreciation and interest cost respectively. The effect on the Company's income statement during the fourth quarter of 2019 amounted to EUR 0.74 million and EUR 0.27 million for depreciation and interest cost respectively. The average marginal interest rate of 7 percent has been used as a discounting rate when calculating the transitional effects. For the Company's alternative Key Performance Indicators (KPI), there were no significant effects after the implementation of IFRS 16.

Effect from IFRS 16 (EUR 1000)	Q4 2019 (IFRS 16)	Effect from IFRS 16	Q4 2019 (IAS 17)
Operating result	1 462	-35	-1 427
Net finance cost	-4 563	-271	-4 292
Loss for the period	-5 972	-306	-5 666

Effect from IFRS 16 (EUR 1000)	2019 (IFRS 16)	Effect from IFRS 16	2019 (IAS 17)
Operating result	-11 775	128	-11 903
Net finance cost	-8 352	-933	-7 419
Loss for the period	-23 027	-805	-22 222

In the opinion of management, there are no other standards that are not yet effective and that would be expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

4. Impairment of intangible assets

The Company reviews the carrying amounts of its tangible and intangible assets on an annual basis (or more frequently if events or changes in circumstances indicate a potential impairment) to determine if there are any indications that the assets have decreased in value. If any such indications exist, the recoverable amount is set to determine the need to recognise an impairment. When calculating the recoverable amount. Future cash flows are discounted to present value using a discount rate before tax. If the recoverable amount is determined to be lower than the carrying amount an impairment is recorded through a charge to the statement of operations.

At 31 December 2018, the Company determined that two of its technology platforms that are part of its Business to Consumer segment had carrying values in excess of their respective recoverable amounts. The Company recognised an impairment loss totaling EUR 13.7 million. Additional information was included in the Company's annual report for 2018.

Following the stategic decision to halt investments into building its proprietary game studio, GIG Games, an impairment of intangible asset value was completed in the third quarter 2019. This resulted in a non-cash write-down of EUR 2.5 million. The impairment represents write-offs of development cost in terms of salaries capitalized, trademarks, llicenses and a prior year investment into a start-up game studio.

The Company also impairred a prior year investment into a technology start-up company, Infobot Limited, due to the start-up company going into financial difficulties. This resulted in a non-cash write down of EUR 0.4 million.

In the fourth quarter 2019, the Company recorded an impairment of EUR 1 million which was related to an intangible of Sports.

5. Discontinued operations

In accordance with IFRS 5, the B2C financial results are reported as discontinued operations in the Company financial statements as of and for the year ended 31 December 2019. The 2018 Statement of Operations has been restated for comparability.

The following is the breakdown of the loss from discontinued operations for the quarters and years ended 31 December 2019 and 2018:

EUR 1000	Q4-19	Q4-18	2019	2018
Revenue	18 992	25 790	78 972	99 812
Cost of sales	4 231	7 620	23 184	26 693
Gross profit	14 761	18 710	55 788	73 119
Operating expenses	10 000	16 892	45 068	71 399
EBITDA	4 761	1 278	10 720	1 720
Depreciation and amortisation	414	275	2 255	1 091
Impairment	-	13 726	-	13 726
Impairment loss recognised on the remeasurement to fair value less costs to sell	40 185	-	40 185	-
EBIT	-53 838	-12 723	-31 720	-13 097
Corporate tax	-	-	-	-
Loss from discontinued operation	**-53 838**	**-12 723**	**-31 720**	**-13 097**
Net cash inflow/(ouflow) from:				
- operating activities	1 775	1 439	5 504	505
- investing activities	-491	-6	-1 368	-289
- financing activities	-	-	-	-

The following is a breakdown of the assets and liabilities classified as held for sale at 31 December 2019:

EUR 1000	
Prepayments	341
Other trade receivables	60
License guarantee	2 000
Players cash	5 738
Trade and other payables	-2 572
Players liability	-4 341
Jackpot liability	-1 606
Net liabilities directly associated with assets classified as held for sale liability	**-380**

6. Segment information

Effective with the planned sale of the Company's B2C assets, and in accordance with IFRS 5, the Company has restated its financial statements to report the B2C results as discontinued operations. Effectively, the Company operates one segment Business to Business ("B2B") for the years ended 31 December 2019 and 2018. The following tables are included for informational purposes only.

