

Q2 2021

Gaming Innovation Group Inc.
Interim Report

18 Aug 2021



GiG



Richard Brown
CEO



Tore Formo
Group CFO

Today's Presenters

iGaming solutions are based on innovative technology

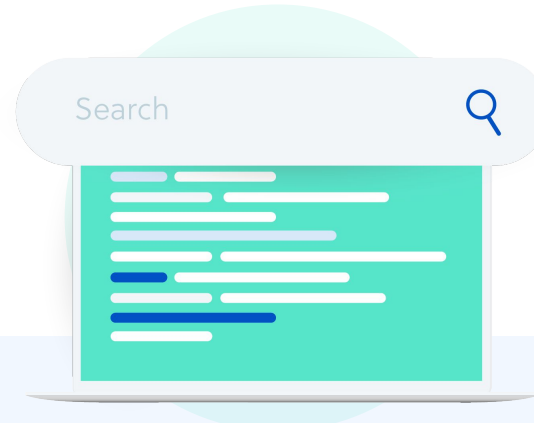
GiG focusing strategy on ambition to become global Tier 1 B2B provider. GiG's strategy is centered on **three customer focused business areas**, which is key to be a relevant supplier, supported by its group ambition for top performance and operational excellence

Platform



- Offering state of the art PAM services and games from multiple vendors, to casino operators
- Providing casino, sportsbook and data technology to operators globally as well as full managed services capability

Media



- Finding leads through online media buys and publishing and refer these lead to operators
- Successful track record in multiple markets, sending traffic to leading iGaming operators

Sports



- Odds, trading and risk management tools and mobile first front end for sportsbooks
- Competitive offering through cooperation with market leader Betgenius

Managed Services

Supportive services to fulfil GiG's partner's operational needs across complex industry needs

GiG in brief

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 targeted by Media assets



€170m (approx.)
Market Cap



~440

Employees

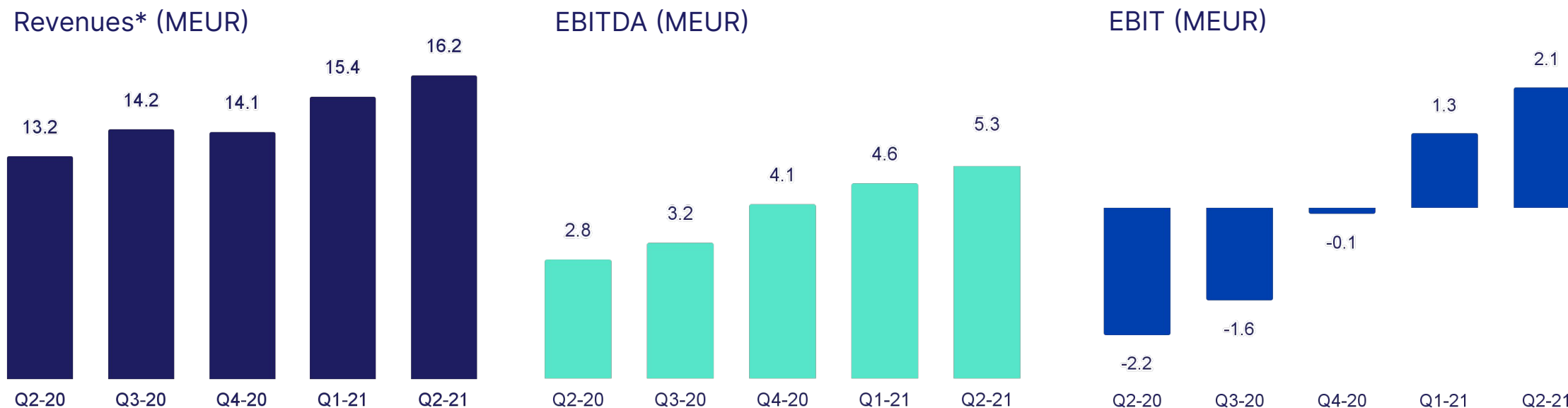
Offices

in Malta, Denmark, Latvia & Spain

13 Global Platform Licenses

+7 additional in integration pipeline

Head figures development



Revenues*

+23% Y/Y

+5% Q/Q

EBITDA

+86% Y/Y

+16% Q/Q

EBIT

+194% Y/Y

+55% Q/Q

*Revenues are adjusted for revenues from a platform client where GiG recognizes the full operations in its profit and loss statement, which are partly offset by related cost of sales and site overheads. See Note 2 in the Q2-21 Interim Report for more details

