2021

annual report

Annual Report

Gaming Innovation Group Inc.

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Regulated Markets for Platform Services

US: New Jersey, Iowa and Pennsylvania
ROW: Malta, UK, Sweden, Spain, Romania, Croatia, Latvia, Curaçao, Argentina, Germany, Isle of Man, Mexico, Jamaica, Colombia, Paraguay, Ecuador, Portugal, France, Belgium, Greece, Ontario, Serbia

+ additional in integration pipeline

Our Vision

To be the industry-leading platform and media provider delivering world-class solutions to our iGaming partners and their customers.

Our Mission

To drive sustainable growth and profitability of our partners through product innovation, scalable technology and quality of service.

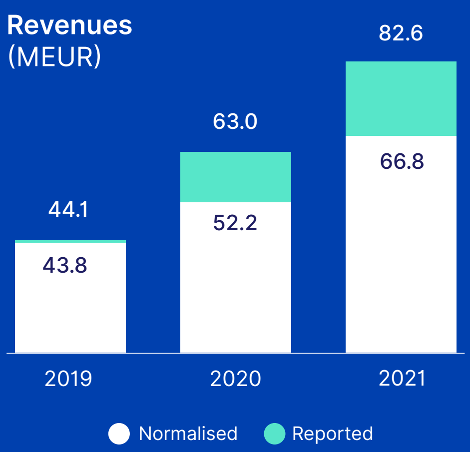
- Dual-listed on Oslo Børs and at Nasdaq Stockholm
- Over 25 primary countries target by Media assets
- €235m (approx) Market Cap
- Approximately 610 employees
- Offices in Malta, Denmark, Latvia, Spain and France

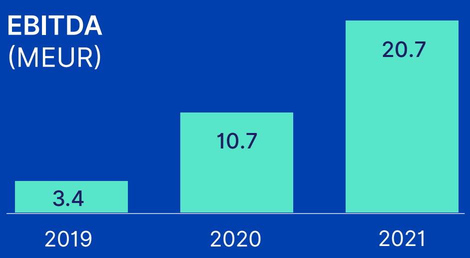
1 Strategic Report

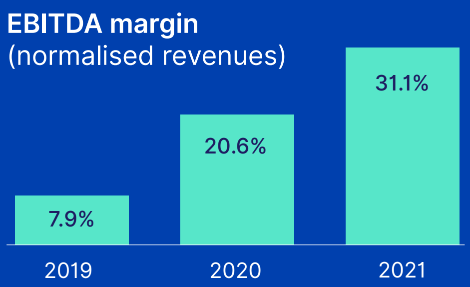
€66.8m
Revenues (norm.)
+28% Y/Y

€20.7m
EBITDA
+93% Y/Y

31.1%
EBITDA margin (norm.)
(20.6% in 2020)







2021 Highlights

- Full year 2021 revenues* were EUR 66.8m (52.2), an increase of 28%, all organic growth
- EBITDA was EUR 20.7m (10.7), up 93%, EBITDA margin* increased to 31.1% (20.6%)
- Positive EBIT of EUR 7.0m (-8.7), an improvement of EUR 15.7m
- Revenues in Media Services at all-time high of EUR 45.0m (34.3), an increase of 31%, with an all-time high EBITDA of EUR 20.7m (17.5)
- Media Services reached all-time high in player intake, FTDs ended at 198,000 (126,000), up 57%
- Media Services continued to grow in the US market throughout the year, present in 19 US states at year-end
- Revenues* for Platform Services were EUR 21.4m (18.9), an increase of 13% generating a positive EBITDA of EUR 1.4m (-2.5). Excluding discontinued white-labels, revenues increased 42%
- Signed 9 new agreements for Platform Services in 2021
- 6 new brands were launched on the platform in 2021 and two additional brands were development complete at year end (launched in 2022)
- Balance strengthened through refinancing of bond and conversion convertible loan in May
- Signed a Share Purchase Agreement in December to acquire Sportnco Gaming SAS, transaction completed on 1 April 2022

*Revenues are adjusted for revenues from a platform client where GiG recognizes the full operations in its profit and loss statement, see Note 35 in the Consolidated Financial Statements.

timeline of events

2021

Jan

Feb

- Signed a long-term agreement with PlayStar Casino for New Jersey, US
- Awarded ISO 27001:2021 certification for its frontend development solution and content management system covering development, infrastructure, network configuration and associated product operations for frontend, middleware and backend Gaming services hosted on GiG's infrastructure
- Signs established German facing iGaming operator to power the company's new online casino.

Mar

- Completed the technical infrastructure and data migration project that was started in Q4 2019

Apr

- Signed platform agreement to power a new online casino for the European market

May

- Strengthens the balance through conversion of EUR 8.5m convertible loan
- Winner of Full Service Platform of the year at EGR iGaming awards and Top 3 in EGR Power Affiliates 2021

Jun

- Issued new SEK 450m bond with expiry June 2024
- Signed PlayStar Casino for Pennsylvania, US

Jul

Aug

Sep

- Signed agreement to facilitate an operator's multi-brand strategy into EU markets

Oct

Nov

- Signed a long-term agreement with an established German operator that will migrate its existing brand to GiG's iGaming Platform

Dec

- Signed long-term agreement with Rank Entertainment Holdings for their Marina888 brand
- Signed a SPA to acquire Sportnco Gaming

2022

Jan

Feb

- Extended contract with Betsson Group to Q4 2025

Mar

Apr

- Completed acquisition of Sportnco

GiG

Letter from the CEO

Richard Brown

Dear shareholders,

We have closed off 2021 with strong financial performance seeing growth in all KPIs, and importantly we have laid a truly exciting and expansive structure in place to further accelerate our global long term ambitions via the acquisition of SportnCo.

While pleased with results for 2021, I still very much feel that we are only beginning our journey towards creating full value potential in the group's business.

Media Services continues to go from strength to strength, expanding rapidly in new markets and taking further share of wallet in existing markets. The team and strategy has delivered exceptionally well during 2021 with organic growth of 31% on a full year basis. This diverse and robust part of the group is continuing to thrive and we see strong potential and future in the business as we continue to move forward our market expansion and begin to invest further into the North American markets as part of the global strategy of the business unit.

"2021 saw strong financial improvement for both Media and Platform and with the acquisition of Sportnco, we have an exciting and expansive structure in place to further accelerate our global long term ambitions."

While we faced headwinds through the year with the impact from the re-regulation of the German market and the closure of the Dutch market, I am happy to deliver revenue growth from the underlying SaaS business after the strategic shut down of the white-label business. The year saw us increase our onboarding rate and enter 6 more regulated markets, a key driver for the long term growth of the business.

The platform business unit continues to build towards its expansion strategy and pursue with force its growth drivers. The underlying business that will be the driver for growth in the years to come, has delivered 42% annual growth in 2021 and EBITDA has grown by 155% year over year from a loss of €2.5m to a positive €1.4m. The business has an exciting pipeline of customers to go live and is extremely well positioned to continue to expand its regulatory footprint and pursue its long term growth ambitions.

In December we took a significant step forward in our strategic position and growth opportunities with the signing of an SPA with Sportnco, a business with an outstanding product in sportsbook which will enable the group to pursue that vertical with real force over the coming years. The acquisition was completed on 1 April 2022, and the business combination will allow GiG to go after sportsbook lead markets and sportsbook led customers and in conjunction with a highly complementary jurisdictional footprint to GiG's existing business, we have rapidly expanding our TAM and future growth prospects, we are truly excited to having started the integration program and welcoming the team at Sportnco into GiG.

After a remarkable year growing stronger together, 2021 allowed us to refocus our sustainability efforts and address the broad spectrum of initiatives needed to improve our ESG ratings, whilst adapting to our B2B business strategy. Our four sustainability pillars have two clearly defined business and people goals, allowing for a truly holistic approach.
We support our B2B partners and their end users to drive sustainable growth and to comply with technical, legislative and responsible marketing demands, as a software supplier and as a media provider, we are providing a leading online gambling platform and products, investing in creating robust and high quality responsible gaming tools for the market. To achieve this, our people team have been working incredibly hard to focus on how we attract, retain and develop our teams - people are our greatest asset. We are providing dedicated and tailored resources to support every aspect of their well-being, and helping to increase education and reduce bias in the communities in which we live and work.

This is the first year of our new approach, and the list of achievements are impressive, but we have a lot more to do and we look forward to reporting further successes. What makes me proud is that we are taking ownership of every aspect of sustainability, including our impact on the global environment, and through our upcoming assessment of our scope 1, 2 and 3 emissions, our supplier chain ethics and improving our global reporting, we not only aim to achieve Net Zero by 2030, but we will continue to improve our ratings and the overall sustainability of GiG, our people, partners and their end users.

I would like to also take this opportunity to thank the staff at GiG, who have worked tirelessly towards not only achieving the results in 2021 but also the work they put into developing the business for the long term benefit of our ambitions.

2021 was an exciting and rewarding year, and our first full year as B2B only focus, and we have made real ground in positioning the business and have continued to focus on improving our client offering and operational structures to enable us to continue to pursue the success and growth opportunities that are in front of the business to ultimately deliver value for our shareholders.

We are
Gaming Innovation Group

Gaming Innovation Group

Gaming Innovation Group is a leading iGaming technology company, providing solutions, products and services to iGaming Operators. Founded in 2012, Gaming Innovation Group's vision is 'To be the industry-leading platform and media provider delivering world-class solutions to our iGaming partners' and their customers.' GiG's mission is to drive sustainable growth and profitability of our partners' through product innovation, scalable technology and quality of service.

GiG's strategy is centered on three customer focused business areas based on innovative technology, supported by its group ambition for top performance and operational excellence.

Media services

GiG's media business generates qualified leads in the form of end-users through digital marketing channels to leading operators worldwide. Its media solution operates multiple content rich websites, which empowers potential players and connects them with their partners' casino or sports betting sites – helping to boost profits and strengthen their business.

Platform services

GiG delivers world-class gaming, betting, media and turnkey platform solutions and services to operators and their customers via innovative and scalable technology. Through its platform services, GiG specialises in taking land-based operators online for the first time via its tailored omnichannel solution, which brings together the offline and online worlds through a shared loyalty system, wallet and dual registration.

Sportsbook

Acquired by GiG in April 2022, Sportnco is one of the leading platform providers of turnkey betting and gaming solutions for operators in regulated markets through its in-house developed sportsbook and PAM.

Our proprietary sportsbook offering combines the best odds on more than 50 sports and 50,000 monthly events in the world's biggest and most popular sports leagues, allowing our partners to give their bettors the power of choice. We focus on producing the best iGaming solutions for our clients so that they can grow and develop across regulated markets worldwide. Our sportsbook is compliant with some of the strictest regulated markets in the world (France, Portugal, Spain and Greece). We pride ourselves on being flexible, we tailor our approach to our partners requirements, whether in relation to regulatory compliance, risk management, or marketing strategy, we ensure the same quality of excellence no matter the requirements. Our personalised sportsbook technology offers a complete omnichannel experience, allowing retail operators to fully embrace their digital transformation with a full turnkey solution.

sportnco a GiG company

Commercial — GiG — **Media**

Selling to external partners

Sports and Casino Platforms
Managed Services
Content, Odds, etc.

Sending traffic to iGaming operators

SEO
PPC
Permission Marketing
etc.

Omnichannel solution

GiG works closely with its partners to ensure that their digital transformation is a smooth process that offers players a tailored and seamless customer journey. GiG's omnichannel solution can be integrated with any casino management system allowing its partners to seamlessly combine their retail and digital offering. This not only helps to increase customer convenience but also to increase player lifetime value and retention.

The trusted partner, beside our partners on every step of their iGaming journey

With our managed services, we support our partners with a dedicated account manager and an integration manager that work closely together with our partners. Our turnkey managed services are available from pre-launch throughout our partners' business lifecycle, providing operators with the support they need to help manage and grow their gaming business. Whether our partners are looking for help with improving their conversion rate, growing their customer lifetime value or reducing their self-exclusion rate, we have it covered for them.

The regulated markets partner

GiG has a dedicated team of experts with a great deal of experience in building iGaming solutions that comply with regulatory requirements around the globe. GiG is here to guide its partners and ensure they are fully informed on the requirements needed for a speedy and successful launch in new markets.

Creating a more sustainable future

GiG supports partners and their players to drive sustainable growth and to comply with technical, legislative and responsible marketing demands.

GiG believes that achieving a sustainable business requires a long-term relationship with our partners built on trust. That is why GiG promises to be with its partners on every step of their iGaming journey, helping to ensure that they drive a more sustainable and safer gaming experience for operators and their players.

Shaping a safer and more responsible Gambling industry

As a continued effort to build on and improve its technology to meet its partners demands, GiG has added responsible gaming, risk & fraud and anti-money laundering features to its data platform helping you to build a more sustainable future for operators and their players.

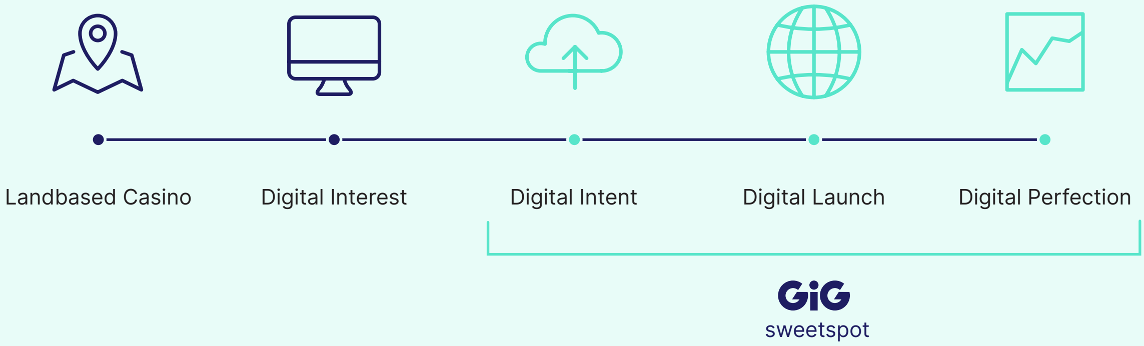
Harnessing the power of automation to drive a more sustainable performance

Automation is now more important than ever, particularly when it comes to improving the player experience, entering new markets, creating a safer playing environment and improving your customer lifetime value. GiG's automated features help to improve the customer experience by allowing operators to create real-time actioned events, helping to drive a strong competitive advantage.

Choosing the right relationship, the trusted partner

GiG believes in being selective in the partners it forms relationships with so that they can focus on long-term growth and ensure brand loyalty and the highest quality of tailored services for its partners and their players. GiG works closely with its partners to identify the best way to take their iGaming operation to launch and beyond successfully.

GiG supports operators in every step from digital intent to digital transformation



Business model

GiG offers its partners a full end-to-end solution and service offering through innovative technology, from its award-winning iGaming platform, to its agnostic sportsbook, leading media agency, real-time data platform, unique rules engine and tailored managed services.

Not all operators have the same needs and that is why GiG offers all of its solutions and services agnostically, placing the power of choice into its partners' hands, so they can select which products and services best fit their needs at every step of their iGaming journey.

The team at GiG has extensive operational experience and with this experience they work with their partners to create and execute a product and supplier strategy that works the best for their business. All of GiG's solutions are priced on either a revenue share or fixed fee basis and its managed services are priced on an individual basis, based on the specific needs of the partner.

Media
Digital Marketing
Finding leads through online media buys and publishing and refer these lead to operators

Platform
Platform Services
Offering cloud based platform services and games, from multiple vendors, to casino operators

sportnco
Sportnco
Sports Services
Odds, trading and risk management tools and mobile first front end for sportsbooks

Data
Data as Service
Compliant real time data and insights at your fingertips. Rich set of AI-enabled self service tools available to help you stay ahead of the game

Managed Services
(B2B)

The expert team here to look after all operational needs

GiG's turnkey managed services are available from pre-launch throughout the business lifecycle, providing its partners with the support they need to help manage and grow their gaming business. Whether they are looking for help with their acquisition strategy, faster payments, increased customer lifetime value or for advanced responsible gaming and player protection tools – GiG's managed services solution has it covered.

Creating a happier and more sustainable customer base

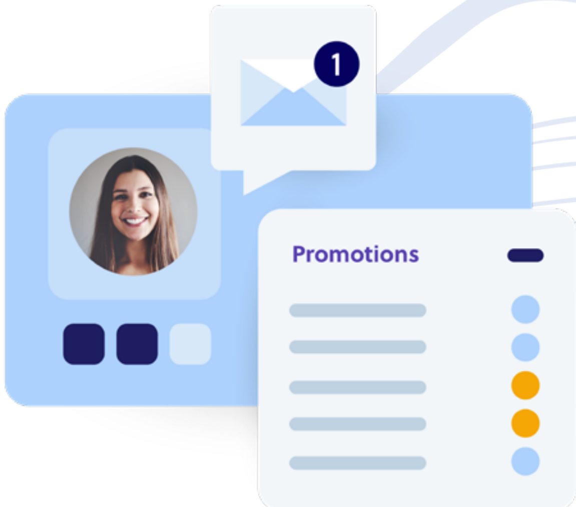
GiG's first-line customer support team are highly skilled and have undergone GamCare accredited training ensuring that their commitment to responsible gaming is reflected in everything that they do. At GiG, the team understands that brand loyalty is a key element of increasing customer lifetime value, and so, GiG strives to build strong relationships with its partners, which is reflected in the quality of service it delivers throughout its entire managed service solutions.

Great performance is in the details

GiG's media managed services provide a full package of the most valuable traffic sources covering all channels to make sure that every opportunity is captured (Google ads, social media marketing, affiliation and SEO). Its conversion-focused team has extensive knowledge and experience of driving results for online casinos and successfully supporting land-based casinos in their digital transformation. GiG's media managed services solution creates a proven acquisition model that specialises in following player journeys and focuses on customer experience, providing its partners with actionable, competitive insights to help them make better decisions around their acquisition strategy.

Taking care of our partners' customer value chain

GiG helps its partners to create an integrated customer strategy, which focuses on their customer journey and lifetime value. With over a decade of experience from within a B2C gaming environment, and with expert knowledge of its in-house CRM system and tools, and of its products, GiG's CRM team delivers a proactive customer relationship management approach.



Continuous innovation

GiG places its partners at the core of everything it does and meeting their needs through continuous feedback is an essential part of GiG's product development. In 2019 the company launched its real-time data platform in order to meet tomorrow's demands for IT security and regulatory compliance. It also launched its real-time rules engine, GiG Logic in early 2020, which is one of a few within the market.

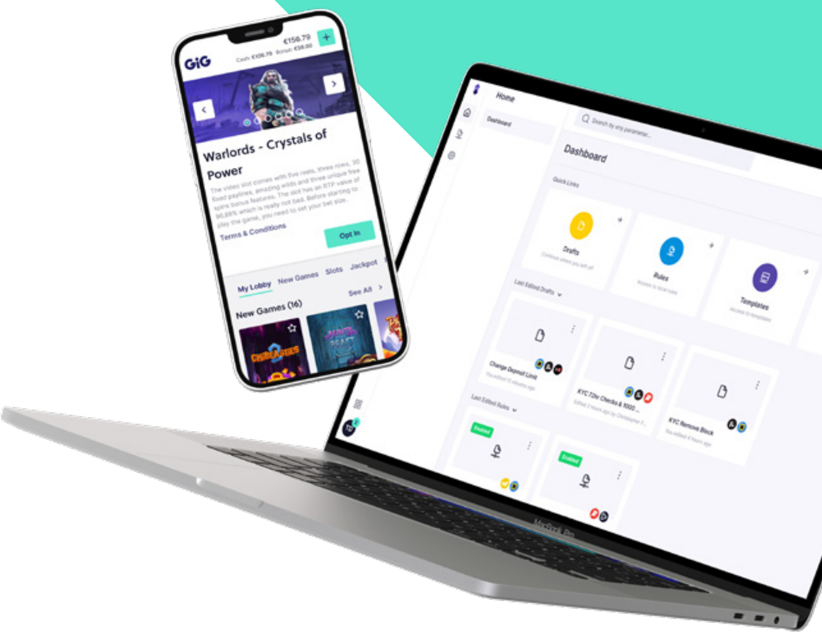
Product development

GiG is constantly enhancing and improving its products to ensure that it can continue to help its partners resolve key industry pain points. Recent product updates include, the launch of its Games Recommendation Engine which helps to engage its partners' players with personalised recommendations based on market and customers recommendations. This solution was delivered via a seamless integration across all GiG's products and allows all of its partners to benefit at scale.

As a continued effort to build on and improve our technology to meet its partner's demands, GiG also recently added responsible gaming, risk & fraud and anti-money laundering features to its data platform. GiG's RG features allow operators to immediately detect high risk and vulnerable players by flagging patterns of abnormal behavior, through real-time automation. While, its risk and fraud prevention and incident control tools allow operators to quickly identify potential high-risk cases, helping to identify and eliminate money laundering and financial crime.

Improving health, wellbeing and efficiency

GiG has recently introduced a brand new version of its back office to continue to enhance its partners' experiences. Some of the improvements GiG has started to roll out to its partners include new features that allow operators to visualise player behaviour like never before. For example, the activity feed displays all player activity into a single, unified timeline view, saving time and increasing efficiency. The activity feed gives new insights into player behaviour, trends, and tendencies, allowing operators to identify and take action based on player behaviour much more quickly than before. We truly believe in making the lives of our partners better, and continuously review every feature to see how it can be improved. GiG's back office is now responsive across all screens allowing operations teams to track player activity on the go, and features an optional 'Dark mode', reducing glare and blue light, improving its partners health and wellbeing.



Security

At GiG, security is considered a strategic priority, as a platform partner that operates in heavily regulated markets such as the UK and US, it is imperative to GiG that it is at the top of its game when it comes to certification. In February 2021, GiG was awarded an ISO 27001:2021 certification for its frontend development solution and content management system. The certification now covers development, infrastructure, network configuration and associated product operations for frontend, middleware and backend Gaming services hosted on GiG's infrastructure. In addition, GiG is also ISO 27001 certified for its real-time data platform. The accreditation means that through its agile security framework, GiG is protecting its partners and their players with the highest level of information security available, further demonstrating its commitment to continuous improvement and in providing its partners with a secure solution they can trust.

Licenses and certification

GiG's iGaming platform solution is licensed by the Malta Gaming Authority (MGA), United Kingdom Gambling Commission (UKGC) and is offered under a Casino services industry enterprise license (CSIE) issued by the Division of Gaming Enforcement (DGE) in New Jersey, along with two new class II licences for the management and hosting

"GiG is constantly enhancing and improving its products to ensure that it can continue to help its partners resolve key industry pain points."

facilities on its iGaming platform and for the production and distribution of software services in the field of iGaming in Romania. It is certified in Sweden, Spain, Germany, Iowa (USA), Argentina, Croatia, Latvia and is also compliant with internationally recognised GLI33 and GLI16 platform standards, as well as ISO27001 security standards. At GiG, we understand the importance of entering new markets for our partners' growth. Therefore we have a dedicated team of experts with extensive knowledge and experience of building iGaming solutions that comply with regulatory requirements around the globe. We ensure that our partners are fully informed of the requirements needed for a speedy and successful launch in new markets.

Product showcase

Platform

GiG's platform is at the core of its business, built for innovation, to be adaptable to change and to provide a top-class customer experience and user journey.

At GiG, user experience is at the heart of everything it builds. GiG created its platform with a unique frontend and an agnostic approach, which gives operators flexibility when it comes to choosing the content and services that best suits their audience.

Built to deliver in regulated markets, GiG's platform is integrated with the leading payment providers and is configurable with the major content providers. It boasts a unique frontend experience and is built mobile first to ensure that operators can provide their players with the same quality across all devices. Featuring real-time data, GiG's platform provides operators with instant actionable insights, which allows them to make smarter business decisions about the future.

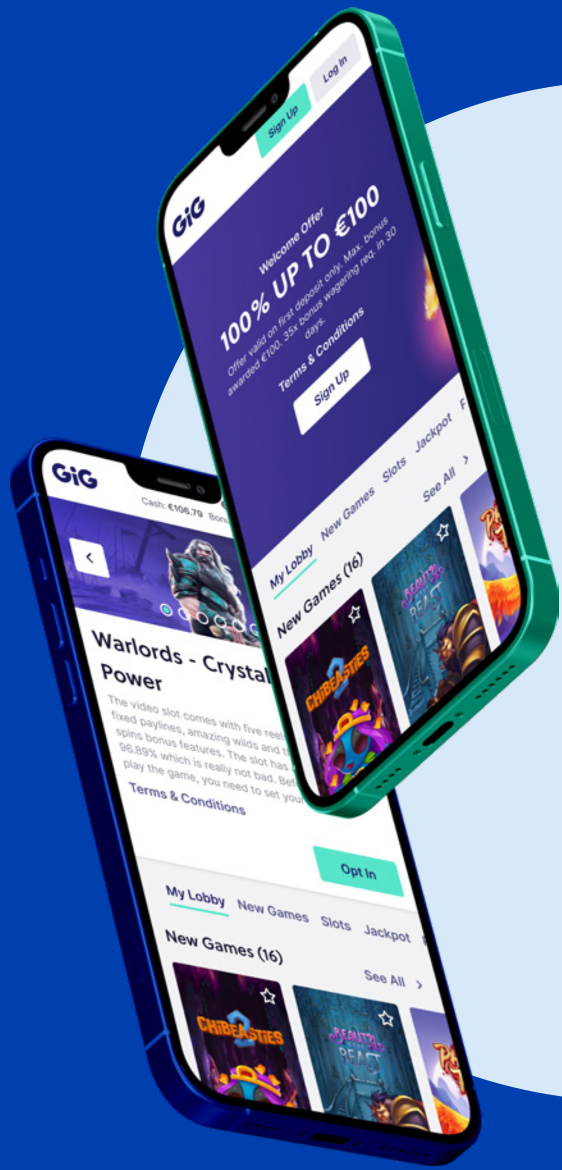
Specialising in bringing land-based operators online, through its platform, GiG offers a best-in-class omnichannel solution. Bringing together the retail and online worlds through a shared wallet and shared loyalty systems, and dual registration, providing its partners' players with a seamless user experience while moving between land-based and digital operations.

EGR B2B AWARDS 2021

WINNER 2021
Full-service platform

SBC AWARDS 2020

WINNER 2020
Multi-channel supplier



Sportnco: our sportsbook

- Acquired by GiG in April 2022, Sportnco is one of the leading platform providers of turnkey betting and gaming solutions for operators in regulated markets through its in-house developed sportsbook and PAM.