Q3 2019 (EUR 1000)	B2C	B2B	Elimination	Total
Revenue	18 992	12 143	-1 750	29 385
Cost of sales	5 144	165	-913	4 396
Marketing cost	6 107	1 080	-670	6 517
EBITDA	4 104	781	-67	4 818
EBIT	-36 823	-5 623	-67	-42 513

Q3 2018 (EUR 1000)	B2C	B2B	Elimination	Total
Revenue	24 413	15 440	-2 570	37 283
Cost of sales	7 255	137	-1 044	6 348
Marketing cost	10 186	1 482	-1 033	10 635
EBITDA	1 378	3 681	-11	5 048
EBIT	1 206	-220	-907	79

2019 (EUR 1000)	B2C	B2B	Elimination	Total
Revenue	78 972	51 310	-7 276	123 006
Cost of sales	26 702	906	-3 518	24 090
Marketing cost	28 739	5 279	2 906	31 112
EBITDA	8 089	6 204	-162	14 131
EBIT	-35 421	-18 909	-1409	-55 738

2018 (EUR 1000)	B2C	B2B	Elimination	Total
Revenue	99,813	62,670	-11,111	151,372
Cost of sales	30,906	664	-4,212	27,358
Marketing cost	46,138	5,793	-4,684	47,247
EBITDA	-505	16,530	57	16,082
EBIT	-15,367	-518	-1,732	-17,617

7. Earning (loss) per share

Basic earnings (loss) per share are calculated by dividing the net income (loss) for the period, plus or minus applicable dividends, by the weighted number of shares outstanding. Diluted earnings (loss) per share utilize the same numerator, but outstanding shares in profitable periods include the dilutive effect of outstanding warrants and options determined by the treasury stock method. As of 31 December 2019, the Company had 1,011,111 options outstanding.

8. Changes in equity

A special meeting of the shareholders was held on 11 December 2018. Shareholders approved a 10-for-1 reverse split of the Company's common stock. The Shareholders also approved an increase in the authorized shares from 95,000,000 (after the reverse split) to 100,000,000, each with a par value of USD 1.00.

On 27 December 2018, the Company completed the 10-for-1 reverse split. The number of outstanding shares on 27 December 2018 was 89,565,626 each with a par value of USD 1.00 with the authorized shares at 100,000,000.

In the fourth quarter 2019, 100,000 options were cancelled resulting in 1,011,000 options outstanding as of 31 December 2019. GIG borrowed shares for the immediate transfer of the option shares to the employees during the first and second quarters and will issue new shares at a later date.

As at 31 December 2019, 90,005,626 shares were outstanding, where of the Company owned no treasury shares. When new shares are issued for the options exercised 2019, the outstanding number of shares will increase to 90,085,626.

The 31 December 2018 balances reported for share premium/reserves and deficit have been restated in 2019 to correct for a reclassification of EUR 89 million recorded in error on the 2018 financial statements. As such the 31 December 2019 balances reported for share premiums/reserves were decreased by EUR 89 million and the deficit balance was decreased by the same to properly reflect the historical balances of the Company. Such adjustment did not have any effect on the results of operations of the Company.

9. Loans payable to shareholders

In December 2015, the Company entered into a revolving loan facility in the amount of NOK 9,700,000 with a shareholder owning more than 10% of the Company with an interest rate of 10% per annum due on demand at monthly intervals. This facility was increased to NOK 19,200,000 in July 2016. In December 2017, the Company, utilized the revolving loan facility and borrowed NOK 10,000,000 and in December 2018, an additional NOK 9,000,000. The outstanding amount, NOK 19,000,000, was repaid in July 2019.

In December 2018, the Company entered into a loan agreement for NOK 6,000,000 with an interest rate of 10% per annum with maturity on 30 November 2019. The loan was repaid in July 2019.

Short-term loans outstanding balances at 31 December 2019 and 2018 were EUR 0 and EUR 616,770, respectively with accrued interest of EUR 0 and 4,562, respectively. Long term loans outstanding balances at 31 December 2019 and 2018 were EUR 0 and EUR 1,953,105, respectively with accrued interest of EUR 0 for both periods.

10. Senior secured bonds

In March 2017, GIG issued a SEK 400 million senior secured bond in the Nordic bond market, with a SEK 1,000 million borrowing limit and fixed interest of 7% per annum with maturity in March 2020. Net proceeds from the bond issue were used for acquisition of affiliate markets, paying off existing debt in full, as well as towards general corporation purposes. The bond was initially drawn on 6 March 2017 with a subsequent issue of SEK 250 million on 14 September 2017 for a total of SEK 650 million.

