GiG

Q2 2020

Interim Report

iGaming solutions based on
innovative technology

11 Aug 2020

contents

Gaming Innovation Group Inc.

Q2 2020 Interim Report

Financial Highlights*

- Continued quarterly growth with revenues in Q2 2020 of €16.7m (11.3), 47% growth Y/Y and 49% Q/Q
- EBITDA in Q2 2020 was €2.8m (1.5), 93% growth Y/Y and 382% Q/Q. EBITDA margin of 17.0% (13.0%)
- Revenues in Media Services were €8.6m (8.6) in Q2 2020, EBITDA was €4.8m (4.7) with all time high for Paid
- Revenues in Platform Services were €8.2m (4.2) in Q2 2020, EBITDA was €-0.9m (-1.1)
- EBITDA for Sports Betting Services improved to €-0.9m (-1.5) due to reduction in operating expenses by 44%
- Cash flow from operations in Q2 2020 was €10.1m (3.2) and cash used in investing activities was €1.5m (3.5).

Operational Highlights

- The B2C vertical was divested to Betsson effective on 16 April 2020, with Betsson as a new long term customer on Platform Services
- Media Services continued its quarterly growth in both revenue and FTDs, up 5% and 22% respectively
- SkyCity's successful online expansion in 2020 confirms GiG's ability to transition a land based casino to online
- Signed long-term agreement with GS Technologies Limited for the provision of GiG's platform and front-end development to a new casino brand
- The sales pipeline developed positively, however some of the final contract negotiations was delayed as land based operators came to terms with actions around Covid-19
- Cost savings initiatives are progressing according to plan, which is expected to further reduce operating expenses by year end 2020
- The number of employees decreased from 709 to 487 year-on-year
- The SEK300 million bond was repaid on 22 April 2020.

Events after Q2 2020

- Signed three new long-term agreements for GiG's platform including sports and managed services, further agreements are expected to be signed before year end
- The positive development continues after Q2, July revenues on adjusted basis were up 38% compared to same period last year
- The revenue guiding for continued operations for 2020 are increased to between €52 - 57 million, with an EBITDA expected in the range of €12 – 15 million.

Continued operations (MEUR)	Q2-20	Q2-19	6M-20	6M-19	2019
Revenue	16.7	11.3	27.8	23.6	44.1
Gross profit	15.9	11.1	26.6	23.1	43.1
Marketing expenses	4.5	1.4	6.2	2.9	5.3
Operating expenses	8.5	8.2	17.0	16.4	34.4
EBITDA	2.8	1.5	3.4	3.8	3.4
EBIT	-2.2	-4.4	-6.9	-8.1	-24.1
Income/(loss) from discontinued operations	-0.9	0.4	1.0	1.6	-31.7
Net results	-6.0	-6.1	-8.6	-9.0	-64.7
EPS (EUR)	-0.07	-0.07	-0.10	-0.10	-0.72

* Continued operations

Letter from the CEO

Richard Brown

“Q2 was a strong start for GiG as its first quarter as a B2B only company"

Dear Shareholders,

I am pleased with the development of the business over the second quarter, with the execution of several strategic initiatives completed and executed upon that will place the Company in a fundamentally strong position to capture future growth.

An important milestone was reached in mid-April when we completed the transaction to divest the B2C business and the repayment of SEK 300M bond, which significantly improved the Company’s balance sheet while in conjunction allows the Company to focus on its long term ambitions of being a global leader within the iGaming B2B space.

GiG has improved its performance in the quarter across all of its business units, and I am very pleased to see our Media division that has historically had a 20% revenue exposure to Sports Betting move quickly and with force to enhance casino offerings to deliver a second quarter with consecutive revenue and EBITDA growth despite the ban on sporting events.