Key takeaways

Q2 2021

- Continued positive development with significant YoY growth, both revenues and EBITDA
- Media delivered all-time-highs on both revenue and FTD generation
- Signed two new agreements for platform provision in the quarter
- One new brands went live on the platform in Q2, two more in dev complete phase
- Sports delivered a €0.7m improvement YoY in EBITDA, strong strategic rational future potential driver
- Positive cash-flow from operation
- Refinanced bond, new maturity in June 2024

The GiG logo is displayed in a large, bold, dark blue font. The letters 'G' and 'i' are connected, and the 'G' has a distinctive shape with a curved top. The background of the slide is a blue-tinted image of a modern glass skyscraper with a grid-like window pattern.

Strategic Update - Q2

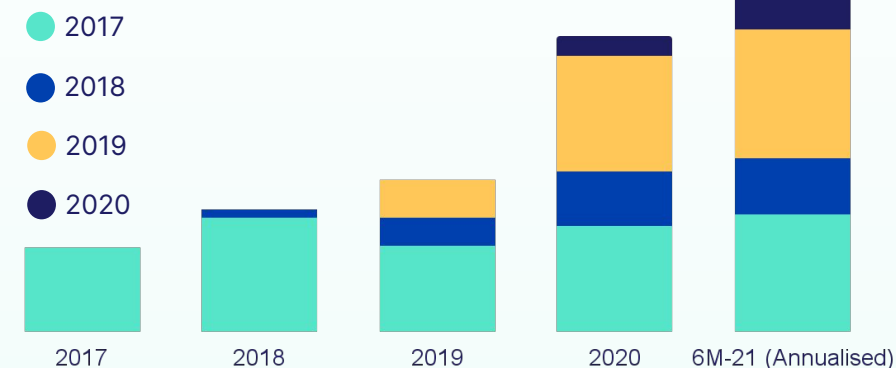


Client and Market Expansion Driving Future Growth

- SaaS contracts generate long term and sustainable revenue source
- Ramp period from contract signing to launch, followed by operator revenue growth
- Long-term contracts with average initial term of more than 4 years
- Average annual contract values between €0.6-1.0 million
- GiG intends to drive growth within Platform via new client signings and increase in number of market certifications
- Global expansion of clients base and targeted entry to long term growth markets
- Market expansion drives growth of sales pipeline and increases contract value potential

SaaS revenue (ex. GiG/Betsson brands)

Brands onboarded in:

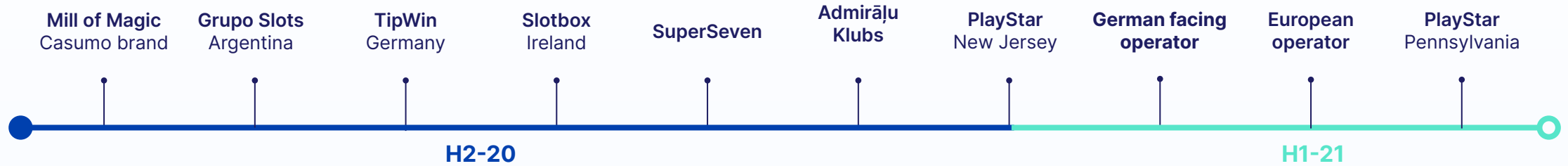


Market Certifications

- Existing Market Certifications
- New Market Certifications
- Planned Market Certifications



Large volume of new contracts signed last 12 months



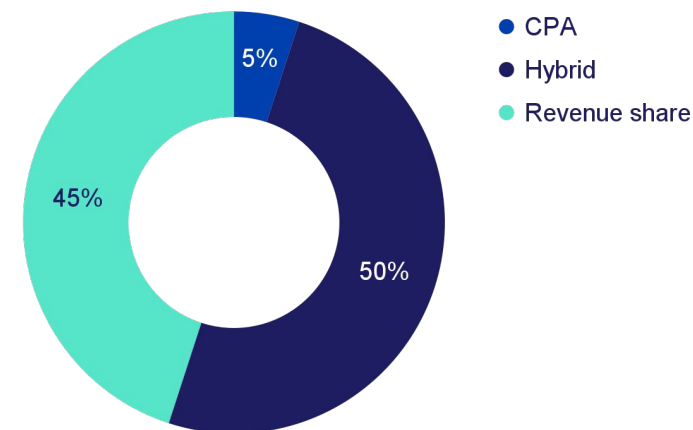
- 4 new contracts signed in 2021 (2 US States and 2 EU facing clients)
- Strong momentum in sales pipeline and we are targeting to reach +10 deals in 2021
- Targeting clients globally across North America, Central and Eastern Europe through to emerging long term growth markets
- With our platform getting certified in more jurisdictions, we are looking to start expand current clients/brands to new markets and raise each contract value.