- Our proprietary sportsbook offering combines the best odds on more than 50 sports and 50,000 monthly events in the world's biggest and most popular sports leagues, allowing our partners to give their bettors the power of choice. We focus on producing the best iGaming solutions for our clients so that they can grow and develop across regulated markets worldwide. Our sportsbook is compliant with some of the strictest regulated markets in the world (France, Portugal, Spain and Greece). We pride ourselves on being flexible, we tailor our approach to our partners requirements, whether in relation to regulatory compliance, risk management, or marketing strategy, we ensure the same quality of excellence no matter the requirements. Our personalised sportsbook technology offers a complete omnichannel experience, allowing retail operators to fully embrace their digital transformation with a full turnkey solution.

Key benefits

- Dedicated trading and risk management
- Mobile and apps (native and hybrid) responsive frontend design
- Extensive knowledge and expertise on auditing requirements for regulatory authorities
- Business analysis, consultancy and marketing advisory services
- 50,000+ pre-match events per month
- 25,000+ real-time live events per month
- 600+ betting markets
- 5000+ leagues
- 50+ Sports

Omnichannel

GiG works closely with its partners to ensure that their digital transformation is a smooth process that offers players a tailored and seamless customer journey. GiG's omnichannel solution can be integrated with any casino management system allowing its partners to seamlessly combine their retail and digital offering. This not only helps to increase customer convenience but also to increase player lifetime value and retention.

The GiG omnichannel approach allows operators to support and complement their retail offering, giving them a strong presence in both the online and offline worlds, which makes them more accessible to their customers. GiG's omnichannel solution can be integrated with any casino management system allowing operators to harmoniously combine their retail and digital offering.

Some of the main benefits to GiG's omni solution is the single wallet, registration and shared loyalty system, each of which come with significant benefits to both the operator and their players. The GiG omnichannel approach adds a high level of value throughout the entire customer journey, placing our partners' customers at the centre of their brand.

Logic

GiG's real-time rules engine, Logic, allows operators to define and create actionable business rules immediately without the need for coding knowledge. With Logic, GiG's partners can optimise and tailor their processes, across all operational aspects of their organisation (retail and online), including marketing, promotions, operations and compliance. Logic enables operators to build efficiency into all of the operational aspects of their organisation, driving effectiveness.

Logic has over 100 pre-defined building blocks and processes 52 million+ messages a day.

How it works

Logic absorbs messages by reading what players are doing both offline and online through any API call. For example, If a player spins a game or makes a deposit, logic reacts in milliseconds to whatever that player is doing. The unique user Interface then allows operators to drag and drop rules and building blocks in a flow chart style design, helping them to build their logic within these messages and tailor them to their players.

Data

GiG's real-time data platform allows operators to seamlessly enhance their business intelligence giving them the power to make smarter predictions about their future. Producing detailed data, and back office reports featuring actionable insights, GiG Data enables its partners to make faster decisions across all areas of their business (land-based and retail) such as marketing, compliance and bonus promotion.

Built using AI applications, GiG Data enables forecast prediction on a granular level allowing operators to understand and analyse their players lifetime value, playing patterns, value and much more. Featuring AI loaded predictions, GiG's data platform allows operators to be proactive in their approach enabling them to access, collect and present detailed data such as responsible gaming data and information about high-value customers on-demand. This not only allows operators to identify high risk and vulnerable players and create action immediately to prevent self-executions and fraud but also to address high value players.

Frontend

GiG works closely with its partners to digitally recreate the look and feel of their on-site casino. Its frontend framework and CMS solutions work together to keep its partner's players engaged with a consistent gaming experience and enables them to continue to stand out from their competitors online as they do offline.

Through machine learning applications, GiG's feature-rich CMS automatically provides players with recommendations of games and presents them with automated promotions such as tournaments, races, automated cash-back and more. This allows operators to tailor their content and cross-sell marketing campaigns to ensure they are always in front of their players with engaging content.

Managed services

GiG's managed services solution provides operators with a tailor-made package of turnkey services to suit their individual business needs' including media services, operations services and customer relationship management. All of GiG's turnkey managed services are available from pre-launch throughout their business lifecycle, providing operators with the support needed to help manage and grow your gaming business.

Media Managed

With its Media managed service GiG takes care of its partners' digital marketing campaigns for them, to generate high-quality traffic to their site. GiG's media managed services provide a full package of the most valuable traffic sources covering all channels to make sure that every opportunity is captured (Google Ads, social media marketing, affiliation and SEO).

GiG's conversion-focused team has extensive knowledge and experience of driving results for online casinos and successfully supporting land-based casinos in their digital transformation. With its media managed services solution, GiG creates a proven acquisition model that specialises in following player journeys and focuses on customer experience, providing its partners with actionable, competitive insights to help make better decisions around your acquisition strategy.

Operations

Our dedicated and experienced operations team takes care of all operational aspects of our partners' organisation including support, compliance, risk and fraud and KYC.

GiG's first-line customer support team are highly skilled and have undergone GamCare accredited training ensuring that our commitment to responsible gaming is reflected in everything they do.

Customer relationship management section

At GiG, customer relationship management is so much more than a CRM tool, it's all about creating an integrated customer strategy that focuses on its partners' customer's journey and lifetime value. With over a decade of experience from within a B2C gaming environment, and with expert knowledge of our in-house CRM system and tools, and of its products, GiG's CRM team is always one step ahead when it comes to delivering a proactive customer relationship management approach.

Media Services

GiG offers its partners a major competitive advantage via its industry-leading global media affiliate business. GiG Media helps grow our partners iGaming business by generating qualified leads through our digital marketing channels including SEM/PPC and SoMe. Our media solution operates multiple content rich websites which empowers potential players and connects them with your online casinos or sports betting sites – helping to boost our partners profits and strengthen your business.

Our business model

GiG Media generates revenue by providing high quality leads to operators in the iGaming industry. We operate in both mature and emergent markets using different traffic generating channels working with many different partners – all to diversify our risk in the marketplace. We have several levers we can use to control our revenue and cost with the aim of securing a steady cash-flow and a prosperous EBITDA-margin.

1,000,000
words published monthly accross our portfolio of websites

Our websites receive more than **500,000** users every month

Markets and verticals

GiG Media operates within the world of casino and sport. Our presence in both verticals ensures a steady cash-flow throughout the year given the different seasonalities of casino and sport. We operate in established markets earning our bread and butter as well as in emergent markets that will supply tomorrow's revenue.

Our publishing business

GiG Media operates multiple content rich websites targeting the online casino segments and sports betting by publishing articles, reviews and more to connect users with the sites.

How does it work?

Traffic is generated when someone clicks on the links included in GiG's affiliate websites, which will then take the potential player to the affiliated casino or sportsbook. When a player signs up and starts playing with one of our affiliated partners – be it a casino or a sportsbook – GiG Media earns a percentage share of the player's value over the span of the player's lifetime.

GiG Media operates in both mature and emerging markets using different traffic generating channels working with many different partners – to diversify our risk in the marketplace.

Our paid media business

Our paid media business uses a variety of marketing channels operating as a multi-channel media house. Traffic is generated by placing ads within different marketing channels, with users from each channel being directed to an affiliate site of ours or directly to a partners site.

Search engine marketing (SEM): Ads on search engines such as Google and Bing

Social media: Facebook, Instagram and Twitter + chatbot on Messenger

Permission marketing (PM): Email and SMS controlled by a series of technology filters

Display: Banner, push notifications, interstitial, popunder and native ads

"Our paid business is extremely scalable and fast to act as opportunites open up across the world"

Our websites

WSN

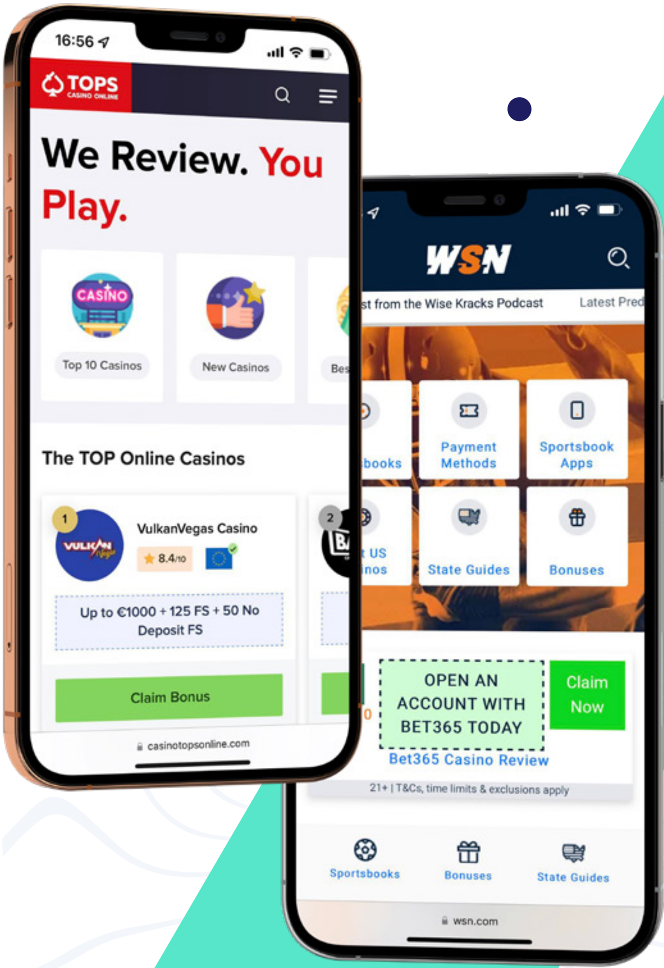
World Sports Network (WSN.com) is GiG Media's US-facing portal, providing accurate and up-to-date information about sports betting in regulated and soon-to-be-regulated states. The site features odds, predictions and picks for all major US and international sporting events, as well as betting and legislation guides, industry updates and legal sportsbook reviews. We also publish a weekly podcast series which is available on the site, all major podcast services and on YouTube!

Casinotopsonline

Casinotopsonline is our flagship casino site operating in every possible market, with dedicated languages in 10 separate markets: English, Swedish, Finnish, Brazilian-Portuguese, Spanish, Chinese, Japanese, Italian, German and Russian. Connecting millions of visitors every year with over 400 casinos, Casinotopsonline.com is one of the leading affiliate sites in the market. We cover everything from casino reviews to game reviews, strategy pages, industry news and the latest promotions and bonuses.

Active in more than 14 languages

GiG's publishing solution has global reach across the world's biggest iGaming markets.



+4 billion
Impressions generated globally through our display channels

96 Campaigns published weekly (on average) reaching users around the world on google ads

How we maintain our edge in a competitive market

Search engine optimisation is an integral part of our success in our publishing business. Our experienced team of search engine optimisation experts are dedicated to ensuring our websites have a high organic ranking in premium search engines. We provide engaging content that empowers potential players and connects them with online casinos or sports betting sites.

Dedication to details combined with an activity based costing mindset is a prerequisite for succeeding in the paid marketplace. In GiG Media we operate with a strict return-on-advertising-spend focus (ROAS) ensuring that both we and our partners profit from the players that we generate. GiG Media has developed several proprietary technology solutions to support our paid marketing activities – to name a few examples:

- Our technology allows us to understand and track our activities on a granular level
- Significantly reduces manual work hours, empowering our employees to focus on continuous optimisation
- Allows us to safeguard all of our marketing activities ensuring they are compliant and follow regulation.

AWARDS

GiG Media
Best casino affiliate 2022

GiG Media

#3 2021
Power Affiliate
Rankings

Media managed services

Our media managed service offers you a media service based on a traditional agency model. With our managed services we take care of your marketing campaigns for you to generate high quality traffic. With our main channels consisting of traditional affiliation, Google Ads, Facebook and SEO, our media as a managed services provides a full package of the most valuable traffic sources online.

Compliance

We promote responsible gambling through all of our websites and are dedicated to ensuring compliance in all our marketing materials. GiG Comply, our marketing compliance tool, was created by our media team to help safeguard your license by ensuring your digital marketing is safe and compliant.

GiG Comply

Scanning thousands of highly contagious websites at once, our compliance solution identifies a list of pages that contain your brands' adverts, which are not seen as compliant. This helps you to identify where you need to focus and tighten your efforts so that you can ensure your brand is fully

Tailored to cover market-specific legislation and advertising standards, GiG's self-service marketing compliance solution helps to manage and monitor affiliate advertising campaigns. It's easy to use compliance solution scans web pages for content such as vital iGaming code red words (Win Now) links and regulatory requirements, across multiple jurisdictions allowing operators to Identify where to rectify their affiliates marketing promotions so they can remain in control of your marketing campaigns.

GiG puts the power in its partners' hands, the flexibility built into its compliance solution enables its partners to create bespoke compliance checks that are tailor made to their needs and market. GiG Comply works by using its rules engine to analyse real snapshots from affiliate campaigns to provide operators with the promotional content that is being used in their brands promotions. Not only does this help operators ensure that they remain proactive but it also enables them to stay on top of any potential compliance threat or breach with a reactive approach.

Sustainability *Report*

Our strategic approach to sustainability:

Our people and stakeholders are at the heart of every decision we make, as are the communities in which we live and work. We want to create sustainable growth for every internal and external stakeholder. By refocusing our efforts we believe we can deliver real impact together. Building on our already solid strategic approach, we have aligned our four key pillars and development areas, with the United Nations 2030 Agenda for Sustainable Development and the 17 Goals for People, for the Planet.

Our four pillars are:

Innovation	Trust	Diversity and Inclusion	Education and ESG

SUSTAINABLE DEVELOPMENT GOALS

1. No Poverty
2. Zero Hunger
3. Good Health and Well-Being
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation and Infrastructure
10. Reduced Inequalities
11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Action
14. Life Below Water
15. Life on Land
16. Peace, Justice and Strong Institutions
17. Partnerships for the Goals

Our two sustainability objectives are broken down into clear business and people goals:

1 To be a future proof profitable business through adoption of sustainable best practices and ESG reporting, including product and service innovation, information security, safer gambling priorities, and supply chain ethics.

2 To be a people first culture, where balanced well-being is a fundamental right and intrinsically linked to our work in local communities and reducing our environmental footprint with the aim of reaching Net Zero by 2030.

Summary of key focus areas and achievements *in 2021*

Achievements 2021

Business Goal

Doubled our addressable market	By acquiring Sportnco, a leading sports betting and gaming solution provider, with significant increases in US market access.
Increased revenue	GiG closes out 2021 with a total of 25 customers on its platform, and live in 14 certified jurisdictions, with five new jurisdictions in the pipeline. The entry into new additional markets will be decided after completion of the Sportnco transaction.
Increased protection and information security for our products and customers	• Achieved recertification of ISO 27001 on all platforms and products Penetration tested all our products, and integrated automated testing in our development pipelines • Performed over 35 business impact analysis, ensuring our business continuity management system is updated and that our business continuity plans reflect our current business objectives • Implemented a supplier due diligence process and finalised the integration of a 24/7 SoC team with our business. Meaning we have visibility of our GiG servers, systems and network devices; all our Platform products; our critical Media sites; our Malta, Spain and Copenhagen Offices and our very own GiG Cloud via our SIEM
Greater compliance foothold	With GiG Comply, our proprietary compliance software has continuously gained a stronger foothold and mandate in the industry, keeping our partners compliant in regulated markets.
Gained preliminary ESG supply chain rating	Embarked upon an initial ESG supply chain rating analysis giving Net Positive observations from the top c.€28m spend; • GiG's Legacy measured c.€10.5m against substantially weighted ESG analyst data. • With 66% of spend within the software and Internet sector, meaning the measured ESG investment combined with Microsoft excellent ESG rating performance, gives GiG.com a good 58.96 ESG score.
Supported and funded safer gambling research project	Minimising Gambling Related Harm Through Cognitive Tasks and Interactive Dialogue and supporting the Gambling Research Group at Bournemouth University in their research project EROGamb 2.0

People Goal

Best practice policy implementation and updates	The right to disconnect policy, Flexi-working policy, Official well-being approach and policy, Harassment and bullying policy updates
Continuously improved our employee experience	By undertaking an internal review and audit with RSM resulting in a full implementation plan
Implemented a Diversity, Equity and Inclusion strategy	We are constantly thinking about bias and how it can impact our people. Through updating our practices and implementing new policies and initiatives we recognise, raise awareness of and address every bias including gender, nationality, ethnicity, religion, age, sexual orientation or disability, and we respect and celebrate the uniqueness of every GiGster.
Listened to our people	Through launching Annual Pulse check surveys for Stay Interviews and Have your say with 89% participation
Fully implemented HRIS Hibob	And launched 360-degree feedback and improved performance management and development programme
Created a new well-being strategy	Including quarterly workshops on personal resilience and stress management with world-renowned experts Neil Shah and the Stress Management Society
Registered GiG Gives	As an official foundation, with a renewed focus on Education and Community Outreach. Supported almost 20 charities around the world, supplied meals to a homeless shelter in Malta and donated equipment. Spent over 800 hours fundraising and supporting causes in our communities, collected over a tonne of litter from beaches and waterways and supported renowned Danish oceanographer and conservationist.
Improved recognition	With 22 teams and individuals winning GiGstars of the month and held our 2nd Annual GiGstars Awards in Dec 2021 with 360+ nominations, 34 judges, 24 finalists and 8 winners, where the prizes were focussed on improving well-being through experiences.

Key **focus areas** *for 2022*

Business Goal

GiG Comply is launching a new feature	Called Social Media Check, accommodating our clients and prospective clients who are using social media marketing platforms to push their brands and promotions. This feature will add more social media platforms throughout the year to cover this part of compliance.
Continuous improvement in all areas of Information Security	For all of GiG's platforms and products, including the focus on achieving ISO certification for Sportnco and Tecnalis products and platforms
Increase market share	Through constant assessment of market regulation and emerging market entry with GiG and Sportnco's combined resources and market reach.
Increase commercial revenue	By focusing on scalability and to have the ability to sign 25-30 customers annually, and to attract a new tier 1 client every four months. The emphasis will however be on the quality and value of each contract, rather than volume.
ESG Evolution	GiG will continue the journey, where we will look to focus upon our supply chain ethics using 16 different ESG topics (4 categories and 12 sub categories all matched to GiG's sustainability pillars)
Safer Gambling	• Annual YGAM training - GiG operations and compliance team attend a workshop on Safer Gambling • Bournemouth University. Supporting research project by attending a workshop on ''Participatory Design of transparency, and the player's journey in Responsible gambling messages'' • Participation in Safer Gambling week with iGaming European Network

People Goal

Understand and reduce bias	In the workplace through education • Launching GiG Allies- Maintaining a safe and secure community that promotes diversity, equity, and inclusion. • Gender bias workshops • Your Voice anonymous feedback tool in Hibob
Increase development opportunities	Through career pathways and a focus on L&D with performance management system
Equip our leaders	To lead by launching a leaders toolkit and creating a full leadership education programme
Improve feedback opportunities	With annual Have your say pulse check survey
Improve recognition	Quarterly and annual process called GiGstars. As of this year, Recognition will be tied to the GiGstars brand, reverted to a quarterly process and will be tied to a framework, linking specifically to a positive impact on the business.
Increase the well-being of our people	• Increased health and well-being allowance and scope with top-ups • Quarterly company well-being evaluation with personal resilience workshops and a supporting localised office and online wellbeing activities planner
GiG Gives - Bridging the gap	• Pilot scheme of our Education Incubator • Partner with one local charity in each community • Ukraine Crisis fundraising and well-being support for our impacted people
New Sustainability section	Revamp entire sustainability section on GiG.com
Full Environmental Sustainability Evaluation	Inc. Scope 1, 2 and 3 carbon emissions assessment, with the aim to implement a Global Environmental policy in 2022 and to publish our strategy to achieve Net Zero by 2030, in 2023.

The **Share**

Gaming Innovation Group has been listed on the Oslo Børs (Oslo Stock Exchange) main market since 2015, with the ticker symbol "GIG". From March 2019, it has been dual-listed on the Nasdaq Stockholm main list, with the ticker symbol "GIGSEK". GiG has Norway as its home member state.

Industry Oslo Børs: Electronic Equipment Manufacturers
Industry Nasdaq Stockholm: Technology
ISIN code: US36467X2062

As at 31 December 2021, GiG had a total number of issued shares of 96,675,626 (par value USD 1.00), divided between approximately 10,800 shareholders registered in the Norwegian VPS system and with Euroclear Sweden. All shares carry one vote. The number of authorised shares is 110,000,000 as at 31 December 2021.

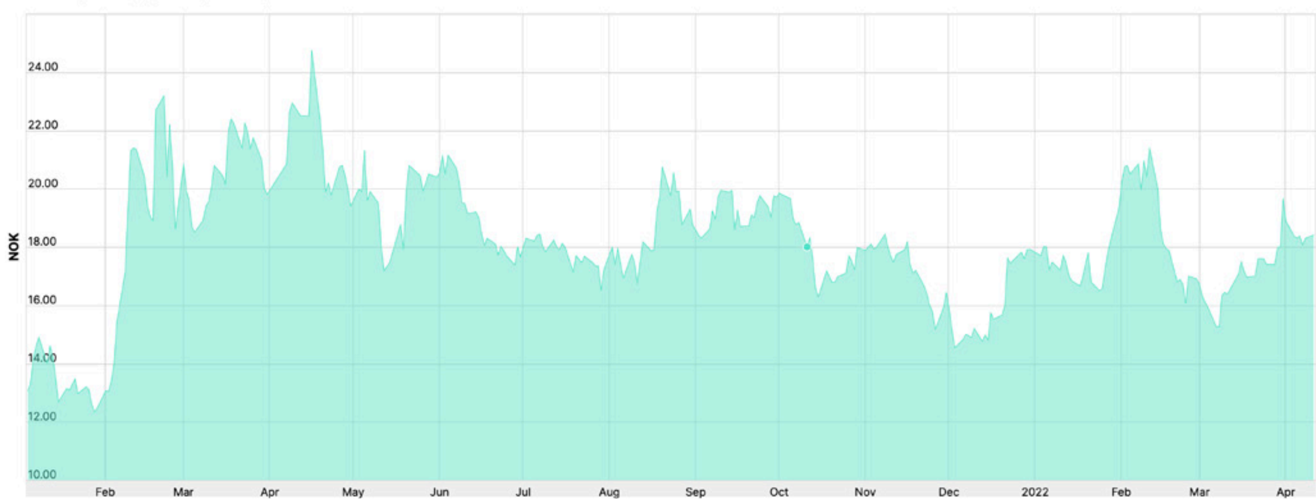
Opening share price on 4 January 2021 was NOK 12.20. Closing price on 30 December 2021 was NOK 17.92, corresponding to a market cap of NOK 1,732 million (EUR 174 million). Highest closing price was NOK 24.75 on 16 April and lowest closing price was NOK 12.34 on 28 January.

Bond Program

Gaming Innovation Group Plc. refinanced its previous 2019-22 SEK 400 million bond with a new SEK 450 million senior secured bond with a SEK 550 million borrowing limit in June 2021. The bond has a floating coupon of 3 months STIBOR + 8.5% per annum and maturity on 11 June 2024. The bond is guaranteed by GiG and certain of the issuer's subsidiaries.

In January 2022, GiG completed a SEK 100 million subsequent bond issue under the existing bond framework, to be used towards partially finance the acquisition of Sportnco and general corporate purposes. Thus, the outstanding bond amount as of today is SEK 550 million.

The 2021 bonds are listed at Nasdaq OMX Nordic in Stockholm with ISIN code: NO0011017097



2 Board of Directors' Report

Board of **directors' report**

Description of the Business

Gaming Innovation Group ("GiG" or the "Company") is headquartered in Malta. The parent in the group, Gaming Innovation Group Inc., is a US corporation incorporated in the state of Delaware, USA, and is dual listed on the Oslo Stock Exchange with the ticker symbol "GIG" and at Nasdaq Stockholm with the ticker symbol "GIGSEK".

The Company's vision is to be the industry leading platform and media provider delivering world class solutions to our iGaming partners and their customers and the mission is to drive sustainable growth and profitability of our partners through product innovation, scalable technology and quality of service. To reach this vision, GiG uses its own proprietary technology and products, offering an open and connected ecosystem of products, services and solutions benefiting end users, suppliers and operators alike.

GiG's principal activities during 2021 were the provision of online gaming services, primarily the provision of a remote gaming platform and affiliate marketing operations. The Company divested the Business-to-Consumer (B2C) segment in April 2020, and was in 2021 purely focusing on its Business-to-Business (B2B) operations divided into the following main offerings:

- Media Services - Digital marketing services
- Platform Services - Technical platform solutions to power iGaming operations
- Sports Betting Services - proprietary sportsbook

Media Services refers users across casino, poker and sports betting, mainly by operating websites that rank high in search results for specific keywords and pay-per-click advertising. The vision is to improve the touchpoints where people are finding iGaming online. This is done by highlighting educational, informational and valuable content about the industry online and by promoting best-of-breed games, operators and offerings through web portals and online campaigns. Media Services' revenues are generated through a share of perpetual revenue share agreements, cost per acquisition (CPA), or a combination of these (hybrid) and listing fees for prominent positions on Media Services' websites. Affiliate marketing has solid margins and economies of scale. Media Services is one of the leading iGaming affiliates in the industry.

Platform Services contains GiG's proprietary technical platform - player account management platform (PAM) - offering the full range of services needed for an iGaming operator. The platform is integrating application developers such as game and payment providers, who can access an ecosystem of operators through a single integration. The operator can utilise open APIs to connect its front-end website and customer management system (CMS) to the system and gain access to all the game service providers (GSPs), payment service providers (PSPs) and ancillary services including live chat, email systems, affiliate systems and CRM. All features and functionality are offered as a Software-as-a-Service (SaaS). The platform itself is fully scalable both horizontally and vertically with individual modules being scalable in anticipation of increased load. GiG has strategically positioned itself towards larger and more complex operators where the Company can support an operator across all the major parts of the iGaming value chain, including offering a seamless omnichannel solution from retail to online.

Sports Betting Services contains GiG's proprietary sportsbook, and contains the platform, the trading tools and the front end. It is a multi-tenant system, which gives scalability, speed to market and simplifies B2B management. It also gives operators the freedom to take control of their offering, choosing their odds, margins and limits for every sporting event and market, without being dependent on their supplier.

Sportnco Gaming

In December 2021, the Company signed a Share Purchase Agreement to acquire the iGaming company Sportnco Gaming SAS ("Sportnco"). Sportnco is one of the leading platform providers of turnkey betting and gaming solutions for operators in regulated markets through its inhouse developed sportsbook and PAM. The combined company will enhance and strengthen GiG's position as one of the industry leading platforms and media providers with innovative and proprietary products and creating one of the largest and fastest growing providers in regulated iGaming with an unparalleled geographical footprint.