In June 2019, the Company issued a new SEK 400 million senior secured bond with a SEK 1,000 million borrowing limit and fixed interest of 9% per annum with maturity on 28 June 2022. SEK 350 million of the net proceeds were used to refinance part of the existing SEK 650 million bond for a new bonds total of SEK 700 million (SEK 300 million due March 2020 and SEK 400 due June 2022). The balance of the new issue was used to pay down the Company loans in July 2019.

The outstanding balance of the short term bond at 31 December 2019 was EUR 33,792,053 with accrued interest of EUR 657,131. The outstanding, balance of the long term bond at 31 December 2019 was EUR 33,151,096, with accrued interest of EUR 382,211. The bonds are registered in the Norway Central Securities Depository. The 2017-20 bond is listed on the Oslo Stock Exchange (GIGLTD01) and the 2019-22 bond is listed on Nasdaq Stockholm in Q4 2019.

See Note 1 for information on the Company's repayment plan.

11. Acquisitions

There were no acquisitions in the fourth quarter 2019.

12. Litigations

In December 2018, the Company was notified of the ruling by Bergen City Court in the dispute against Euro TV AS. The court concluded that GiG shall transfer 340,000 shares to Euro TV AS on the basis of an alleged oral agreement between the parties. GiG disagreed with the court's ruling and appealed the judgement. In Q4 2018 the Company accrued an expense of EUR 200,000. Please see note 30 in GiG's 2018 annual report for further information about the dispute. In May 2019, the Company agreed to and, paid in full, a settlement with Euro TV of NOK, 1,750,000.

From time to time, the Company is involved in litigation brought by previous employees or other persons. The Company and its legal counsel believe that these claims are without merit.

13. Related party transactions

There were no material related party transactions in 2019 other than the loans mentioned in Note 9.

14. Subsequent events

There have been no material subsequent events after 31 December 2019 except for management's plan to divest the Company's B2C assets as disclosed in Note 1.

15. Alternative performance measures

Certain financial measures and ratios related thereto in this interim report are not specifically defined under IFRS or any other generally accepted accounting principles. These measures are presented in this report because they are the measures used by management and they are frequently used by other interested parties for valuation purposes. In addition, the Company provides information on certain costs in the income statement, as these are deemed to be significant from an industry perspective.

Active customers: A customer having played with money deposited or with winnings from free spins or bonuses during the three month period

Casino margin: Customers' total bets less winnings and jackpot contribution, divided by customers' total bets

Deposits: Money deposited in the customer accounts

EBIT: Operating profit

EBITDA: Operating profit less depreciation, amortization and impairments

First Time Depositor (FTD): A first time depositor is a person who places wagers or deposits an amount of money for the very first time.

Gaming tax: Taxes paid on revenues in regulated markets

Gross profit: Operating revenue less cost of sales

Gross margin: Gross profit in percent of revenues

Interest bearing debt: Other long-term debt and short-term borrowings

Organic growth: Growth excluding acquisitions.

Net Gaming Revenue (NGR): Total cash deposits less all wins payable to customers after bonus costs and external jackpot contributions

Sports Betting Margin: Customers' total bets less winnings, divided by customers' total bets

Gaming Innovation Group plc.

Condensed statement of operations

Gaming Innovation Group Plc issued a SEK 650 million senior secured bond with a SEK 1,250 million borrowing limit in 2017. The bond has a fixed coupon of 7.0% p.a. with maturity in March 2020. The bond is listed on the Oslo Stock Exchange.

In June 2019, Gaming Innovation Group Plc issued a new SEK 400 million senior secured bond with a SEK 1,000 million borrowing limit. The new bond has a coupon of STIBOR + 9.0% p.a. with maturity in June 2022. The new bond was used to repay SEK 350 million of the old bond, reducing the balance to SEK 300 million. The bond is listed on Nasdaq Stockholm.

As per the bond terms, the interim condensed consolidated accounts for the issuer for the third quarter 2019 are stated below. Please refer to the selected notes to condensed consolidated financial statements for the parent Gaming Innovation Group Inc. for more information.