Local regulation driving demand

Securing long term, recurring revenues in different geographies

Media - securing future revenues

- High referred customer quality - 95% of FTD's on have part perpetual revenue share components, where GiG will earn revenue over the players' lifetime
- Growth through optimising and improving existing channels and websites products
- Further opportunities to drive revenue by continuing to entering new markets



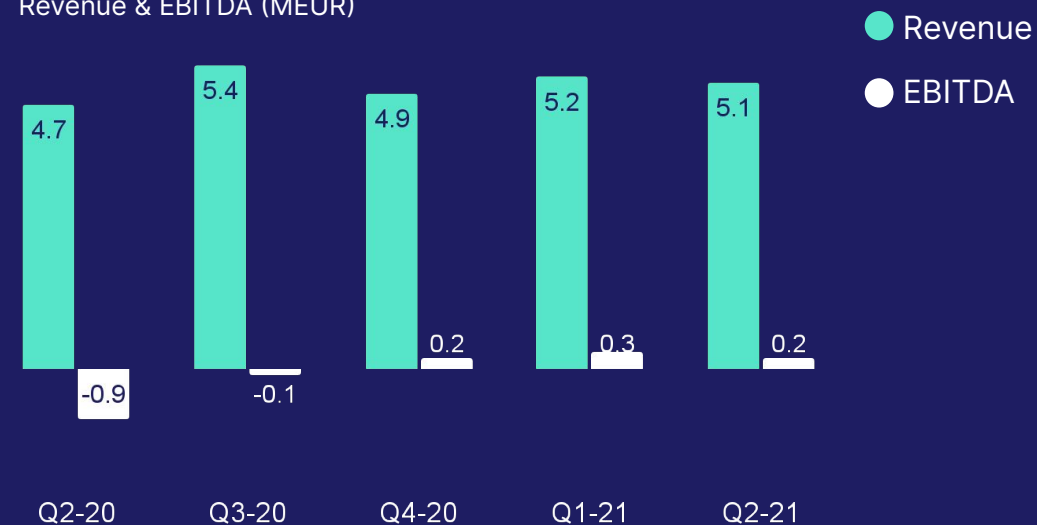
Business Update



Platform Services

- Revenues* for Platform Services were €5.1m (4.7) in Q1 2021, a 9% increase YoY
- Third consecutive quarter with positive EBITDA, ended at €0.2m (-0.9), a 126% improvement YoY
- 2020 client onboarding and market entries in conjunction helped drive the platform business' underlying growth
- Adjusting for discontinuation of White Label model - revenues from rest of business rose 37% YoY
- Implementation of new German regulation impacted revenues negatively by approx €0.7m YoY - several clients in integration pipeline target market post regulation
- 75% of GGR from locally regulated or soon-to-be locally regulated markets

Platform Services
Revenue & EBITDA (MEUR)



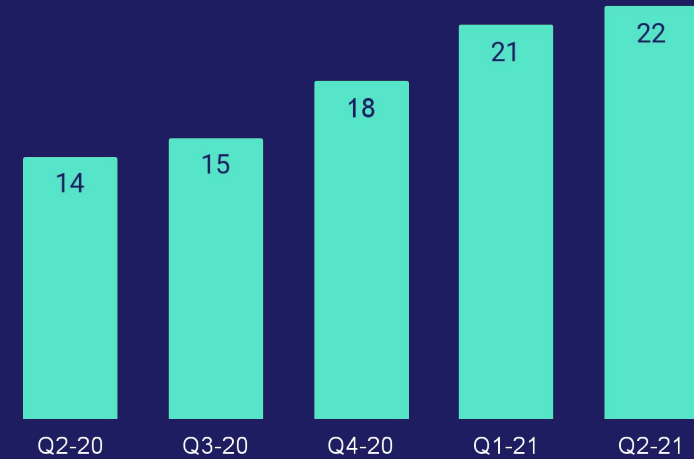
Platform Services
Revenue ex. WL (MEUR)