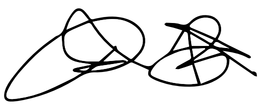
The platform business also showed a marked improvement as a multitude of clients experienced growth, in particular those with land based operations, helped by the ever increasing transition from offline to online casino accelerated during the period by local lockdowns. Driving a significant improvement in year over year and quarter over quarter results in growth for the business unit in both total and adjusted numbers. I am confident that as we start to sign and onboard new clients, while our existing clients continue to grow and benefit from our product offering, our enhanced focus on the strategic position to enable the transformation of land based or retail business into the online gambling sphere with a end to end turnkey igaming solution will lead to further growth and drive results and shareholder value.

GiG has executed improvement in the cost base within the sportsbook and further operation optimisation which will improve results in Q3 and put the unit in a sustainable position. Shown by an 46% improved EBITDA result despite the negative impact on revenues of Covid-19 and its impact on the global sporting calendar.

Despite Covid-19 impacting the final contract stages of the pipeline for the landbased & retail operators, one of our main target customers on the platform, we managed to sign one long term contract on a fixed fee model with an experienced operator and as some business have started to return or move out of crisis we have in the third quarter already signed a healthy number of new contracts. The pandemic is accelerating trends in multiple industries and the gambling space is no different. The sales pipeline has developed well and we believe the impact of the pandemic will longer term accelerate the global trend of move from offline to online gambling and we have seen demand and interest rise.

While Covid-19 has impacted all businesses globally we have managed to mitigate what exposures we have had via cost control programs combined with pivots in markets to drive growth in casino, our ability to move to remote working across multiple locations with no impact operationally is a testament not only to our systems and working methodologies but also to the people within the organisation who have worked tirelessly to contribute towards delivering the improved results we show in the second quarter.

Q2 was a strong start for GiG as its first quarter as a B2B only company, and the signings after the quarter confirm further my confidence that the Company can continue to grow and flourish as its well position strategically in addition to having a first rate product offering across its portfolio which will deliver shareholder value in the years to come.



Richard Brown
CEO

Summary and Outlook

GiG continued its quarterly growth in the second quarter 2020, with reported revenues of €16.7 (11.3) million and an EBITDA of €2.8 (1.5) million.

Media Services

Media Services continued its growth and positive development in the second quarter of 2020. FTDs increased by 22% and revenues by 5% quarter over quarter. Paid media continues to see quarter on quarter improvements with revenue up 27% YoY and 21% QoQ.

After Covid-19, there is expansion into the casino vertical and it is expected that growth in casino will offset most of the expected decline in sports revenue from paused sports activities.

GiG Media will continue to expand its global footprint in order to diversify its revenue base on a market level and capture new growth opportunity in both Publishing and Paid media. New regulated markets provides the paid media segment significant opportunity, and as more markets open up continually, GiG are confident that this segment will continue to develop positively. Media is expected to continue to improve and show robust performance in 2020.

Platform Services

Revenues in Platform Services returned to growth in the second quarter. Adjusted revenues were €4.7 (4.2) million, a 11% increase YoY and 22% QoQ. EBITDA for the second quarter 2020 was €-0.9 (-1.1) million, an improvement of 18% year-over-year and 41% quarter-on-quarter.

The sales pipeline developed positively, however some of the final contract negotiations was delayed as land based operators came to terms with actions around Covid-19. Longer term, it is believed that such events will accelerate the transition to online.

One new contract was signed in the second quarter, and subsequent to the quarter, GiG has signed agreements with two leading land based casino and gaming operators in their markets: K.A.K. DOO Skopje, one of North Macedonia's leading landbased casino & leisure groups and Grupo Slots, Argentina's premier gaming and entertainment group. In addition, a platform agreement was signed with leading iGaming specialist Mill of Magic/Casumo to power a new Pay N Play brand.

Sports Betting Services

The restructuring of Sports Betting Services continued in the second quarter, and initiatives were taken to improve operations resulting in a 44% reduction in operating expenses QoQ. Further improvement is expected in the third quarter, and with a new cost base Sports Betting Services should reach breakeven in a reasonable time frame, while still presenting significant growth opportunity and upside.

