Q4 2020

Gaming Innovation Group Inc.
Interim Report

23 Feb 2021

GiG

CONTENTS

Q4 2020
Interim Report

Highlights

Financial Highlights

- Revenues in Q4 2020 were €17.3m (10.4), up 66% from Q4 2019, all organic growth
- Normalised revenues* were €14.2m (10.2), an increase of 38%
- EBITDA in Q4 2020 was €4.1m (0.1), up 4431%, normalised EBITDA margin increased to 29.2% (0.9%)
- For the full year 2020, normalised revenues was €52.2m (43.8) a 19% increase from 2019, with an EBITDA of €10.7m (3.4) a 212% increase from 2019
- Revenues in Media Services improved to €9.0m (7.5) in Q4 2020, an increase of 20%,with an EBITDA of €4.3m (4.0)
- Normalised revenues for Platform Services were €4.9m (4.2), up 19%, with a positive EBITDA of €0.2m (-1.4)
- EBITDA for Sports Betting Services was €-0.3m (-1.8) an improvement of €1.5m, driven by a 78% reduction in operating expenses
- To further expedite revenue generating activities, enhance future growth and strengthen the cash position, a €8.5m subordinated convertible loan was issued in December

Operational Highlights

- The sales pipeline developed positively, and four new agreements were signed for Platform Services in the fourth quarter, adding to a total of 14 in 2020, whereof 4 is casino and sportsbook and 10 casino only
- GiG's platform went live with two clients in the fourth quarter, and the integration pipeline included 14 brands as of year end 2020
- The strategic decision to remove the white-label business entered final phases and was a driver in the flat revenue QoQ but improved the EBITDA margin
- Media Services experienced positive developments in the quarter, finishing off the year with all-time high revenues in December. Player intake was strong, with FTDs up 36% YoY and 9% QoQ
- Sports Betting Services restructuring completed, placing Sports Betting Services in a sustainable position for growth and strategic partnerships
- Restructuring completed with comparable operating expenses reduced by 25% YoY, the Company now have a sound cost base for operational improvement going forward

Events after Q4 2020

- Signed a long-term platform agreement with Playstar to support their entry into the expanding US iGaming market
- Signed a LOI with an established German facing iGaming operator, for the provision of platform technologies to power their new online casino.
- Awarded ISO 27001:2021 certification for its frontend development solution and content management system
- GiG Media delivered another all-time high in revenues in January corresponding with another all-time-high in FTD's referred
- One brand went live so far in 2021, with two additional expected in Q1-2021
- January has developed positively and normalised revenues are up 40% compared to the same period last year

Q4 2020

€14.2m
Revenue normalised
(38% growth)

€4.1m
EBITDA
(4431% growth)

29.2%
EBITDA margin
normalised

2020

€52.2m
Revenue normalised
(19% growth)

€10.7m
EBITDA
(212% growth)

20.6%
EBITDA margin
normalised

* Normalised revenues are adjusted for a platform client where GiG recognize the full operations in its financial staements

Letter from the CEO

"On the pathway to become a leading B2B platform and media supplier"

Dear Shareholders,

2020 has seen some significant milestones accomplished in GiG's journey to become a leading B2B platform and media supplier in the iGaming industry and the fourth quarter continued to demonstrate the results of actions taken through the year. Delivering growth on normalised revenues and EBITDA year-over-year by 19% and 212% respectively.

Further steps on the platform's strategic pathway were accomplished, signing an additional four long term agreements in the quarter in tandem with removal of the white-label model which reduces operational overheads, complexity and removes risks from the business operations going forward. Despite the temporarly negative impact on revenues from the white-label discontinuation and the impact of the new German casino regulations in the quarter, the steps to improve the segment's cost base and focus on more profitable partnerships resulted in a positive EBITDA for the first time since Q4 2018 and normalised revenues ahead year-over-year by 19%.

Our media business continued to deliver on a good growth trajectory with revenues ahead by 20% year-over-year and up from Q3-2020 by 5%. A positive Google update in December led to an all time high in topline for the month and we saw that trend continue into January. Paid media continues to break records, delivering an ATH for both player intake and revenues, while maintaining sustainable EBITDA margins despite increased marketing. Paid Media is a segment we will continue to invest into as we see future potential, especially as new markets regulate and advertising policy changes would allow us to enter into new markets and pursue further growth. Our US efforts continued to develop positively, while it still remains a marginal contributor towards the overall earnings for the segment. Revenue almost doubled quarter-over-quarter demonstrating our approach is on the right path as we continue to develop towards the long term goals for that market.

The fourth quarter also showed the work and strategic actions put in place in our Sportsbook segment throughout 2020 bearing fruit. Operating expenses was down by 49 percent quarter-over-quarter and an additional two new contract signings were made. GiG sees a strong shareholder value in the long term outlook for sportsbook that is now achievable based on the operational efficiency programs that have been rolled out and the increasing demand for the product across the market.

I am very excited to see the work put in throughout the teams and across the company to deliver such impressive full year results for the new look, B2B only GiG. The revenue and EBITDA growth is a testament to what has been built up through this year, and we are looking forward towards the continued improving results and growth as the actions through the second half of the year start to be delivered in 2021 and beyond.

Richard Brown
CEO

Summary & Outlook

Gaming Innovation Group Inc. (GiG) continued its operational improvement in the fourth quarter 2020, with reported revenues of €17.3 (10.4) million and an EBITDA of €4.1 (0.1) million.

Platform Services

Platform Services continued to develop positively in the fourth quarter, and normalised revenues were €4.9 (4.2) million, a 19% increase YoY and -9% QoQ. The decline QoQ is mainly due to the planned discontinuation of white-label clients and the impact of the new German regulations implemented during the fourth quarter.

Positive EBITDA for the fourth quarter 2020 with €0.2 (-1.4) million, a €1.6 million improvement YoY and €0.3 million QoQ. This improvement in margin was driven by the structural savings of new technology in conjunction with overall operational efficiency drive and the discontinuation of white-label clients.

The sales pipeline developed positively, and four new contracts were signed in the quarter. In addition two contracts have been signed so far in the first quarter 2021, adding up to an integration pipeline consisting of 15 new brands, whereof 7 are land based operators going online and 8 in new locally regulated markets. GiG is pleased to use the development and performance achieved historically for our US clients to expand in the important US market, as GiG is one of few platforms that has been live and operational in the market giving a solid platform for future opportunities. Overall GiG sees a continued strong demand for its platform services.

COVID-19 impacts the onboarding of new clients, both due to delays in the license processes in some jurisdictions and clients focusing on COVID-19 implications for their land based operations. These are issues mostly outside of GiG's control, and is expected to result in later onboarding of some clients than previously anticipated. GiG has the necessary operational capacity to handle the integrations, and any delays over the next few months will not affect the expected longer term growth for Platform Services. One brand went live in 2021, with two additional expected in Q1.

Media Services

Media Services continued its positive development in the fourth quarter 2020, finishing off the year with an all-time high in revenues in December. Revenues were €9.0 (7.5) million in the fourth quarter 2020, an increase of 20% YoY and 5% QoQ. Paid media continues to see quarter-over-quarter improvements with revenues up 87% YoY and 11% QoQ. EBITDA for Media Services ended at €4.3 (4.0) million for the quarter, an increase of 8% both YoY and QoQ.

First Time Depositors (FTD) ended at 33,261 in the fourth quarter, a 36% increase YoY and 9% QoQ. December 2020 had the second-highest player intake during the last two years. Publishing sees positive developments after the Google update in December, with a subsequent increase in player intake anticipating further growth in the revenues.

	Q4-20	Q4-19	2020	2019
Revenues	17.3	10.4	63.0	44.1
Normalised revenues	*14.2*	*10.2*	*52.2*	*43.8*
Gross profit	16.4	10.2	60.1	43.1
Marketing expenses	4.2	1.1	14.9	5.3
Operating expenses	8.1	9.1	34.4	34.4
EBITDA	4.1	0.1	10.7	3.4
EBIT	-0.1	-6.8	-8.7	-24.1
Income/(loss) from discontinued operations	-0.4	-35.8	-1.8	-31.7
Net results	-4.1	-47.9	-17.7	-64.7
EPS (EUR)	-0.05	-0.53	-0.20	-0.72

GiG's proprietary US affiliate site, World Sports Network (WSN.com) continued to grow in the US and Media Services will continue to expand its global footprint in order to diversify its revenue base on a market level and capture new growth opportunities in both Publishing and Paid media. New regulated markets provides the Paid Media segment significant opportunities, and as more markets open up through regulation, GiG is confident that this segment will continue to develop positively. Media is expected to continue to improve and show robust performance in 2021.

Sports Betting Services

The strategic partnership with Betgenius was implemented into operations in the fourth quarter, creating a fully integrated sportsbook platform and managed trading solution for operators in regulated markets, by bringing together GiG's platform technology with Betgenius' end-to-end live data, trading and risk management services. In the fourth quarter, five brands operated with GiG sportsbook, with an additional four in the pipeline for integration in 2021.

The restructuring of Sports Betting Services was completed in the fourth quarter, resulting in a 78% YoY reduction in operating expenses. Thus, EBITDA ended at €-0.3 (-1.8) million, an improvement of €1.5 million YoY.

With the new sustainable cost base and the partnership with Betgenuis, Sports Betting Services is positioned to taking on new clients and grow in online gambling's largest vertical. The integration of Betsson's sportsbook continues as part of GiG's strategy to become sports agnostic, and further third party sportsbook integrations are expected to follow.

Outlook and Guidance

Several new agreements have been entered into for Platform Services over the last six months, securing recurring revenues from 2021 and onwards from new regulated markets. The current pipeline is strong, and further agreements are expected to be signed in 2021.

GiG will continue its focus on cost control, execution and global expansion and the multitude of actions taken in the past quarters will positively impact operations and results going forward.