Combined, GiG and Sportnco will be licensed in 25 markets, currently with around 55 clients, as Sportnco's geographical presence is highly complementary to GiG's current offering. Sportnco's sportsbook product is strong, and the acquisition is expected to create attractive commercial, operational, and technological synergies, as well as enable cost savings and accelerated growth.

The acquisition was completed on 1 April 2022, and the initial consideration was EUR 51.4 million, whereof EUR 23.5 million where paid in new shares in GiG and EUR 27.9 million in cash. In addition, GiG assumed EUR 18.6 million of existing debt in Sportnco and there will be an earn-out of up to EUR 23.0 million based on the Sportnco performance in 2022 and 2023.

Outlook

Media Services has seen a strong performance in 2021, and the growth in player intake and the positive developments in website rankings sustain further growth moving on. Around 95% of new FTDs are on a revenue share or hybrid deals, increasing GiG's extensive player database with perpetual revenue share. The mission to diversify revenue streams further continues by expanding into more markets and expanding the channel mix enabling Media Services to exploit the market opportunities that arise moving forward.

Platform Services continues to sign new clients and with additional brands going live with recurring revenues from new regulated markets, GiG expects a positive outlook for Platform Services through 2022. With the addition of Sportnco and their proven Sportsbook, Platform Services will emerge as a completely new and profitable business unit through 2022.

The Board of Directors is pleased with the overall development and expects the Company to continue its positive development with further growth going forward.

Operational Performance

Media Services

Media Services delivered an all-time high in revenues in 2021, up 31% from 2020, continuing the positive development over the past years. Player intake continues to be strong and reached 197,800 first time depositors (FTDs) in 2021, up 57% from 126,000 in 2020. The strong growth in player intake implies security for future revenues as most players are generated on revenue share contracts, either pure revenue share or hybrid.

Expanding into new regions resulted in a more diverse geographical spread in both revenues and FTDs in 2021, resulting in the top ten partners accounting for 49% of revenues in 2021, down from 53% in 2020. These initiatives reduced the overall operational risk and increased geographical diversification.

Paid onboarded several new operators and expanded its presence in new countries, resulting in a strong performance in both revenues and FTDs. Player intake in Paid saw significant growth in 2021, up 176% from 2020, driven by a mix of new markets and expanding current campaigns.

Publishing experienced positive search rankings in 2021. The website assets in non-core markets were consolidated and increased the focus on sports. Geographical diversification increased, reducing the risk of regulatory changes in core markets. Organic traffic to Media Services' global casino site www.casinotopsonline.com increased by 254% from 2020 to 2021.

Marketing spend increased in 2021 in line with the ambition to diversify and invest in a broader composition of markets and channels to drive sustainable long-term growth. Media Services entered into 14 new markets in 2021. Given the substantial growth and further potential within both Publishing and Paid in conjunction with new market openings via regulation, GiG will continue to invest to capitalise on the future potential in this business area.

Media Services increased its market coverage in the US in 2021, reflecting the ambition to be an influential player within this important market. During the year, licenses and registrations to do business were added in Virginia, Maryland, Washington DC, New Hampshire, Wyoming, Conneticut, Mississippi, New York and Louisiana. By year-end 2021, Media Services carried out business in 19 states with a license total of 12. GiG will continue to invest in the US to carry out the long-term strategy to claim the US market through the premium assets, wsn.com and casinotopsonline.com. US organic traffic to these assets increased by 90% and 148% in 2021 compared to 2020.

GiG's proprietary compliance tool, GiG Comply, is based on proprietary technology and monitors advertising partners towards regulatory bodies to ensure compliance. GiG Comply signed six new clients in 2021 and re-signed 17 existing clients continuing the positive developments for GiG Comply. A total of 23 clients were live by the year-end of 2021. The focus on compliance in the iGaming industry is high, and the outlook for GiG Comply is positive. Other industries see increased marketing compliance, and GiG Comply can be expanded into new verticals.

Revenues and EBITDA

Revenues for Media Services were EUR 45.0 million in 2021, increasing 31% from EUR 34.3 million in 2020. The revenue split was similar to 2020. 62% of revenues in 2021 came from revenue share (62% in 2020), 14% from CPA (12%) and 24% from listing fees and other services (26%).

Publishing revenue grew by 37% in 2021, while Paid grew by 67%. Paid represented 29% of Media Services revenues in 2021 compared to 25% in 2020, adding to the improvement of the long-term sustainability of Media Services' business.

Both within Publishing and Paid, Media Services has significantly increased the marketing spend in 2021 - nearly doubling total marketing spend compared to 2020 - reflecting GiG Media's continued ambition to grow and diversify revenue investing in a broader composition of markets. Marketing costs were 24% of Media Sercvices' revenues in 2021, an increase from 18% in 2020.

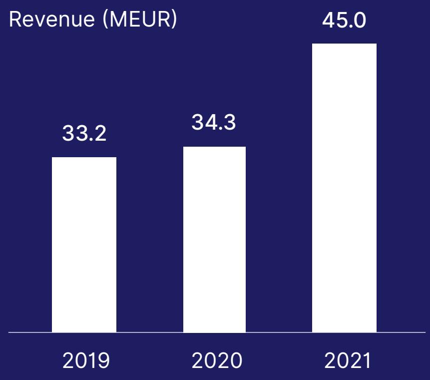
Media Services referred 197,800 new FTDs to operators in 2021, a 57% increase from 126,000 in 2020. The increase was split with 176% in Paid and 15% in Publishing. As nearly all players are on a deal with a revenue share component (either full revenue share or hybrid), the high increase in player intake in 2021 is conducive to further revenue growth in 2022.

EBITDA for Media Services was EUR 20.9 million in 2021 with an EBITDA margin of 46%, compared to EUR 17.5 million (51%) in 2020.

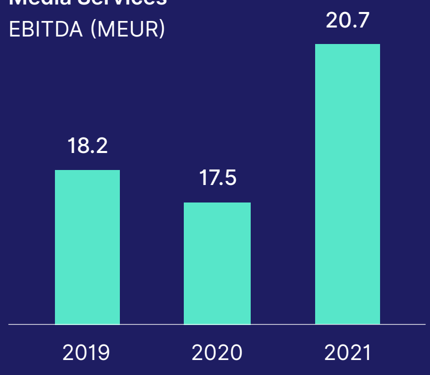
Strategy

Media Services will continue to expand its global footprint to diversify the business to drive sustainable long-term revenue growth and increase the share of revenue stemming from outside its core markets in both Publishing and Paid. Focus points for Media Services have been and continue to be optimising the creation of website assets, the conversion of traffic and the monetisation of players generated while constantly improving SEO, content management and tech development. This work has been rewarded in recent search engine algorithm updates for Media Services websites, signalling further growth going forward.

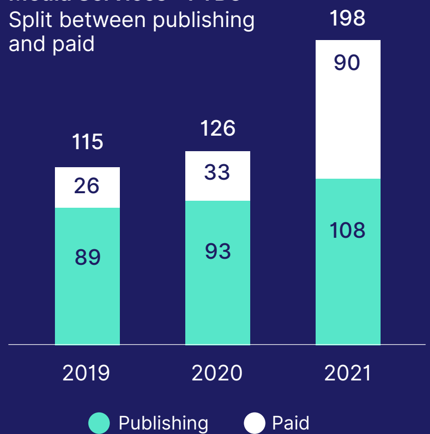
Media Services
Revenue (MEUR)



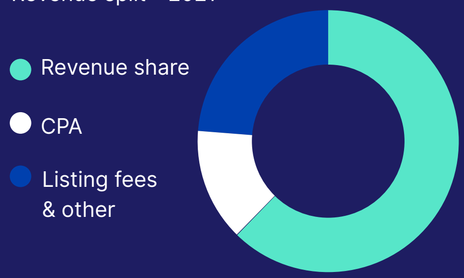
Media Services
EBITDA (MEUR)



Media Services - FTDs
Split between publishing and paid



Media Services
Revenue split - 2021



Platform Services

Platform Services offers a full turnkey solution across the main verticals in iGaming, including fully managed services. All products and services can also be sold separately as modular sales. The addressable market includes strong brands in segments such as retail and landbased casinos with whom GiG can partner for the long term to support growth in the digital space. Target markets are regulated or soon-to-be regulated markets, including regions such as the US, Eastern Europe, Latin America and Africa.

The sales pipeline for Platform Services developed positively and GiG signed nine new clients in 2021. Six brands went live in 2021 and another two where development complete at year end, pending clients' decision to launch. Hard Rock International migrated off the platform in 2021, in addition to the termination of two white-label brands during the year. At year-end 2021, existing live customers were 23, with an integration pipeline standing at nine brands for launch in 2022.

GiG's platform launched into the regulated markets in Romania, Latvia and Argentina (Buenos Aires) in 2021, and were certified in 14 regulated markets year-end 2021. The current pipeline will add another five new regulated markets, expected in 2022. The acquisition of Sportnco Gaming adds another 11 new markets and enable cross selling for both platforms.

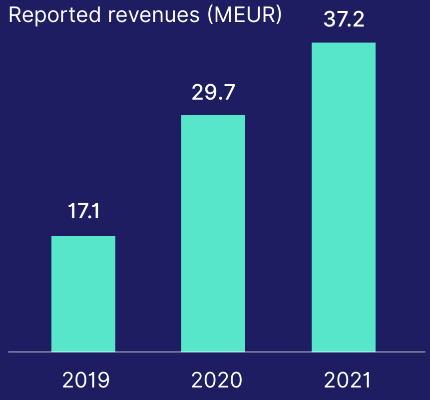
GiG focuses on security in all aspects of its operations, and the data platform has been ISO 27001 certified since 2018. In 2021, GiG completed the re-certification of the ISO 27001 registration and added sports to the registration, and is now ISO 27001 certified across front end development, content management system, core, logic, data and sports, The certification covers development, infrastructure, network configuration and associated product operations as well as backend gaming services hosted on GiG's infrastructure.

GiG decided to terminate the white-label model in 2020 and move successful clients to Software-as-a-Service (SaaS) agreements. In the white-label model, the clients operates on GiG's gaming licenses, with several operational functions being handled by GiG. The shift reduces the legal exposure and potential risks related to sanctions from regulators due to clients' behavior. Only three brands remained on white-label agreements at the start of 2021, and as of today, one client remains on a semi white-label agreement pending final regulation of their core market.

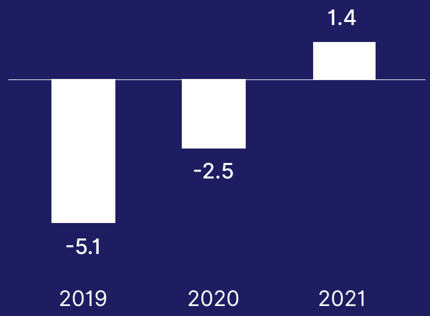
During the first quarter of 2021 GiG completed the migration of all existing clients to the new data platform allowing the old platform to be decommissioned. This allowed GiG to remain at the forefront of the industry in offering real time reporting and artificial intelligence tools to ensure that GiG's clients are able to manage their businesses in the most efficient way. This also ensures that end users, via our B2B customers, are protected in the best way possible as those B2B customers can take advantage of our industry leading features including those we offer for responsible gambling. The new data platform also reduced the operating costs.

Work continued during 2021 on the re-write of modules of the

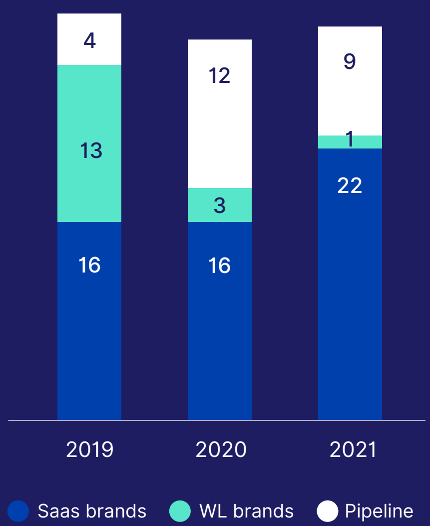
Platform Services
Reported revenues (MEUR)



Platform Services
EBITDA (MEUR)



Platform Services
Brands on the platform year-end



Core platform. This work will continue in 2022 and 2023. These enhanced modules are deployed as the development is completed in a seamless manner to improve the client experience on an ongoing basis. GiG's infrastructure was further optimised following the move to a hybrid cloud model. This work continues ongoing in parallel with the work to re-write modules, as part of the process it will allow flexibility to use the public cloud more effectively.

Revenues and EBITDA

Revenues for Platform Services were EUR 37.2 million in 2021, a 25% increase from EUR 29.7 million in 2020. Included are revenues from a platform client where GiG recognizes the full operations in the profit and loss statements and these revenues are partly offset by related cost of sales and site overhead expenses. By assuming standard white-label agreement accounting principles, normalised revenues for Platform Services were EUR 21.4 million in 2021, a 13% increase from EUR 18.9 million in 2020.

Due to the termination of the white-label model, revenues from white-label agreements decreased by 49% in 2021 compared to 2020 while revenues from SaaS agreements and other revenues increased by 74% in 2021 compared to 2020. In addition, the reduction of white-label clients had a positive effect on operating expenses. The regulatory changes in Germany had a negative effect on Platform Services' revenues of EUR 3.2 million in 2021 compared to 2020.

The implementation of the initiatives to reduce tech and infrastructure related expenses were fully implemented in 2021, and tech expenses for Platform Services decreased by 46% in 2021 compared to 2020.

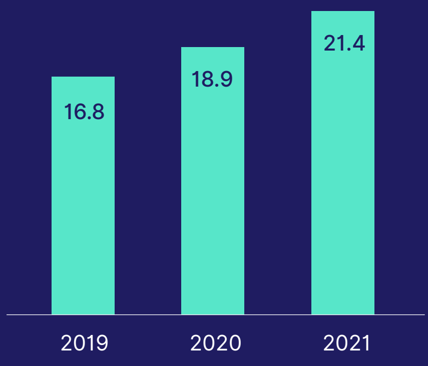
EBITDA showed a positive development through the year and for the full year 2021, EBITDA for Platform Services ended at EUR 1.4 million, a 155% improvement from EUR -2.5 million in 2020.

Aggregated gross gaming revenue (GGR) through the platform in 2021 was EUR 408 million, an 18% increase from EUR 345 million in 2020. Some Platform clients are on fixed fee contracts, thus GGR will not fully correlate with revenues over time.

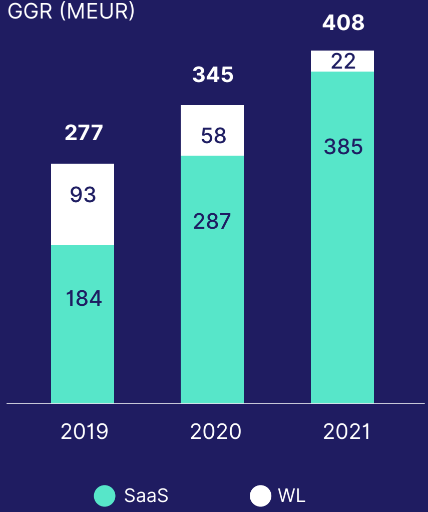
Strategy

Platform Services is well positioned as a turnkey and fully managed service provider across the main verticals in iGaming, and the position has strengthened through the acquisition of Sportnco. The addressable market is large and 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. Platform Services has achieved a sustainable cost level to onboard 10-15 new clients per year, with limited additional cost needed. New clients operational on the platform give a higher operational margin as revenues increases in parallel with existing live brands gaining further market share.

Platform Services
Normalised revenues (MEUR)



Platform Services
GGR (MEUR)



Sport Betting Services

GiG's Sports Betting Services contains GiG's proprietary sportsbook that is offered to GiG's platform clients. In 2021, five brands operated with GiG sportsbook including the US, where the product was live in two states including omni-channel online gambling services across both casino and sportsbook.

With the acquisition of Sportnco, GiG's sportsbook will be phased out as a standalone product and Sportnco's sportsbook is expected to be the preferred product going forward. GiG has a vision to offer a sportsbook agnostic platform and will consider integrating third-party sportsbooks in conjunction with GiG's own propriety platform solutions to broaden the potential client base.

Revenues from Sports Betting Services were EUR 0.4 million in 2021, compared to EUR 0.8 million in 2020. The sportsbook has been operated with a sustainable cost base in 2021, and EBITDA ended at EUR -1.3 million, a significant improvement from EUR -3.7 million in 2020.

B2C Gaming Operators

Up until April 2020, GiG offered Business-to-Consumer (B2C) Casino and Sports Betting Services through in-house brands, all using GiG's Platform Services and operating on GiG's own licenses. In April 2020, the Company's B2C vertical was divested to enable sole focus on building GiG's B2B business. The aim of this evolved strategy was to reduce complexity and cost, unleash shareholder value and a sustainable financial performance.

Financial Performance

Revenues

Consolidated revenues amounted to EUR 82.6 million in 2021. This is a 31% increase from EUR 63.0 million in 2020. Reported revenues include revenues from a platform client where GiG recognizes the full operations in the profit and loss statements and these revenues are partly offset by related cost of sales and site overhead expenses (included under marketing). See Note 35 in the Consolidated Financial Statements for more details. Adjusted for these, normalised revenues were EUR 66.8 million for the full year 2021, a 28% increase from EUR 52.2 million in 2019. The increase results mainly from the positive development in Media Services together with onboarding of new customers in Platform Services.

Cost of Sales

For the full year 2021, cost of sales amounted to EUR 4.6 million, an increase of 54% from EUR 3.0 million in 2020, whereof EUR 4.1 million (EUR 2.6 million in 2020) was related to the platform client mentioned above.

Gross profit

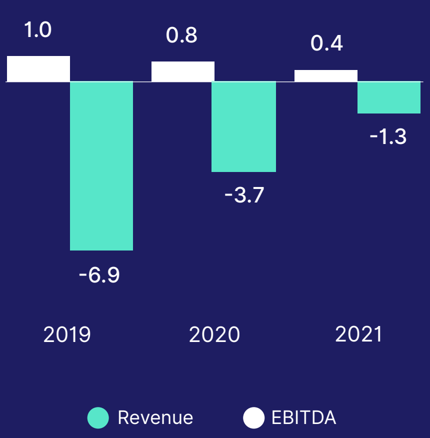
Gross profit amounted to EUR 78.0 million in 2021, an increase of 30% from EUR 60.1 million in 2019. The gross profit margin was 94% compared to 95% in 2020. Adjusted for the platform client, normalised gross profit amounted to EUR 66.3 million, an increase of 28% from EUR 51.8 million in 2020, with a gross profit margin of 99% (99% in 2020).

Operating expenses

Personnel expenses were EUR 22.1 million in 2021, a decrease of 13% from EUR 25.3 million in 2020. Capitalised expenses related to the Company's development of technology and future products amounted to EUR 8.0 million in 2021, compared to EUR 4.4 million in 2020, and are amortised over three years. These costs are mainly related to the development of GiG's platform products.

Marketing expenses were EUR 23.0 million in 2021, an increase of 54% from EUR 14.9 million in 2020. Adjusted for the platform client, marketing expenses were EUR 11.2 million, an increase of 70% from EUR 6.6 million in 2020. Normalised marketing expenses share of total revenues was 17% in 2021

Sports Betting Services
Revenue and EBITDA (MEUR)



compared to 13% in 2020. Marketing expenses mainly consist of payment for traffic in Paid Media.

Other operating expenses are mainly related to technology and general corporate purposes and amounted to EUR 12.2 million in 2021, an increase of 34% from EUR 9.1 million in 2020. The increase is mainly related consultancy costs due to resigning employees have been replaced by individuals on a consultancy agreement in order to obtain more cost flexibility. Expenses related to technology reduced by 44% compared to 2020.

Depreciation and amortisation

Depreciation and amortisation amounted to EUR 14.6 million in 2021 compared to EUR 19.4 million in 2020, whereof depreciation was EUR 1.7 million (EUR 2.3 million in 2020).

Amortisation related to the affiliate acquisitions completed in 2015-2017 were EUR 4.3 million in 2021, a decrease of 41% from EUR 7.3 million in 2020. Acquired affiliate assets have been conservatively amortised over 3 years for customer contracts and 8 years for domains/SEO. The amortisation of customer contracts were completed in 2020. In 2021, the estimated useful lives of media domains were revised to reflect the re-assessed value of such assets, see Note 9 in the Consolidated Financial Statements.

Amortisation of capitalised development expenses were EUR 5.0 million in 2021, a decrease of 10% compared to EUR 5.6 million in 2021. Depreciation expense related to IFRS 16 was EUR 2.6 million in 2021 compared to EUR 2.7 million in 2020.

Operating result

Operating profit was EUR 6.2 million in 2021, compared to a loss of EUR -8.7 million in 2020. The improvement results from improved operational performance and lower amortisation.

Other income/(expense)

Net other expenses for 2021 were EUR -6.3 million, compared to EUR -6.9 million in 2020. The interest expense on the Company's bonds were EUR -4.8 million in 2021, compared to EUR -4.2 million in 2020. As part of the refinancing of the bond process, the Company incurred EUR 1.0 million in transaction fees in 2021. Included in other income/expense is a net unrealised foreign exchange gain of EUR 1.1 million in 2021 on the bond due to the weakening of the SEK towards the EUR during 2021, compared to a loss of EUR -0.7 million in 2020.

Interest expense related to leases was EUR -0.9 million in 2021 compared to EUR -1.0 million in 2020.

Tax

GiG had a net tax income of EUR 0.5 million in 2021, compared to a net tax expense of EUR -0.3 million in 2020. This includes recognition of a deferred tax asset as a result of a reassessment of prior year taxable losses that is expected to be utilised in the coming years. Taxes are paid for the Company's operations in Spain, Norway and Denmark where inter-company agreements include satisfactory transfer-pricing mechanisms.

Net result

The net income from continuing operations was EUR 0.4 million in 2021, a significant improvement from a loss of EUR -15.9 million in 2020.

Discontinuing operations

The loss from discontinuing operations was EUR -0.5 million in 2021, compared to loss of EUR -1.8 million in 2020.

Loss for the year was EUR -0.1 million in 2021, compared to a loss of EUR -17.7 million in 2020.

Earnings per share

The weighted average number of shares outstanding was 94.0 million in 2021 and 90.0 million in 2020. Basic and diluted loss per share was EUR 0.00 in 2021 compared to EUR -0.20 in 2020.

Financial position

Assets

As at 31 December 2021, GiG had total assets of EUR 87.7 million, compared to EUR 93.2 million as at 31 December 2020. The largest asset on the balance sheet relates to intangible assets of EUR 31.7 million (EUR 33.0 million in 2020), which mainly comprises goodwill generated through business combinations, development on technology platform as well as affiliate assets acquired.

Goodwill was EUR 16.3 million both as at 31 December 2021 and as at 31 December 2020. Goodwill arises from the acquisition of Rebel Penguin and the reverse Nio/GiG merger in 2015.

Intangible assets include EUR 9.3 million in capitalised development expenses (EUR 5.9 million in 2020). Acquired affiliate assets are included with EUR 21.2 million in domains/SEO (EUR 25.0 million in 2020).

Current assets as of year-end 2021 included EUR 17.6 million in trade and other receivables, all related to ongoing operations (EUR 15.7 million as of year-end 2020). Included is cash in transit from payment providers amounting to EUR 0.7 million (EUR 0.6 million in 2020).

Cash and cash equivalents amounted to EUR 8.6 million as at 31 December 2021, compared to EUR 11.5 million as at 31 December 2020. Customer monies that are held in fiduciary capacity amounted to EUR 1.6 (2.5) million, which are partly secured by balances with payment providers and partly by cash balances.

Equity

Total equity was EUR 11.9 million as at 31 December 2021, with an equity ratio of 14%, an improvement from EUR 3.6 million as at 31 December 2020 (4% equity ratio).

Liabilities

Significant liabilities in the Company's balance sheet include trade and other payables and the bond. Trade payables and accrued expenses amounted to EUR 20.1 million as at 31 December 2021, a decrease from EUR 24.9 million as at 31 December 2020, mainly due to less restricted cash as a result of discontinuation of white-label model and settlement of overdue payables, as well as the exhaustion of prepaid platform fee related to the sale of B2C assets.

The Company's SEK 450 million 2021-2024 bond is included under long-term liabilities with EUR 38.9 million and EUR 3.9 million under current liabilities, an amount equal to interest payments for 2022.

Lease liabilities as per IFRS 16 are included with EUR 3.2 million under current liabilities and EUR 9.4 million under long term liabilities.

Total liabilities amounted to EUR 75.7 million as at 31 December 2021, a reduction from EUR 89.5 million as at 31 December 2020.

Cash flow

The consolidated net cash flow from operating activities amounted to EUR 12.6 million in 2021, compared to EUR 17.7 million in 2020. Included in the net cash flow from operating activities are changes in operating assets and liabilities. Cash flow from operations are negatively affected with EUR 7.7 million by the prepayment of platform fees in connection with the sale of the B2C segment in April 2020.

The net cash used for investment activities was EUR -9.2 million in 2021, compared to EUR 14.6 million in 2020, whereof EUR 8.6 million were capitalised development expenses (EUR 6.6 million in 2020). The disposal of the B2C segment in April 2020 was included with EUR 22.3 million in 2020.

Cash flow used for financing activities for 2021 amounted to EUR -6.3 million (EUR -25.2 million in 2020), whereof interest paid on bonds were EUR -3.8 million (EUR -4.5 million in 2020) and lease payments of EUR -3.0 million (EUR -3.2 million in 2020). The refinancing of the Company's bond in June resulted in a net cash infusion of EUR 2.8 million. Cash flow from financing activities for 2020 included the EUR -27.8 million repayment of the Company's 2017-2020 bond in April 2020 and EUR 8.5 million in proceeds from the convertible loan in December 2020.

Cash and cash equivalents decreased by EUR -2.9 million in 2021, compared to an increase of EUR 6.9 million in 2020.

Summary

The Board of Directors proposes that the Company's net loss shall be covered by other equity. The Board of Directors confirms that the financial statements have been prepared based on the assumptions of a going concern. In our opinion, the consolidated financial statements present, in all material respects, the financial position of Gaming Innovation Group Inc. and subsidiaries, as of 31 December 2021. For more information, see the attached 2021 Consolidated Financial Statements with accompanying notes.

Corporate Governance

The Board of Directors has, to the best of its knowledge, ensured that the Company has implemented sound corporate governance, and that the Board of Directors and management comply with the Norwegian Code of Practice for Corporate Governance and the Swedish Corporate Governance Code. Adherence to the Codes is based on the "comply-or-explain" principle; a detailed description of the Company's adherence to the Codes is included on page 49 of this annual report.