Divestment of the B2C vertical

GiG signed a Share Purchase Agreement with Betsson Group in February 2020 for the divestment of its B2C assets which include the brands Rizk, Guts, Kaboo and Thrills. The transaction was completed on 16 April 2020 and GiG received €33 million as payment, including €2 million for the cash deposit securing GiG's Spanish casino license.

Betsson became a long term partner of GiG and commits to keep the brands operational on GiG's platform for a minimum of 30 months. For the first 24 months, Betsson will pay a premium platform fee based on NGR generated.

63 GiG employees and full time consultants were transferred to Betsson on closing. As part of the transaction, GiG and Betsson also entered into a Transition Service Agreement where GiG offers services to Betsson to support operations of the brands for an initial period. These services are invoiced at cost.

Outlook and Guidance

GiG became one of few fully independent B2B providers after the divestment of the B2C segment – giving the Company dedicated focus on building the B2B business. The new agreements entered into secures recurring revenues from 2021 and beyond. The current pipeline is strong, and further agreements are expected to be signed before year end.

GiG will continue its focus on cost control, execution and global expansion and multitude of actions taken in the past quarters wil positively impact bottom line in the latter part of 2020.

The previous guiding for the full year 2020 included B2C as continued operations, with revenues expected between €70 - 75 million, and EBITDA expected between €14 – 17 million. This corresponded to expected revenues for continued operations of €48 - 53 million, with an EBITDA expected between of €12 – 15 million. Delay in onboarding new clients due to Covid-19 will have a short term effect in 2020, however will not impact expectations for 2021 and beyond. Given the positive overall development, the guiding for 2020 for continued operations are increased with revenues expected between €52 - 55 million, with an EBITDA expected between €12.0 – 15.0 million.

Financial highlights

GiG divested its B2C operations 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 and for the periods ending 30 June 2019 and 2020. From Q2-2020 and onwards, GiG will not show the financial results with B2C as a continued operation, but information for the effect of B2C in the first half of 2020 are included in note 5 on page 24.

Consolidated revenues in Gaming Innovation Group Inc. (GiG) were €16.7 (11.3) million in the second quarter 2020. Reported revenues includes revenues from Sky City, a platform client were 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, normalized revenues were €13.2m, a 16% increase year-over-year and 23% quarter-on-quarter.

Gross profit was €15.9 (11.1) million in the second quarter 2020, an increase of 43%. Gross profit margin for the second quarter 2020 came in at 95% (98%). Included in cost of sales are €0.7 (0.0) million related to Sky City operations, and adjusted gross profit margin was 99%.

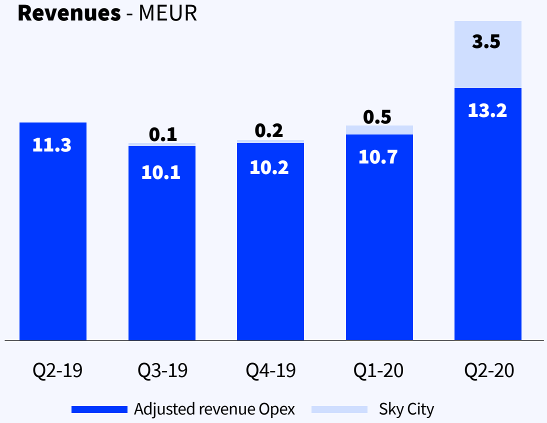
Marketing expenses were €4.5 (1.4) million in the second quarter 2020. Marketing expenses included €2.8 (0.0) million in site overhead expenses related to Sky City, and the €1.7 million balance is mainly related to GiG's paid media operation.

Other operating expenses amounted to €8.5 (8.2) million in the second quarter 2020, an increase of 4%. Adjusted for the effects of dividing previous periods into continued and discontinued operations, comparable other operating expenses amounted to €9.9 million in the second quarter 2019 and €10.0 million in the first quarter 2020, i.e. reductions of 12% and 12% respectively. The decrease in operating expenses is a result of restructuring initiatives on both cost control and operational efficiency. Continued investments into the development of new technology resulted in capitalized salaries of €1.1 (1.4) million, down 21% year-on-year.