The recent restrictions in Germany is anticipated to have a short term negative impact on earnings, however GiG is confident that the new regulation will drive demand for its products longer term and secure growth for both Platform Services and Paid Media.

GiG is very pleased with the overall development in 2020, and expect to grow further in 2021. GiG's long-term financial targets are:

Growth:	To deliver an 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 continually pursuing growth opportunities in the rapidly growing iGaming sector.

Financial Highlights

GiG divested its B2C operations effective on 16 April 2020. In accordance with IFRS 5, the B2C financial results are reported as a discontinued operation in the Company's financial statements for the full year 2019 and 2020 and for the quarters ending 31 December 2019 and 2020 (see note 5 on page 28).

Gaming Gaming Innovation Group Inc. (GiG) had revenues of €17.3 (10.4) million in the fourth quarter 2020. Reported revenues includes revenues from Sky City, a platform client where GiG recognize the full operations in its profit and loss statement, and these revenues are partly offset by related cost of sales and site overheads. Adjusted for these revenues, normalised revenues were €14.2m (10.2), a 38% increase YoY and in line with third quarter 2020.

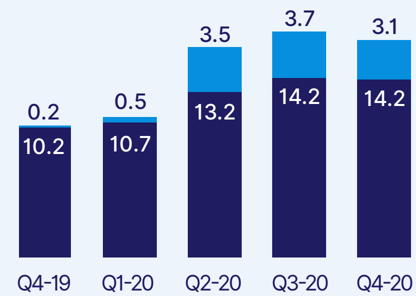
Marketing expenses were €4.2 (1.1) million in the fourth quarter 2020 and included €2.4 (0.1) million as site overhead expenses related to Sky City. The €1.8 (1.0) million balance is mainly related to GiG's paid media operation, a 91% increase YoY and a 12% increase from €1.6 million in the third quarter.

Other operating expenses amounted to €8.1 (9.1) million in the fourth quarter 2020, a decrease of 11% YoY and 13% from €9.3 million in the third quarter 2020. Continued investments into the development of new technology resulted in capitalized salaries of €1.2 (0.9) million.

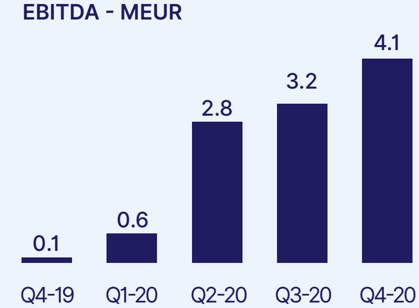
EBITDA was €4.1 (0.1) million, corresponding to an EBITDA margin of 23.9% (0.9%). Adjusted for Sky City revenues, the normalised EBITDA margin was 29.2% (0.9%). The improvement in is a result of increased revenues and the effects from cost control initiatives over the past 12-18 months.

Depreciation and amortisation amounted to €4.3 (5.9) million in the fourth quarter 2020, a 27% reduction from the fourth quarter 2019. €1.5 (2.3) million relates to amortisation of intangible assets from affiliate acquisitions where GiG amortises domain/SEO assets conservatively over eight years, which is at a considerably faster pace than industry peers.

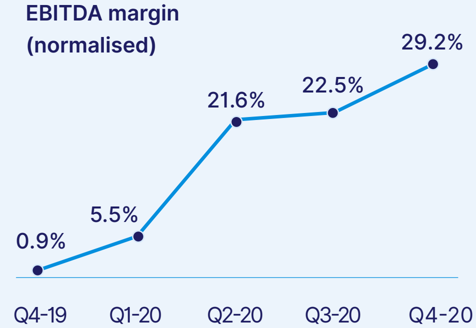
Revenues - MEUR



EBITDA - MEUR



EBITDA margin (normalised)

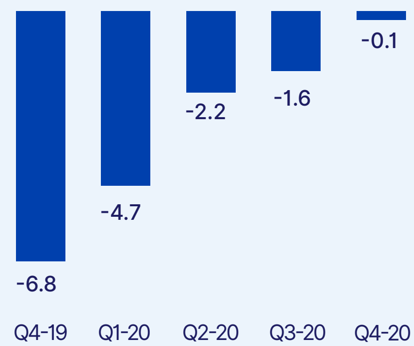


EBIT was €-0.1 (-6.8) million, an improvement of €6.7 million. Adjusted for amortisation of affiliate domain/SEO assets and impairments, EBIT was €1.4 (-4.3) million.

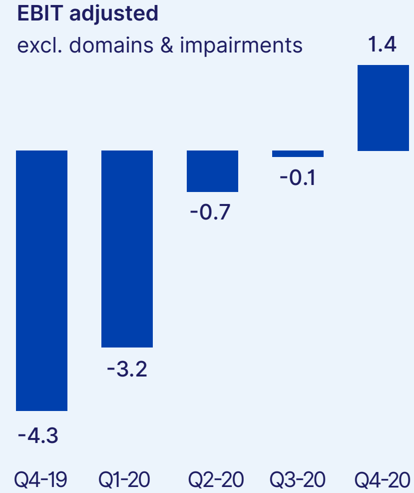
Net other income was €-3.5 (-5.0) million in the fourth quarter 2020 and included an unrealized loss of €-2.0 (-1.6) million related to the bond due to the change in the SEK/€ exchange rate in the quarter. Loss from continued operations were €-3.7 (-12.1) million, a 70% improvement compared to the fourth quarter 2019. Loss from discontinued operations were €-0.4 (-35.8) million and the net result in the fourth quarter 2020 ended at €-4.1 (-47.9) million.

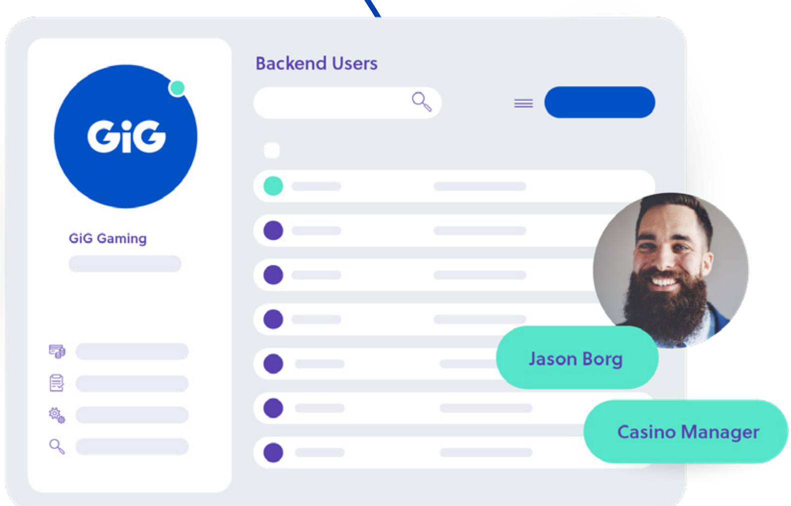
To strengthen the cash position and to further expedite revenue generating activities and enhance future growth, a €8.5 million subordinated convertible loan were issued in December 2020. The term of the loan is 30 months and the loan can be converted at a share price of NOK 15.

EBIT - MEUR



EBIT adjusted
excl. domains & impairments





Operational Review

Platform Services

Platform Services comprise the technical platform and the front end, and other managed services such as player safety, customer support and CRM.

The sales pipeline developed positively in 2020, and after some delays due to COVID-19, GiG signed a total of 14 new agreements in 2020, with the following four in the fourth quarter:

- In October, a long-term agreement was signed with Slotbox Limited (Slotbox), for the provision of GiG's iGaming platform, omnichannel solution and frontend development to launch their new online casino. Slotbox is founded by the leading Gaming & Casino operator in Ireland, which are based in Dublin with eight locations across the country. The group has chosen GiG to drive its digital transformation and deliver its online offering under the name Slotbox.

- Also in October, GiG signed a long-term agreement with Bet Seven Online Ltd for the provision of GiG's platform, frontend development and managed services to launch its first brand, SuperSeven. The agreement is based on a fixed fee model and has a duration of minimum three years with automatic extension for an additional two plus one years. SuperSeven will be operating under its own license.

- In November, a long term contract was signed with SIA Admirāļu Klubs, one of the leading gambling enterprises in Latvia, for the provision of GiG's platform, sportsbook and front-end development to launch their new digital operation in the regulated Latvian market. The term of the contract is for an initial three year period, and it is expected to go live in 2021.

- In December, GiG signed a long-term agreement with a large European media group for the provision of GiG's iGaming platform, data platform and managed services. The media house will use GiG to power its new iGaming offering under its own license in conjunction with an integration into a third party Sportsbook. The agreement is based on a combination of fixed fees and revenue share model with a minimum contract term of 3 years.

So far in 2021, GiG has signed a long-term platform agreement with Playstar to support their entry into the expanding US iGaming market, and a LOI with an established online casino company to enter the regulated German market.

White-labels terminated

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 operating expenses related to the white label model are higher than for the SaaS model, and the shift will result in better margins as well as reducing our legal exposure and potential risks related to sanctions from regulators due to clients' behaviour.

2020 started with 15 brands operating on white-label agreements, and at the end of 2020, only three remained, including Sky City. These are in process of converting into SaaS agreements, pending regulatory changes. The majority of white labels were terminated and/or migrated to other white-label platforms with the larger white-labels converting to a SaaS agreements with GiG.

As part of the strategy to end white-label agreements, GiG rescinded its Swedish and UK licenses in October 2020.

Revenues and EBITDA

Revenues for Platform Services were €8.1 (4.3) million in the fourth quarter 2020. Included are revenues from Sky City, a 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 €4.9 (4.2) million, a 19% increase year-over-year and a 9% decline quarter-over-quarter. The decline from the third quarter is mainly due to a €0.5 million reduction in revenues from white-label agreements as 4 brands were discontinued in the quarter. SaaS and other revenues where stable quarter-over-quarter despite the negative impact of the new regulatory framework in Germany.