EUR 1000 - Unaudited	B2C included as discontinued operations				B2C included as continued operations			
	Q4 2019	Q4 2018	2019	2018	Q4 2019	Q4 2018	2019	2018
Revenues	10 393	14 074	44 034	51 559	29 385	39 864	123 006	151 372
Cost of sales	165	175	906	664	4 396	7 795	24 090	27 358
Gross profit	**10 228**	**13 899**	**43 128**	**50 895**	**24 989**	**32 069**	**98 916**	**124 014**
Operating expenses								
Marketing expenses - revenue share	-	-	-	-	2 241	3 453	10 364	14 659
Marketing expenses - other	1 080	1 443	5 279	5 793	4 276	8 140	20 748	32 588
Non-recurring expenses	-	898	-	1 086	-	1 839	-	2 819
Other operating expenses	8 858	7 173	33 048	28 104	13 420	12 974	52 284	56 314
Total operating expenses	**9 938**	**9 514**	**38 327**	**34 983**	**19 937**	**26 406**	**83 396**	**106 380**
EBITDA	**290**	**4 385**	**4 801**	**15 912**	**5 052**	**5 663**	**15 520**	**17 634**
Depreciation & amortization	5 732	5 168	23 517	18 882	6 146	5 443	25 772	19 973
Impairment of intangibles	1 000	-	3 911	-	35 946	13 726	38 857	13 726
EBIT	**-6 442**	**-783**	**-22 627**	**-2 970**	**-37 040**	**-13 506**	**-49 109**	**-16 065**
Financial income (expense)	-4 563	-1 946	-8 224	-4 096	-4 563	-1 946	-8 224	-4 096
Other income (expense)	54	-35	16	-114	54	-34	16	-114
Result before income taxes	**-10 951**	**-2 764**	**-30 835**	**-7 180**	**-41 549**	**-15 486**	**-57 317**	**-20 275**
Tax income/(expense)	-326	-491	-628	-815	-326	-491	-628	-815
Loss from continuing operations	**-11 277**	**-3 255**	**-31 463**	**-7 995**	**-41 875**	**-15 977**	**-57 945**	**-21 090**
Loss from discontinuing operations	**-30 599**	**-12 723**	**-26 480**	**-13 097**	**-**	**-**	**-**	**-**
Loss for the period	**-41 876**	**-15 978**	**-57 943**	**-21 092**	**-41 875**	**-15 977**	**-57 945**	**-21 090**
Exchange differences on translation of foreign operations	15	-157	-244	133	15	-157	-244	133
Fair value movement in available for sale investment	77	-15	95	-15	77	-15	95	-15
Total comprehensive income (loss)	**-41 784**	**-16 150**	**-58 092**	**-20 974**	**-41 783**	**-16 149**	**-58 094**	**-20 972**
Total Comprehensive income (loss) attributable to:								
Owners of the Company	-41 786	-16 129	-58 090	-20 976	-41 785	-16 128	-58 092	-20 974
Non-controlling interests	2	-21	-2	2	2	-21	-2	2
Total comprehensive income (loss)	**-41 784**	**-16 150**	**-58 092**	**-20 974**	**-41 783**	**-16 149**	**-58 094**	**-20 972**

Gaming Innovation Group plc.

Condensed statements of financial position

EUR 1000 - Unaudited	B2C included as discontinued operations		B2C included as continued operations	
	31 DEC 2019	31 DEC 2018	31 DEC 2019	31 DEC 2018
ASSETS				
Non-current assets:				
Goodwill	5 546	53 882	30 374	53 882
Intangible assets	40 912	69 253	40 912	69 253
Deposits and other non-current assets	21 235	7 851	21 234	7 851
Total non-current assets	**67 693**	**130 986**	**92 520**	**130 986**
Current assets:				
Trade and other receivables	19 589	28 601	21 990	28 601
Cash and cash equivalents	4 508	14 596	10 246	14 596
Total current assets	**24 097**	**43 197**	**32 236**	**43 197**
Assets classified as held for sale	32 966	-	-	-
TOTAL ASSETS	**124 756**	**174 183**	**124 756**	**174 183**
LIabilities and shareholders' equity				
Shareholders' equity:				
Share capital	51	51	51	51
Share premium/reserves	88 668	94 078	88 668	94 078
Retained earnings (deficit)	-76 998	-18 930	-76 998	-18 930
Total equity attributable to GiG Inc.	11 721	75 199	11 721	75 199
Non-controlling interests	24	25	24	25
Total shareholders' equity	**11 745**	**75 224**	**11 745**	**75 224**
LIabilities:				
Trade payables and accrued expenses	23 783	33 733	32 302	33 733
Bond payable	33 792	-	33 792	-
Total current liabilities	**57 575**	**33 733**	**66 094**	**33 733**
Bond payable	33 151	65 226	33 151	65 226
Deferred tax liability	1 270	-	1 270	-
Other long term liabilities	12 496	-	12 496	-
Total long term liabilities	**46 917**	**65 226**	**46 917**	**65 226**
Total liabilities	**104 492**	**98 959**	**113 011**	**98 959**
Liabilities directly associated with assets classified as held for sale	8 519	-	-	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**124 756**	**174 183**	**124 756**	**174 183**
CONDENSED STATEMENTS OF CHANGES IN EQUITY:				
Equity at beginning of period	**75 224**	**-1 089**	**88 072**	**108 783**
Adjustment in prior period	-266	-	-264	-
Reclassif. of capital contribution of merged companies	-	6 447	-	822
GIG Inc loans converted into capital contribution	-4 442	89 760	-	822
Fair value movement in available for sale investments	95	-15	95	-15
Share compensation expense	-677	1 078	-677	1 078
Non-controlling interests	-2	2	-2	2
Exchange differences on translation of foreign operations	-244	133	-244	133
Net results from continuing operations	-31 463	-7 995	-64 705	-22 757
Net results from discontinuing operations	-26 480	-13 097	-	-
Equity at end of period	**11 745**	**75 224**	**22 275**	**88 072**