Bonds

In June 2019, Gaming Innovation Group Plc. issued a SEK 400 million senior secured bond with maturity in June 2022. In June 2021, the 2019-22 bond was refinanced through the issuance of a new 3-year SEK 450 million senior secured bond with more favourable terms and a SEK 550 million borrowing limit. The new bond has a floating coupon of 3 months STIBOR + 8.50% per annum and is listed on Nasdaq Stockholm.

As at 31 December 2021, the outstanding bond amount was SEK 450 million (EUR 42.6m). The leverage ratio as per the bond terms was 1.9 as at 31 December 2021, compared to 2.8 as 31 December 2020.

To cater for the acquisition of Sportnco, certain amendments including the rollover of the existing long-term loans in Sportnco, was approved by the bondholders in January 2022. Also in January 2022, GiG completed a SEK 100 million subsequent bond issue under the existing bond framework, to be used towards partially finance the acquisition of Sportnco and general corporate purposes. Thus, the outstanding bond amount as of today is SEK 550 million.

Shareholder Matters

Gaming Innovation Group Inc. is dual-listed on the Oslo Stock Exchange, Norway, with the ticker symbol “GiG”, and on Nasdaq Stockholm with the ticker symbol “GIGSEK”. The ISIN code for the share is US36467X2062.

As at 31 December 2021, the total number of shares outstanding in GiG was 96,675,626 (par value USD 1.00), divided between approximately 10,800 shareholders registered in the Norwegian VPS system and with Euroclear Sweden.

The Annual Meeting of Shareholders in May 2021 resolved to increase the number of authorised shares which the Company is authorized to issue from 100,000,000 to 110,000,000. A Special Meeting of Shareholders in January 2022 approved to further increase the number of authorized shares from 110,000,000 to 150,000,000 to allow for the share issues in relation to the acquisition of Sportnco. The shareholders also approved to increase the number of board members and to authorize the board to appoint a new member to the Board of Directors.

The Company entered into a EUR 8.5 million convertible loan agreement in December 2020. In May 2021 it was agreed with the lenders to convert the loan to lower the overall leverage ratio and strengthen the balance through increased equity. On 28 May 2021, 6,600,000 new shares were issued at a share price of NOK 15 per share covering the outstanding loan, accrued interest and a fee for early termination.

In January 2021, 1,500,000 options were granted to key employees. The exercise price is NOK 15.00 per share, and the options vests over three years with expiry on 31 December 2026 and are conditional upon employment at time of exercise. A total of 1,720,000 options were outstanding as at 31 December 2021.

In February 2022, 1,700,000 options were granted to key employees. The exercise price is NOK 22.00 per share, and the options vests over three years with expiry on 31 December 2027, and are conditional upon employment at time of exercise.

In December 2021, GiG entered into an agreement with SkyCity Entertainment Group Limited (“SkyCity”), whereby SkyCity agreed to invest EUR 25 million in GiG through a directed share issue at NOK 18.00 per share, to finance the main part of the cash consideration for the Sportnco acquisition. On 1 April 2022, GiG completed the acquisition of Sportnco, and 26,110,900 new shares were issued, whereof 13,487,500 to SkyCity and 12,623,400 to the previous owners of Sportnco.

As of the date of this report, the Company has 150,000,000 authorised shares, whereof 122,786,526 are issued and outstanding. In addition, a total of 3,420,000 options are outstanding. For more details on shares and options, see Note 22 in the Consolidated Financial Statements.

Board of Directors and Management

From 1 January 2021, the Company’s Board of Directors comprised five members with Petter Nylander as Chairman and Helge Nielsen, Henrik Persson Ekdahl, Nicolas Adlercreutz and Kjetil Garstad as Directors. The Annual Meeting of Shareholders held in May 2021 resolved that the Board of Directors should consist of six members and resolved to re-elect Petter Nylander as Chairman of the Board and to re-elect Helge Nielsen, Henrik Persson Ekdahl, Nicolas Adlercreutz and Kjetil Garstad as Directors and to elect Kathryn Moore Baker as new Director of the Board.

In April 2022, Michael Ahearne was appointed as new director, representing SkyCity, and the Board now consist of seven members.

The Company has an audit committee consisting of Nicolas Adlercreutz (committee chair) and Kjetil Garstad, and a remuneration committee consisting of Petter Nylander (committee chair) and Henrik Persson Ekdahl.

Mr. Ahearne is related to SkyCity, that holds 11.0% of shares in GiG. The remaining six board members are independent of the Company’s large shareholders and all board members are independent of senior management. In the opinion of the Board, the composition of the Board of Directors responds to the Company’s needs for varied competency, continuity and changes in ownership structure.

None of the directors hold any options or are entitled to any severance payment upon termination or expiration of their service on the Board. For details about compensation to board members and senior management, see Note 30 in the Consolidated Financial Statements.

Board of Directors' and Management's shareholdings

The following table shows the number of shares, options and warrants held by the members of the Board of Directors and top management of GiG and close associates, or companies controlled by the Board of Directors or the management, as at 31 December 2021:

Name	Position	Shares	Options
Petter Nylander	Chairman	119,800	-
Henrik Persson Ekdahl	Director	4,896,125	-
Helge Nielsen	Director	1,026,000	-
Nicolas Adlercreutz	Director	22,500	-
Kjetil Garstad	Director	334,531	-
Kathryn Moore Baker	Director	20,000	-
Richard Brown	CEO	121,000	110,000
Tore Formo	Group CFO	458,167	60,000
Ben Clemes	CIO	1,907,146	60,000
Chris Armes	CIO	-	210,000
Justin Psaila	CFO	2,100	132,000
Jonas Warrer	CMO	400,886	60,000
Claudia Ginex	CPO	-	60,000
Claudio Caruana	General Counsel	100	60,000

People and Environments

GiG's headquarter is in Malta with operations in Denmark and Spain as well as some satellite offices. At the end of 2021 the employee count totaled 468, compared to 458 employees at the end of 2020. Approximately 230 contributed towards Platform Services, 145 into Media Services and 20 in Sports Betting Services with the balance in corporate functions. The acquisition of Sportnco in April 2022 has added around 130 employees with office presence in Toulouse (France), Madrid and Barcelona (Spain).

The post pandemic employment scenario is allowing a wider talent search and is providing a good opportunity for the Company to strengthen outsourcing agreements in order to supply talent in a scalable and longer-term sustainable way. At present, GiG collaborates with approximately 50 full time consultants (based across Europe and USA) and almost 100 outsourced resources dedicated to tech departments for the delivery of key projects.

GiG is a people first organisation, where the health and well-being of its workforce comes before anything else. After a year of restrictions, the Company implemented a new flexi-working approach in 2021, giving much needed stability to employees and the ability to improve their work-life balance, whilst ensuring that productivity remains high. For more information, see the sustainability section on page 21.

Internal control and risk management

The Board of Directors is responsible for the internal control, and has established policies, procedures and instructions related to risk management and internal control. These documents are distributed to the relevant employees and other stakeholders and it is mandatory for all employees to read, understand and sign off on Company policies and to comply with the code of conduct. The internal control framework is a direct result of continuous risk management processes, which take into consideration the Company's business operations, as well as the external environment in which GiG operates.

The CEO and Group CFO are responsibility for managing issues concerning insider information and monitoring the Company's IR function.

Risks

The Company faces different risk factors, see details on pages 40-41 and in Note 2.1 and Note 33 in the Consolidated Financial Statements.

COVID-19

The COVID-19 virus spread across the world in 2020 and caused disruption to businesses and economic activity. GiG's customers are operating in the online gambling industry, which is affected by general economic and consumer trends outside GiG's and its customers' control. The occurrence of extraordinary events, such as COVID-19, has an adverse impact on the global economy, and may lead to a global recession.

So far, the Company's operations has not been materially negatively affected by COVID-19 and GiG has applied a work from home policy, operating in a work from home and hybrid office set up allowing, when possible and safe, to employees to work from the company's facilities which are constantly sanitised and respectful of all local and WHO's protocols and regulations. Given the inherent uncertainties, it is difficult to ascertain the longer term impact of COVID-19 on the Company's operations, or to provide a quantitative estimate of this impact.

Directors' Responsibility Statement

Today, the Board of Directors and Chief Executive Officer reviewed and approved the Board of Directors' report and the consolidated financial statements of Gaming Innovation Group Inc. and Subsidiaries, and the Company financial statements for the year ended 31 December 2021. The Company's consolidated financial statements have been prepared in accordance with IFRS.

We declare that, to the best of our knowledge, the consolidated financial statements of Gaming Innovation Group Inc. and Subsidiaries, and the Company financial statements for the year ended 31 December 2021 have been prepared in accordance with prevailing financial reporting standards, and that the consolidated financial statements of Gaming Innovation Group Inc. and Subsidiaries, and the Company financial statements for the year ended 31 December 2021 give a true and fair view of the assets, liabilities, financial position and results of operations as a whole for the group and parent company.

We also declare that, to the best of our knowledge, the Board of Directors' report provides a true and fair review of the development and performance of the business and the position of the group and parent company, together with a description of the most relevant risks and uncertainties the Company is exposed to, and that any description of transactions with related parties are correct.

The Board of Directors of Gaming Innovation Group Inc.

21 April 2022

Petter Nylander
Chairman

Helge Nielsen
Director

Henrik Persson Ekdahl
Director

Kathryn Moore Baker
Director

Kjetil Garstad
Director

Nicolas Adlercreutz
Director

Richard Brown
CEO

Risks

Risk Factors

Financial

The continuation of the Company as a going concern is dependent on its ability to generate revenues and profits from its operations and its ability to raise sufficient funding to meet any short-term or long-term needs. There is no assurance that the Company will be profitable in the future, which could obstruct the raising of new capital, if necessary. In addition to the above, the Group faces the risk that customers are not able to pay for the services rendered when these falls due.

Competition

The Company faces competition from current competitors, as well as potential new competitors, which could result in loss of market share and diminished profits for its operations. The Company's main markets are characterised by technological advances, changes in customer requirements and frequent new product introductions and improvements. As well as a positive cash flow, the Company's future success will depend on its ability to enhance its current products, maintain relations with existing and new providers, and develop and introduce new products, services and solutions. In addition, there is risk associated with the marketing and sale of new products.

Customer development

The top 10 customers represent around 50% of total revenues in 2021. The performance of the customers and market-related dynamics have an impact on the Company's performance. GiG seeks long-term partnerships with its customers and is reliant on the strength of the relationship and service to its customers as an asset.

Unsuccessful Integration of SportNCo

The Company believes that the acquisition of SportNCo Gaming SAS will result in certain benefits, including expand market coverage, grow client base, certain cost synergies, drive product innovations, and operational efficiencies. However, to realize these anticipated benefits, the businesses of GiG and that of SportNCo must be successfully integrated. The success of the acquisition will depend on the Group's ability to realize these anticipated benefits from combining the businesses of the Group and SportNCo. The Group may fail to realize the anticipated benefits and not benefit from the economies of scale anticipated.

Regulation

Gaming Innovation Group Inc. is a holding company and does not conduct any operations itself. Through its subsidiaries, GiG is active in a highly regulated online gaming market as well as several markets which are not yet regulated. Depending on the regulatory structure of a given jurisdiction, GiG may require licences to offer its various services, may become subject to pay licence or regulatory fees or become subject to additional taxes. It may be the case that a market which is of significant importance to GiG and which is presently unregulated becomes subject to commercially unfeasible or unfavourable regulation or fiscal regimes which could be to the detriment of GiG. Any changes in regulations, laws, or other political decisions in the jurisdictions where the Company operates, may have a positive or negative effect on its operations.

Where GiG acts as a B2B supplier, regulatory risks as described above are still indirectly applicable to GiG as GiG's main source of income is generated through revenue sharing arrangements with operators.

The Company's continuing international expansion brings further complexity to its multijurisdictional regulatory position and its task to fulfil regulatory requirements.

B2B

GiG conducts B2B (Business-to-Business) activities through the offer of its in-house-developed online gaming platform software (PAM) and sportsbook platform. The software has been certified as compliant with laws and regulations of Malta, Spain, New Jersey, Iowa, Greece, France, Sweden, Latvia, Romania and Croatia.

One of the B2B activities carried out by GiG involves the provision of white-label services to SkyCity, whereby gaming activities are carried out in reliance of licences held by GiG, placing GiG accountable for regulatory compliance affairs of the relevant brands. Following the divestment of its B2C segment, together with the de-risking strategy to discontinue the white-label model carried out during 2020, GIG is less directly exposed to legal and compliance risks associated with gaming operations.

GiG's B2B services described above are carried out in a highly regulated and supervised environment, where the pace of change is fast, and regulatory demands on aspects such as social responsibility are ever evolving and becoming more stringent. Even where GiG does not operate on the strength of its own licences or may not be directly subject to regulation, GiG may be contractually responsible to satisfy the compliance requirements applicable in the markets in which its gaming platform is in use or where its operations managed services are used. The failure to meet the requirements whether through technical incident, fault or negligence may lead to financial or regulatory repercussions for GiG.

Affiliate marketing

GiG conducts affiliate marketing activities, by directing internet users to online gaming websites through various group-owned websites. Affiliate marketing business is currently not subject to directly applicable gaming laws and regulations in most markets where GiG is active, however such are applicable by extension and through laws and regulations which are applicable to operators who are clients of GiG. Certain markets may enact legislation which may restrict marketing activities, including affiliation, and rules may also be adopted to prohibit commercial model generally adopted to compensate for affiliate referrals, including GiG,

GiG currently holds authorisations to carry out its affiliate marketing activities in 10 US states, holds a Class II licence from ONJN of Romania and a licence from the Hellenic Gaming Commission.

The affiliate business generates most of its revenues from users received from internet searches and any changes in the way internet searches are regulated or carried out may impact this activity.

IT systems

GiG is dependent on the stability and the correct performance of its systems. Failure can result from bugs, errors (including fault and negligence based errors), capacity amongst others. Failure could have an adverse effect on the business and financial performance. Consequences of an IT failure range from direct loss of revenue, penalties or sanctions, compensation by way of service credits, compensation by way of damages or through indemnification to clients of GiG's B2B services. There are systems put in place to detect and prevent adverse effects should they occur.

Cybersecurity

At GiG, the confidentiality, availability and integrity of end users and employee information is of the utmost importance. The Company maintain a rigorous, risk-based information security programme aligned with the business strategy and objectives. GiG's information security processes are regularly tested by independent auditors, and are ISO 27001:2013 certified. There are, however, no certainty of avoiding attacks or other hostile attempts to systems and servers, which could lead to downtime and negatively impact operations and financial performance. Cybersecurity risks have increase after the Covid-19 pandemic broke out and have further increased after geo-political tensions in the Eastern European region.

Currency

The Company is exposed to exchange rate fluctuations, with revenues and operating expenses divided primarily between EUR, DKK, NOK, SEK, GBP, NZD, AUD and USD. In addition the Company is exposed to the SEK/EUR rate on its bond that is denominated in SEK.

Key personnel and the recruitment of talent

The Company's largest asset, other than its customers, is its employees. It is dependent on the ability of attracting and retaining talent and key personnel such as the Board of Directors, the CEO, the rest of the management team and other key individuals to perform relevant duties. If they are unable to continue fulfilling their duties, or were to resign, this might have an adverse effect on the Company's reputation and financial performance.

COVID-19

The COVID-19 virus spread across the world in 2020 and caused disruption to businesses and economic activity. GiG's customers are operating in the online gambling industry, which is affected by general economic and consumer trends outside GiG's and its customers' control. The occurrence of extraordinary events, such as COVID-19, has an adverse impact on the global economy. The Company's operations has not been negatively affected by COVID-19 and GiG has applied a work from home policy, operating in a work from home and hybrid office set up allowing, when possible and safe, to employees to work from the Company's facilities which are constantly sanitised and respectful of all local and WHO's protocols and regulations. Given the inherent uncertainties, it is difficult to ascertain the longer term impact of COVID-19 on the Company's operations.

For further description on risk factors, see Note 2.1, Note 4.1 and Note 33 to the Consolidated Financial Statements.

GeoPolitical Conflict

Against the backdrop of rising tensions between the West and Russia, particularly as it relates to Russia's actions in Ukraine, and the sanctions imposed against Russia and Belarus, Russian and Belarusian officials, companies and individuals, the Company may have an indirect impact through inflation, rising operational costs, loss of supply chains, loss of potential future business and general market challenges affecting the global financial markets and global economies.

Board of **Directors**

Petter Nylander
Chairman of the Board and Chairman of the Remuneration Committee

Petter Nylander has a long and successful career within iGaming and media enterprises. Starting his career in MTG, he held various management positions such as CEO of Unibet (now separately listed as Kindred Group & Kambi at Nasdaq OMX), CEO of TV3 Scandinavia and CEO of OMD Sweden (part of Omnicom Group). Petter Nylander has also held positions of trust such as Chairman of the Board of G5 Entertainment AB since 2013- (Nasdaq OMX), Cherry AB and Cint AB. He is currently serving as Global CEO for Besedo AB. He brings unparalleled industry knowledge as well as great experience within corporate governance and Swedish Code of Conduct. Petter Nylander has a Bachelors Degree in Business and Economics from the University of Stockholm, Sweden.

Nylander has been a director in GiG since December 2018 and close associates of Nylander owns 119,800 shares in GiG.

Helge Nielsen
Director

Helge Nielsen graduated from the Norwegian School of Economics (NHH) in 1975. He has broad and diverse senior management experience both nationally and internationally, including listed companies. He has been in charge of tech-driven international market organizations and responsible for major restructuring processes. Currently, Helge Nielsen runs his own consultancy company, which provides management for hire. He also holds various directorships.

Nielsen has been a director since May 2014 and companies controlled by Nielsen owns 1,026,000 shares in GiG.

Henrik Persson Ekdahl
Director & member of the Remuneration Committee

Henrik Persson Ekdahl is Partner & Co-founder at Optimizer Invest. As a repeat entrepreneur and angel investor, he has launched, grown and sold leading Scandinavian gaming operations such as BestGames Holdings Plc, Betsafe Ltd and Betit Group. He has two decades of experience within the online gaming industry in various roles including CEO BestPoker, CEO Betsafe & CEO Betsson Group Ltd. Henrik Persson Ekdahl holds an MBA from Gothenburg School of Economics.

Ekdahl has been a director since September 2016 and close associates of Ekdahl holds 4,696,125 shares in GiG.

Kathryn Moore Baker

Director

Kathryn Baker has a long and successful career, both as a professional director and as a partner within private equity and finance. Kathryn has an MBA from Darthmouth College and worked for 14 years as a partner at the private equity firm Reiten & Co. She has served as a director on over 30 boards, of which several as Chairwoman, and was Chairwoman of Catena Media Ltd for 5 years, a director of American Chamber of Commerce in Norway, Investment Committee Member at Norfund and a board member of the Central Bank of Norway, just to name a few assignments. Kathryn is expected to bring vast knowledge and experience not only within online gambling but also within the strategic development and corporate governance of the Company.

Baker has been a director since May 2021 and close associates of Baker holds 20,000 shares in GiG.

Kjetil Garstad

Director and member of the Audit Committee

Kjetil is a highly experienced analyst and investor with many years of experience within various financial institutions and investment firms. Kjetil currently works as an analyst at Stenshagen Invest AS, a shareholder of the Company, but has previously held positions such as research analyst at Arctic Securities and at SEB Enskilda. He is also holding other positions of trust such as director of B2 Holding, Norwegian Finans Holding and Protector Insurance. Kjetil is expected to contribute with strategic and analytical advice to the Board of Directors of the Company. Kjetil has a Master's degree in Business and Economics from the Norwegian School of Economics.

Garstad has been a director since May 2020 and close associates of Garstad holds 334,531 shares in GiG.

Nicolas Adlercreutz

Director and chairman of the Audit Committee

Nicolas has a strong background within finance and has held numerous finance C-level management positions. For example, Nicolas has held positions such as CFO of Bluestep Bank, CFO of Qliro Group AB (Nasdaq OMX) and CFO at PA Resources (Nasdaq OMX), he is currently CFO of NOD Group AB. Nicolas is expected to bring and contribute with great financial occupational experience and finance competence to the Board of Directors of the Company. Nicolas has a Bachelor's Degree in Business and Economics from the Mid Sweden University.

Adlercreutz has been a director since May 2020 and holds 22,500 shares in GiG.

Michael Ahearne

Director from April 2022

Mr. Ahearne is currently CEO of SkyCity Entertainment Group Limited where he joined in December 2017 as Group Chief Operating Officer and was responsible for driving value across SkyCity's properties in New Zealand and Australia. Mr. Ahearne also led SkyCity's online gaming strategy, including overseeing the establishment of SkyCity Online Casino in 2019. His extensive global experience in the gaming industry spans over 20 years across multiple sectors, including land-based and online casinos as well as sports betting. Prior to joining SkyCity in 2017, Michael held several senior executive positions at Paddy Power Betfair, Aristocrat and Star Entertainment Group. Michael is a qualified accountant and holds an MBA from the University of Technology, Sydney.

Ahearne holds no shares in GiG.

As of today, the Board of Directors consists of seven members, whereof a majority (six) are independent of the Company's main shareholders. In the opinion of the Board, the composition of the Board of Directors responds to the Company's needs for varied competency, continuity and changes in ownership structure. None of the directors holds any options or is entitled to any severance payment upon termination or expiration of their service.

Management

Richard Brown
Chief Executive Officer

Richard joined GiG in February 2016 as Managing Director for GiG Media, and after almost two years, progressed to Chief Digital Officer, and subsequently took the position of Chief Operating Officer. In November 2019 Richard was appointed as CEO. Before GiG, Richard worked in various senior and directorial roles in companies such as Highlight Media Group, Web Guide Partner and THG Sports delivering exceptional results in line with strategic goals. Richard is responsible for aligning the business to the strategic initiatives, and lead the Company into future growth.

Richard Brown and close associates holds 120,000 shares and 110,000 options in GiG.

Tore Formo
Group CFO

Tore Formo has acted as Chief Financial Officer in the US parent company since 2005 and joined GiG through the reversed merger with Nio Inc. in 2015. Tore is in charge of Investor Relations and corporate functions related to shareholders, stock listings, bonds etc. He has 30 years of financial experience including banking, the equity market as an analyst and start-ups.

Tore Formo holds 458,167 shares and 60,000 options in GiG.

Ben Clemes
Chief Commercial Officer

Ben oversees the Commercial team, with responsibility for commercial agreements with our various suppliers and pricing models for GiG's ever expanding product range. His background is casino management, including MGM in Las Vegas, and Head of Casino Operations for Nordic Gaming Group. Ben joined GiG in 2013, as Head of Casino Operations and co-founder of Guts, and progressed to Managing Director of iGaming Cloud (now Platform Services) in 2016, and was announced as CCO in late 2017.

Ben Clemes holds 1,907,146 shares and 60,000 options in GiG.

Chris Armes
Chief Information Officer

Chris joined GIG as Chief Information Officer in August 2019 with the strategic responsibility for GiG's multiple technology assets. Previously having been the CTO for SGDigital leading the technology team at NYX through the integration into SGDigital. Chris has worked for Sun Microsystems and Oracle managing global Software Engineering teams. His passion is building industry-leading software leveraging the best of global engineering talent having started successful development centres in various places around the world.

Chris Armes holds 0 shares and 210,000 options in GiG.

Justin Psaila
Chief Financial Officer

Justin is responsible for managing the financial risks of the group, analysing and reviewing financial data, preparing budgets and monitoring and controlling expenditure against budgets as well as making sure that management are supplied with appropriate financial reporting in order to take effective business decisions. He has 10+ years of experience in iGaming, of which eight years were as Management Accountant for Betsson Group, and has been with GiG since 2015.

Justin Psaila holds 2,100 shares and 132,000 options in GiG.

Nicola Fitton
Chief Operations Officer

Nicola joined GiG in early 2019 as Director of Media Managed Services, fresh from Betsafe as their Managing Director. With over 17 years extensive experience working in the global gaming sector in leading and directorial roles for GVC, NetEnt and Sportingbet to mention a few, and across Sports, Poker and Casino products, Nicola soon imparted her extensive knowledge and market expertise in and beyond her department, and with clients. After three years of impressive results and inspirational leadership skills, Nicola was promoted to Chief Operating Officer in 2022, and is creating a strategic approach which will benefit GiG for the years to come.

Nicola Fitton holds 0 shares and 88,000 options in GiG.

Claudia Ginex
Chief People Officer

Experienced HR professional, GiG employee since November 2016 enthusiast about people management and development. Claudia's main passion is providing HR strategies & solutions by helping business executives and managers in building their people operations through technology, coaching, compliance and leadership. She currently leads GiG's People Operations (HR, TA training, internal communication and facilities teams.

Claudia Ginex holds 0 shares and 60,000 options in GiG.

Jonas Warrer
Chief Marketing Officer

Jonas has over 11 years of experience of working within the iGaming sector. He entered the iGaming space when he founded media/affiliate company Rebel Penguin in 2007, which he later sold to GiG. He started his career with GiG Media as the General Manager of GiG Media office in Copenhagen, before being promoted to Interim Director of Marketing and later became Managing Director of GiG Media. Before starting out in iGaming he worked for a large telco operator in Denmark taking on various positions such as strategy consultant and product owner working both in Denmark and Switzerland.

Jonas Warrer holds 400,886 shares and 60,000 options in GiG.

Claudio Caruana
General Counsel

Claudio Caruana has been active in the gaming industry for over ten years, starting his career in a full-service law firm specialising in gambling regulation, privacy, and corporate law. Throughout his career, he has been involved in and led the legal process of several M&A transactions spanning various industries. Claudio has been representing GiG since 2013, and in 2017 joined the company to lead and expand the legal, compliance and regulatory affairs department in the face of an ever-evolving risk environment. He holds a doctorate in law from the University of Malta and a masters' degree in Internet, Telecommunications Law and Policy from the University of Strathclyde.

Claudio Caruana holds 100 shares and 60,000 options in GiG.

3 Corporate Governance

Corporate *governance*

Gaming Innovation Group is committed to good corporate governance to ensure trust in the Company and to maximise shareholder value over time. The objective of the Company's corporate governance framework is to regulate the interaction between the Company's shareholders, the Board of Directors and the executive management.

1. Implementation and reporting on corporate governance

Gaming Innovation Group Inc. ("GiG" or the "Company") is a US corporation incorporated in the state of Delaware with corporate number 2309086. The headquarters is in Malta with operations in Denmark and Spain.