EBITDA for the fourth quarter 2020 was €0.2 (-1.4) million, an improvement of 111% year-over-year. The positive development in operating expenses has progressed through 2020 and the reduction of white-label clients positively affects operating expenses. Tech costs for Platform Services were further reduced in the fourth quarter, and Platform Services has now achieved a sustainable cost level to onboard 10-15 new clients per year, with limited additional cost needed when new clients are onboarded.

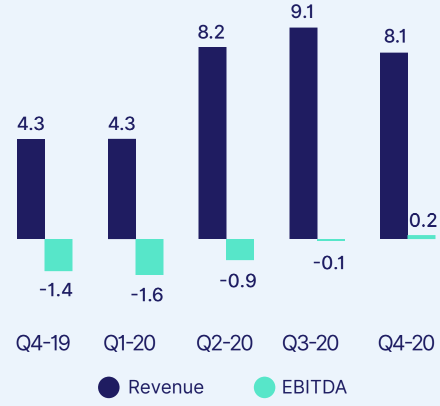
Brands on the platform

Four new customers signed in the fourth quarter 2020, and four brands discontinued their operations on the platform in the quarter, all being on white label agreements. Two brands went live in the fourth quarter.

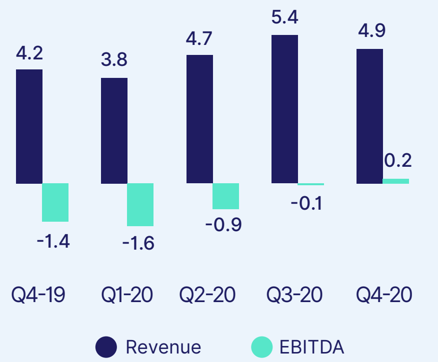
Two brands have signed so far in 2021, resulting in 15 brands in the integration pipeline to be launched. Existing live customers and the signed pipeline adds up to a total of 37 brands operating on the platform, whereof 34 on SaaS and three on white label agreements.

GiG's platform is now certified in 10 regulated markets, with another 7 being added through the pipeline.

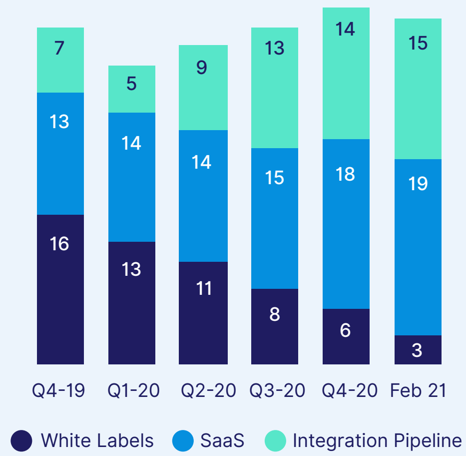
Platform Services
Revenue & EBITDA - MEUR



Platform Services
Normalised revenue & EBITDA - MEUR



Brands on the platform



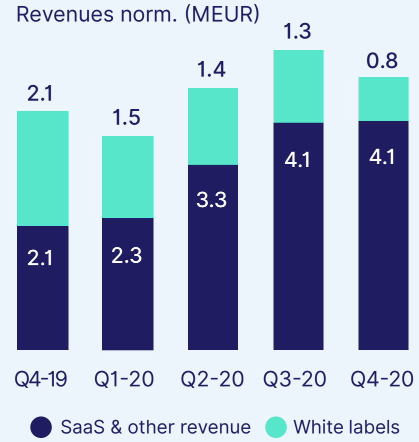
Database transactions

Total database transactions in the fourth quarter 2020 were 6.4 (5.1) billion, an all-time-high and a 25% increase year-over-year. Aggregated gross gaming revenue (GGR) through the platform in the fourth quarter was €94 (69) million, also all-time-high and a 37% increase year-over-year and 9% quarter-over-quarter. Due to the switch from white-label to SaaS, GGR for SaaS clients increased 73% year-over-year and 18% quarter-over-quarter, while GGR from white-label clients decreased 56% and 41% respectively.

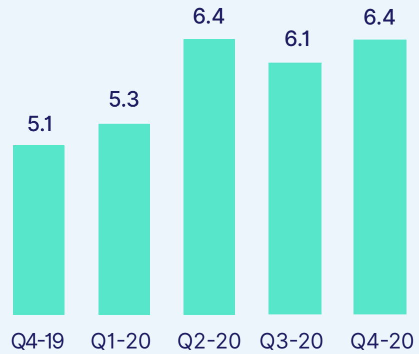
Strategy

GiG is well positioned as a turnkey and fully managed service provider 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, Land Based Casinos, Media and Entertainment in general, with whom GiG can partner for the long term to support growth in the digital space and/or a digital transformation from a land-based operation to an online presence with a Software-as-a-Service. Target markets are regulated or soon-to-be regulated markets. High potential markets which will be considered on an opportunistic level. After the restructuring of operations in 2020, Platform Services now has a sound cost structure which should yield a higher operational margin when revenues increases.

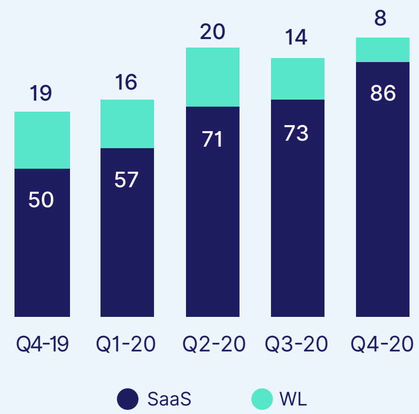
Platform Services
Revenues norm. (MEUR)



Platform Services
Database Transactions - bn



Platform Services
Aggregated GGR - MEUR



Media Services

Media Services experienced positive developments in the quarter, with overall revenue up 20% year-over-year and 5% quarter-over-quarter, and finishing off the year with all-time high revenues in December. Player intake was strong, with FTDs up 36% year-over-year, and 9% quarter-over-quarter.

Publishing returned to growth in both revenues and FTDs after seeing a decline in the third quarter 2020. The Google update in December 2020 was positive for Publishing, with a subsequent increase in player intake anticipating further growth going forward.

Paid Media continues to see quarter-over-quarter improvements with all-time-high revenues and FTDs in the fourth quarter. Revenues were up 87% year-over-year and 11% quarter-over-quarter with FTDs up 66% and 9% respectively.

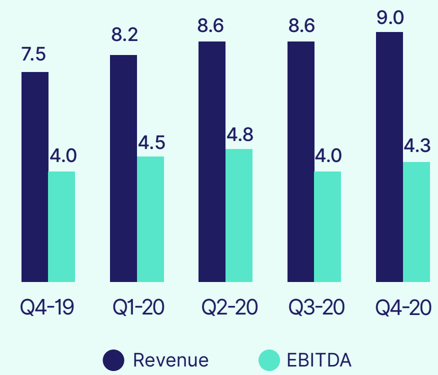
Throughout 2020, Media Services has significantly increased the marketing spend reflecting an ambition to diversify and invest in a broader composition of markets and grow revenue longer-term.

In the fourth quarter, Media Services continued its expansion in the US, after obtaining a vendor registration in Michigan, enabling it to promote operators offering both casino and sport in this state. GiG now holds licenses in 7 US states and continues strengthening its position and ability to cater to the highly attractive and growing US market. Although relatively low numbers, revenue in the US market almost doubled quarter-over-quarter.

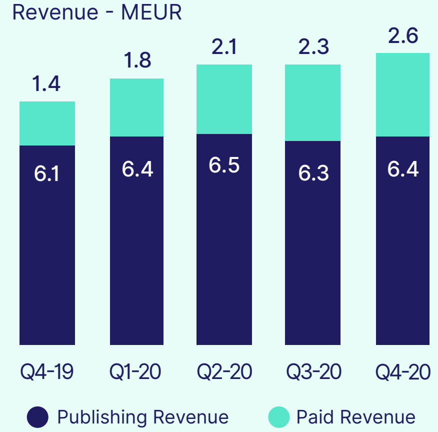
The strategy to diversify the media business to ensure sustainable organic growth continued in the fourth quarter. Paid Media onboarded several new operators and expanded its presence in several countries, with almost equal earnings from sports and casino by year-end. Publishing further consolidated website assets in current non-core markets as well as moving further into sports. Diversification within Publishing's partner mix was also executed in 2020, and the top 10 partners accounted for 45% of revenues in 2020, down from 57% in 2019. These initiatives reduces the overall operational risk and increases the geographical diversification.

GiG's proprietary compliance tool, GiG Comply, signed three new clients in the quarter with an additional two being signed so far in 2021. The outlook for GiG Comply is positive given the focus on compliance in the industry. Moreover, as other industries put more focus on marketing compliance GiG Comply can be expanded into new verticals.

Media Services
Revenue & EBITDA - MEUR



Media Services
Revenue - MEUR



Revenues and EBITDA

Revenues for Media Services was €9.0 (7.5) million in the fourth quarter 2020, a 20% increase year-over-year and 5% increase compared to the third quarter 2020. Paid Media represented 29% (18%) of Media Services' revenues in the fourth quarter.

EBITDA was €4.3 (4.0) million, an increase of 8% year-over-year and 8% quarter-over-quarter. The EBITDA margin was 48% (53%). After the sale of B2C, the allocation of corporate overhead expenses was revised, affecting Media Services negatively with around €0.4 million in each of the third and fourth quarter 2020 when comparing to the same periods in 2019.

Marketing expenses includes Paid Media's "pay-per-click" costs, and these were €1.1 (0.4) million in the fourth quarter 2020, a 180% increase reflecting the growth in Paid Media. Given the substantial growth and further potential within Paid Media in conjunction with new market openings via regulation, GiG sees a strong area to invest to capitalize on the future potential in this business area.