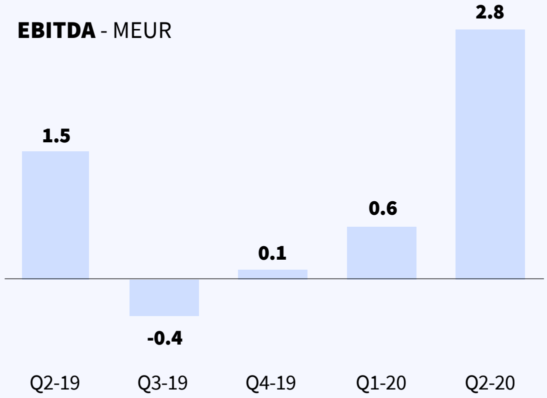
EBITDA was €2.8 (1.5) million, corresponding to an EBITDA margin of 17.0% (13.0%). Adjusted for Sky City revenues, the EBITDA margin was 21.6%. The improvement in EBITDA from the first quarter 2020 is mainly a result of higher revenues.

Depreciation and amortisation amounted to €5.0 (5.9) million in the second quarter 2020, a 14% reduction from second quarter 2019. €2.0 (2.3) million relates to amortisation of intangible assets from affiliate acquisitions completed in 2015 - 2017. GiG is amortising acquired affiliate assets conservatively over three years for customer contracts and eight years for domains/SEO, which is at a faster pace

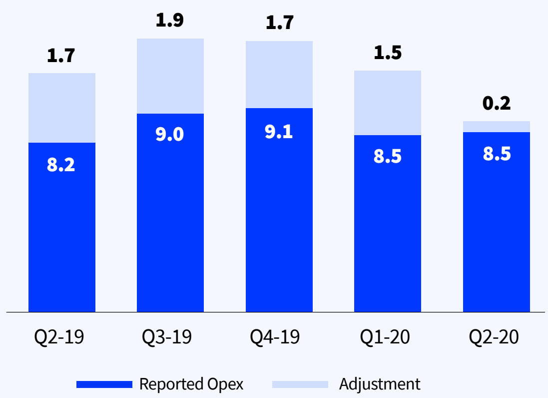
Revenues - MEUR



EBITDA - MEUR



Other operating expenses - MEUR



than industry peers. €1.4 (2.1) million relates to capitalized investments in software development and IT infrastructure technology. Depreciation was €1.3 (1.1) million.

Net other income was €-2.9 (-2.0) million in the second quarter 2020 and included €-0.9 (-1.1) million in interest expense on the bond, and an unrealized loss of €-1.5 (1.3) million related to the bond due to the change in the SEK/€ exchange rate in the quarter.

Loss from discontinued operations were €-0.9 (0.4) million and the net result in the second quarter 2020 ended at €-6.0 (-6.1) million.

Operational summary

Media Services

GiG Media Services continued its growth and positive development in the second quarter of 2020. First Time Depositors (FTDs) increased by 22% and revenues by 5% quarter over quarter.

Paid media continues to see quarter on quarter improvements with revenue up 27% YoY and 21% QoQ. After Covid-19, there is expansion into the casino vertical and it is expected that growth in casino will offset most of the expected decline in sports revenue from paused sports activities.

During the second quarter of 2020, several new growth projects have been initiated to further diversify and increase future revenue streams and player intake. Although from low numbers, several of these have strong and healthy growth and is expected to support further growth in player intake going forward.

Google's algorithm update in May 2020 had a slightly negative effect on Media Services' publishing assets. The update was immediately addressed and the assets are again seeing a positive upward trend and the intake of new players are improving. GiG Media continued to drive FTD's in a more diverse geographical spread in Q2 than in previous periods, in order to provide future growth opportunity and also diversify against potential regulatory changes.