Being a Delaware company, GiG is subject to Delaware company legislation and regulation. In addition, certain aspects of the Norwegian Securities law and the Swedish Financial Instruments Trading Act apply to the Company due to its listing on both the Oslo Stock Exchange and on NASDAQ Stockholm, including the requirement to publish an annual statement of the Company's policy of corporate governance.

The Company's Board of Directors and management adheres to the Norwegian Code of Practice for Corporate Governance, last revised 14 October 2021 (the "Norwegian Code") and the Swedish Corporate Governance Code, last revised 1 January 2020 (the "Swedish Code"), both referred to as "the Codes" in this document. The Company has Norway as its home member state, and thus Norwegian regulations and the Norwegian Code will supersede in case of conflicts.

The Company aims for compliance in all essential areas of the Codes; however, as a Delaware company, there will be topics where the Codes are not fully complied with. The Codes are available at www.nues.no/eng and www.corporategovernanceboard.se

The application of the Codes is based on a "comply or explain" principle and any deviation from the Codes is explained under each item. The corporate governance framework of the Company is subject to annual review by the Board of Directors and the annual corporate governance report is presented in the Company's annual report and on the Company's website.

This corporate governance report is currently structured to cover all sections of the Norwegian Code of Practice as a base, with extended sections to cover the Swedish Corporate Governance Code. Further explanation describes the Company's corporate governance in relation to each section of the respective Codes.

The Company complies with the Codes in all material respects; however, it deviates on the following topics: Board authorisation to issue new shares (section 3) and formulation of guidelines for use of the auditor for services other than auditing (section 15).

2. Business

The Codes are in material respects complied with through the Company's Certificate of Incorporation and By-Laws (combined Articles of Association) and the annual report.

As a Delaware corporation, the Company's business is not defined in the Articles of Association. A description of the business is available on the Company's website and in the annual report. The Company's objectives, strategy and risk profile are described in more detail in the annual report and on the Company's website.

Given the nature of GiG's business, the Company is constantly working to improve its ethical and fair business practice. The

Company is committed to being compliant with all the laws and regulations affecting its business. The Company has defined ethical and sustainability guidelines in accordance with the Company's corporate values and as recommended by the Codes.

3. Equity and dividends

The Codes are in material respects complied with. GiG's equity as at 31 December 2021 was EUR 11.9 million. Apart from financing of normal operating expenses, GiG's business model requires low tied-up capital in fixed assets and the Board of Directors considers the current capital as sufficient. The Board of Directors constantly assesses the Company's need for financial strength based on the Company's objectives, strategy and risk profile.

The Company has adopted a dividend policy under which, all else being equal, the Company will aim to pay a dividend according to continued self-imposed restrictions concerning financial solidity and liquidity, all of which should be complied with. To date, the Company has not paid any dividends to shareholders and no dividends are proposed by the Board of Directors for the year 2021.

According to common practice for Delaware companies, the Company has an authorised number of shares available which is higher than the current number of issued shares. The authorised number of shares has been approved by the shareholders in a shareholder meeting. In compliance with the Company's Articles of Association and Delaware corporate law, the Board of Directors may issue shares up to this limit without any further shareholder approval. As at 31 December 2021, the number of authorised shares was 110,000,000 (par value USD 1.00) whereof 96,675,626 were issued and outstanding (see also Note 22). The ISIN code is US36467X2062.

4. Equal treatment of shareholders

The Codes are in material respects complied with. The Company has only one class of shares, which is listed on both the Oslo Stock Exchange and NASDAQ Stockholm.

Under Delaware law, no pre-emption rights of existing shareholders exist, however the Company aims to offer pre-emption rights to existing shareholders in the event of increases in the Company's share capital through private share issues for cash. If the Board of Directors carries out an increase in share capital by cash and waives to offer a pre-emption right to existing shareholders, this will be a minor increase, or if not, a justification will be publicly disclosed in connection with such increase in the share capital.

5. Shares and negotiability

The Company is compliant with the Codes. The Company has no limitations on the ownership or sale of the Company's shares. All GiG shares are freely negotiable and no form of restriction on negotiability is included in the Company's Articles of Association.

6. General meetings

The Codes are, in material respects, complied with as stated below. A shareholder meeting ensures the shareholders' participation in the body that exercises the highest authority in the Company and in which the Company's Articles of Association are adopted.

Notices for shareholder meetings with resolutions and any supporting documents are announced on the Oslo Stock Exchange, on Nasdaq Stockholm and on the Company's website and sent by mail to all shareholders registered in the VPS according to the Company's Articles of Association. The Company's by-laws require a minimum of 10 days' notice to the shareholders; however, the Company has given the shareholders longer notice when calling for shareholder meetings, and the Company aim to apply the Swedish Code for notice and other procedures regarding shareholder meetings.

The Company allows shareholders to vote by proxy and prepares a form of proxy that is sent to shareholders and nominates a person who will be available to vote on behalf of shareholders as their proxy. Shareholders are allowed to vote separately on each candidate nominated for election to the Company's corporate bodies.

The Company has decided to apply the Swedish Code by using English only for all communication, including the notice, as the ownership structure warrants it and it is financially feasible given the financial situation of the Company. The same applies to the minutes of the meeting. The Swedish Code will be applied when verifying and signing the minutes of shareholder meetings. A shareholder, or a proxy representative of a shareholder, who is neither a member of the Board nor an employee of the Company is to be appointed to verify and sign the minutes of shareholder meetings.

The Company's chairman attends shareholder meetings, and the Company further aims that the requirements in the Swedish Code regarding other members of the board, the CEO, the nomination committee and the Company's auditors to attend the annual general meeting. For the 2021 shareholder meeting, COVID-19 set restrictions to normal practice.

7. Nomination committee

The Codes are complied with. As a Delaware corporation, the governing law does not require a nomination committee; however, the Company has a nomination committee.

The nomination committee is responsible for reviewing the size, structure and composition of the Board, succession planning, the appointment of replacement and/or additional directors and for making the appropriate recommendations to the Board. In 2021, the nomination committee held individual one-to-one interviews with each member of the Board.

The annual shareholder meeting on 20 May 2021, decided that the nomination committee of Gaming Innovation Group shall consist of not less than three and not more than four members, to represent all shareholders and be appointed by the three largest shareholders at 31 August 2021. The members of the committee are: Mikael Riese Harstad (committee chair, nominated by Optimus Invest Ltd.), Frode Fagerli (nominated by Myrlid AS) and Dan Castillo (nominated by Jesper Ribacka).

8. Board of Directors: composition and independence

For the Board of Directors, the Codes are in material respects complied with. The shareholder meeting elects representatives to the Board. The resolution on the composition of the Board takes place with a simple majority. The Company seeks to nominate members of the Board representing all shareholders and independent from management. All board members are, on a yearly basis, up for re-election.

The current Board of Directors consists of seven members, whereof a majority (six) are independent of the Company's main shareholders. All board members own shares in the Company, either directly or indirectly. Information about the current board members, their expertise, independency and shareholdings can be found on pages 42-44 and on the Company's website.

As a Delaware company, the board members have unlimited periods, however the board members must be proposed, elected and re-elected at the annual shareholder meeting. The Chairman of the Board is formally elected by the Board of Directors according to the Company's by-laws.

9. The work of the Board of Directors

The Codes are in material respects complied with. The Board of Directors has the prime responsibility for the management of the Company and holds a supervisory position towards the executive management and the Company's activities. The Company has established rules of procedures the Board of Directors and executive management.

In addition to monitoring and advisory duties, the Board of Directors' main tasks consist of participating in compiling the Company's strategy and establishing the overall goals.

The Board of Directors appoints the CEO; the Swedish Code will be applied when it comes to appointing, evaluating and, if necessary, dismissing the CEO. The Board is to approve any significant assignments the CEO has outside the Company.

The Board of Directors will ensure that the Company's six- or nine-month report is reviewed by the Company's auditor according to the Swedish Code. There is no such equivalent rule in the Norwegian Code.

The Board of Directors appoints a remuneration committee and an audit committee and establishes an annual plan for its work, with internal allocation of responsibilities and duties.

The Board of Directors has evaluated its work through a questionnaire and individual interviews with the chair of the nomination committee. The evaluation report has been shared with the nomination committee and also discussed by the Board of Directors.

Members of the Board of Directors and senior management shall notify the Board of Directors in case of material direct or indirect interests in transactions entered into by the Company.

The Chairman of the Board is responsible for leading the work of the Board and to lead the board meetings. Continual contact with the CEO shall ensure that the Chairman of the Board monitors the Company's development and that the Board receives the information required in order to be able to meet its commitments. The Chairman of the Board shall also represent the Company in matters concerned with ownership.

In 2021, the Board held 11 minuted meetings, where 9 meetings had all members present, and two had all but one member not attending. The minutes were taken by the Group CFO, acting as secretary to the Board. At every Board meeting a business and financial update was given by the CEO.

10. Risk management and internal control

The Codes are complied with. The Board of Directors constantly assesses the Company's need for necessary internal control systems for risk management covering the size and complexity of the Company's business.

The Company employs a risk management policy which is applicable across all departments within the organisation. The policy requires that all staff align their activities with the risk appetite of the business, and where risks are identified an escalation process is triggered where higher management assesses risks.

The Board of Directors has also established an independent audit committee which oversees the Company's implementation of policies and procedures, as well as the reporting by the Company of its financial affairs in the financial statements. The committee receives regular reports from the internal auditor on key risk areas which would have been subject to a detailed evaluation by the internal auditor. The internal auditor is independent and freely chooses areas to assess at his own discretion, generally focusing on business activities that could bring legal, security, financial or other operational risks.

In connection with the annual report, the most important areas of risk exposure and internal controls are reviewed.

11. Remuneration to the Board of Directors

The Codes are complied with and variable remuneration for the Board is not allowed in the Norwegian Code, which the Company follows. The remuneration to board members is at a sufficiently competitive level in order to ensure the desired composition of the Board. The remuneration is resolved by the annual shareholder meeting and is a fixed amount and has no performance-related elements.

The annual shareholder meeting in May 2021 resolved the remuneration of the Board of Directors, including remuneration for the remuneration committee and the audit committee. Remuneration to the Board is listed in Note 30 in the 2021 Consolidated Financial Statements.

No board members have share options and no board members take part in incentive programs available for management and/or other employees.

A general rule is that no members of the Board of Directors (or companies with which they are associated) shall take on specific assignments for the Company in addition to their appointment as Director. If such assignments are made, it shall be disclosed to the Board of Directors and the remuneration shall be approved by the Board of Directors.

12. Remuneration of the executive personnel

The Codes are complied with. The remuneration for the CEO is set by the Board. The Board also establishes guidelines for the remuneration of other members of senior management, including both the level of fixed salaries, the principles for and scope of bonus schemes and any option grants. Performance-related remuneration are subject to an absolute limit. The Company have so far not issued a remuneration report, however the policy for remuneration to senior management and the amounts paid in 2021 are described in Note 30 and the Company's incentive stock option programs are described in Note 22 in the 2021 Consolidated Financial Statements.

The Company has a remuneration committee, consisting of two directors, Petter Nylander (committee chair) and Henrik Persson Ekdahl. For the fiscal year 2020, the remuneration committee had three committee meetings with both members present in all meetings.

13. Information and communications

The Code of Practice is complied with. The Company assigns importance to informing its owners and investors about the Company's development and economic and financial status. Prompt financial reporting reduces the possibility of leakage and contributes to the equal treatment of shareholders.

Responsibility for investor relations (IR) and price sensitive information rests with the Company's CEO and Group CFO, including guidelines for the Company's contact with shareholders other than through general meetings.

All information distributed to the Company's shareholders is available through the Company's website. Each year the Company publishes to the market the dates of reporting for planned major events.

The Company provides annualy a sustainability report that are made available on the Company's website. The Company has not presented a separate remuneration report, but information on remuneration to the Board of Directors and management, and share option plans, are available in the annual report.

14. Take-overs

The Code of Practice is complied with. The Company has no restrictions in its Articles of Association regarding company take-overs, and the Board of Directors is pragmatic with respect to a possible takeover of the Company.

If a takeover bid is made for the Company, the Board of Directors will ensure that shareholders are given sufficient and timely information and make a statement prior to expiry of the bid, including a recommendation as to whether the shareholders should accept the bid or not. The main responsibility of the Board of Directors under such circumstances is to maximise value for the shareholders, while simultaneously looking after the interest of the Company's employees and customers.

15. Auditor

The Company has an audit committee consisting of two directors, Nicolas Adlercreutz (committee chair) and Kjetil Garstad. For the fiscal year 2021, the audit committee had six audit committee meetings with both members present in all meetings, and had meetings with the external auditors regarding the Q3-21 review and the annual financial statements. The auditors have presented to the audit committee a review of their work and the Company's internal procedures, including explanation of the results and information about the statutory audit.

The Company has not developed any specific guidelines for the management's opportunity to use the auditor for other services than audit. The auditors are used as advisors for general financial purposes and in connection with the preparation of tax returns and general tax advice.

The auditors did not participate in the board meeting which finally approved the annual financial statements for 2021, but participated in the audit committee meeting that approved the annual financial statements and the auditors' comments were presented to the Board of Directors by the audit committee. The auditors have been available for questions and comments at the Board of Directors' discretion.

Annual Meeting of Shareholders 2021

The Annual Meeting of Shareholders was held on 20 May 2021 in Stockholm, Sweden. 43.25% of the shareholders were represented at the meeting in person or by proxy.

The meeting resolved that the Board of Directors should consist of six members and resolved to re-elect Petter Nylander as Chairman of the Board and to re-elect Helge Nielsen, Henrik Persson Ekdahl, Nicolas Adlercreutz and Kjetil Garstad as Directors of the Board and to elect Kathryn Moore Baker as new Director of the Board.

The meeting furthermore resolved that the nomination committee shall consist of not less than three, and not more than four, members, to represent all shareholders and be appointed by the three largest shareholders as at 31 August 2021. It was resolved to amend the Company's Amended and Restated Certificate of Incorporation to reflect an increase in the number of shares of stock which the Company is authorized to issue 100,000,000 to 110,000,000. The meeting reappointed REID CPAs LLP as auditors of the Company.

The meeting also resolved to authorise the Board of Directors to buy back already issued and outstanding shares in the Company and to dispose of such shares, all on such terms as the Board of Directors may deem fit. The Company's total holding of its own shares may not exceed 10% of the outstanding share capital of the Company at any time. Acquisition of own shares may take place on NASDAQ Stockholm and Oslo Børs during the period until the end of the next Annual Meeting of Shareholders. No shares has been bought back since the Annual General Meeting of Shareholders in May 2021.

All other proposals were resolved by the Annual Meeting of Shareholders.

Minutes from the meeting can be found on the Company website: www.gig.com

Special Meeting of Shareholders January 2022

A Special Meeting of Shareholders was held on 20 January 2022 in Stockholm, Sweden. 50.47% of the shareholders were represented at the meeting in person or by proxy.

The meeting resolved to amend the Company's Amended and Restated Certificate of Incorporation to reflect an increase in the number of shares of stock which the Company is authorized to issue 110,000,000 to 150,000,000.

The meeting also resolved that the number of Board members shall increase from 6 to 7 and to give the Board of Directors authority to consult the nomination committee and appoint one representative of SkyCity Entertainment Group Limited to the board of directors of GiG, subject to final closing of the acquisition of Sportnco Gaming SAS.

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

Q1 2022 Interim Report	**10 May 2022**
2022 Annual Shareholder Meeting	**19 May 2022**
Q2 2022 Interim Report	**16 Aug 2022**
Q3 2022 Interim Report	**9 Nov 2022**
Q4 2022 Interim Report	**15 Feb 2023**

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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 22 April 2022.

4 Auditor's Report

Independent **auditor’s report**

To the Shareholders of Gaming Innovation Group, Inc.

Report on the Audit of the Financial Statements

We have audited the consolidated financial statements of Gaming Innovation Group, Inc. and its subsidiaries (the Group), and the financial statements of the Parent, each of which comprise the applicable statements of financial position as of 31 December 2021, and the statements of comprehensive income (loss), statements of changes in equity and statements of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying Group consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of 31 December 2021, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

In our opinion, the accompanying Parent financial statements give a true and fair view of the financial position of the Parent as of 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway and Sweden Accounting Act and accounting standards and practices generally accepted in Sweden.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report below. We are independent of the Group and the Parent in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Impairment assessment of goodwill and other intangible assets

As described in the accounting policies note 2 and note 9 to the financial statements, the Group tests whether goodwill and other intangible assets are impaired on an annual basis. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows, referred to as a cash generating unit ("CGU"). Following the divestment of the B2C (business-to-customer) CGU during the previous year, the Group operates two CGUs comprising the performance marketing (Media) segment and the platform services segment.

As described in Note 9, the impairment assessment for goodwill and other intangible assets for the above-mentioned CGUs relied on value-in-use calculations. The cash flow projections were based on the Group's approved budget for 2022, projection of free cash flows for the period 2023 – 2025, as well as an estimate of the residual value. The perpetual growth rate, as factored in the residual value estimate, was assumed at 2%. As at 31 December 2021, only goodwill and trademarks with a carrying amount of €17.1m have an indefinite useful life. The carrying amount of all intangibles assets as at 31 December 2021 was €48m

The underlying forecast cash flows, and the supporting assumptions, reflect significant judgements as these are affected by future market or economic conditions, changes to laws and regulations as well as management's success in achieving growth targets. The estimation of future cash flows and the level to which they are discounted is inherently uncertain and requires judgement.

Judgement is also applied in the assessment of useful lives of intangible assets that are amortized over a defined period. During the year, the Group extended the estimated useful lives of certain media domains and other intangible assets as disclosed in Note 9.

The extent of judgment, and the size of goodwill and intangible assets resulted in this matter being identified as an area of audit focus.

As part of our work on the impairment assessment of goodwill and other intangible assets, we evaluated the appropriateness of the methodology used, and the assumptions underlying the discounted cash flow model prepared by management, by involving our valuation experts. The calculations underlying the impairment model were reviewed in order to check the model's accuracy.

For the performance marketing CGU, we carried out sensitivity analysis to assess whether or not a reasonable possible change in key assumptions could result in impairment and concur with management's view that this component is less sensitive due to the level of headroom between the reported intangible assets and the respective value-in-use. On the other hand, the recoverable amount of the platform services CGU is very susceptible to the Group achieving the projected level of growth in revenue and the projected improvement in EBITDA in the next four years.

As part of our work, we considered the basis for the change in estimated useful lives of intangible assets subject to amortization, which included sample testing of the underlying methodology and re-calculation of the impact of the change in estimate.

The appropriateness of disclosures made in relation to the impairment assessment of the intangible assets, and the change in estimated useful lives, was also reviewed.

Based on the work performed, we found the assessment of the recoverable amount of goodwill and other intangible assets and the related disclosures, to be consistent with the explanations and evidence obtained.

We have no key audit matters to report with respect to our audit of the parent company financial statements.

Other Information

Other information consists of the information included in the Company's annual report other than the consolidated financial statements and our auditor's report thereon. The Board of Directors and Chief Executive Officer (management) are responsible for the other information. Our opinion on the consolidated financial statements does not cover the Board of Directors Report nor the other information accompanying the consolidated financial statements and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Board of Directors Report and the other information we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free form material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, management is responsible for assessing the Group and Parent's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and Parent or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Parent's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Parent's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Parent to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Opinion on the Board of Directors Report, Corporate Governance Report and Sustainability Report

Based on our audit of the consolidated financial statements as described above, it is our opinion that the information presented in the Board of Directors Report, Corporate Governance Report and Sustainability Report concerning the financial statements and the going concern assumption is consistent with the consolidated financial statements and complies with the applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

The Annual Report and Consolidated Financial statements contains other areas required by legislation or regulation on which we are required to report. The Board of Directors are responsible for these other areas.

Report on compliance with Regulation on European Single Electronic Format (ESEF)

Opinion

We have performed an assurance engagement to obtain reasonable assurance that the financial statements have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

Management's Responsibilities

Management is responsible for preparing and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation and publication of the financial statements.

Auditors Responsibilities

For a description of the auditors responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

Woodbury, New York, 21 April 2022

Reid CPAs, LLP

REID CPAs LLP

5 Consolidated Financial Statments

Statements of Comprehensive Income (Loss)

For the years ending 31 December 2021 and 2020

EUR 1000		Company		Parent	
	Notes	2021	2020	2021	2020
Revenues	2,4,23	**82 574**	**63 027**	**-**	**-**
Cost of sales	24	4 564	2 967	-	-
Gross profit		78 010	60 060	-	-
Operating expenses					
Personnel expenses	27	22 059	25 333	390	523
Depreciation & amortization	2,9,10	14 593	19 407	-	-
Marketing expenses		23 005	14 900	-	-
Other operating expenses	25	12 197	9 085	774	752
Total operating expenses		**71 854**	**68 725**	**1 164**	**1 275**
Operating income (loss)		**6 156**	**-8 665**	**-1 164**	**-1 275**
Other Income (expense)	28	-6 272	-6 943	-565	-212
Results before income taxes		-116	-15 608	-1 729	-1 487
Income tax (expense) credit	26	519	-323	-	-
Income (loss) from continuing operations		**403**	**-15 931**	**-1 729**	**-1 487**
Loss from discontinuing operations	7	-465	-1 753	-	-
Loss for the year		**-62**	**-17 684**	**-1 729**	**-1 487**
Other comprehensive income (loss)					
Exchange differences on translation of foreign operation	2	-323	-174	-	-
Change in fair value through other comprehensive income	12	-	-13	-	-
Total other comprehensive income (loss)		-323	-187	-	-
Total comprehensive income (loss)		**-385**	**-17 871**	**-1 729**	**-1 487**
Total comprehensive income (loss) attributable to:					
Owners of the parent	2,11	-393	-17 862		
Non-controlling interests	2,11	8	-9		
Total comprehensive income (loss)		-385	-17 871		
Earnings per share attributable to Gaming Innovation Group Inc.					
Basic and diluted loss per share from continuing operations		0.00	-0.18		
Basic and diluted loss per share from discontinuing operations		-0.01	-0.02		
Basic and diluted loss per share attributable to GiG Inc.		0.00	-0.20		
Weighted average shares outstanding (1000)		94 010	90 007		
Diluted weighted average shares outstanding (1000)		94 010	90 007		

Statements of Financial Position

For the years ending 31 December 2021 and 2020

EUR 1000		Company		Parent	
	Notes	31.12.2021	31.12.2020	31.12.2021	31.12.2020
ASSETS					
Non-current assets					
Goodwill	2,9	16 325	16 287	10 448	10 448
Intangible assets	2,9	31 732	33 012	-	-
Property, plant and equipment	2,10	1 763	3 043	-	-
Right-of-use assets	6	11 123	13 002	-	-
Investment in subsidiaries	11	-	-	65 615	62 365
Deferred income tax assets	21	78	60	-	-
Other non-current assets	13,18	517	532	311	324
Total non-current assets		**61 538**	**65 936**	**76 374**	**73 137**
Current assets:					
Trade and other receivables	15	17 570	15 711	5 135	5 535
Cash and cash equivalents	16	8 561	11 504	78	3 461
Total current assets		**26 131**	**27 215**	**5 213**	**8 996**
TOTAL ASSETS		**87 669**	**93 151**	**81 587**	**82 133**
Liabilities and Shareholders' Equity					
Shareholders' equity:					
Share capital issued	22	84 323	78 915	88 749	78 915
Share premium	22	35 492	32 204	34 058	36 233
Accumulated translation income (loss)		-2 239	-1 916	-	-
Retained earnings (deficit)		-105 673	-105 611	-84 010	-82 281
Total equity attibutable to owners of the Company		**11 902**	**3 592**	**38 797**	**32 867**
Non-controlling interests		23	14	-	-
Total equity		**11 925**	**3 606**	**38 797**	**32 867**
Liabilities					
Long term liabilities:					
Bond payable	8	38 850	35 998	38 850	35 998
Lease liabilities	6	10 168	11 736	-	-
Long term loans	20	-	9 610	-	9 611
Deferred income tax liabilities	21	416	1 529	-	-
Total long term liabilities		**49 434**	**58 873**	**38 850**	**45 609**
Current liabilities:					
Trade payables and accrued expenses	19	20 069	24 866	87	202
Lease liabilities	6	2 388	2 351	-	-
Bond payable	8	3 853	3 455	3 853	3 455
Total current liabilities		**26 310**	**30 672**	**3 940**	**3 657**
Total liabilities		**75 744**	**89 545**	**42 790**	**49 266**
TOTAL EQUITY AND LIABILITIES		**87 669**	**93 151**	**81 587**	**82 133**

Statements of Changes in Equity

For the years ending 31 December 2021 and 2020

Company (EUR 1000)	Common Stock Shares issued	Common Stock Shares Outstanding	Common Stock Amount	Share Premium/ Adjustment	Non-controlling interest	Translation reserve	Retained Earnings (Deficit)	Total Equity
Balance at 1 January 2020	**90 005 626**	**90 005 626**	**78 858**	**31 577**	**24**	**-1 742**	**-87 797**	**20 920**
Exercise of options and issuance of shares for cash	70 000	70 000	-	139	-	-	-	139
Share compensation expense	-	-	-	-357	-	-	-	-357
Change in value of financial assets at fair value through comprehensive income	-	-	-	-12	-	-	-	-12
Value of conversion rights on convertible loan	-	-	-	788	-	-	-	788
Adjustment to prior year	-	-	57	69	-	-	-140	-14
Net results from continuing operations	-	-	-	-	-10	-	-15 921	-15 931
Net results from discontinuing operations	-	-	-	-	-	-	-1 753	-1 753
Exchange differences on translation	-	-	-	-	-	-174	-	-174
Balance at 31 December 2020	**90 075 626**	**90 075 626**	**78 915**	**32 204**	**14**	**-1 916**	**-105 611**	**3 606**
Conversion of convertilble loan	6 600 000	6 600 000	5 408	2 643	-	-	-	8 051
Share compensation expense	-	-	-	651	-	-	-	651
Adjustment in relation to prior period	-	-	-	-6	-	-	9	3
Net results from continuing operations	-	-	-	-	9	-	394	403
Net results from discontinuing operations	-	-	-	-	-	-	-465	-465
Exchange differences on translation	-	-	-	-	-	-323	-	-323
Balance at 31 December 2021	**96 675 626**	**96 675 626**	**84 323**	**35 492**	**23**	**-2 239**	**-105 674**	**11 925**

Parent (EUR 1000)	Common Stock Shares issued	Common Stock Shares Outstanding	Common Stock Amount	Share Premium/ Adjustment	Retained Earnings (Deficit)	Total Equity
Balance at 1 January 2020	**90 005 626**	**90 005 626**	**78 858**	**35 364**	**-80 794**	**33 428**
Exercise of options	70 000	70 000	-	-	-	-
Adjustment in relation to prior period	-	-	-	81	-	81
Share compensation expense	-	-	57	-	-	57
Change in value of financial assets at fair value through comprehensive income	-	-	-	788	-	788
Net results	-	-	-	-	-1 487	-1 487
Balance at 31 December 2020	**90,075,626**	**90,075,626**	**78 915**	**36 233**	**-82 281**	**32 867**
Conversion of convertilble loan	6 600 000	6 600 000	9 834	-2 184	-	7 650
Share compensation expense	-	-	-	9	-	9
Adjustment in relation to prior period	-	-	-	-	-	-
Change in value of financial assets at fair value through comprehensive income	-	-	-	-	-	-
Net results	-	-	-	-	-1 729	-1 729
Balance at 31 December 2021	**96 675 626**	**96 675 626**	**88 749**	**34 508**	**-84 010**	**38 797**

Statements of Cash Flows

For the years ending 31 December 2021 and 2020

EUR 1000		Company		Parent	
	Notes	2021	2020	2021	2020
Cash flows from operating activities					
Results before income taxes		403	-15 931	-1 729	-1 487
Loss from discontinued operations	7	-465	-1 753	-	-
Taxes		520	-	-	-
Amortization of intangible assets	9	10 341	14 314	-	-
Depreciation of property, plant and equipment	10	4 252	5 090	-	-
Impairment of intangibles	9	-	1 665	-	-
Share based compensation		645	-357	9	-
Provision for impariment of investment in subsidiaries		-	-792	-	-
Change in trade and other receivables		6 261	17 119	767	-5 479
Change in current assets		-54	-137	-	-
Change in non-current assets		336	2	-	2
Change in trade and other payables		-9 632	-1 523	-102	121
Net cash (used in)/generated from operating activities		**12 607**	**17 700**	**-1 055**	**-6 843**
Cash flows from investing activities					
Purchases of intangible assets	9	-8 625	-6 564	-	-
Purchases of property, plant and equipment	10	-577	-1 673	-	-
Acquisition of associates		-26	22 850	-	-
Net cash used in investing activities		**-9 228**	**14 613**	**-**	**-**
Cash flows from financing activities					
Repayment of loans	20	-2 327	-27 825	-2 328	-
Proceeds from loans	20	-	10 281	-	10 281
Proceeds from bond issue	8	2 799	-	-	-
Lease liability principal payments		-2 993	-3 155	-	-
Interest paid on bond		-3 801	- 4 479	-	-
Net cash generated from financing activities		**-6 322**	**-25 178**	**-2 328**	**10 281**
Translation loss		-	-174	-	-
Fair value movements		-	-13	-	-
Net movement in cash and cash equilalents		-2 943	6 947	-3 383	3 438
Cash and cash equivalents at beginning of year	16	11 504	10 295	3 461	23
Cash and cash equivalents attributable to discontinued operations		-	-5 738	-	-
Cash and cash equivalents at end of year	**16**	**8 561**	**11 504**	**78**	**3 461**

Notes to Consolidated Financial Statements

For the years ending 31 December 2021 and 2020

1. Corporate 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 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, Trig Id-Dragunara, St. Julian's STJ 3148, Malta.