59% (65%) of revenues in the fourth quarter 2020 derived from revenue share agreements, 14% (12%) from CPA (Cost per Acquisition), 26% (21%) from listing fees and 1% (2%) from other services.

Media Services - FTDs

FTDs

Media Services referred 33,261 (24,486) new FTDs (First Time Depositors) to operators in the fourth quarter 2020, a 36% increase year-over-year, and a 9% increase over the previous quarter. Both Publishing and Paid Media had an increase in FTDs in the quarter.

Strategy

GIG Media will continue to expand its global footprint in order to diversify its revenue base on a market level and capture new growth opportunities in both Publishing and Paid Media. Cost optimization will continue within SEO, content management and tech development as well as maintaining focus on developing business further outside current core markets.

Paid Media represents an important longer term growth opportunity due to regulation, as regulated markets allows using the paid channel to attract new players. This adds to the future potential for Media Services and reduces the potential for volatility since the paid channel in regulated markets are considered more stable.

2021 has started positively with player intake on all time high in January, up 57% compared to January 2020.

Sports Betting Services

In September, GiG signed a strategic partnership with Betgenius, creating a fully-integrated sportsbook and platform solution for operators in regulated markets around the world by bringing together GiG's platform technology with Betgenius' end-to-end live data, trading and risk management services. Betgenius has taken on all day-to-day sportsbook management operations, including fully customisable pricing for pre-match and in-play sports, while GiG provides its platform, technical architecture and front-end development.

The partnership will also further improve operational efficiency within the Sports segment. With Betgenius taking over all day-to-day sportsbook management operations in addition to initiatives taken earlier in 2020, the monthly operating expenses in Sports are now sustainable given the clients already live, two new confirmed signings in fourth quarter which are now in the integration phase and the demand in the current sales pipeline.

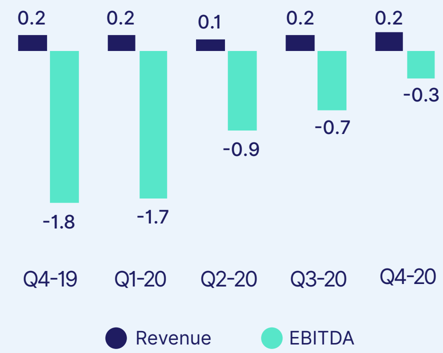
GiG's sportsbook is live in two states in the US and will be used by new clients in regulated markets. Large emerging markets in regions such as Eastern Europe, Latin America and Africa, which are beginning to regulate and start transition online, will drive demand for an end to end solution including Sportsbetting which GiG is well positioned to capitalize on. Thus, the vertical can play an important part to secure new clients in GiG future growth prospects.

Progress is also being made with regards to integrations of third-party solutions into the platform to maintain our vision to offer a sportsbook agnostic platform. The contract signed with the large media house in December, is the first contract to combine GiG's platform and casino offering with a third party sportsbook, proving the value of having an agnostic sportsbook solution in conjunction with GiG's own propriety.

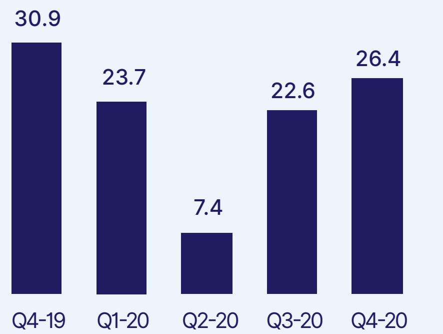
Revenues and EBITDA

Revenues from Sports Betting Services were €0.2 (0.2) million in the fourth quarter 2020. Operating expenses in Sports Betting Services reduced significantly in the quarter, down 49% from the third quarter 2020. The reduction is a result of initiatives taken in 2020 to reduce costs. This resulted in an improved EBITDA of €-0.3 (-1.8) million. The headcount for Sports has been reduced from 75 to 14 during 2020.

Sports Betting Services
Revenue & EBITDA - MEUR



Sports Betting Services
Turnover (MEUR)



Strategy

GiG believes that the initiatives taken to reduce cost will place Sports Betting Services in a sustainable position for growth and strategic partnerships. The ambition is to gradually grow with existing and new long term partners, including fast growing emerging markets. GiG is one of the few B2B providers present with omni-channel online gambling services across both casino and sportsbook. With a new cost base, the segment should reach breakeven in a reasonable time frame, while still presenting significant growth opportunity and upside as demand continues to rise.

B2C Gaming Operators

GiG's in-house gaming operators; Rizk.com, Guts.com (and gutsXpress.com), Kaboo.com and Thrills.com were divested effective from 16 April 2020. EBITDA for the B2C segment in the fourth quarter was €-0.4 million. The B2C segment is reported as a discontinued operation, see note 5 on page 28 for more details.

Financial Review

GiG divested its B2C operations effective on 16 April 2020. In accordance with IFRS 5, the B2C financial results are reported as a discontinued operation in the Company's financial statements for the full year 2019 and 2020 and for the quarters ending 31 December 2019 and 2020 (see note 5 on page 28).

Fourth Quarter 2020

Revenues

Consolidated revenues amounted to €17.3 (10.4) million in the fourth quarter 2020, an increase of 66% from the fourth quarter 2019, and a 4% decrease from EUR 17.9 million in the third quarter 2020. Reported revenues includes revenues from Sky City, 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. Adjusted for these, normalised revenues were €14.2 (10.2) million, a 38% increase year-over-year and in line with EUR 14.2 million in the third quarter 2020.

Cost of sales and gross profit

Cost of sales amounted to €0.8 (0.2) million in the fourth quarter 2020. This resulted in a gross profit of €16.4 (10.2) million in the fourth quarter 2020, an increase of 60% and a gross profit margin of 95% (98%). Adjusted for Sky City, cost of sales were €0.1 (0.1) million, resulting in a normalised gross profit of €14.0 (10.1) million and a gross profit margin of 99% (99%).

Marketing expenses

Marketing expenses were €4.2 (1.1) million in the fourth quarter 2020. Adjusted for Sky City related site overhead expenses, normalised marketing expenses were €1.8 (1.0) million in the quarter, an increase of 91%. Normalised marketing expenses are mainly related to Media Services, and represented 13% (10%) of normalised revenues.

Operating expenses

Other operating expenses are mainly related to salaries and general corporate expenses, and amounted to €8.1 (9.1) million in the fourth quarter 2020, a 11% improvement from the fourth quarter 2019, and 13% from €9.3 million in the third quarter 2020. Other operating expenses' share of normalised revenues were 57% (89%).

Adjusted for the effects of dividing internally generated operational expenses into continued and discontinued operations, as well as the reversal of corporate costs previously allocated to B2C, comparable other operating expenses amounted to €10.8 million in the fourth quarter 2019, i.e. a 25% reduction year-over-year.

Personnel expenses were €6.4 (7.0) million, a decrease of 8%. Compared with the third quarter 2020, personnel expenses decreased by 3% from €6.6 million. Capitalised salaries related to the Company's development of technology and future products amounted to €1.2 (0.9) million in the fourth quarter and are capitalised over 3 years. These costs are mainly related to the development of GiG's platform.

EBITDA

EBITDA for the fourth quarter 2020 was €4.1 (0.1) million, with an EBITDA margin of 23.9% (0.9%). Adjusted for Sky City revenues, the normalised EBITDA margin was 29.2% (0.9%).

D&A

Depreciation and amortisation amounted to €4.3 (5.9) million in the fourth quarter 2020, a reduction of 27%, whereof depreciation was €1.2 (1.3) million.

Amortisation related to the affiliate acquisitions completed in 2015 - 2017 were €1.5 (2.3) million. Acquired affiliate assets are conservatively amortised over 3 years for customer contracts and 8 years for domains/SEO, which is at a considerably faster pace than industry peers. The amortisation of customer contracts were completed in 2020. The balance is mainly related to capitalised development expenses with €1.4 (1.2) million and depreciation related to IFRS 16 of €0.7 (0.8) million.

The fourth quarter 2019 included an impairment of €1.0 million related to an intangible in Sports Betting Services.

EBIT

EBIT came in at €-0.1 (-6.8) million in the fourth quarter 2020, a €6.7 million improvement from the fourth quarter 2019 and up 91% from €-1.6 million in the third quarter 2020. Adjusted for amortisation of acquired affiliate domain assets and impairments, adjusted EBIT was €1.4 (4.3) million in the fourth quarter 2020.

Financial and other expenses

Interest on the Company's bonds were €-1.0 (-1.5) million in the fourth quarter 2020, and unrealized loss related to the bond due to the strengthening of the SEK towards the EUR during the quarter was €-2.0 (-1.6) million. Other financial expenses were €-0.4 (-1.2) million in the fourth quarter 2020, including interest related to IFRS 16 of €-0.2 (-0.2) million.

Net result from continuing operations

The net result from continuing operations was €-3.7 (-12.1) million in the fourth quarter 2020, a 69% improvement from the fourth quarter 2019.

Discontinued operations

The loss from discontinued operations were €-0.4 (-35.8) million in the fourth quarter 2020, see note 5 for more information. The net result after discontinued operations was €-4.1 (-47.9) million in the fourth quarter 2020.

Cash flow

The consolidated net cash flow from operating activities amounted to €-0.2 (-2.0) million for the fourth quarter 2020. Included in the net cash flow from operating activities are changes in operating assets and liabilities. The negative cash flow from operations is mainly a result of the prepayment of platform fees from Betsson in connection with the sale of the B2C segment in April 2020 and transfer of player balances in connection with the termination of white-label agreements.

The net cash flow from investing activities was €-1.4 (-2.3) million, whereof €-1.6 (-1.7) million were capitalised development expenses and €-0.2 (-0.3) million in computer equipment, mainly investments in the new infrastructure. In addition, €0.6 million was received as final payment for the sale of GiG's minority shareholding in Easy Payment Gateway Ltd.