Gaming Innovation Group plc.

Condensed statement of cash flows

EUR 1000 - Unaudited	Q4 2019	Q4 2018	2019	2018
Cash flows from operating activities:				
Results before income taxes	-41 549	-15 486	-57 317	-20 275
Adjustments to reconcile profit before tax to net cash flows:				
Tax expense	-326	-491	-628	-815
Depreciation and amortization	6 146	5 443	25 772	19 973
Impairment of intangible assets	35 946	13 726	38 857	13 726
Cash deposit for licence application	0	-4 000	0	-4 000
Other adjustments for non-cash items and changes in operating assets and liabilities	2 472	5 245	8 145	11 545
Net cash provided by operating activities	**2 689**	**4 437**	**14 829**	**20 154**
Cash flows from investing activities:				
Purchases of intangible assets	-1 673	-2 435	-8 096	-8 988
Purchases of property, plant and equipment	-582	-716	-3 735	-2 479
Purchases of affiliates	0	-100	-100	-500
Cash flow from other investing activities	0	0	0	-460
Net cash used by investing activities	**-2 255**	**-3 251**	**-11 931**	**-12 427**
Cash flows from financing activities:				
Proceeds from bond issue - net	-243	-248	-2 203	-5 034
Loan from related party	-872	0	-4 896	0
Interest paid on bonds	0	0	0	0
Net cash provided by financing activities	**-1 115**	**-248**	**-7 099**	**-5 034**
Translation loss	15	-157	-244	133
Fair value movements	77	-15	95	-15
Net increase (decrease) in cash	**-589**	**766**	**-4 350**	**2 811**
Cash and cash equivalents - beginning	10 835	13 830	14 596	11 785
Cash and cash equivalents - end	**10 246**	**14 596**	**10 246**	**14 596**

GiG OVERVIEW

2012

GiG founded

2015

Listed on the Oslo Stock Exchange

2019

Dual-listing on Nasdaq Stockholm

VISION

"Opening up iGaming to make it fair and fun for all"

MISSION

"Have a stake in every fair online bet"

~650 Employees

Offices in Malta, Denmark, Gibraltar, Norway, Spain, US

Licences in Malta, UK, New Jersey, Sweden, Germany S-H, Spain, Romania, Croatia (pending)

Company profile

B2B Solutions

The technical Platform providing the foundation to create a stable and secure iGaming solution (the rest as it is). Add another paragraph below saying: The Data platform is GiG's next-generation, scalable data platform, which can be integrated with GiG's Platform Service or with third-party solutions. It features standard KPI libraries across all tools and incorporates artificial intelligence applications which work together to seamlessly enhance data systems.

"We are committed to developing products that are fair and fun for all."

The cutting-edge platform offers operators a fast and scalable self-service tool which enhances business intelligence and produces data and back office reports in real-time. The Data platform provides a secure and compliant data framework, which is responsive to the critical data needs of GiG's partners

360-degree lead generation and digital marketing provider with global reach for the iGaming industry. Media makes use of betting and casino guide publishing, online media buy channels, proprietary ad-tech and digital agency work.