Further expansion is expected in the US as a new affiliate license was granted for Colorado in June, with more states in process.

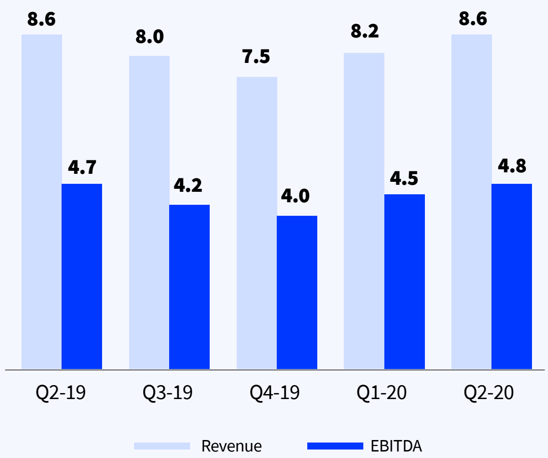
Revenues and EBITDA

Media Services continued its quarterly growth with revenue of €8.6 (8.6) million in the second quarter 2020, in line with the second quarter 2019, and a 5.4% increase from €8.2 million in the first quarter 2020. EBITDA was €4.8 (4.7) million, an increase of 0.2% year-over-year and 6.3% quarter-on quarter. The EBITDA margin was 55% (55%).

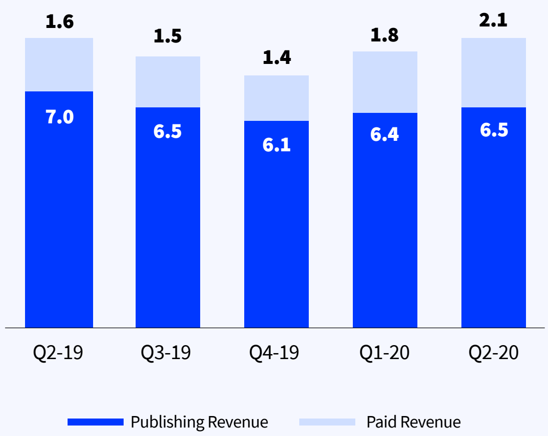
Historically, revenue from sports has made up approximately 20% of Media Services revenues, and this was negatively impacted by Covid-19 in the quarter. However, performance in casino and the Company's ability to switch paid media over to casino enabled growth in the second quarter despite the closure of sports events.

Paid Media further improved its performance with a positive trend for the fourth consecutive quarter finishing off by an all-time high in EBITDA for the segment in the second quarter. The

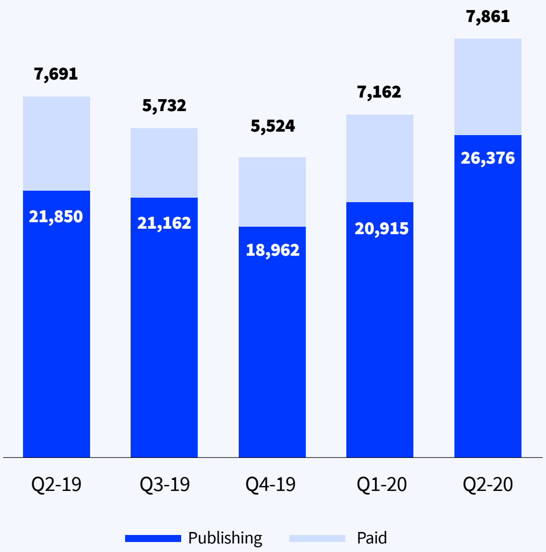
Media Services
Revenue & EBITDA (MEUR)



Media Services
Revenue (MEUR)



Media Services - FTDs
Split between publishing and paid



paid model represented 24% (19%) of Media Services revenues and continued the positive trend in the second quarter. Paid Media represents an important longer term growth opportunity within Media services due to regulation opening up future potential and its reduced potential for volatility that can be found in the publishing area.