The net cash flow from financing activities was €7.3 (-0.9) million in the fourth quarter 2020 and included proceeds of €9.0 million from a convertible loan and a credit facility.

Cash and cash equivalents increased by €5.6 (-6.4) million in the quarter.

Financial position

As at 31 December 2020, holdings of cash and cash equivalents amounted to €11.5 (4.6) million. In addition, cash in transit from payment providers amounted to €0.6 (7.1) million. Customer monies, that are held in fiduciary capacity for the white label clients in Platform Services, amounted to €2.7 (8.8) million, which are partly secured by balances with payment providers and partly by cash balances.

GiG held total assets of €93.2 (135.1) million as at 31 December 2020. Shareholders' equity was €3.6 (20.9) with an equity ratio of 4% (15%). The interest-bearing debt as at 31 December 2020 was €49.8 (66.9) million. The Company's lease liability is included with €2.5 (1.9) million under current liabilities and €11.7 (14.0) million under long-term liabilities as per IFRS 16.

January to December 2020

Revenues

Consolidated revenues amounted to €63.0 (44.1) million for the full year 2020, an increase of 43%. Reported revenues includes revenues from Sky City, a client where GiG recognize the full operations in the profit and loss statements and these revenues are partly offset by related cost of sales and site overhead expenses. Adjusted for these, normalised revenues were €52.2 (43.8) million for the full year 2020, a 19% increase year-over-year.

Cost of sales and gross profit

For the full year 2020, cost of sales amounted to €3.0 (0.9) million, an increase of 227%, whereof €2.4 (0.1) million is related to Sky City. Gross profit amounted to €60.1 (43.1) million for the full year 2020, a 39% increase. The gross profit margin for the first nine months of 2020 was 95% (98%). Adjusted for Sky City, cost of sales were €0.6 (0.8) million, resulting in a gross profit of €51.6 (43.0) million and a gross profit margin of 99% (98%).

Marketing expenses

Consolidated marketing expenses were €14.9 (5.3) million for the full year 2020. Adjusted for Sky City site overhead expenses, marketing expenses were €6.4 (5.1) million for the full year 2020, an increase of 26%, and are mainly related to Media Services. Normalised marketing expenses' share of total revenues were 12% (12%).

Operating expenses

Other operating expenses amounted to €34.4 (34.4) million for the full year 2020. Operating expenses are mainly related to salaries and general corporate expenses. Personnel expenses were €25.0 (26.4) million for the full year 2020, a reduction of 5% due to a lower number of employees.

Capitalised expenses related to the Company's development of technology and future products amounted to €4.4 (5.1) for the full year 2020 and are capitalised over 3 years. These costs are mainly related to the development of GiG's platform.

EBITDA

EBITDA for the full year 2020 was €10.7 (3.4) million, a 212% increase. The EBITDA margin was 17.0% (7.8%). Adjusted for Sky City revenues, the normalised EBITDA margin was 20.6% (7.9%).

D&A

Depreciation and amortisation amounted to €19.4 (23.6) million for the full year 2020, whereof depreciation was €5.1 (4.2) million.

Amortisation related to the affiliate acquisitions completed in 2015 - 2017 were €7.3 (9.2) million for the full year 2020, split with €1.6 (3.6) million for customer contracts and €6.0 (6.0) million to domains/SEO. Acquired affiliate assets are amortised over 3 years for customer contracts and 8 years for domains/SEO. The customer contracts were fully amortized in 2020. The balance is mainly related to capitalised development expenses with €5.7 (5.7) million.

The full year 2019 included impairments of €2.9 million related to the discontinuation of the Company's game studio and an investment in a start-up company, and an impairment of €1.0 million related to an intangible in Sports Betting Services.

EBIT

EBIT came in at €-8.7 (-24.1) million for the full year 2020. Adjusted for amortisation of acquired affiliate domain assets and impairments, adjusted EBIT was €-2.7 (-14.2) million for the full year 2020.

Financial and other expenses

Interest on the Company's bonds were €-4.2 (-5.4) million for the full year 2020, and unrealized loss related to the bond due to the strengthening of the SEK towards the EUR during the year was €-0.7 (1.1) million. Other financial expenses were €-1.2 (-3.0) million for the full year 2020, including interest related to IFRS 16 of €-1.0 (-0.9) million.

Net result from continuing operations

The net result from continuing operations was €-15.9 (-33.0) million for the full year 2020, a 52% improvement from 2019.

Discontinued operations

The result from discontinued operations were €-1.8 (-31.7) million for the full year 2020. See note 5 for more information. The net result after discontinued operations was €-17.7 (-64.7) million for the full year 2020.

Cash flow

The consolidated net cash flow from operational activities amounted to €17.7 (4.1) million for the full year 2020.

The net cash flow from investing activities was €14.6 (-10.5) million for the full year 2020, whereof €-4.4 (-5.1) million were capitalised development expenses and €1.3 (0.9) million investments in new infrastructure.

The net cash flow from financing activities was €-25.2 (-7.9) million for the full year 2020, whereof €-27.8 million were repayment of the Company's 2017-2020 bond and €10.3 million proceeds from the convertible loan and the credit facility.

Cash and cash equivalents increased by €6.9 (-15.9) million for the full year 2020.

Personnel

By the end of the fourth quarter 2020, 458 (695) employees were spread throughout Malta, Spain and Denmark, and some satellite offices at other locations. Approximately 280 people contributed towards Platform Services, 125 were focusing into Services and 14 in Sports Betting Services with the balance in corporate functions.

Brexit did not impact GiG's workforce and People Operations. The Company will keep on monitoring the evolving agreements in order to provide to its UK nationals an optimal experience as GiG employees.

Since early March 2020 GiG is 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. The safety and health of the employees is a key priority for the business and the Company will keep on monitoring the phases of the pandemic in order to keep on following local guidelines without disruptions for the business and its partners.

Bonds

Gaming Innovation Group Plc. issued a SEK 400 million senior secured bond with a SEK 1,000 million borrowing limit on 28 June 2019. The bond has a floating coupon of 3 months STIBOR + 9% per annum and maturity on 28 June 2022. The outstanding amount on the bond as at 31 December 2020 was SEK 400 million €39.9 million.

Shareholder matters

The GiG share is dual-listed on Nasdaq Stockholm and Oslo Børs with the same ISIN code: US36467X2062.

As at 31 December 2020, the number of authorised shares was 100,000,000 and the number of shares outstanding in GiG was 90,075,626 (par value USD 1.00). 521,000 options were outstanding as at 31 December 2020.

In January 2021, 1,500,000 options were granted to key employees. The exercise price is NOK 15.00 per share, and the options are exercisable with 20% after 1 January 2022, 30% after 1 January 2023 and 50% after 1 January 2024. All options expires on 31 December 2026 and are conditional upon employment at time of exercise. After the grant, a total of 2,021,000 options are outstanding.

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 neagtivelly 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.

For further description on risks related to COVID-19 and other risk factors, see GiG's 2019 Annual Report that is available on www.gig.com/ir.

Nomination committee

The Annual Meeting of Shareholders in May 2020 resolved that the Nomination Committee shall represent all shareholders, and consist of not less than three and not more than four members. Each of the three largest shareholders of the Company as per 31 August 2020 shall have the right to appoint one member each to the Nomination Committee. Should any of the three largest shareholders waive their right to appoint a representative, or their representative resign from the Nomination Committee, or when members of the Nomination Committee representing shareholders who are no longer among the three largest shareholders resign, the opportunity to appoint a member of the Nomination Committee shall thereafter be passed on in order of the largest shareholding. The three members appointed by the largest shareholders may decide, by simple majority, to appoint a fourth member to the Nomination Committee. If such fourth member is a member of the Board of Directors, such member cannot run for re-election as member of the Board of Directors upon expiry of his/her current term as a Board member.

The Company has followed the principles set out by the Annual Meeting of Shareholders, and the new nomination committee are as follows:

- Mikael Riese Harstad, representing Andre Lavold
- Frode Fagerli, representing Myrlid AS
- Petter Moldenius, representing Henrik Persson Ekdahl

About 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. Gaming Innovation Group operates out of Malta and is dual-listed on the Oslo Stock Exchange under the ticker symbol GIG and on Nasdaq Stockholm under the ticker symbol GIGSEK.

Legal disclaimer

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

Financial calendar

2020 Annual Report	**16 April 2021**
Q1 2021 Interim Report	**5 May 2021**
2021 Annual Shareholder Meeting	**20 May 2021**
Q2 2021 Interim Report	**18 Aug 2021**
Q3 2021 Interim Report	**9 Nov 2021**
Q4 2021 Interim Report	**15 Feb 2022**

Contacts

CEO
Richard Brown
richard.brown@gig.com

Group CFO
Tore Formo
tore@gig.com

Gaming Innovation Group
GiG Beach Office,
Triq id-Dragunara c/w Triq San Gorg,
St. Julians, STJ 3148 Malta

This information is information that Gaming Innovation Group Inc. (GiG) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, at 08:00 CET on 23 February 2021.

Sustainability

GiG's sustainability priority areas are:

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

Sustainable and long-term profitable growth is at the core of all aspects of GiG's corporate strategy. GiG focuses its sustainability strategy on areas most relevant to its business, at the heart of which is responsible gambling. This means offering partners and end users a full suite of solutions across the iGaming value chain while upholding strict rules to minimise harm caused by gambling; to prevent gambling from being a source of crime; and to ensure it is conducted in a fair and safe way.

GiG supports partners and their end users to comply with technical, legislative and responsible marketing demands, as a software supplier providing online gambling platform and services.

Following on from a productive third quarter in 2020, GiG's teams continued their progress on sustainability initiatives aligned with the priority areas.

The Information Security team in collaboration with other internal teams, finalised a number of projects in the fourth quarter. An internal training course, specific to GiG's technology, was devised for the developers - using Secure Code best practices to ensure applications are built securely by design. They also conducted the yearly maturity assessment and built a risk-driven information security strategy for 2021. Shared a set of information security KPIs, with the wider management group, increasing ownership and accountability across the business, providing a more robust security posture.