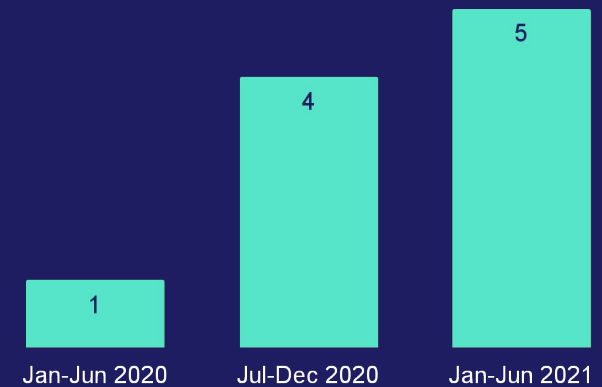
Platform Services

- As of Q2 22 SaaS brands were live on the platform up from 14 in Q2 2020
- 6 new Client projects completed YTD, 3 were completed in Q2
- Run rate of 8-9 new client launches on rolling 12 month basis - focus to drive TTM improvement
- Other client launches and market entries as per integration pipeline are progressing against project plans
- Combined integration and potential sales pipeline leading to attractive global expansion

Platform Services
Brands on the platform - SaaS



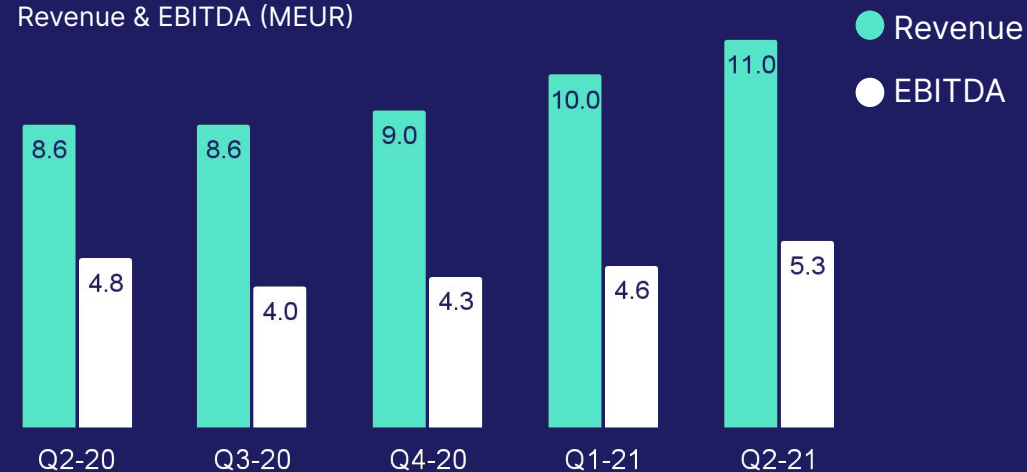
Onboarding
No. of brands



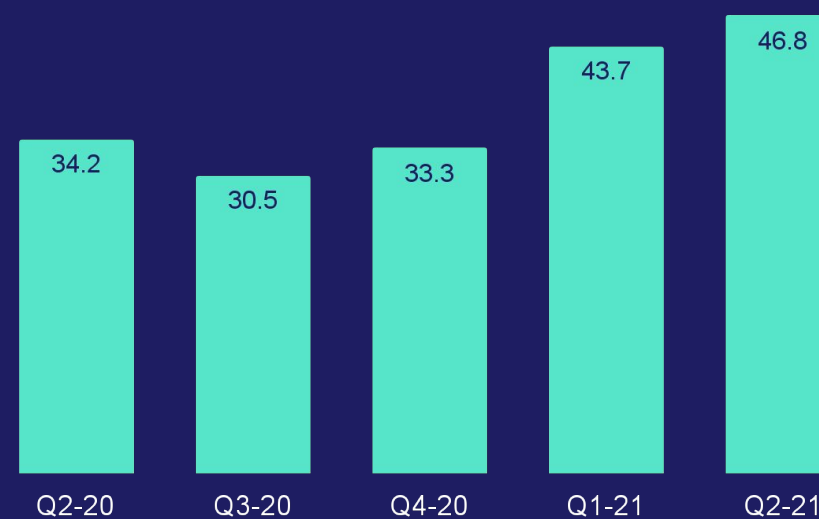
Media Services

- Media Services continued its positive development in Q2 with all-time highs in quarterly revenues, EBITDA and FTDs
- Revenues were €11m (8.6), a 28% increase YoY and 10% QoQ
- Paid media continues to see QoQ improvements with revenues up 76% YoY and 22% QoQ
- Publishing delivered 19% YoY and 12% QoQ revenue growth
- EBITDA for Media Services ended at €5.3m (4.8), with a 48% EBITDA margin
- First Time Depositors (FTD) ended at 46,800 in the first quarter, a 37% increase YoY and 7% QoQ

Media Services
Revenue & EBITDA (MEUR)



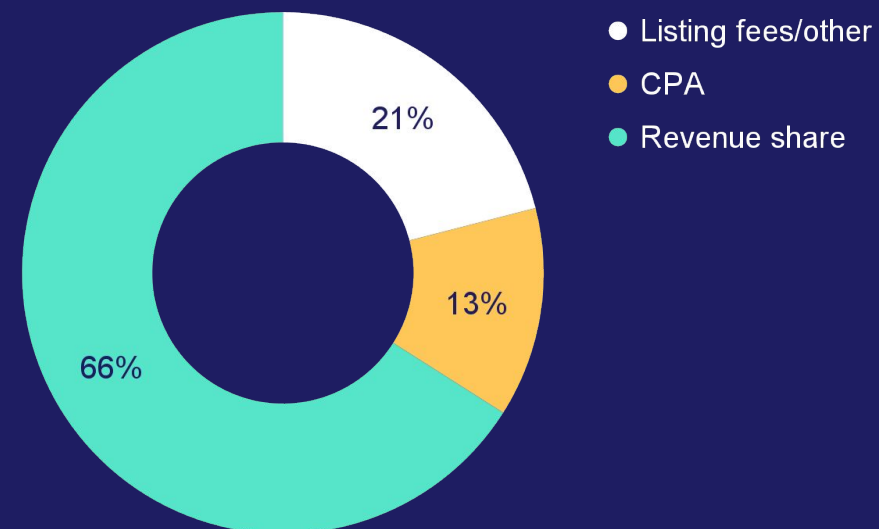
Media Services - FTDs (1000)