61% (60%) of revenues in the second quarter 2020 derived from revenue share agreements, 12% (17%) from CPA (Cost per Acquisition), 25% (21%) from listing fees and 2% (2%) from other services.

FTD's

Media Services referred 34,237 (29,435) new FTDs to operators in the second quarter 2020, which is in line with the previous ATH in the first quarter 2019. This is a 16% increase year-on-year, and a 22% increase from the previous quarter. The growth was primarily driven by Publishing due to reduced FTD generation in Sports via the Paid channels.

Trends

Covid-19 resulted in lock-down in sports events in April and May, which resulted in a decline in sports revenue in Paid media in the quarter. However, initiatives taken in March resulted in growth in the casino vertical which offset the decline in sports. As sports start to open up again, further growth is expected in the second half of 2020 within the sports vertical.

Media Services continues to expand into new geographic regions and see increased player intake and revenue from current non-core markets.

Strategy

GiG will continue its cost optimization within SEO, content management and tech development as well as maintaining focus on developing business further outside our current core markets. This leads to increased focus on optimizing and maturing the organization to further improve operational efficiency and continue developing the platform for further growth.

GIG Media will continue to expand its global footprint in order to diversify its revenue base on a market level and capture new growth opportunity in both Publishing and Paid media. Several partnerships were initiated in the second quarter for both casino and sports, with revenue expected to materialize in the second half of 2020.

In addition, new regulated markets provides the paid media segment significant opportunity, and as more markets open up continually, GiG are confident that this segment will continue to develop positively. Media is expected to continue to improve and show robust performance in 2020.

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 has developed positively in 2020, however Covid-19 has slowed some of the final contract negotiations as land based operators have to come to terms with actions around lock-downs and related effects. Although some potential contract negotiations are delayed, GiG believes, that on a longer term basis, this will accelerate the transition to online. The success of SkyCity's online expansion over the past 9 months, confirms GiG's ability to transition a land based casino to online, and it is expected that this will drive growth in the coming years.

In June, GiG signed a long-term agreement with GS Technologies Limited for the provision of GiG's platform and front end development to a new casino brand with its own license from Maltese Gaming Authority.

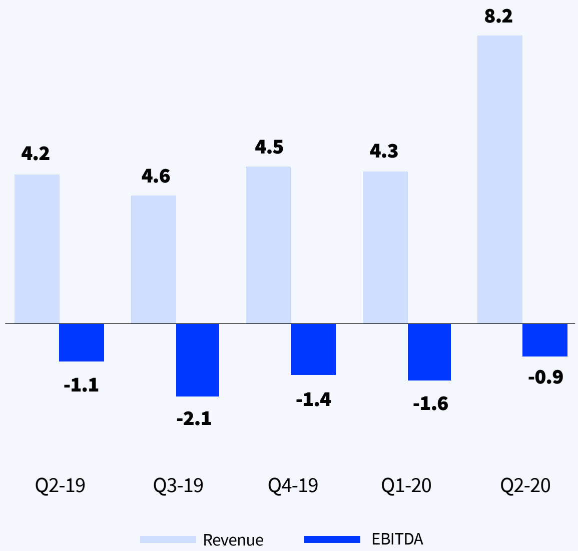
In July, a heads of terms agreement was signed with K.A.K. DOO Skopje, one of North Macedonia's leading leisure groups, for the provision of GiG's platform, front-end development and managed media services to launch their digital operation in the regulated North Macedonian market.

Also in July, an agreement was signed with a subsidiary of Casumo, Mill of Magic Ltd, for the provision of GiG's platform, data platform and GiG Logic. Mill of Magic will use GiG's products to power its new Pay N Play casino offering under its own license from the Maltese Gaming Authority.