Key people from the legal, compliance and operational teams increased their fair and safe iGaming knowledge and awareness by attending a two day workshop with GamCare, cascading the learnings onto the rest of their teams.

Encouraging the employees to thrive and empowering them to succeed is one of GiG's main sustainability priorities, and after a large scale internal project, the new values were successfully launched in December during the first ever digital Christmas themed business update organised by the communication team to bolster the employees engagement. The new colleague led values are:

- We are together
- Together we adapt and learn
- Together we make an impact
- Together we innovate
- Together we stand with our partners

Each value speaks to an important element of our culture and what we believe in. Moving forward these values will be embedded into everything we do, and are fully aligned to our vision and mission.

The Christmas GiG Gives mission to bridge the gap between the industry and the communities, meant that GiG were able to work closely with several local charities. In Spain, locally sourced televisions were donated to help break the monotony and loneliness felt by many service users. In Denmark 60 bags full of hygiene and comfort "home from home" items were delivered to a woman's shelter, and in Malta the MSPCA animal shelter were supported with a myriad of food, beds and care products, all purchased from a local business.

The GiGsters Academy has continued to show high efficiency adding more courses throughout the year, especially with face to face courses being unavailable due to the pandemic. A further 1317 compliance and security courses completed internally in the fourth quarter.

The fourth quarter was very productive and the Company look forward to 2021 with further initiatives like embedding values activities, Responsible Gambling week, supporting safer gambling using AI, with GiG Comply, and the much awaited intranet revamp, to mention but a few things ahead.

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

Gaming Innovation Group Inc.

Condensed Statements of Operations - B2C included as discontinued operations

EUR 1000 - Unaudited

	Q4 2020	Q4 2019	2020	2019
Revenues	17 256	10 413	63 027	44 054
Cost of sales	830	165	2 967	906
Gross profit	**16 426**	**10 248**	**60 060**	**43 148**
Marketing expenses	4 185	1 073	14 900	5 272
Other operating expenses	8 118	9 084	34 418	34 432
Total operating expenses	**12 303**	**10 157**	**49 318**	**39 704**
EBITDA	**4 123**	**91**	**10 742**	**3 444**
Depreciation & amortisation	2 767	3 601	12 131	14 422
Amortisation of acquired affiliate assets	1 499	2 264	7 276	9 228
Impairment of intangibles	-	1 000	-	3 911
EBIT	**-143**	**-6 774**	**-8 665**	**-24 117**
Financial income (expense)	-1 609	-2 906	-6 394	-9 362
Unrealized exchange gain(loss) on the bond	-1 995	-1 557	-652	1 140
Other income (expense)	136	-533	103	-5
Result before income taxes	**-3 611**	**-11 770**	**-15 608**	**-32 344**
Tax income/(expense)	-58	-325	-323	-627
Loss from continuing operations	**-3 669**	**-12 095**	**-15 931**	**-32 971**
Income/(loss) from discontinuing operations	**-449**	**-35 839**	**-1 753**	**-31 720**
Loss for the period	**-4 118**	**-47 934**	**-17 684**	**-64 691**
Exchange differences on translation of foreign operations	-66	13	-174	-245
Fair value movement in available for sale investment	-	-1 302	-13	-1 284
Total comprehensive income (loss)	**-4 184**	**-49 223**	**-17 871**	**-66 220**
Total comprehensive income (loss) attributable to:				
Owners of the Company	-4 182	-49 225	-17 862	-66 218
Non-controlling interests	-2	2	-9	-2
Total comprehensive income (loss)	**-4 184**	**-49 223**	**-17 871**	**-66 220**
Weighted average shares outstanding (1000)	90 012	90 006	90 007	90 006
Diluted weighted average shares outstanding (1000)	90 012	90 006	90 007	90 006
Basic and diluted earnings (losses) per share from continuing operations:	-0.04	-0.13	-0.18	-0.37
Basic and diluted earnings (losses) per share from discontinuing operations	-0.01	-0.40	-0.02	-0.35
Basic and diluted earnings (losses) per share attributable to GiG Inc.	-0.05	-0.53	-0.20	-0.72

Gaming Innovation Group Inc.

Condensed Statements of Financial Position - B2C included as discontinued operations

EUR 1000 - Unaudited

	31 DEC 2020	31 DEC 2019
ASSETS		
Non-current assets:		
Goodwill	16 287	15 995
Intangible assets	33 012	40 912
Deposits and other non-current assets	16 637	20 191
Total non-current assets	**65 936**	**77 098**
Current assets:		
Prepaid and other current assets	-	3
Trade and other receivables	15 711	20 464
Cash and cash equivalents	11 504	4 557
Total current assets	**27 215**	**25 024**
Assets of discontinued operations held for sale	-	32 966
TOTAL ASSETS	**93 151**	**135 088**
Liabilities and shareholders' equity		
Shareholders' equity:		
Share capital	78 915	78 858
Share premium/reserves	30 289	29 835
Retained earnings (deficit)	-105 612	-87 797
Total equity attributable to GiG Inc.	3 592	20 896
Non-controlling interests	14	24
Total shareholders' equity	**3 606**	**20 920**
Liabilities:		
Trade payables and accrued expenses	27 217	24 940
Short term bond	3 455	30 035
Total current liabilities	**30 672**	**54 975**
Bond payable	35 998	36 908
Other long term liabilities	21 346	12 496
Deferred tax liability	1 529	1 270
Total long term liabilities	**58 873**	**50 674**
Total liabilities	**89 545**	**105 649**
Liabilities directly associated with assets classified as held for sale	-	8 519
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**93 151**	**135 088**

CONDENSED STATEMENTS OF CHANGES IN EQUITY:

Equity at beginning of period	**20 920**	**88 076**
Adjustment in prior period	-14	-259
Fair value movement in available for sale investments	-12	-1 284
Value of conversion rights on convertible loan	788	-
Exercise of options	139	-
Share compensation expense	-357	-677
Non-controlling interests	-9	-2
Exchange differences on translation of foreign operations	-174	-245
Net results from continuing operations	-15 922	-32 969
Net results from discontinuing operations	-1 753	-31 720
Equity at end of period	**3 606**	**20 920**

Gaming Innovation Group Inc.

Condensed Statements of Cash Flows - B2C included as discontinued operations

EUR 1000 - Unaudited

	Q4 2020	Q4 2019	2020	2019
Cash flows from operating activities:				
Results from continuing operations before income taxes	-3 611	-11 770	-15 608	-32 344
Income/(loss) from discontinued operations	-449	-35 839	-1 753	-31 720
Adjustments. to reconcile profit before tax to net cash flow:				
Tax expense	-58	-325	-323	-627
Depreciation and amortization	2 767	3 601	12 131	14 422
Amortization on aqcuired affiliate assets	1 499	2 264	7 276	9 228
Impairment of intangibles	-	41 185	1 100	44 096
Loss on disposal of B2C division	-	-	565	-
Other adjustments for non-cash items and changes in operating assets and liabilities	-337	-1 087	14 312	1 022
Net cash provided by operating activities	**-189**	**-1 971**	**17 700**	**4 077**
Cash flows from investing activities:				
Purchases of intangible assets	-1 691	-1 673	-6 564	-7 697
Purchases of property, plant and equipment	-288	-582	-1 674	-2 704
Acquisition of associates	-	-	-	-100
Disposal of asset held for sale	550	-	550	-
Disposal of subsidiaries	-	-	22 300	-
Net cash from investing activities	**-1 429**	**-2 255**	**14 612**	**-10 501**
Cash flows from financing activities:				
Proceeds from bond issue	-	-	-	2 446
Repayment of loans	-	-	-	-2 570
Lease liability principal payments	-788	-	-3 155	-2 796
Interest paid on bonds	-888	-872	-4 479	-4 897
Repayment of bonds	-	-	-27 825	-
Proceeds from loans	8 978	-	10 281	-
Cash flow from other investing activities	-	-	-	-80
Net cash from financing activities	**7 302**	**-872**	**-25 178**	**-7 897**
Translation loss	-66	13	-174	-245
Fair value movements	-	-1 302	-13	-1 284
Net increase (decrease) in cash	**5 618**	**-6 387**	**6 947**	**-15 850**
Cash and cash equivalents - beginning	5 886	10 944	10 295	14 669
Cash and cash equivalents attributable to discontinued operations		-	-5 738	5 738
Cash and cash equivalents - end	**11 504**	**4 557**	**11 504**	**4 557**

Gaming Innovation Group Inc.

Selected Notes to Condensed Consolidated Financial Statements as of and for the years ending 31 December 2020 and 2019

1. General information

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

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

The condensed consolidated financial statements of the Company as at and for the years ended 31 December 2020 and 2019 are comprised of its subsidiary Plc and Plc’s related accounting basis subsidiaries.

2. Basis of preparation

These unaudited condensed financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union. The condensed consolidated financial statements report the years ended 31 December 2020 and 2019 of Gaming Innovation Group Inc. and subsidiaries and have been prepared in conformity with IAS 34 and do not include all of the information required for full annual financial statements. The condensed consolidated financial statements for the periods ended 31 December 2020 and 2019 have not been audited by the Company’s auditors.

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

Liquidity and COVID-19 Impact on going concern

The Company’s financial position improved following the sale of the B2B business and repayment of the bond in April 2020, and the actions taken related to rationalisation of costs and operations in line with the Company’s new focus have been successfully implemented. The Company has, as described in note 10, a bond with a nominal value of EUR 39.9 million (SEK 400 million), with maturity in June 2022. The Company has further issued a EUR 8.5 million subordinated, convertible loan in December 2020 with maturity in December 2023, strengthening liquidity and the Company’s financial position.