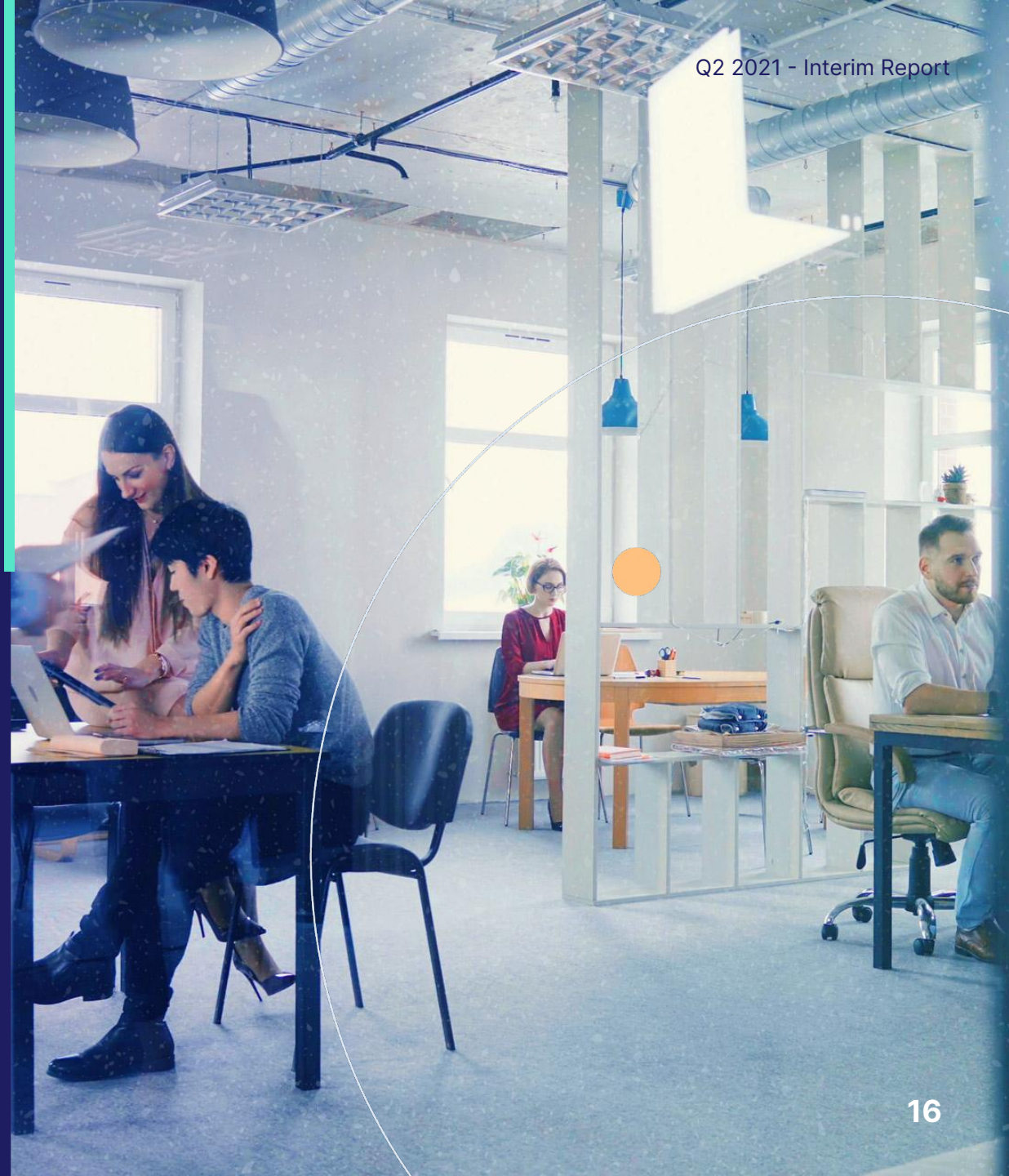
Media Services

- Recurring revenue share accounted for 66% of revenues, up from 61% vs last year
- Positive impact of product development realised in search rankings
- 4 new market/asset launches
- Currently holds 9 licenses in US and registered for business in both Maryland and Washington DC, several more in application process
- GiG Comply signed three new clients in the quarter and re-signed two existing clients for longer term deals.

Media Services
Revenue split Q2-21



Events after the quarter & summary



Update after the quarter

- Additional brand already live in Q3, with two additional launches anticipated shortly
- Sales pipeline remains strong and builds momentum
- FTDs up 32% YoY for Media in July, positive developments in Media continues
- Revenues in July were up 10% vs same period last year, and 26% if adjusting for white-labels and Germany

GiG's Long-term Financial targets

Growth

To deliver annual double digit organic revenue growth

Profitability

To achieve an EBITDA margin in excess of 40% by 2025

Leverage

Cash generated from the business will be used to lower leverage ratio while pursuing growth opportunities in the rapidly growing iGaming sector

+

Summary

- The business in Q2 delivered strong double digit growth in revenues, EBITDA and EBIT
- Media business performed exceptionally well reaching all-time highs both financially and in operational KPI's while it continued to launch into new markets and build on top of the existing asset portfolio product offering