The Company's principal activities during 2021 were the provision of online gaming services, provision of a remote gaming platform and affiliate marketing operations.

The consolidated financial statements of the Company as at and for the years ended 31 December 2021 and 2020 and comprise of Plc and Plc's accounting basis subsidiaries.

Sportnco Gaming SAS

In December 2021, the Company signed a Share Purchase Agreement to acquire Sportnco Gaming SAS ("Sportnco"). Sportnco is one of the leading platform providers of turnkey betting and gaming solutions for operators in regulated markets through its inhouse developed sportsbook and PAM ("Player Account Management"). The combined company will enhance and strengthen GiG's position as one of the industry leading platforms and media providers with innovative and proprietary products and creating one of the largest and fastest growing providers in regulated iGaming with an unparalleled geographical footprint.

Combined, GiG and Sportnco will be licensed/compliant in 25 markets, currently with around 55 clients, as Sportnco's geographical presence is highly complementary to GiG's current offering. Sportnco's tier 1 sportsbook product is strong, and the acquisition is expected to create attractive commercial, operational, and technological synergies, as well as enable cost savings and accelerated growth.

As part of the SPA, GiG acquired the legal title of certain B2C assets and liabilities. The B2C net assets have been carved out in the SPA, and have not been taken into consideration by both parties in determining the consideration price. The contractual arrangements between GIG and the vendor are such that GIG has no substantive decision-making power over the B2C net assets and are fully indemnified with respect to any lawsuits related to B2C net assets that may emanate. The B2C net assets must be disposed by the vendor within twelve months from closing date. If no vendor is identified after a period of twelve months, B2C net assets are transferred back to current shareholders at no consideration.

The initial consideration is EUR 51.4 million, whereof EUR 23.5 million will be paid in new shares in GiG and EUR 27.9 million in cash. In addition, GiG will assume existing debt in Sportnco of EUR 18.6 million and there will be an earn-out of up to EUR 23.0 million based on the Sportnco performance in 2022 and 2023.

Also in December, the Company entered into an agreement with SkyCity Entertainment Group Limited, whereby SkyCity will invest EUR 25 million in GiG through a directed share issue at NOK 18.00 per share, that will finance the main part of the cash consideration.

The transaction was closed on 1 April 2022. See Note 32, Events after reporting period.

Performance Marketing

GiG's premium US affiliate sites, World Sports Network (WSN.com) and Casinotopsonline.com continued their expansion in the US and can now carry out business in nineteen states with a license total of twelve promoting operators offering both casino and sports in such states. WSN and CTO continues strengthening its position and ability to cater for the highly attractive and growing US market.

Due to the activity beyond original expectations from the media domains acquired during 2015-2017, the estimated useful lives of these domains were revised to reflect the re-assessed life of such assets. This reduced the amortisation yearly cost by EUR 1.6 million for 2021.

Platform Services

During 2021, nine new agreements were signed for Platform Services where two offer both casino and sportsbook and seven offer casino only. One of the new clients that signed during 2021 went live during 2021. These new agreements are expected to secure recurring revenues from 2022 and beyond.

The number of live brands on the platform was 25 as at end of year, up from 18 as at end of 2020, with an additional nine brands in the integration pipeline.

Sports Betting Services

Six clients are live with the sportsbook as at end of year. With the acquisition of SportnCo, GiG's sportsbook will be phased out as a standalone product and Sportnco's sportsbook is expected to be the preferred product going forward.

Financing

In May 2021, the Company has successfully completed the issuance of a new 3-year SEK 450 million senior secured bond with a SEK 550 million borrowing limit. The transaction received demand from investors across the Nordics, continental Europe, and the US, with participation in the placement from existing as well as new investors.

The net proceeds were used to refinance the previous SEK 400 million bond including any call premium and transaction costs with the balance towards general corporate purposes. Settlement of the new bond issue happened during June 2021. The new bond has a floating coupon of 3 months STIBOR + 8.50% per annum and with more favourable terms than the previous SEK 400 million bond. The new bond is listed on Nasdaq Stockholm.

Also in May 2021, the Company agreed to convert the EUR 8.5 million convertible loan entered into in December 2020. The conversion lowered the overall leverage ratio and strengthened the balance through increased equity. The Company issued 6.6 million new shares to the lenders that covered the outstanding loan, accrued interest and a termination fee for early termination. The new shares were issued within the same month and were subject to portioned lock-up. The Company share capital increased from USD 90,075,626 to USD 96,675,626 and the number of outstanding shares increased from 90,075,626 to 96,675,626 (par value USD 1.00).

2. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to both years presented, unless otherwise stated.

2.1 Basis of preparation

Statement of Compliance and Presentation of Financial Statements

The consolidated Company financial statements include the financial statements of the accounting parent, Plc, and its subsidiaries. These financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"). The consolidated financial statements report the full year of operations of 2021 and 2020.

The consolidated financial statements are presented on the historical cost basis and reflect all acquisitions, adjusted for all post acquisition gains, earnings and losses. Parent only financial statements report the results of GiG, the legal parent. The statements were approved by the Board of Directors and issued on 21 April 2022.

Significant risks and uncertainties

For internet-based betting operations, there is uncertainty as to which country's law ought to be applied, as the internet operations can be linked to several jurisdictions and there are legal doubts on whether the availability of a site within foreign markets constitutes a solicitation to persons residing within that market. Legislation concerning online gaming is under review in certain jurisdictions, and in some circumstances, previous opportunities to offer gaming products to certain customers based in some markets on principles of freedom to provide services, may be impacted by legal restrictions being imposed. In other cases, previously unregulated jurisdictions pass legislation regulating the market creating new opportunities to offer products and services to those markets with legal certainty.

Following the divestment of its B2C segment, together with the de-risking strategy to discontinue the white-label model carried out during 2021, GiG is less directly exposed to legal and compliance risks associated with gaming operations. This strategic decision resulted in a reduction from 15 brands operating on white-label agreements, to, only one remaining at the end of 2021. The majority of white-labels were terminated and/or migrated to other white-label platforms with the larger white-labels converted to a SaaS agreement with GiG. As part of the strategy to terminate white-label agreements, GiG rescinded its Swedish and UK B2C licenses in October 2020, thereby materially reducing compliance risks, in particular AML risks inherent in transacting player funds. As at year-end, GiG has one B2C license with the Malta Gaming Authority together with various B2B licenses in various regulated markets.

The Company will continue to primarily operate in the online gambling industry. The laws and regulations surrounding the online gambling industry are complex, constantly evolving and in some cases also subject to uncertainty, and in certain countries online gambling is prohibited and/or restricted. If enforcement or other regulatory actions are brought against any of the online gambling operators that are also the Company's customers, the Company's revenue streams from such customers may be adversely affected. The Company aims to mitigate the risk through a fixed pricing model which is being adopted for platform services where possible.

This evolving environment makes compliance an increasingly complex area with the risk of non-compliance with territory specific regulations, including responsible gaming and anti-money laundering obligations. These uncertainties represent a risk for the Company's ability to develop and grow the business, as changes in legislation or enforcement practices could force the Company to exit markets, or even result in financial sanctions, litigation, license withdrawal or unexpected tax exposures, which have not duly been provided for in the financial statements. These risks continue to apply to stem from past exposures on B2C and white-labels, for as long as related warranties may continue to apply, and until the B2C MGA licence is relinquished. During November 2020, one of the Company's subsidiaries was subject to a review by the FIAU in relation to controls on money laundering and counter terrorism. The outcome of this review is not yet finalised and based on the information available as at the date of reporting, Management does not anticipate that there will be any material financial consequence emerging from such review.

It is the Company's view that the responsibility for compliance with laws and regulations rests with the customers for both the Media and Platform segment. Although gaming laws and regulations of many jurisdictions do not specifically apply to the supply of B2B services, certain countries have sought to regulate or prohibit the supply of such services. The Company may therefore be subject to such laws, directly or indirectly. The Company mitigates this risk through monitoring of legal developments, contractual arrangements, and by seeking external advice to assist with the assessment of risk exposures as appropriate.

In addition to the above, the Company faces the risk that customers are not able to pay for the services rendered when these fall due. Specifically, for Media services, the Company faces operational risks arising from Google's changes of its algorithm that could temporarily impact rankings, and hence also impact revenues.

Use of Estimates, Judgements and Assumptions

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, expenses and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Estimates constitute the basis for the assessment of the net book value of assets and liabilities when these values cannot be derived from other sources. Estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the revisions are made and in any future periods affected.

The following are significant areas in the Company's consolidated financial statements where estimates and judgment are applied to account balances: Goodwill, intangibles, property, plant and equipment, related write-offs, depreciation, amortisation and income taxes. The amount and timing of recorded expenses for any period would vary by any changes made to such estimates.

2.2 Consolidation

Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable return from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

The Company applies the acquisition method of accounting to account for business combinations that fall within the scope of IFRS 3. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed (identifiable net assets) in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Company recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Goodwill is initially measured as the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Company's share of the identifiable net assets acquired. If this is less than the fair value of the identifiable net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Upon consolidation, inter-company transactions, balances and unrealised gains on transactions between companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

In the Company's separate financial statements, investments in subsidiaries are accounted for by the cost method of accounting, i.e., at cost less impairment. Cost includes directly attributable costs of the investment. Cost also includes the vested portion of the grant date fair value of share options which the Company grants as remuneration to employees and other consultants who provide services to the Company's subsidiaries.

Provisions are recorded where, in the opinion of management, there is an impairment in value. Where there has been an impairment in the value of an investment, it is recognised as an expense in the period in which the diminution is identified. The results of subsidiaries are reflected in the Company's separate financial statements only to the extent of dividends receivable. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

Associates

Associates are all entities over which the Company has significant influence but not control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit or loss, and the Company's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its associates and joint ventures are eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.8.

Transactions with non-controlling interests

The Company treats transactions with non-controlling interests, where the acquisition or disposal of partial interests in a subsidiary has no impact on the Company's ability to control the subsidiary's financial and operating policies, as transactions with equity owners of the Company. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Company ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Company had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Segment Information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. An operating segment's operating results are reviewed regularly by the Company's management team to make decisions about resources to be allocated to the segment and to assess its performance executing the function of the chief operating decision-maker.

Business combinations between entities under common control

Business combinations between entities under common control, which do not all within the scope of IFRS 3, are accounted for using predecessor method of accounting. Under the predecessor method of accounting, assets and liabilities are incorporated at the predecessor carrying values which are the carrying amounts of assets and liabilities of the acquired entity from the financial statement amounts of the acquired entity.

No new goodwill arises in predecessor accounting, and any differences between the consideration given and the aggregate book value of the assets and liabilities (as of the date of the transaction) of the acquired entity, is included in equity in a separate reserve. The financial statements incorporate the acquired entity's results and balance sheet prospectively from the date on which the business combination between entities under common control occurred.

Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency'). The consolidated financial statements are presented in Euros (EUR), which is the functional currency of the Company.

(b) Transactions and balance

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. The Company's accounting policy is to present all exchange differences within other income (expense), including exchange differences arising on cash and cash equivalents and amounts due from payment providers.

(c) Subsidiaries

Income statements of foreign entities are translated into the Company's presentation currency at the average exchange rates for the year and statements of financial position are translated at the exchange rates ruling at year-end. All resulting translation differences are recognised in other comprehensive income.

Exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. On disposal or partial disposal of a foreign entity, translation differences that were previously recognised in other comprehensive income are recognised in profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Translation differences are recognised in other comprehensive income.

2.3 Financial instruments

The Company's financial instruments include cash and cash equivalents, trade accounts and credit card receivables, bond payable, trade payables and accrued expenses and related party debt. Such instruments are carried at cost which approximates fair value due to the short maturities of these instruments.

2.4 Cash and cash equivalents

For purposes of the statement of cash flows, the cash and cash equivalents are comprised of cash on hand, deposits held at call with banks and e-wallets.

2.5 Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment (Note 2.9.3). The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss. When a receivable is uncollectible, it is written off against the allowance account for trade and other receivables. Subsequent recoveries of amounts previously written off are credited against profit or loss.

2.6 Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of identifiable net assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Cash Generating Units (CGU's) or groups of CGU's, that are expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(b) Domains

Domains comprise the value of domain names acquired by the Company as well as the value derived from the search engine optimisation activity embedded in the acquired portfolios. Separately acquired domains are shown at historical cost, which represents their acquisition price. Certain domains are expected to have a useful life of eight years. Amortisation is calculated using the straight-line method to allocate the cost of domains over their estimated useful lives. Other domains have an indefinite useful life.

(c) Affiliate contracts

Acquired affiliate contracts are shown at historical cost and are deemed to have a useful life of three years determined by reference to the expected user churn rate. Amortisation is calculated using the straight-line method to allocate the cost of affiliate contracts over their estimated useful lives.

(d) Trademarks

Separately acquired trademarks and licences are shown at historical cost. Trademarks acquired in a business combination are recognised at fair value at the acquisition date. Trademarks have indefinite useful lives and are subsequently carried at cost less accumulated amortisation and impairment losses. Some trademarks are not amortised and are held indefinitely because trends show that they will generate net cash inflows for the Company for an indefinite period.

(e) Computer software and technology platforms

Acquired computer software and technology platforms are capitalised on the basis of the costs incurred to acquire and bring to use these assets. These costs are amortised over their estimated useful lives of three years or in the case of computer software, over the term of the license agreement, if different.

Costs associated with maintaining these intangible assets are recognised as an expense when incurred. Development costs that are directly attributable to the design of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the intangible asset so that it will be available for use;
- management intends to complete the intangible assets and use or sell it;
- there is an ability to use or sell the intangible asset;
- it can be demonstrated how the intangible asset will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and use or sell the intangibles asset are available; and
- the expenditure attributable to the intangible asset during its development can be reliably measured.

Directly attributable costs that are capitalised as part of these intangible assets include the labor costs of employees.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

2.7 Property, plant and equipment

All property, plant and equipment are initially recorded at historical cost and subsequently carried at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method over the following periods:

	Years
Installations and improvements to premises	3 - 6
Computer and office equipment	3
Furniture and fittings	3 - 6

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.8)

Gains and losses on disposals of plant and equipment are determined by comparing the proceeds with carrying amount and are recognised within profit or loss.

2.8 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flow CGU's. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.9 Financial assets

2.9.1 Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

2.9.2 Recognition, de-recognition and measurement

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

(b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

2.9.3 Impairment

From 1 January 2020, the Company assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 4.1 for further details.

2.10 Share-based compensation

The Company operates a number of equity-settled and cash-settled, share-based compensation plans. Through these plans, the Company receives services from employees and consultants, or purchases intangible assets, as consideration for equity instruments (options) of the Company. The fair value of the employee services received in exchange for the grant of the options is recognised by the Company as an expense.

For equity-settled share-based payments, the total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- including the employee remaining in employment for a specific time period; and
- including the impact of any non-vesting conditions (for example, the requirement for employees to hold shares for a specific period of time).

At the end of each reporting period, the Company revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions and service conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

When the options are exercised, the Company, or another entity at the request of the Company, transfers shares to the employees.

2.11 Earnings (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 utilise the same numerator, but outstanding shares in gain periods include the dilutive effect of outstanding warrants and options determined by the treasury stock method. Due to the loss in 2021, outstanding common stock options and warrants were anti-dilutive and accordingly were excluded from this calculation. For the year ended 31 December 2021, the Company had 1,720,000 options outstanding.

2.12 Inter-company transactions

Inter-company balances and unrealised income and expenses arising from inter-company transactions are eliminated upon consolidation.

2.13 Foreign currency transactions

Transactions in currencies other than the EUR are recorded in EUR at the exchange rates prevailing at the transaction dates. Exchange gains and losses are included in the Company's results of operations.

2.14 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 recognises 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 entity and when specific criteria have been met as described below.

White-label

Gaming transactions that are not deemed to be financial instruments, where the Company revenues stem from commissions, are recorded in accordance with IFRS 15 'Revenue from Contracts with Customers'. 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.

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 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.

Platform Services

In contracting with white-label operators, 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. For one particular client, the Company has the primary responsibility for fulfilling the promise to provide specific services making the Company the principal. On this basis, the revenues are recognised gross of payments made to service providers.

In contracting with own license operators, the Company generates revenue by entering into a revenue share deal or a fixed deal 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 Income Statement.

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 from 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 such impact and concluded that this has an immaterial effect for the Company. Management will continue to monitor this matter due to the increase in customers in this segment.

Performance Marketing

For a revenue share deal, 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 deal, 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 deal, 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.

2.15 Non controlling interest

The Company has a 99.99% interest in all Maltese companies which represents controlling interest in these companies and therefore has consolidated its financial statements and has presented a non-controlling interest for the portion the Maltese companies that it does not own.

2.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Trade and other payables

Trade payables are obligations to pay for services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Financial liabilities

The Company recognises a financial liability in its statement of financial position when it becomes a party to the contractual provisions of the instrument. The Company's financial liabilities are classified as financial liabilities which are not at fair value through profit or loss (classified as "Other liabilities") under IFRS 9. Financial liabilities not at fair value through profit or loss are recognised initially at fair value, being the fair value of consideration received, net of transaction costs that are directly attributable to the acquisition or the issue of the financial liability. These liabilities are subsequently measured at amortised cost. The Company derecognises a financial liability from its statement of financial position when the obligation specified in the contract or arrangement is discharged, cancelled or expires.

2.19 Borrowings

Borrowings are recognised initially at the fair value of proceeds received, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effect interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

2.20 Current and deferred taxation

Tax expense for the year comprises current and deferred tax. Tax expense is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect accounting or taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxing authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The Company files U.S. federal income tax returns and state income tax returns in Florida, New Jersey and California. Returns filed in these jurisdictions for tax years ended on or after 31 December 2018 are subject to examination by the relevant taxing authorities. In addition, Plc and its subsidiaries, and GiG Properties file tax returns in Malta, Spain, Gibraltar, Norway and Denmark.

2.21 Leases

In preceding years, the Company has changed its accounting policy for leases where the Company is the lessee. The impact of the change in policy adopted is in Note 6.

Until 31 December 2018, leases in which a significant portion of the risks and rewards of ownership were not transferred to the Company as lessee were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease. Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

2.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the obligation to pay a dividend is established.

2.23 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.24 Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell.

A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset is recognised at the date of derecognition. Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

3. Segment Information

IFRS 8 defines segments as business activities that may earn revenues or incur expenses, whose operating results are regularly monitored by the chief operating decision maker and for which discrete financial information is available. Reported information is based on information that management uses to direct the business. Segment disclosures are based on information management has reported to the chief operating decision maker.

Up until the divestment of the Business to Consumer ("B2C") segment in 2020, the Group operated two segments:

- B2C, which included the gaming operations directed towards end users, and
- the Business to Business ("B2B"), which included its platform offering front-end services ('Platform') and affiliate marketing ('Media').

Following the divestment of the B2C segment, the Group's internal reporting to its management team focuses on Platform and Media, and accordingly the segment information disclosed below differs from the disclosures that had been made in the Group's financial statements for the year ended 31 December 2020. Comparative information has been restated to be consistent with the current year's disclosures.

2021 (EUR 1000)	Media	Platform	Eliminations	TOTAL
Revenue	44 970	37 604	-	82 574
Cost of sales	-	-4 564	-	-4 564
Depreciation & amortisation	-7 692	-6 901	-	-14 593
Marketing cost	-10 959	-12 046	-	-23 005
Other operating expenses	-13 305	-20 950	-	-34 256
Other loss	13 013	-6 858	-	6 155
Operating loss	10 137	-9 734	-	403

2020 (EUR 1000)	Media	Platform	Eliminations	TOTAL
Revenue	34 316	30 548	-1 838	63 027
Cost of sales	-2	-2 965	-	-2 967
Depreciation & amortisation	-10 962	-8 444	-	-19 407
Marketing cost	-6 212	-8 688	-	-14 900
Other operating expenses	-10 150	-24 268	-	-34 418
Other loss	6 884	-13 923	-1 838	-8 665
Operating loss	3 519	-17 288	-1 838	-15 608

The Company operates in a number of geographical areas as detailed below:

2021 (EUR 1000)	Media	Platform	TOTAL
Nordic countries	12 537	3 879	16 416
Europe excl. Nordic countries	32 060	12 436	44 496
Rest of world	373	21 289	21 662
TOTAL	**44 970**	**37 604**	**82 574**

2020 (EUR 1000)	Media	Platform	Elimin.	TOTAL
Nordic countries	8 710	6 030	-	14 740
Europe excl. Nordic countries	25 575	16 129	-1 838	39 866
Rest of world	31	8 389	-	8 420
TOTAL	**34 316**	**30 548**	**-1 838**	**63 027**

The following table presents the Company's revenues by product line, net of intra-segment eliminations:

(EUR 1000)	2021	2020
Performance marketing	44 970	34 316
Platform services	37 604	30 548
Eliminations	-	-1 838
Total	**82 574**	**63 027**

The following table presents the number of Company personnel by continent:

	2021	2020
Europe	461	502
North America	3	2
	464	**504**

4. Financial Risk Managment

4.1 Financial risk factors

The Company's activities potentially expose it to a variety of financial risks principally comprising market risk (including foreign exchange risk, price risk and fair value interest rate risk), credit risk and liquidity risk. The Company provides principles for overall risk management. The Company did not make use of derivative financial instruments to hedge risk exposures during the current and preceding period.

(a) Market risk

(i) Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the SEK, GBP, NZD, CAD, DKK, USD and NOK. The Company is primarily exposed to foreign exchange risk with respect to SEK arising on the bond issuance. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities which are denominated in a currency that is not the entity's functional currency.

A sensitivity analysis for foreign exchange risk disclosing how profit or loss and equity would have been affected by changes in foreign exchange rates that were reasonably possible at the end of the period was deemed necessary for liabilities denominated in SEK. At the period end, had the SEK exchange rate strengthened or weakened against the euro by 0.15% (2020: 1.07%) with other variables held constant, the increase or decrease respectively in net assets of the Company would amount to approximately EUR 63,792 (2020: EUR 417,681) and EUR 63,984 (2020: EUR 426,716) respectively.

A sensitivity analysis for all other assets and liabilities was not deemed necessary on the basis that management considered it to be immaterial.

(ii) Interest rate risk and cash flow interest rate risk

The Company's significant instruments which are subject to fixed interest rates comprise the bonds issued. In this respect, the Company is potentially exposed to fair value interest rate risk in view of the fixed interest nature of these instruments, which are however measured at amortised cost.

The Company's exposure to cash flow interest rate risk is fixed on cash balances, which is not considered to be significant.

(b) Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from outstanding receivables due to the Company's customers and cash and cash equivalents.

The Company assesses the credit quality of its customers taking into account financial position, past experience and other factors. It has processes in place to ensure that sales of products and services are affected to customers with an appropriate credit history. The Company manages credit limits and exposures actively in a practicable manner such that past due amounts receivable from customers are within controlled parameters. The Company further monitors the performance of these financial assets on a regular basis to identify incurred collection losses which are inherent in the Company's receivables taking into account historical experience in collection of accounts receivable.

Impairment of financial assets

The Company's trade receivables are subject to the expected credit loss model. Cash and cash equivalents are also subject to the impairment requirements of IFRS 9, but due to the low credit risk the loss allowance was deemed to be immaterial in both current and prior years. The loss allowance in relation to amounts due from payment providers was deemed to be nil as at 31 December 2021 and 31 December 2020. EUR 991,057 was determined to be irrecoverable during 2020, and was therefore written off.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The expected loss rates are based on historical experience, as adjusted for qualitative factors, as further described below.