As at 31 December 2020, the net current assets of the Company amounted to EUR 27.2 million (2019: EUR 25.0 million), and as at 31 December 2020, the net current liabilities of the Company amounted to EUR 30.7 (55.0). In 2019, current liabilities included a bond for an amount of EUR 30.0 million (nominal value SEK 300 million) which was repaid on 22 April 2020, financed by the disposal of the B2C business, including an advance payment of EUR 8.7 million on Platform services.

The above factors, combined with the continued uncertainties due to the COVID-19 pandemic further described below, increase the Company’s liquidity risk exposures, and may lead to uncertain scenarios, where liquidity shortfalls can occur. Notwithstanding the uncertainties, management continues to believe that these financial statements should be drawn up on a going concern basis, primarily due to the cost mitigation measures implemented as well as new initiatives that they consider could be introduced relatively quickly to alleviate pressures on liquidity. No assurance can be provided that such plans will be successful, as such material uncertainty remains as of the date of this report.

The occurrence of extraordinary events, such as the outbreak of disease epidemics, has an adverse impact on the global economy, and may lead to a global recession. In 2020, the existence of a new virus was confirmed, and since then COVID-19 has spread across the world. COVID-19 has caused disruption to businesses and economic activity, and also impacted global stock markets. Given the continued uncertainties, it is difficult to ascertain the longer term impact of COVID-19 on the Company, or to provide a quantitative estimate of this impact. Management has, however, considered the potential impact based on the known circumstances as at the date of reporting, and their assessment of potential future developments, and continues to believe that these financial statements should be drawn up on a going concern basis.

The Company closely monitors the progress of the COVID-19 and has introduced contingency measures to reduce the risk for its staff and to ensure business continuity. The Company successfully deployed its Business Contingency Plan (BCP), and systems and operations continued to perform. The Company operates from various offices in several countries, and local measures have been adopted in line with recommendations made by the respective authorities. The Company has a robust BCP to ensure continuity of operations and working from home is an integral part of day to day operations. Proactive steps were taken to advise employees to work from home prior to any announcements by governments. As part of the BCP, production environments require an extra level of approval to protect both the Company's business and its customers. COVID-19 has not resulted in any disruption to the Company's operations in 2020.

For more information on the potential impact on the Company's business units, see note 2 to the 2019 annual report.

3. Summary of significant accounting policies

Accounting Policies

The accounting policies adopted and used in preparing the condensed consolidated financial statements as of and for the periods ended 31 December 2020 and 2019 are consistent with those used in preparing the Company's consolidated financial statements as of and for the year ended 31 December 2019.

Discontinued Operations

In accordance with IFRS 5, the B2C financial results are reported as discontinued operations in the Company financial statements as of and for the periods ended 31 December 2020 and 2019 and the year ended 31 December 2019.

Revenue Recognition Policy

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

GiG Gaming Operators

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

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

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

GiG Platform Services

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

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

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

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

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

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

GiG Media Services

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

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

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

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

Other

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

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

Standards, Interpretations and Amendments to Published Standards Effective in 2019 and 2020

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

IFRS 16 Leasing arrangement

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

Standards, Interpretations and Amendments to Published Standards that are not yet Effective

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

4. Impairment of intangible assets

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

Following the strategic decision to halt investments into building its proprietary game studio, an impairment of EUR 2.5 million was taken in the third quarter 2019, representing write-offs of development cost in terms of salaries capitalized, trademarks, licenses, and a prior year investment into a start-up game studio.

Also, in the third quarter 2019, the Company impaired a prior year investment into a technology start-up company, Infobot Limited, due to the start-up company going into financial difficulties. This resulted in a non-cash write down of EUR 0.4 million.

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

5. Discontinued operations

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.. On 16 April 2020, the Company completed the sale of its B2C assets to Betsson.
In accordance with IFRS 5, the B2C financial results are reported as discontinued operations in the Company financial statements as of and for the periods ended 31 December 2020 and 2019. The 31 December 2019 Statement of Operations has been restated for comparability.

As a result of the sale of the B2C assets, the Company has surplus office space, and in the third quarter of 2020, the Company accelerated the amortisation of EUR 1.1 million to leasehold investments in relation to these offices as part of discontinued operations.

B2B and B2C financial data is also presented for comparative and informational purposes.

(EUR 1000)	Q4 2020	Q4 2019	2020	2019
Net revenue	-	18 992	22 897	78 972
Expenses	-449	-14 646	-22 985	-70 507
Impairment losses	-	-40 185	-1 100	-40 185
Loss on disposal of B2C segment	-	-	-565	-
Operating profit/(losses)	-449	-35 839	-1 753	-31 720
Loss from discontinued operations attributable to:				
Owners of the Company	-449	-35 839	-1 753	-31 720
Non-controlling interest	-	-	-	-
	-449	-35 839	-1 753	-31 720
Net cash flow from operating activities	-449	1 284	-1 160	4 135
Net cash flow from investing activities	-	-491	-196	-1 368
Net cash inflow/(outflow) from financing activities	-	-	-	-
Net increase in cash generated by discontinued operations	-449	793	-1 356	2 767

The following is the breakdown of the profit/(loss) from discontinued operations for the periods ended 31 December 2020 and 2019:

(EUR 1000)	31 Dec 2020	31 Dec 2019
Goodwill	**-**	**24 827**
Prepayments	-	341
Other trade receivables	-	60
License guarantee	-	2 000
Players cash	-	5 738
Total assets of disposal held for sale	**-**	**8 139**
Trade and other payables	-	-2 572
Players liability	-	-4 341
Jackpot liability	-	-1 606
Total liabilities of disposal group held for sale	**-**	**-8 519**
Net liabilities directly associated with assets classified as held for sale liability	-	-380

6. Segment information

Effective with the sale of the Company's B2C assets, and in accordance with IFRS 5, the Company has restated its financial statements to report the B2C results as discontinued operations. Effectively, the Company operates one segment Business to Business ("B2B") for the periods ended 31 December 2020 and 2019. The following tables are included for informational purposes only.

Q4 2020 (EUR 1000)	B2C	B2B	Elimination	Total
Revenue	-	17 256	-	17 256
Cost of sales	-	830	-	830
Marketing cost	37	4 185	-	4 222
EBITDA	-449	4 123	-	3 674
EBIT	-449	-143	-	-592

Q4 2019 (EUR 1000)	B2C	B2B	Elimination	Total
Revenue	18 991	12 164	-1 750	29 405
Cost of sales	5 144	165	-912	4 397
Marketing cost	6 209	1 080	-677	6 612
EBITDA	4 103	773	-25	4 851
EBIT	-36 823	-5 631	-159	-42 613

2020 (EUR 1000)	B2C	B2B	Elimination	Total
Revenue	22 897	64 864	-1 839	85 922
Cost of sales	8 847	2 861	-1 069	10 639
Marketing cost	9 015	14 839	-690	23 164
EBITDA	-627	11 460	-	10 833
EBIT	-2 352	-7 502	-	-9 854

2019 (EUR 1000)	B2C	B2B	Elimination	Total
Revenue	78 972	51 330	-7 276	123 026
Cost of sales	26 702	906	-3 518	24 090
Marketing cost	28 739	5 279	-2 913	31 105
EBITDA	8 089	6 196	-121	14 164
EBIT	-35 421	-18 917	-1 499	-55 837

7. Earning (loss) per share

Basic earnings (loss) per share are calculated by dividing the net income (loss) for the period, plus or minus applicable dividends, by the weighted number of shares outstanding. Diluted earnings (loss) per share utilize the same numerator, but outstanding shares in profitable periods include the dilutive effect of outstanding warrants and options determined by the treasury stock method. As of 31 December 2020, the Company had 521,000 options outstanding.

8. Changes in equity

As at 31 December 2020, 90,075,626 shares were outstanding following the issue of 70,000 shares on 22 December 2020 for previous exercises of options. The number of authorised shares is 100,000,000.

9. Loans payable to shareholders

In December 2015, the Company entered into a revolving loan facility in the amount of NOK 9.7 million with a shareholder owning more than 10% of the Company with an interest rate of 10% per annum due on demand at monthly intervals. This facility was increased to NOK 19.2 million in July 2016. In December 2017, the Company, utilized the revolving loan facility and borrowed NOK 10 million and in December 2018, an additional NOK 9.0 million. The outstanding amount, NOK 19.0 million, was repaid in July 2019.

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

In June 2020, the Company entered a NOK 25 million credit facility with a shareholder on market terms. The facility has a commitment fee of 3% per annum and an interest rate of 15% per annum, and maturity 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 2010. The outstanding balance on the credit facility was repaid in January 2021.

In December 2020, the Company issued a subordinated convertible loan of EUR 8.5 million to two Nordic investment funds with an interest rate of 8% per annum. The loan is convertible into shares in the Company at NOK 15 at the option of the lenders, or repayable on 18 June 2023. The initial fair value of the liability portion of the loan was determined using a market interest rate for an equivalent non-convertible bond at the issue date. The liability is subsequently recognised on an amortised cost basis until extinguished on conversion or maturity of the loan. The remainder of the proceeds is allocated to the conversion option and recognised in shareholders' equity, net of income tax, and not subsequently remeasured. Consequently, EUR 7,191,512 was recognised as the liability portion and EUR 788,045 was recognised in shareholder's equity. The long term outstanding balance as at 31 December 2020 was EUR 7,227,881 with accrued interest of EUR 36,370.

Short-term loans outstanding balances on 31 December 2020 and 2019 were EUR 0 and EUR 0, respectively with accrued interest of EUR 0 and 0, respectively. Long term loans outstanding balances at 31 December 2020 and 2019 were EUR 9,611,281 and EUR 0, respectively with accrued interest of EUR 36,370 and 0, respectively.