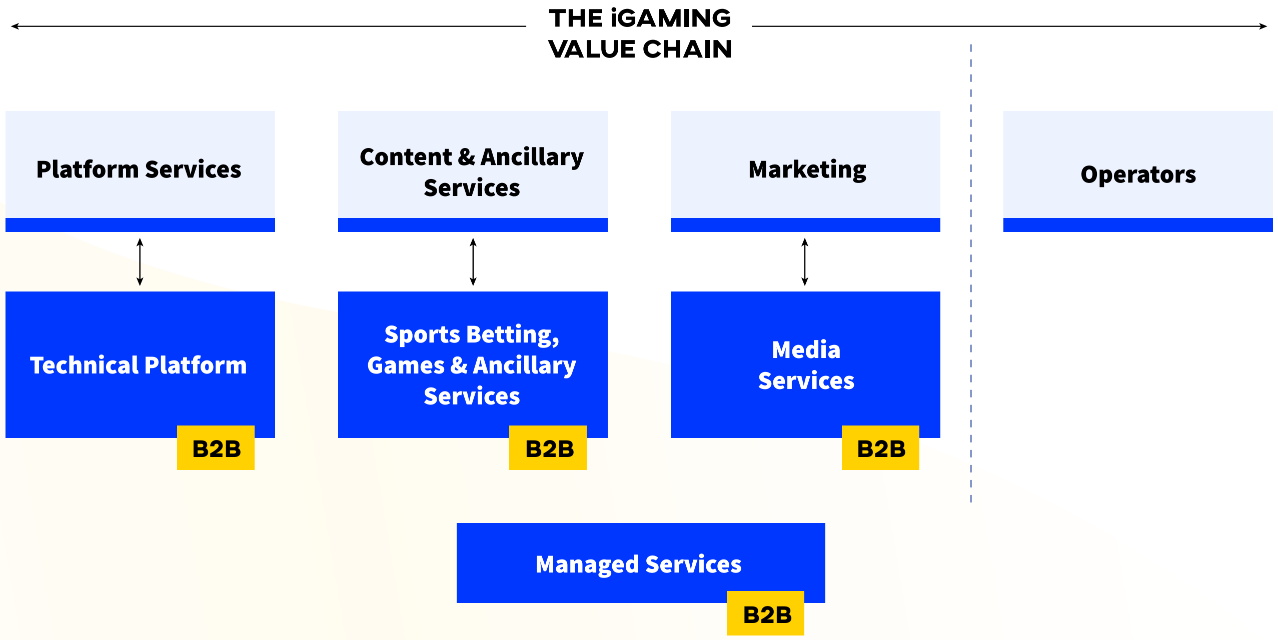
Fully hosted and managed sportsbook solution delivering a seamless omni-channel betting experience tailored for offline and/or online channels.

Managed services offering expertise and operational infrastructure to provide customers with everything they need to run an online casino or sportsbook.

WE ARE GiG

Gaming Innovation Group Inc. ("GiG" or "the Company") is a technology company providing innovative and connected products and solutions throughout the entire value chain of the iGaming industry.

Founded in 2012, Gaming Innovation Group's vision is "Opening up iGaming to make it fair and fun for all". Throughout its ecosystem of products, services and solutions, GiG is connecting operators, suppliers and end users with the ambition of creating the best iGaming experiences in the world.



GiG's Business model:

GiG's in-house- developed products and services are present in the entire **iGaming value chain:**

Value Chain	Lead Generators	Platform Suppliers	Odds & Games Developers
What	Finding & referring end users to operators	Cloud-based platform services	Sports & Casino Services
Business model	Revenue share & fixed fees	Revenue share & fixed fees	Revenue share & fixed fees
Customer	Gaming operators	Gaming operators	Gaming operators & platform suppliers
Business type	B2B	B2B	B2B
GiG Verticals	Media Services	Platform Services	Sports Betting Services & Casino Services

OUR OFFICES

MALTA (Headquarters)
@GiG Beach
Golden Mile Business Centre
Triq Id-Dragunara
St Julian’s STJ 3148

MALTA
@GiG Sky
Pendergardens Business Centre - Level 4
St Andrew's Road
St Julian's STJ 1902

SPAIN
Avenida Ricardo Soriano 21
Marbella
Malaga 29601

GIBRALTAR
Mavrix Services Limited
11A Cornwall’s Lane
Gibraltar GX1 1AA

NORWAY
Tangen 76
4608 Kristiansand

NORWAY
Fridjtof Nansens Plass 6
0160 Oslo

DENMARK
Nannasgade 28
2200 Copenhagen N

UNITED STATES
8359 Stringfellow Rd
St James City, FL 33956

gig.com