The publishing unit within performance marketing reported trade receivables of EUR 4,634,138 as at 31 December 2021 (2020: EUR 3,514,526), and a loss allowance of EUR 251,914 or 5.4% (2020: EUR 452,296). The paid unit within performance marketing reported trade receivables of EUR 1,917,915 as at 31 December 2021 (2020: EUR 2,172,134), and a loss allowance of EUR 170,777 or 8.9% (2020: nil).

Trade receivables from platform services amounted to EUR 2,265,261 as at 31 December 2021 (2020: EUR 3,634,212). As at 31 December 2021, management recorded a loss allowance of nil (2020: nil), and EUR 285,254 was written off during 2021 as uncollectible (2020: EUR

986,673). Management has considered the quality of counterparties as at 31 December 2021 and 2020, and concluded that no loss allowance should be recorded on the basis of payment experience, where relevant, and management's credit risk assessment. Other receivables of EUR 2,100,141 (2020: EUR 3,160,841) for the Company are mostly linked to the sale of the B2C segment and receivables related to lease of a domain, which are expected to reduce in line with the contractual obligations of the counterparty.

(c) Liquidity risk

The Company is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which comprise principally trade and other payables, interest on bonds and loans (refer to Notes 8, 19 and 20). Prudent liquidity risk management includes maintaining sufficient cash to ensure the availability of an adequate amount of funding to meet the Company and Parent's obligations.

Management monitors liquidity risk by reviewing expected cash flows and assesses whether additional financing facilities are expected to be required over the coming year. The Company's liquidity risk is actively managed taking cognisance of the matching of cash inflows and outflows arising from expected maturities of financial instruments. Further information linked to liquidity and the going concern basis of preparation is found in Note 2.1 to the financial statements.

4.2 Capital risk management

The Company's capital comprises its equity as included in the statements of financial position. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company's capital structure (including the additional paid-in capital) is monitored at a Company level with appropriate reference to subsidiaries' financial conditions and prospects.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

4.3 Fair values of financial instruments

Financial instruments carried at fair value

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The Company's instrument included in level 3 comprise a private equity investment, disclosed in Note 13 of these financial statements, which also includes a reconciliation from opening to closing value of the instruments.

Level 3 valuations are reviewed regularly by management. The Company's derivative financial instrument, comprising an option to purchase intangible assets, is also included in level 3, and is disclosed in Note 13. Further details on how the fair value of these instruments was calculated are disclosed in the respective notes to these financial statements.

There were no transfers between levels of the fair value hierarchy during 2021 and 2020.

Financial instruments not carried at fair value

As at 31 December 2021 and 2020 the carrying amounts of cash at bank, receivables, payables, and borrowings reflected in the financial statements are reasonable estimates of fair value in view of the nature of these instruments or the relatively short period of time between the origination of the instruments and their expected realisation. The bond is held at amortised cost and the fair value is disclosed in Note 8.

EUR 1000		Company		Parent
Assets (level 3):	**2021**	**2020**	**2021**	**2020**
Financial assets at fair value through profit or loss (recorded in other non-current assets):				
Derivative instruments - purchase call options (Note 13)	206	206	-	-
Financial assets at fair value through other comprehensive income:				
Equity securities - unlisted equities	-	-	-	-
Total financial assets	**206**	**206**	**-**	**-**

5. Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, other than the uncertainty associated with the legal environment that the Company operates in (disclosed in Note 34), are addressed below.

(i) Impairment test of goodwill and other intangible assets

The Company tests whether goodwill and other intangible assets with indefinite lives have suffered any impairment on an annual basis. As at 31st December 2021 the Company operated one CGU, following the disposal of the B2C segment.

The assumptions used in the value-in-use calculations are inherently uncertain. A detailed analysis CGU disclosed below.

The Business-to-Business CGUs comprises two main business activities, which are performance marketing and technology services.

Performance marketing accounts for 75% (2020: 77%) of the carrying amount of intangibles. The Directors consider that the impairment assessment for this business component is less sensitive to changes in key assumptions due to the level of headroom between the reported intangible assets and the respective value-in-use.

The Directors consider that the impairment assessment of Platform services which account for the remaining 25% (2020: 23%) of intangible assets to be more sensitive. Its activity is sensitive to key assumptions including the successful onboarding of new clients planned, and the Company achieving projected growth and improved EBITDA margin.

(ii) Valuation of share options

As explained in Note 22 the Company operates equity-settled and cash-settled share-based compensation plans. In order to determine the fair value of services provided, the Company estimates the fair value of the ordinary shares as of each grant date using the Black-Scholes valuation model. Refer to Note 22 for a summary of the inputs used and other assumptions made on calculating the fair value of share options granted as part of the share-based payment scheme.

(iii) Contingent liability

In November 2020, one of the group's subsidiaries was subject to a review by the FIAU in relation to controls on money laundering and counter terrorism. The outcome of this review is not yet finalised and, based on the information available as at the date of reporting, Management does not anticipate that there will be any material financial consequence emerging from such review.

(iv) The Group as a lessor

During 2019 one of the Group companies entered into a contract whereby the Group leased out out one of its domains to be transferred to the counterparty at the end of the agreement if all the terms of the agreement were met. The Group received monthly fixed payments as well as variable payments based on the performance of the domain for a minimum of 3 years and until the terms of the agreement were satisfied. During the current year, the conditions of this agreement were revised for the settlement of the income generated by the lease to be accelerated. Since all conditions were fulfilled, the asset was transferred by the end of the year, and the respective income generated was reflected in the income statement. The revised agreement caters for the settlement of an existing balance through collaboration efforts between both parties, which amounted to a balance of EUR 1.2 million as at the year end. The directors consider this balance to be recoverable based on their assessment of future prospects for settlement.

(v) Pending tax claim

During 2020 the Group opened a claim for overpaid taxes to the relevant authorities. On the basis of advice received from legal experts, and communications with the said authorities, management considers the basis for recognition of such claim to be virtually certain. Refer to Note 6 for further information.

(vi) Changes in software development and media domains amortisation policy

During the year the estimated useful lives of media domains were revised to reflect the re-assessed value of such assets. During 2021, a reassessment of certain intangible assets was also performed where the useful life of these assets has been extended from 24 to 36 months. The impact of these change in estimates is disclosed in Note 9 to these financial statements.

6. Leases

This note provides information for leases where the Company is a lessee. For leases where the Company is a lessor, see Note 6 (c).

(i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

(EUR 1000)	As at 31 December 2021	As at 31 December 2020
Right-of-use-assets:		
Buildings	11 123	13 002
Lease liabilities:		
Non-current	10 168	2 351
Current	2 388	11 736
	12 556	**14 087**

Additions to the right-of-use assets during the 2021 financial year were EUR 841,228 (2020: EUR 1,778,951). Disposals to the right-of-use assets during the current year were EUR 153,513 (2020: nil).

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

(EUR 1000)	As at 31 December 2021	As at 31 December 2020
Depreciation charge of right-of-use assets	2 592	2 671
Interest expense (included in other expenses)	908	989
Expenses related to short-term leases (included in other income/expense)	-	3
Expenses related to variable lease payments (included in other income/ expense)	-	222

The total cash outflow included lease principal payments amounting to EUR 2,331,604(2020: EUR 2,720,185) and leasehold interest payments amounting to EUR 865,055 (2020: EUR 434,909).

Maturity analysis - contractual undiscounted cash flows (EUR 1000)	As at 31 December 2021	As at 31 December 2020
Less than one year	3 155	3 356
One to five years	9 312	11 045
	12 467	**14 401**

(b) The Company's leasing activities and how these are accounted for

The Company leases various properties. Rental contracts are typically made for fixed periods of 1 to 8 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to Income Statement over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentive received;
- any initial direct costs; and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options

Extension and termination options are included in a number of properties across the Company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

Judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee. No change was required in 2021 that would have resulted in a change in the lease term.

(c) The Company as a lessor

During the year, the Company has sub-leased parts of its office to a number of tenants under operating leases with rentals payable monthly. The Company has recognised rental income from operating leases of EUR 851,625 (2020: EUR 186,367).

The offices are sub-leased to tenants under operating leases with rentals payable monthly. Lease payments include CPI increases, but there are no other variable lease payments that depend on an index or rate.

Minimum lease payments receivable on leases of investment properties are as follows:

	Company and Parent	
EUR 1000	**2021**	**2020**
Whitin 1 year	935	370
Between 1 and 2 years	956	758
	1 891	**1 128**

During 2019 one of the Group companies entered into a contract whereby the Group will be leasing out one of its domains which will be transferred to the counterparty at the end of the agreement if all the terms of the agreement are met. The Group will receive monthly fixed payments as well as variable payments based on the performance of the domain for a minimum of 3 years and until the terms of the agreement are satisfied. During the current year, the conditions of this agreement have been revised whereby the income generated by the lease of these domains were accelerated and recognised throughout the year.

7. Discontinued operations

On 14 February 2020, the Company signed a Share Purchase Agreement (SPA) with Betsson Group (Betsson) for the divestment of its B2C assets which include the operator brands Rizk, Guts, Kaboo and Thrills. Betsson through this agreement, is a long-term partner of the Company, generating revenues to the Group's Platform Services. On the day of closing, Betsson paid EUR 31 million, consisting of a EUR 23.9 million cash payment for the acquisition, plus a prepaid platform fee of EUR 8.7 million. The Company used the proceeds to repay the Company's SEK 300 million 2017 - 2020 bond. Subsequently, the consideration was adjusted by EUR 2.3 million, to reflect working capital of EUR 2.8 million and a EUR 0.5 million deferred payment.

(a) Financial performance and cash flow information:

EUR 1000	2021	2020
Net revenue	-	22 895
Other income	-	1 910
Expenses	-465	-25 368
Impairment losses	-	-1 100
Operating loss	**-465**	**-1 663**
Income tax expense	-	-91
Operating loss from discontinued oerations	**-465**	**-1 754**
Loss from discontinued operations attributable to:		
Owners of the Company	-465	-1 753
Non-controlling interest	-	-
	-465	**-1 753**
Net cash flow from operating activities	-1 812	-1 160
Net cash from investingactivities	-	-197
Net cash inflow/(outflow) from financing activities	-	-
Net increase in cash generated by discontinued operations	**-1 812**	**-1 357**

Other Income of EUR 1,910,374 relates to a claim for overpaid taxes to the relevant authorities. On the basis of advice received from legal experts, and communications with the said authorities, management considers the basis for recognition of such claim to be virtually certain. Expenses include an amount of EUR 1,910,374 which relates to a settlement with a third-party software provider on a previously disputed case occurring during 2019 regarding a potential fraudulent transaction.

(b) Details of sale of subsidiary

Company (EUR 1000)	2021	2020
Consideration received or receivable:		
Cash	-	19 276
Net present value of future cash flows	-	4 642
Total disposable consideration	**-**	**23 918**
Less: cost of investment	-	-24 009
Loss on sale after income tax	**-**	**-91**

The cash consideration received of EUR 19,276,027 is net of transaction costs of EUR 2,115,000.

The carrying amounts of assets and liabilities as at the date of sale (15 April 2020) were:

EUR 1000	15 April 2020
Non-current assets:	
Intangibles	25 169
Current assets held for sale:	
Prepayments	514
Other rade receivables	314
License guarantee	2 000
Cash	5 744
Total assets of disposal group held for sale	**33 740**
Liabilities directly associated with assets classified as held for sale	
Trade and othe payables	-4 602
Players liability	-4 062
Jackpot liability	-1 066
Total liabilities of disposal group held for sale	**-9 731**
Net assets	**24 009**

8. Bonds Payable

As at 1 January 2020, the Group and the Company had the following outstanding bonds:

Issuance year	Maturity date	Seniority	Currency	Nominal amount	Interest rate
2017	6 March 2020	Senior secured	SEK	300 million	Fixed coupon of 7% p.a.
2019	28 June 2022	Senior secured	SEK	400 million	3m STIBOR + 9% p.a.

On 22 April 2020, the Group used part of the proceeds from the sale of B2C to repay its SEK 300 million 2017-2020 bond together with the cost incurred of SEK 1.1 million for extending the bond's maturity date from 6 March 2020 to 22 April 2020.

In June 2021, the Group issued a new 3-year SEK 450 million senior secured bond with a SEK 550 million borrowing limit. The net proceeds were used to refinance the existing SEK 400 million 2019-2022 bond including transaction costs with the balance applied towards general corporate purposes. Transaction costs included a rollover premium to bondholders continuing participation in the new bond and a voluntary early redemption fee to bondholders being repaid, in the aggregate of EUR 1.3 million.

In January 2022, the Group successfully completed a SEK 100 million subsequent bond issue under the above bond framework, to be used towards partially finance the acquisition of Sportnco and general corporate purposes. The borrowing limit of SEK 550 million was therefore fully utilised after the reporting period.

The 2021-24 bonds are registered in the Norway Central Securities Depository and are dual listed on Nasdaq Stockholm and Frankfurt Stock Exchange Open Market. Their quoted price as at 31 December 2021 was SEK 461,925,000 (EUR 45,064,535) which in the opinion of the directors fairly represents the fair value of these liabilities. This fair value estimate is deemed to fall under level 2 of the fair value measurement hierarchy, as it is based on a quoted price in a market with low trading volume.

The quoted market price of the 2019-2022 bonds at 31 December 2020 was SEK 383,000,000 (EUR 38,269,384) which in the opinion of the directors fairly represents the fair value of these liabilities. The fair value estimate in this respect is deemed to fall under level 2 of the fair value measurement hierarchy as it constitutes a quoted price in a market with low trading volume.

As at 31 December 2021, the Group and the Company have the following outstanding bond:

Issuance year	Maturity date	Seniority	Currency	Nominal amount	Interest rate
2021	11 June 2024	Senior secured	SEK	450 million	3m STIBOR + 8.5% p.a.

9. Goodwill and Intangibles

A reconciliation of goodwill and intangibles for the years ended 31 December 2021 and 2020 is as follows:

Company (EUR 1000)	Goodwill	Trade-marks	Domains	Affiliate contracts	Technology platform	Computer software	Other	Total
Balance 1 January 2020	15 995	841	31 328	1 706	5 387	955	692	56 904
Additions	-	-	18	-	6 257	544	-	6 819
Assets classified as held for sale	-	-	-	-	-231	-109	-	-340
Exchange differences	292	-	-	-	31	-	-	323
Reclassification	-	-	-	-	-	-	-	-
Amortisation charge	-	-	-6 375	-1 691	-5 551	-791	-	-14 408
Balance 31 December 2020	16 287	841	24 971	15	5 893	599	692	49 298
Additions	38	-	-	-	8 400	653	-	9 091
Amortisation charge	-	-	-3 772	-	-4 988	-880	-692	-10 332
Balance 31 December 2021	16 325	841	21 199	15	9 305	372	-	48 057

Parent (EUR 1000)	Platform	Computer software	Total
Balance 1 January 2020	12	2	14
Amortisation	-12	-2	-14
Balance 31 December 2020	-	-	-
Amortisation	-	-	-
Balance 31 December 2021	-	-	-

Impairment test for goodwill and intangible assets

The Company's reported goodwill as at 31 December 2021 primarily relates to the acquisition of Rebel Penguin ApS, a Company offering digital marketing services. Trademarks acquired in 2017 are considered to have an indefinite life. Trademarks comprise of gig.com domain which is split equally between the two cash generating units.

For the purposes of the impairment testing of goodwill and intangibles with an indefinite useful life, two cash generating units ('CGU') werewas identified identified comprising of performance marketing and platform services. The determination of the CGUs reflect how the Group manages the day-to-day operations of the business, and how decisions about the Group's assets and operations are made.

The carrying amount, key assumptions and discount rate used in the value-in-use calculations are as described below.

Cash-Generating unit	2021		2020	
EUR 1000	Media	Platform	Media	Platform
Carrying amounts:				
Goodwill	5 853	-	5 839	-
Intangible assets with definite lives	21 916	8 974	23 655	8 515
Intangible assets with indefinite lives	421	421	421	421
	28 190	**9 395**	**29 915**	**8 936**

The key assumptions on which management has based its impairment test are reflected in the cash flow projections comprising the budget for 2021 as confirmed by the entity's Board and estimated on cashflows for years 2023 - 2025 include (2020: 2022 – 2024). The key assumptions include:

- Revenue percentage annual growth rate;
- Gross margin;
- Total operating expenses percentage annual growth rate; and
- EBITDA margin.

The post-tax discount rate applied to the cash flow projections for performance marketing was 15% (2020: 15%) and for platform services was 17% (2020: 17%). The perpetual growth rate, as assumed in the CGU's residual value, is 2% (2020: 2%) based on the estimated long-term inflation.

The business-to-business CGU is composed of two main business activities being is performance marketing and technology services.

With regards to performance marketing, the directors consider that the impairment assessment for this activity is less sensitive due to the level of headroom between the carrying amount of the intangible assets and the respective value-in-use. Goodwill attributed to this CGU was EUR 5.8 million as at 31 December 2021 and domains amortised over a period of 8 years. During the year the estimated useful lives of media domains were revised to reflect the re-assessed value of such assets. The net effect of the changes in the current year was a decrease in amortization expense of EUR 1,558,000. Assuming the assets are held until the end of their re-assessed estimated useful lives, amortization in future years in relation to these assets will increase/(decrease) by the following amounts:

Year ending 31 December	EUR 1000
2021	-1 558
2022	-1 558
2023	-1 739
2024	-1 673
2025	999
2026	3 121
2027	1 204
2028	842

During the year, a reassessment of certain intangible assets was also performed where the useful life of these assets has been extended from 24 to 36 months. The net effect of the changes in the current year was a decrease in amortization expense of EUR 671,395

The impairment assessment for this business component is sensitive to the Group achieving projected growth, representing an annual CAGR of 16% over the projected period (2023-2025), and an improved EBITDA margin. Intangible assets under platform services accounts for 25% of the total carrying amount of intangibles, and a maintainable free cashflow after tax of at least c. EUR 0.9 million is required to sustain the carrying value of the intangible assets, excluding the allocation of corporate assets allocation to this business activity. The impairment assessment of this activity is susceptible to the Group achieving projected growth and an improvement in EBITDA.

10. Property, plant and equipment

Company (EUR 1000)	Installations and improvement to premises	Furniture & fittings	Computer & office equipment	Total
At 1 January 2020				
Cost	3 884	1 721	4 194	9 799
Additions	181	49	1 377	1 607
Disposals	-3	-185	-70	-259
Exchange differences	-1	-1	-2	-4
As at 31 December 2020	4 061	1 584	5 499	11 144
Additions	46	4	327	378
Disposals	-	-	-	-
Exchange differences	-	2	-	2
At 31 December 2021	4 107	1 590	5 826	11 523
Accumulated depreciation				
As at 1 January 2020	1 531	870	2 384	4 785
Depreciation charge	832	250	1 243	2 326
Disposals	-4	-49	-58	-111
Impairment losses attributable to discontinued operations	1 100	-	-	1 100
As at 31 December 2020	3 460	1 071	3 569	8 100
Depreciation charge	450	199	1 011	1 660
Disposals	-	-	-	-
As at 31 December 2021	3 910	1 270	4 580	9 760
Net book value				
As at 1 January 2020	2 353	851	1 810	5 014
As at 31 December 2020	601	513	1 930	3 043
As at 31 December 2021	196	320	1 246	1 763

During the comparative year, the Group had impaired EUR 1.1 million in relation to improvements to leasehold premises.

11. Investments in Subsidiaries

EUR 1000	2021	2020
At 1 January:	72 813	84 066
Additions	3 256	13 574
Sale of investment	-	-24 827
Write off	-6	-
At 31 December	**76 063**	**72 813**
At 31 December:		
Cost	76 063	97 640
Sale of investment	-	-24 827
Impairment	-	-
Carrying amount	**76 063**	**72 813**

During 2020, the Company sold investments in subsidiaries with a carrying amount of EUR 24,827,000 to Betsson, resulting a loss of EUR 908,973 that was recognised in results for that period (Note 7).

Subsidiaries	Country of incorporation	Class of shares held	Percentage of ownership and voting rights held directly by the Company		Percentage of ownership and voting rights held by the Parent	
			2021	2020	2021	2020
NV Securetrade	Curacao	Ordinary shares	-	-	100	100
iGamingCloud NV	Curacao	Ordinary shares	-	-	100	100
Innovation Labs Limited	Malta	Ordinary shares	100	100	100	100
MT Secure Trade Limited	Malta	Ordinary shares	100	100	100	100
iGamingcloud Limited	Malta	Ordinary shares	100	100	100	100
Online Performance Marketing Limited	British Virgin Islands	Ordinary shares	100	100	100	100
iGamingCloud SLU	Spain	Ordinary shares	-	-	100	100
iGamingCloud (Gilbraltar) Ltd	Gilbraltar	Ordinary shares	-	-	100	100
GiG Norway AS	Norway	Ordinary shares	100	100	100	100
Mavrix Services Limited*	Gilbraltar	Ordinary shares	-	100	-	-
Pronzo Entertainment B.V	Curacao	Ordinary shares	-	-	-	100
Mavrix Activities Limited	Gilbraltar	Ordinary shares	-	-	-	100
Mavrix 5 X 5 Limited	Gilbraltar	Ordinary shares	-	-	-	100
Mavrix Promotions Limited	Gilbraltar	Ordinary shares	-	-	-	100
Mavrix Holding Limited	Gilbraltar	Ordinary shares	-	-	-	100
Gaming Innovation Group Inc.	USA	Ordinary shares	100	100	100	100
GIG Central Services Limited	Malta	Ordinary shares	100	100	100	100
Kaboo Services Limited	Malta	Ordinary shares	-	100	-	-
Thrills Services Limited	Malta	Ordinary shares	-	100	-	-
Guts Services Limited	Malta	Ordinary shares	-	100	-	-
Highroller Services Limited	Malta	Ordinary shares	-	100	-	-
Rebel Penguin ApS	Denmark	Ordinary shares	-	-	100	100
iGamingCloud Inc.	United States	Ordinary shares	-	-	100	100
SIA YSG International Services Limited	Latvia	Ordinary shares	-	-	100	-
Silvereye International Limited Operations plc	Malta	Ordinary shares	100	-	100	-

Under Maltese law, certain corporations are required to be owned by a minimum of two entities/persons, as such in some 1 share is owned by an officer of the Company or fiduciary agent (see Note 2.15 Non-Controlling interest).

12. Financial assets at fair value through other comprehensive Income

	Company and Parent	
EUR 1000	**2021**	**2020**
At 1 January	-	568
Losses recognised in other comprehensive income	-	-17
Exchange differences	-	-551
At 31 December	**-**	**-**

In 2020, the Group sold its 3.57% investment in EPG as this investment no longer suited the Group's investment strategy. The consideration of EUR 550,497 was the same as the carrying value in the Company's books. During the lifetime of the investment, the Company recognised a loss of EUR 141,268. In line with its accounting policy, this realised loss was transferred from 'Other Reserves' to 'Retained Earnings' upon its disposal in 2020.

13. Derivative financial asset (recorded in other non-current assets)

		Company
EUR 1000	**2021**	**2020**
Call option to acquire intangible assets Non-current		
At 31 December	**206**	**206**

Valuation of call option to acquire intangible assets

During 2016, the Company acquired the right to buy the remaining 50% of the risks and rewards of 'development domains' at any time during March 2018 and June 2021. The purchase price payable by the Company if the option is exercised will be calculated using a specified price mechanism, equating to the annualised revenue generated by the development domains during a period of six months prior to the exercise date, on which a 2.5x multiple will be applied.

At initial recognition, the fair value of the acquired option was estimated to amount to EUR 205,714. The fair value of the option represents the difference between the consideration payable as determined by the above-mentioned price mechanism (established in the purchase contact), compared with the price payable if an industry multiple would have been applied to the mechanism determining the consideration payable by the Parent. Based on past acquisitions of similar domains, management believes that a multiple of 4x revenue generated by domains is a fair representation of an industry multiple. A discount rate of 15% was used to calculate present value of the derivative, both at initial recognition, and at year end.

The directors estimate that as at 31 December 2020 and 31 December 2021, using the same inputs above, the fair value of the derivative remains substantially unchanged and accordingly no fair value movements were recognised in profit and loss for the year.

Adjusting the valuation by increasing/decreasing the industry multiple would result in the fair value of the option increasing/decreasing respectively. Management envisages that a reasonable shift in the unobservable inputs used in the valuation would not have a significant impact on the amounts on consolidated profit or loss and total assets.

The Company has not exercised its option to acquire the remaining 50% of the risks and rewards of 'development domains' in 2021 and the option expired in June 2021. The agreement is currently being extended and management are assessing the options to purchase this asset.

14. Financial assets at fair value through profit or loss

During the prior year, the Company had issued a further loan to D-Tech of EUR 80,500. The loan was subject to fixed interest at the rate of 8.00% and was repayable in June 2021 and carried the option to be converted into ordinary shares. As a result, this investment was classified at fair value through profit or loss. During the preceding year, management decided to fully impair the loan to D-Tech based on uncertainty in recoverability.

15. Trade and other receivables

	Company		Parent	
EUR 1000	2021	2020	2021	2020
Trade receivables - gross	8 817	9 777	-	-
Less loss allowance	-423	-452	-	-
Net	8 394	9 325	-	-
Amounts due from payment providers	717	598	-	-
Amounts due from company undertakings	149	671	5 135	5 535
Amounts due from related parties	-	26	-	-
Indirect taxation	4 801	499	-	-
Other receivables	2 100	3 106	-	-
Accrued income	-	284	-	-
Prepayments	1 409	1 202	-	-
Balance sheet	**17 570**	**15 711**	**5 135**	**5 535**

Other receivables amounting to EUR 2,100,141 for the Company is mostly linked to the sale of the B2C segment and receivables related to lease of domain, which balance is expected to reduce in line with the contractual obligations of the counterparty.

As part of indirect taxation, the Group has accrued for EUR1.9m in terms of a claim for overpaid taxes to the relevant authorities. On the basis of advice received from legal experts, and communications with the said authorities, management considers the basis for recognition of such claim to be virtually certain.

In the Group, amounts due from group undertakings and related parties are unsecured, interest free and repayable on demand.

Amounts due from subsidiaries in the Company are unsecured, interest free and repayable on demand.

16. Cash and cash equivalents

Cash and cash equivalents recorded in the Statements of Financial Position and the Statements of Cash Flows comprise the following:

	Company		Parent	
EUR 1000	2021	2020	2021	2020
Cash and cash equivalents	8 561	11 504	78	3 461
Restricted cash	-1 630	-2 548	-	-
Cash, net of restricted cash	**6 931**	**8 956**	**78**	**3 461**

Included in the Group's cash at bank are amounts of EUR 1,630,343 (2020: EUR 2,547,956) that are held in a fiduciary capacity and represent customer monies, whose use is restricted in terms of the Malta Remote Gaming Regulations, 2018.