10. Senior secured bonds

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

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

On 16 April 2020, the Company completed the sale of its B2C assets to Betsson. GiG received EUR 33 million as a consideration including an upfront cash payment EUR 22.3 million relating to the acquisition, a prepaid platform fee of EUR 8.7 million, EUR 2 million relating to GiG's Spanish casino license, but excluding working capital adjustments. On 22 April 2020, the Company used part of the proceeds from the sale to repay the Company's SEK300 million 2017 - 2020 bond together with the cost incurred of SEK 1.1 million for extending maturity date of the bond from 6 March 2020 to 22 April 2020.

The outstanding balance of the short-term bond at 31 December 2020 and 2019 was EUR 3,455,360 and EUR 30,035,183 respectively, with accrued interest of EUR 582,936 and EUR 657,131 respectively. The outstanding balance of the long-term bond at 31 December 2020 and 2019 was EUR 35,997,913 and EUR 36,908,123 respectively, with accrued interest of EUR 132,862 and EUR 382,211, respectively. The bonds are registered in the Norway Central Securities Depository. The 2017-20 bond was listed on the Oslo Stock Exchange and the 2019-22 bond is listed on Nasdaq Stockholm.

The remaining bond is redeemable at par (SEK 1,000,000). The Company has the option to early redeem the SEK 400 million bond, at a fee, before its maturity date on 28 June 2022. The Company will not avail of the option and will redeem at maturity.

The amount of transaction costs which were capitalised as part of borrowings during 2019 was EUR 718,000.

11. Litigations

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.

12. Related party transactions

There were no material related party transactions in the fourth quarter 2020 other than the loans mentioned in Note 9.

13. Subsequent events

There have been no material subsequent events that occurred after 31 December 2020.

14. 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

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

Gaming tax: Taxes paid on revenues in regulated markets

Gross profit: Operating revenue less cost of sales

Gross margin: Gross profit in percent of revenues

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

Organic growth: Growth excluding acquisitions.

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

Gaming Innovation Group plc.

Condensed statement of operations - B2C included as discontinued operations

Gaming Innovation Group Plc issued a SEK 650 million senior secured bond with a SEK 1,250 million borrowing limit in 2017. The bond had a fixed coupon of 7.0% p.a. and was repaid in April 2020.

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

As per the bond terms, the interim condensed consolidated accounts for the issuer for the fourth quarter 2020 are stated below. Please refer to the selected notes to condensed consolidated financial statements for the parent Gaming Innovation Group Inc. for more information.

EUR 1000 - Unaudited	Q4 2020	Q4 2019	2020	2019
Revenues	17 256	10 413	63 027	44 054
Cost of sales	830	165	2 967	906
Gross profit	**16 426**	**10 248**	**60 060**	**43 148**
Operating expenses				
Marketing expenses	4 185	1 073	14 900	5 272
Other operating expenses	7 713	8 850	33 143	33 042
Total operating expenses	**11 898**	**9 923**	**48 043**	**38 314**
EBITDA	**4 528**	**325**	**12 017**	**4 834**
Depreciation & amortisation	2 767	3 601	12 131	14 422
Amortisation on acquired affiliate assets	1 498	2 264	7 275	9 228
Impairment of intangibles	-	1 000	-	3 911
EBIT	**263**	**-6 540**	**-7 389**	**-22 727**
Financial income (expense)	-1 435	-2 875	-6 219	-9 234
Unrealized exchange gain (loss) on bond	-1 995	-1 557	-652	1 140
Other income (expense)	136	37	140	-
Result before income taxes	**-3 031**	**-10 935**	**-14 120**	**-30 821**
Tax income/(expense)	-57	-325	-323	-627
Loss from continuing operations	**-3 088**	**-11 260**	**-14 443**	**-31 448**
Income/(loss) from discontinuing operations	**-449**	**-30 599**	**-1 754**	**-26 481**
Loss for the period	**-3 537**	**-41 859**	**-16 197**	**-57 929**
Exchange differences on translation of foreign operations	-66	13	-174	-245
Fair value movement in available for sale investment	-	-1 302	-13	-1 284
Total comprehensive income (loss)	**-3 603**	**-43 148**	**-16 384**	**-59 458**
Total Comprehensive income (loss) attributable to:				
Owners of the Company	-3 601	-43 150	-16 374	-59 456
Non-controlling interests	-2	2	-10	-2
Total comprehensive income (loss)	**-3 603**	**-43 148**	**-16 384**	**-59 458**

Gaming Innovation Group plc.

Condensed statements of financial position - B2C included as discontinued operations

EUR 1000 - Unaudited	31 DEC 2020	31 DEC 2019
ASSETS		
Non-current assets:		
Goodwill	5 839	5 547
Intangible assets	33 011	40 912
Deposits and other non-current assets	16 312	19 856
Total non-current assets	**55 162**	**66 315**
Current assets:		
Trade and other receivables	15 711	20 464
Cash and cash equivalents	8 043	4 508
Total current assets	**23 754**	**24 972**
Assets classified as held for sale	-	32 966
TOTAL ASSETS	**78 916**	**124 253**
LIabilities and shareholders' equity		
Shareholders' equity:		
Share capital	51	51
Share premium/reserves	86 888	87 289
Retained earnings (deficit)	-93 302	-76 973
Total equity attributable to GiG Inc.	-6 363	10 367
Non-controlling interests	14	24
Total shareholders' equity	**-6 349**	**10 391**
LIabilities:		
Trade payables and accrued expenses	32 546	24 634
Bond payable	3 455	30 035
Total current liabilities	**36 001**	**54 669**
Bond payable	35 999	36 908
Deferred tax liability	1 529	1 270
Other long term liabilities	11 736	12 496
Total long term liabilities	**49 264**	**50 674**
Total liabilities	**85 265**	**105 343**
Liabilities directly associated with assets classified as held for sale	-	8 519
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**78 916**	**124 253**

Gaming Innovation Group plc.

Condensed statement of cash flows - B2C included as discontinued operations

EUR 1000 - Unaudited

	Q4 2020	Q4 2019	2020	2019
Cash flows from operating activities:				
Results from continuing operation before income taxes	-3 031	-10 935	-14 120	-30 821
Results from discontinued operations	-449	-30 599	-1 754	-26 481
Adjustments. to reconcile profit before tax to net cash flow:				
Tax expense	-57	-325	-323	-627
Depreciation and amortization	2 767	3 601	12 131	23 650
Amortization on acquired affiliate assets	1 498	2 264	7 275	-
Impairment of intangibles	-	36 945	1 100	38 857
Loss on disposal of B2C division	-	-	565	-
Other adjustments for non-cash items and changes in operating assets and liabilities	-572	-4 243	14 326	-600
Net cash provided by operating activities	**156**	**-3 292**	**19 200**	**3 978**
Cash flows from investing activities:				
Purchases of intangible assets	-1 691	-1 673	-6 564	-7 697
Purchases of property, plant and equipment	-288	-582	-1 673	-2 704
Acquisition of associates		-	-	-100
Disposal of asset held for sale	550	-	550	
Disposal of subsidiaries	-	-	22 300	-
Net cash from investing activities	**-1 429**	**-2 255**	**14 613**	**-10 501**
Cash flows from financing activities:				
Loan from related party	5 307	-	5 368	-
Lease payments	-788	-	-3 155	-2 796
Interest paid on bonds	-888	-872	-4 479	-4 897
Repayment of bonds	-	-	-27 825	-
Cash flow from other investing activities	-	-	-	-80
Net cash from financing activities	**3 631**	**-872**	**-30 091**	**-7 773**
Translation loss	-66	15	-174	-245
Fair value movements	-	77	-13	-1 284
Net increase (decrease) in cash	**2 292**	**-6 327**	**3 535**	**-15 825**
Cash and cash equivalents - beginning	5 751	10 835	4 508	14 595
Cash and cash equivalents attributable to discintinued operations	-		-	5 738
Cash and cash equivalents - end	**8 043**	**4 508**	**8 043**	**4 508**

We are GiG

Gaming Innovation Group Inc. ("GiG" or "the Company") is a technology company operating in the iGaming industry. Offering cutting edge cloud-based services and performance marketing through their B2B solutions.

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 agile iGaming platform is adaptable to change, providing partners with the choice and flexibility of selecting content and services tailored to their specific market requirements, delivering a seamless omnichannel experience. Furthermore GiG is a lead generation and marketing provider with a 360 degree digital offering, supplying high value leads with global reach. All driving sustainable growth and profitability through product innovation, scalable technology and quality of service.

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

Sports
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)

Business Model

An online casino and or sportsbook operation is made up of many different products and services which need to work together harmoniously to be as efficient as possible. GiG offers a full end to end solution, from the Data and Core platform through to the CMS and website itself, supporting GiG partners in offering a world class gaming experience to their customers. All of these in house developed products are supported by our managed services, including media and CRM.

GiG realises that all partners do not have the same needs and offers all products and services agnostically so the partner can pick and choose what products and services fit their needs at different times through their igaming journey. The same agnostic approach is also extended to content suppliers and auxiliary providers, where partners can choose the best tools and content for their operation and target market.

The team at GiG has extensive operational experience and with this experience works with the partner to create and execute a product and supplier strategy that works the best for their business and what the partner wants to achieve. All products that GiG offers are available on a fixed monthly recurring fee where managed services are priced on an individual basis, based on the needs of the partner.

Casino Supplier
Compliance
Ancillary Service Providers
Game Providers
Payment Providers
Sports Providers
Odds Providers

GiG

VIP Management
Support
Media
SEO
Google Ads/SEM
Social Media
Permission Marketing
Affiliates

Malta (Headquarters)

@GiG Beach
Golden Mile Business Centre
Triq Id-Dragunara

St Julian’s STJ 3148

Spain

Avenida Ricardo Soriano 21
Marbella

Malaga 29601

Denmark

Nannasgade 28

2200 Copenhagen N

United States

8359 Stringfellow Rd

St James City, FL 33956

Norway

Fridjtof Nansens Plass 6

0160 Oslo