- GiG's platform has shown robust and diverse SaaS revenues and client growth with ever increasing addressable market, via number of clients and a focus on global market expansion
- Ever improving balance sheet helped via conversion of convertible loan and bond refinance exercise
- Forward focus continues as we see this quarter as another step towards long term targets, creating further long term value across the Company towards its shareholders

Q&A





Appendix

Largest shareholders: 31 July 2021

GAMING INNOVATION GROUP INC.

1	7 603 559	7.9 %	Optimus Invest Limited
2	6 613 518	6.8 %	Myrlid AS
3	4 896 125	5.1 %	True Value Limited
4	4 500 000	4.7 %	Jesper Ribacka
5	4 454 396	4.6 %	Swedbank Robur Ny Teknik
6	3 882 353	4.0 %	Formue Nord Fokus A/S
7	3 000 000	3.1 %	Symmetry Invest A/S
8	2 799 007	2.9 %	Saxo Bank A/S, nom.
9	2 637 302	2.7 %	Hans Mikael Hansen
10	2 500 000	2.6 %	G.F. Invest AS
11	2 478 585	2.6 %	Stenshagen Invest AS
12	2 009 437	2.1 %	Kvasshøgdi AS
13	1 907 146	2.0 %	Ben Clemes
14	1 847 633	1.9 %	Riskornet AB
15	1 635 922	1.7 %	Nordnet Bank AB, nom.
16	1 412 464	1.5 %	Nordnet Livsforsikring AS
17	1 374 517	1.4 %	IBKR Financial Services AG
18	1 342 136	1.4 %	Mikael Riese Harstad
19	1 321 044	1.4 %	Jörgen Hartzberg
20	1 310 244	1.4 %	Morten Hillestad Holding AS
Top 20	59 525 388	61.6 %	
Other	37 150 238	38.4 %	
TOTAL	96 675 626	100.0 %	