17. Prepaid and other current assets

Other current assets include prepayments to vendors and advances to employees incurred in the normal course of business.

18. Other non-current assets

Other assets include security deposits on office leases, derivative assets and certain value added tax refunds due from various taxing authorities.

19. Trade and other payables

		Company		Parent
EUR 1000	**2021**	**2020**	**2021**	**2020**
Non-current:				
Indirect taxation and social security	2 856	1 773	-	-
Current:				
Trade payables	2 686	3 132	-	5
Jackpot balances	1 178	1 095	-	-
Players' accounts	452	1 453	-	-
Other payables	2 309	1 598	87	197
Accruals	925	3 157	-	-
Deferred income	-	6 756	-	-
Indirect taxation	9 663	5 900	-	-
	20 069	**24 866**	**87**	**202**

The Company's other payables as at 31 December 2020 included an amount of EUR 1.9 million which it had agreed to settle with a third-party software provider on a previously disputed case occurring during 2019 regarding a potential fraudulent transaction. The amount was settled during 2021. The Company's accruals include a provision for a potential fine from the SGA related to its discontinued operations sold in 2020.

In the preceding year, the amounts due to subsidiaries and related parties are unsecured, interest-free and repayable on demand.

Certain of the Group's subsidiaries postponed the remittance of certain indirect taxes. Management has entered into a payment plan with the relevant authorities for any overdue balances relating to 2020 and preceding years. Amounts for which the renegotiated payment does not fall due within 12 months are presented as non-current liabilities.

20. Short term and long term loans payable

In June 2020, the Parent's parent entered into a NOK 25 million (EUR 2.3 million) credit facility with a shareholder based on market terms at that point in time. The facility is subject to a commitment fee of 3% per annum on the full amount and an interest rate of 15% per annum on the amount withdrawn and matures on 31 March 2021. NOK 14.0 million was drawn under the facility in July 2020 and a further NOK 11.0 million in November 2020. The credit facility was repaid in January 2021.

In December 2020 the Company's parent issued a subordinated convertible loan of EUR 8.5 million to two Nordic investment funds bearing an interest rate of 8% per annum. This loan was classified as convertible loan with equity portion of Euro 0.8 million. The loan strengthened the cash position and expedited revenue generating activities by enhancing scope for future growth. The loan was convertible into shares in the Parent at NOK 15 at the option of the lenders, or repayable net of transaction costs in cash on 18 June 2023. This loan was converted into shares during 2021.

21. Deferred income taxation

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The following amounts are shown in the statements of financial position after appropriate offsetting:

		Company		Parent
EUR 1000	2021	2020	2021	2020
Deferred tax asset to be recovered in more than 12 months	78	60	-	-
Deferred tax liability to be recovered in more than 12 months	-416	-1 529	-	-
	-338	**-1 469**	**-**	**-**

The movement on the deferred income tax account is as follows:

		Company		Parent
EUR 1000	2021	2020	2021	2020
As at 1 January	**-1 469**	**-1 210**	**-448**	**-448**
Deferred tax assets acquired upon merger	-	-	-	-
Deferred tax liability on temporary differences	1 131	-259	-	-
As at 31 December	**-338**	**-1 469**	**-448**	**-448**

Deferred taxes are calculated based on temporary differences under the liability method using the principal tax rate within the relevant jurisdiction. The year-end balance comprises:

		Company		Parent
EUR 1000	2021	2020	2021	2020
Net operating loss carryforwards from US operations	-	12 417	-	-
Future tax credits on subsidiaries undistributed profits	78	60	-	-
Temporary differences arising due to differences between the tax base and carrying base of intangible assets	-	-	-	-
Differences between the tax base and carrying amounts of available for sale investments	-	-	-	-448
Temporary differences arising on differences between the tax base and carrying base of intangible assets	-	-1 905	-	-
Capital allowances and tax losses	-	352	-	-
Net valuation allowance on US net operating losses	-	-12 417	-	-
Temporary differences arising on provision for impairment of receivable	-	24	-	-
TOTAL	**78**	**-1 469**	**-**	**-448**

As at December 2021, the Company also had unrecognised unutilised tax credits amounting to EUR 39,303,880 (2020: EUR 37,113,101) arising from unabsorbed tax losses and capital allowances, and net deductible temporary differences arising from intangible assets and property, plant and equipment amounting to EUR 1,226,399 (2020: EUR 1,525,113). These give rise to a net deferred tax asset for the Group amounting to EUR 1,903,874 (2020: EUR 1,931,911), which is not recognised in these financial statements.

As at 31 December 2021 the Company had approximately EUR 42,302,000 (2020: 44,347,000) of net operating loss carryforwards from its US operations adjusted for exchange fluctuations.

For the years ended 31 December 2021 and 2020, the Company incurred taxable losses in the U.S. and as such had no related U.S. Federal or State income tax expense. In assessing the realizability of the deferred tax assets related to net operating losses from its US Operations, management considered whether it is probable that some portion or all of the deferred tax assets will not be realized. The realization of deferred tax assets depends on the Company's ability to generate taxable income in the future. The Company has determined that it is uncertain to what extent it will realize the benefit of its deferred tax assets and as such has recorded an allowance against 100% of its deferred balance.

22. Equity

Oslo Bors Registration

The Company's shares are traded on the Oslo Stock Exchange ("Oslo Bors") with the "GIG" ticker symbol and on Nasdaq Stockholm ("Nasdaq") from 26 March 2019 with the "GIGSEK" ticker symbol.

Authorized Shares

On 22 December 2020 the Company issued 70,000 shares of common stock in connection to the exercise of options. During 2019 and 2020, employees in the Company exercised options to buy 70,000 shares which were transferred to the employees by way of borrowing shares from a shareholder. The new shares issued on 22 December 2020 were transferred back to the lender. In May 2021, 6,600,000 shares were issued for the conversion of a convertible loan. 96,675,626 shares (par value USD 1.00) were outstanding as at 31 December 2021, where of the Company owned no treasury shares. The authorised number of shares was 110,000,000 (par value USD 1.00) as at 31 December 2021. See also Note 32, Events after reporting period.

Share Based Payment Option Plans

The Company has over time had various share-based payment plans where the exercise and vesting terms are established by the Board at the time of grant. The fair value of stock options granted is determined using the Black-Scholes option-pricing model.

In February 2016, 150,000 options were granted to a key employee at an exercise price of NOK 24.00 per share. The options vested in three equal tranches in February 2018, February 2019 and February 2020, and expires in March 2023. Any shares received upon exercise of the options shall be subject to a one year lock-up from exercise. There were 50,000 options outstanding from this grant as at 31 December 2021 (50,000 as at 31 December 2020). All options are conditional upon employment at the time of exercise.

In May 2016, a total of 222,000 options were granted to key employees at an exercise price of NOK 40.00 per share. Of the options granted, 72,000 vested in three equal tranches in May 2018, May 2019 and May 2020, and expires in May 2023. The remaining 150,000 options vests in three equal tranches in September 2018, September 2019 and September 2020, and expires in September 2023. All options are conditional upon employment at the time of exercise. There were 36,000 options outstanding from this grant as at 31 December 2021 (36,000 as at 31 December 2020).

In February 2017, 1,027,500 options were granted to key employees at an exercise price of NOK 40.00 per share. The options vested in three tranches: 20% in January 2018, 30% in January 2019 and 50% in January 2020, and expires in December 2022. There were 55,000 options outstanding from this grant as at 31 December 2021 (55,000 as at 31 December 2020). All options are conditional upon employment at the time of exercise.

In March 2018, 210,000 options were granted to key employees at an exercise price of NOK 75.00 per share. The options vests in three tranches: 20% in April 2019, 30% in April 2020 and 50% in April 2021, and expires in March 2024. There were 30,000 options outstanding from this grant as at 31 December 2021 (30,000 as at 31 December 2020. All options are conditional upon employment at the time of exercise.

In April 2019, 500,000 options were granted to key employees at an exercise price of NOK 30.00 per share. The options vests in three tranches: 20% in April 2020, 30% in April 2021 and 50% in April 2022. There was 320,000 options outstanding from this grant as at 31 December 2021 (350,000 as at 31 December 2020). All options are conditional upon employment at the time of exercise.

In May 2019, the Annual Meeting of Shareholders approved the 2019 Share Option Plan for managers and key employees, where the Board of Directors are authorised for a period of three years to issue options up to a total of 5% of the issued Common Shares of the Company from time to time. The exercise price shall be minimum 20% above the average share price in the 10 working days prior to the grant. The options will have a three year vesting period from grant and will vest with 20% after one year, 30% after two years and 50% after three years. The options will expire six (6) years after grant and exercise is contingent on employment at time of exercise.

In January 2021, 1,500,000 options were granted to key employees at an exercise price of NOK 15.00 per share. The options vests in three tranches: 20% in January 2022, 30% in January 2023 and 50% in January 2024, and expires in December 2006. There was 1,229,000 options outstanding from this grant as at 31 December 2021. All options are conditional upon employment at the time of exercise.

At 31 December 2021 there were 1,720,000 options outstanding. The following tables summarise information about stock options and warrants outstanding at 31 December 2021 and 2020, respectively:

Exercise Prices NOK	Outstanding and Exercisable at 31 Dec 2021	Weighted Average Contractual Life in Years	Weighted Average Exercise Price NOK
24.00	50 000	1.16	24.00
40.00	36 000	1.41	40.00
40.00	55 000	1.00	40.00
75.00	30 000	2.17	75.00
30.00	320 000	3.25	30.00
15.00	1 229 000	5.00	15.00
TOTAL	**1 720 000**	**4.31**	**20.42**

Exercise Prices NOK	Outstanding and Exercisable at 31 Dec 2020	Weighted Average Contractual Life in Years	Weighted Average Exercise Price NOK
24.00	50 000	2.16	24.00
40.00	36 000	2.41	40.00
40.00	55 000	2.00	40.00
75.00	30 000	3.17	75.00
30.00	350 000	4.25	30.00
TOTAL	**521 000**	**3.62**	**33.76**

The significant inputs into the model were weighted average share price of EUR 1.47 (2020: EUR 2.20) at the grant date, exercise price shown above, volatility of 53% (2020: nil), dividend yield of nil (2020: nil), an expected option life of 3 (2020: nil) years and an annual risk-free interest rate of 0.3% (2020: nil). The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of daily share prices over the last 3 years.

Top 20 shareholders at 31 December 2021

Name	Shares	Percentage
Optimus Invest Limited	7 603 559	7.9 %
Myrlid AS	6 310 687	6.5 %
True Value Limited	4 896 125	5.1 %
Nordea Livsförsäkring Sverige AB	4 876 829	5.0 %
Swedbank Robur Ny Teknik	3 639 823	3.8 %
Symmetry Invest A/S	3 000 000	3.1 %
Formue Nord Fokus A/S	2 945 160	3.0 %
Hans Mikael Hansen	2 589 156	2.7 %
G.F. Invest AS	2 500 000	2.6 %
Stenshagen Invest AS	2 478 585	2.6 %
BNG Special Situations Fund	2 434 292	2.5 %
Saxo Bank A/S nom.	2 060 165	2.1 %
Kvasshøgdi AS	2 009 437	2.1 %
Riskornet AB	1 948 483	2.0 %
Ben Clemes	1 907 146	2.0 %
Nordnet Bank AB, nom.	1 875 921	1.9 %
Försäkringsaktiebolaget Avanza Pension	1 674 137	1.7 %
Nordnet Livsforsikring AS	1 474 154	1.5 %
Mikael Riese Harstad	1 342 136	1.4 %
Jörgen Hartzberg	1 321 044	1.4 %
Total shares owned by the 20 largest	**58 886 839**	**60.9 %**
Other	37 788 787	39.1 %
Total Shares Issued	**96 675 626**	**100.0 %**

23. Revenues

The Company's revenue comprises the following:

Company - EUR 1000	2021	2020
Affiliate marketing services	44 970	33 464
Platform services	33 874	26 217
Other gaming revenue	3 730	3 346
	82 574	**63 027**

24. Cost of sales

Cost of services provided refers to expenditures within the gaming operations for gaming taxes, licensing fees to games providers, costs for payment services via bank and credit cards for deposited bets and payment of winning and costs for fraud. Cost of sales includes:

Company - EUR 1000	2021	2020
Odds setting fees	-	409
Fraud costs	30	14
Platform and service provider fees	4 534	2 399
Software development services	-	145
	4 564	**2 967**

25. Other operating expenses

Other operating expenses include:

	Company		Parent	
EUR 1000	**2021**	**2020**	**2021**	**2020**
Combined				
Gaming taxes	201	91	-	-
Consultancy fees	5 184	3 060	138	99
Other operating expenses	6 812	5 934	636	653
	12 197	**9 085**	**774**	**752**

Included on the face of the Income Statement are marketing costs amounting to EUR 23,005,461 (2020: EUR 14,899,989), out of which EUR 11,655,787 (2020: EUR 8,572,408) relate to a platform customer which is accounted for on a gross basis (sse Note 36).

Fees charged by the Company's auditors for services rendered during the financial period ended 31 December 2021 and 2020 are shown below.

	Company		Parent	
EUR 1000	**2021**	**2020**	**2021**	**2020**
Annual statutory audit	236	253	20	20
Tax advisory and compliance services	97	94	3	3
Other non-audit services	162	31	-	-
TOTAL	**495**	**378**	**23**	**23**

26. Tax expense

	Company		Parent	
EUR 1000	**2021**	**2020**	**2021**	**2020**
Current tax (income)/expense - current year	612	63	-	-
Deferred tax (credit)/expense (Note 21) - current year	-1 131	260	-	-
	-519	**323**	**-**	**-**

The tax on the profit/(loss) before tax differs from the theoretical amount that would arise using the basic tax rate applicable as follows:

	Company		Parent	
EUR 1000	**2021**	**2020**	**2021**	**2020**
Profit/(loss) before tax	-581	-17 361	-1 729	-1 487
Tax calculated at domestic tax rates to (losses)/profits in the respective countries applicable	-507	306	-624	-2 431
Tax effect of:				
Income subject to tax	-	-	-1 355	-
Disallowed expenses	1 119	306	1 979	2 431
Movements in unrecognised deferred tax assets	-1 131	-301	-	-
Other differences	-	12	-	-
Tax expense	**-519**	**323**	**-**	**-**

27. Employee benefit expense

	Company		Parent	
EUR 1000	**2021**	**2020**	**2021**	**2020**
Gross wages and salaries	27 391	27 880	390	523
Employee costs capitalized as part of software development	-7 995	-4 359	-	-
Net wages and salaries, including other benefits	**19 396**	**23 521**	**390**	**523**
Taxes and costs	2 020	2 194	-	-
Share options (forfeited)/granted to employees	642	-337	-	-
	22 059	**25 333**	**390**	**523**

		Company
The Company employed, on average:	**2021**	**2020**
Managerial	9	8
Administrative	455	496
	464	**504**

28. Other income (expense) net

	Company		Parent	
EUR 1000	**2021**	**2020**	**2021**	**2020**
Finance expense - net	-6 272	-6 943	-565	-212
Other income (expense)	-	-	-	-
	-6 272	**-6 943**	**-565**	**-212**

Included within Other income (expense) are exchange differences arising from transactions carried out in a foreign currency. As described in Note 2.2, it is the Company's accounting policy to present all foreign exchange differences within finance income or finance costs.

29. Litigation

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.

30. Wages paid to the Company's board of directors and management

The principles for, and the fees paid to the Board of Directors are set yearly by the Annual Meeting of Shareholders. For the Company's management, the policy is that the remuneration of the executive management is based on a salary which reflects the tasks and responsibility of their employment and the value added to the Company. This remuneration is established on an individual basis. The fixed salary is based on the following factors:

- Experience and competence of the executive person
- Responsibility
- Competition from the market

In addition, the Company has granted stock options to part of its executive management and other key employees in recognition of services rendered (Note 22). Fees below were expenses of the periods covered by these statements.

The table below summarises payments made to key management personnel in 2021 and 2020 (EUR 1000's):

2021	Position	Board fees	Salary	Other	Option Expense	Total
Petter Nylander	Chairman	84.8	-	-	-	84.8
Helge Nielsen	Board member	37.5	-	-	-	37.5
Henrik Persson Ekdahl	Board member	40.0	-	-	-	40.0
Nicolas Adlercreutz	Board member	47.5	-	-	-	47.5
Kjetil Garstad	Board member	42.5	-	-	-	42.5
Kathryn Moore Baker	Board member from May	22.8	-	-	-	22.8
Richard Brown	CEO	-	300.0	192.0	9.0	501.0
Tore Formo	Management	-	214.0	27.0	9.0	250.0
Justin Psaila	Management	-	200.0	98.0	9.0	307.0
Ben Clemes	Management	-	220.0	98.0	9.0	327.0
Chris Armes	Management	-	265.0	102.0	14.0	381.0
Jonas Warrer	Management	-	181.0	30.0	9.0	220.0
Claudia Ginex	Management	-	130.0	88.0	9.0	220.0
Claudio Caruana	Management	-	150.0	25.0	9.0	184.0
		275.2	**1 660.0**	**660.0**	**77.0**	**2 946.0**

2020	Position	Board fees	Salary	Other	Option Expense	Total
Petter Nylander	Chairman	90.0	-	-	-	90.0
Helge Nielsen	Board member	40.0	-	-	-	40.0
Henrik Persson Ekdahl	Board member	42.5	-	-	-	42.5
Paul Fischbein	Board member until May	19.3	-	-	-	19.3
Robert Buren	Board member until May	17.4	-	-	-	17.4
Frode Fagerli	Board member until February	5.7	-	-	-	5.7
Nicolas Adlercreutz	Board member from May	31.1	-	-	-	31.1
Kjetil Garstad	Board member from May	28.0	-	-	-	28.0
Richard Brown	CEO	-	270.0	43.0	5.8	318.8
Tore Formo	Management	-	170.0	21.0	-	191.0
Justin Psaila	Management	-	148.0	103.0	2.6	253.6
Ben Clemes	Management	-	180.0	32.0	-	212.0
Chris Armes	Management	-	265.0	65.0	7.0	337.0
Jonas Warrer	Management from August	-	185.0	4.0	-	189.0
Claudia Ginex	Management from August	-	80.0	2.0	-	82.0
Claudio Caruana	Management from August	-	130.0	16.0	-	146.0
Tim Parker	Management until June	-	82.6	37.0	3.6	123.2
Cristina Niculae	Management until July	-	87.5	38.8	1.0	127.3
		273.8	**1 598.1**	**361.8**	**20.0**	**2 253.7**

31. Related party transactions

Year-end balances arising from amounts due and loans from related parties, and other transactions are as follows:

	Company		Parent	
EUR 1000	2021	2020	2021	2020
Other receivables from related parties (Note 16): - subsidiaries	-	-	-	26

32. Events after reporting period

On 22 December 2021, the Company signed a Share Purchase Agreement to acquire the iGaming company Sportnco Gaming SAS. To cater for the acquisition, certain amendments including the rollover of the existing long-term loans in Sportnco, was approved by the bondholders in January 2022. Also in January 2022, GiG completed a SEK 100 million subsequent bond issue under the existing bond framework, to be used towards partially finance the acquisition of Sportnco and general corporate purposes. Thus, the outstanding bond amount as of today is SEK 550 million.

A Special Meeting of Shareholders on 20 January 2022 approved to increase the number of authorized shares from 110,000,000 to 150,000,000, to cater for the share issues in relation to the acquisition of Sportnco.

In February 2022, the Board of Directors granted 1,700,000 options to key employees with an exercise price of NOK 22.00 per share, exercisable with 20% after 1 January 2023, 30% after 1 January 2024 and 50% after 1 January 2025. All options expire on 31 December 2027 and are conditional upon employment at time of exercise. The options were granted under the option plan approved by the Annual Meeting of Shareholders in May 2019. After the grant, a total of 3,420,000 options are outstanding.

On 1 April 2022, GiG completed the acquisition of Sportnco Gaming SAS, hereunder to issue new shares to the shareholders of Sportnco and to SkyCity Entertainment Group Limited ("SkyCity"). GiG acquired 100% of the shares in Sportnco Gaming SAS for a consideration of EUR 51.37 million, whereof EUR 27.87 million was paid in cash and EUR 23.50 million in 12,623,400 new shares in GiG at a share price of NOK 18.08. In addition, Sportnco will retain EUR 18.63 million of its existing long-term loans. Also on 1 April 2022, GiG concluded a EUR 25 million directed share issue towards SkyCity issuing 13,487,500 new shares in GiG shares at a share price of NOK 18.00 per share. Following the share issues, the number of outstanding shares increased from 96,675,626 to 122,786,526.

As part of the transaction, GiG acquired the legal title of certain B2C assets and liabilities owned by Sportnco. The B2C net assets have been carved out in the SPA and have not been taken into consideration by both parties in determining the consideration price. The contractual arrangements between GiG and the vendor are such that GiG has no substantive decision-making power over the B2C net assets and are fully indemnified with respect to any lawsuits related to B2C net assets that may emanate. The B2C net assets must be disposed by the vendor within twelve months from closing date. If no vendor is identified after a period of twelve months, B2C net assets are transferred back to current shareholders at no consideration.

As per the Share Purchase Agreement for Sportnco, closing statements need to be completed within ninety days from date of closing. As at reporting date, the status of the closing statements are work in progress and the Company is only in possession of the estimated closing statements. Therefore, other disclosures relating to this business combination are deemed impracticable by management as it is not yet in a position to accurately quantify goodwill, fair value of each major class of assets and liabilities.

Any other subsequent events were already addressed in other sections within this report.

33. Significant risks and uncertainties

For internet-based betting operations, there is uncertainty as to which country's law ought to be applied, as the internet operations can be linked to several jurisdictions and there are legal doubts on whether the availability of a site within foreign markets constitutes a solicitation to persons residing within that market. Legislation concerning online gaming is under review in certain jurisdictions, and in some circumstances, previous opportunities to offer gaming products to certain customers based in some markets on principles of freedom to provide services, may be impacted by legal restrictions being imposed. In other cases, previously unregulated jurisdictions pass legislation regulating the market creating new opportunities to offer products and services to those markets with legal certainty.

Following the divestment of its B2C segment, together with the de-risking strategy to discontinue the white-label model carried out during 2020, GIG is less directly exposed to legal and compliance risks associated with gaming operations. This strategic decision resulted in a reduction from 15 brands operating on white-label agreements, to only three remaining at the end of 2020. Subsequent to year end, only two white-label brands remained. These remaining white-labels are in process of converting into SaaS agreements, pending certain regulatory changes. The majority of white-labels were terminated and/or migrated to other white-label platforms with the larger white-labels converting to SaaS agreements with GiG. As part of the strategy to terminate white-label agreements, GiG rescinded its Swedish and UK B2C licenses in October 2020, thereby materially reducing compliance risks, in particular AML risks inherent in transacting player funds. As at year end, GiG has one B2C license with the Malta Gaming Authority together with various B2B licenses in various regulated markets.

The Company will continue to primarily operate in the online gambling industry. The laws and regulations surrounding the online gambling industry are complex, constantly evolving and in some cases also subject to uncertainty, and in certain countries online gambling is prohibited and/or restricted. If enforcement or other regulatory actions are brought against any of the online gambling operators that are also the Company's customers, the Company's revenue streams from such customers may be adversely affected. This risk will be mitigated through a fixed pricing model which is being adopted for platform services where possible.

This evolving environment makes compliance an increasingly complex area with the risk of non-compliance with territory specific regulations, including responsible gaming and anti-money laundering obligations. These uncertainties represent a risk for the Group's ability to develop and grow the business, as changes in legislation or enforcement practices could force the Group to exit markets, or even result in financial sanctions, litigation, license withdrawal or unexpected tax exposures, which have not duly been provided for in the financial statements. These risks continue to stem from past exposures on B2C and white-labels, for as long as related warranties may continue to apply, and until the B2C MGA licence is relinquished. During November 2020, one of the group's subsidiaries was subject to a review by the FIAU in relation to controls on money laundering and counter terrorism. The outcome of this review is not yet finalised, and based on the information available as at the date of reporting, Management does not anticipate that there will be any material financial consequence emerging from such review.

It is the Company's view that the responsibility for compliance with laws and regulations rests with the customers for both the Media and Platform segment. Although gaming laws and regulations of many jurisdictions do not specifically apply to the supply of B2B services, certain countries have sought to regulate or prohibit the supply of such services. The Company may therefore be subject to such laws, directly or indirectly. The Company mitigates this risk through monitoring of legal developments, contractual arrangements, and by seeking external advice to assist with the assessment of risk exposures as appropriate.

In addition to the above, the Company faces the risk that customers are not able to pay for the services rendered when these fall due. Specifically, for Media services, the Company faces operational risks arising from Google's changes of its algorithm that could temporarily impact rankings, and hence also impact revenues.

During November 2020, one of the Company's subsidiaries was subject to a review by the FIAU to scrutinise controls on money laundering and counter terrorism. Management believes that the outcome of such review is unknown and therefore deemed that no provision is required.

34. Statutory information

The Company, Gaming Innovation Group Inc. is a Corporation registered in the state of Delaware, United States of America.

35. 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.

Deposits: Money deposited in the customer accounts

EBIT: Operating profit

EBITDA: Operating profit less depreciation, amortization and impairments

EBITDA margin: EBITDA in percent of revenues

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 Gaming Revenue (GGR): Total cash deposits less all wins payable to customers

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

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

Organic growth: Growth excluding acquisitions

Normalised revenues: Reported revenues include revenues from a platform client where GiG recognizes the full operations in the profit and loss statements and these revenues are partly offset by related cost of sales and site overhead expenses. By assuming standard white-label accounting principles, normalised revenues, cost of sales and marketing cost will, in the opinion of management, give a more comparable view on the Company's operational performance. The differences are shown in the table below.

	Reported numbers		Normalised numbers	
EUR 1000	**2021**	**2020**	**2021**	**2020**
Revenues	**82 574**	**63 027**	**66 762**	**52 164**
Cost of Sales	4 564	2 967	471	392
Gross profit	**78 010**	**60 060**	**66 291**	**51 772**
Personnel expenses	22 059	25 333	22 059	25 333
Depreciation & amortization	14 593	19 407	14 593	19 407
Marketing expenses	23 005	14 900	11 208	6 612
Other operating expenses	12 197	9 085	12 197	9 085
Total operating expenses	**71 854**	**68 725**	**60 057**	**60 437**
Operating income (loss)	**6 156**	**-8 665**	**6 156**	**-8 665**

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