Income Statement

EUR 1 000 (Unaudited)

B2C included as discontinued operations

	Q2 2021	Q2 2020	6M 2021	6M 2020	2020
Revenues	19 357	16 678	37 662	27 840	63 027
Cost of sales	995	806	1 820	1 231	2 967
Gross profit	18 362	15 872	35 842	26 609	60 060
Marketing expenses	4 914	4 504	9 604	6 180	14 937
Other operating expenses	8 162	8 528	16 396	16 999	34 381
Total operating expenses	13 076	13 032	26 000	23 179	49 318
EBITDA	5 286	2 840	9 842	3 430	10 742
Depreciation & amortization	2 172	3 086	4 306	6 112	12 131
Amortisation of acquired affiliate assets	1 044	1 953	2 134	4 217	7 276
EBIT	2 070	-2 199	3 402	-6 899	-8 665
Financial income (expense)	-1 719	-1 369	-3 289	-3 596	-6 394
Unrealised exchange gain (loss) on bond	-438	-1 514	354	1 062	-652
Other income (expense)	-136	2	-	18	103
Result before income taxes	-223	-5 080	467	-9 415	-15 608
Income tax refund (expense)	-188	-96	1 304	-156	-323
Profit/ (loss) from continuing operations	-411	-5 176	1 771	-9 571	-15 931
Profit/(loss) from discontinued operations	-46	-867	-113	950	-1 753
Profit/(loss) for the period	-457	-6 043	1 658	-8 621	-17 684

Balance Sheet

EUR 1 000 (unaudited)

B2C included as discontinued operations

	30 June 2021	30 June 2020	31 Dec 2020
Assets			
Goodwill	16 284	15 516	16 287
Intangibles assets	34 663	36 260	33 012
Deposits and other non-current assets	14 725	20 476	16 637
Total non-current assets	65 672	72 252	65 936
Trade and other receivables	12 162	18 809	15 711
Cash and cash equivalents	7 572	7 541	11 504
Total current assets	19 734	26 350	27 215
Total assets	85 406	98 602	93 151
Liabilities and shareholders' equity			
Total shareholders' equity	13 136	13 567	3 606
Trade payables and accrued expenses	15 219	30 863	24 866
Lease liabilities	2 363	2 728	2 351
Bond payable	3 874	3 462	3 455
Total current liabilities	21 456	37 053	30 672
Bond payable	38 574	34 149	35 998
Deferred tax liability	504	1 390	1 529
Other long term liabilities	11 736	12 444	11 736
Total long term liabilities	50 814	47 983	58 873
Total liabilities	72 270	85 035	89 545
Total liabilities and shareholders' equity	85 406	98 602	93 151

Cash Flow

In EUR 1 000

B2C included as discontinued operations	Q2 2021	Q2 2020	6M 2021	6M 2020	2020
Cash flow from operating activities	3 534	10 054	3 419	18 112	17 700
Cash flow from investing activities	-2 768	20 793	-4 847	17 786	14 613
Cash flow from financing activities	1 272	-28 967	-2 590	-32 122	-25 178
Translation (loss)/gain	-43	516	86	812	-174
Fair value movements	-	-16	-	-13	-13
Net change in cash and cash equivalents	1 995	2 380	-3 932	2 951	6 974
Cash and cash equivalents at start of period	5 577	5 128	11 504	10 295	10 295
Cash and cash equivalents attributable to discontinued operations	-	-	-	-5 738	-5 738
Cash and cash equivalents at end of period	7 572	7 508	7 257	7 508	11 504

Legal Disclaimer

Gaming Innovation Group Inc. gives forecasts. Certain statements in this report presentation are forward-looking and the actual outcome 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.