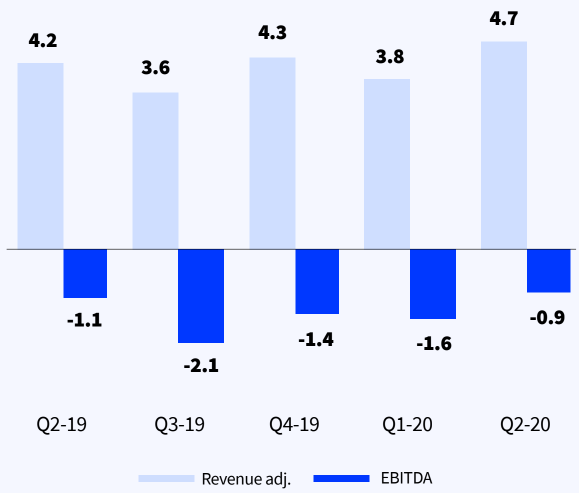
In August, a head of terms agreement was signed with Grupo Slots, Argentina's premier gaming and entertainment group, to enter the regulated City of Buenos Aires online gaming market. Grupo Slots is headquartered in San Luis, Argentina, and provides top-of-the-line entertainment and leisure services in more than 20 locations across Argentina, where it operates casinos, gambling & bingo halls, lottery, and also the online gaming website Jugadon.com in addition to hotels, restaurants and convention centers. GiG will provide Grupo Slots with a full online turnkey solution, which includes the technical iGaming platform, Sportsbook, front end development, GiG's data platform & GiG Logic with a minimum contract period of four years.

The move of infrastructure from a cloud-based model to a hybrid model is progressing according to plan, however the Betsson transaction has resulted in some delays. The migration will be completed in 2020. Overall tech cost were further reduced in Q2, 33% compared to Q1, and further savings will be seen in the second half of 2020. When completed, the annual infrastructure savings are estimated at EUR 3.5 million compared to the run rate in Q3-19.

Platform Services
Revenue & EBITDA (MEUR)



Platform adj.
Revenue & EBITDA (MEUR)



Revenues and EBITDA

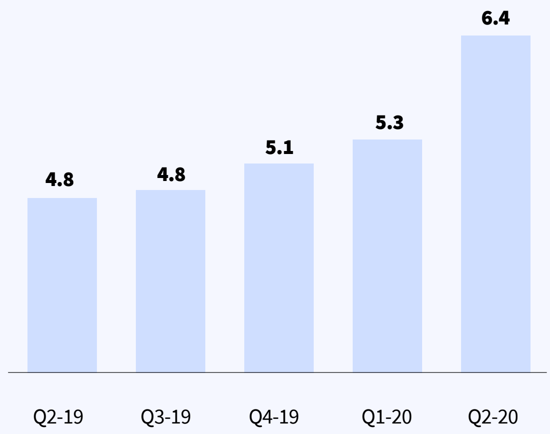
Revenues for Platform Services were €8.2 (4.2) million in the second quarter 2020. Included are revenues from Sky City, were GiG recognize the full operations in the profit and loss statements and these revenues are partly offset by related cost of sales and site overheads. By assuming standard white label agreement accounting principles, adjusted revenues for Platform Services were €4.7 (4.2) million, a 11% increase year-over-year and 22% quarter-on-quarter.

EBITDA for the second quarter 2020 was €-0.9 (-1.1) million, an improvement of 18% year-over-year and 41% quarter-on-quarter.

Database transactions

Total database transactions in the second quarter 2020 were 6.4 (4.7) billion, a 36% increase year-on-year.

Platform Services
Database transactions (bn)



Brands on the platform

GiG's five brands were divested to Betsson in April, but these are continuing on the platform for a minimum period of 30 months. Betsson is now a new long term partner of GiG and will pay a premium platform fee based on NGR generated for the first 24 months.

One new customer signed in the second quarter 2020, and three brands discontinued their operations in the quarter, all being on white label agreements. Three brands has signed so far in the third quarter, resulting in 12 brands in the integration pipeline to be launched. Existing live customers and the signed pipeline adds up to a total of 34 brands operating on the platform.

Strategy

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

So far in 2020, GiG has signed five new clients, whereof three are land based casinos that will use GiG for their digital transformation. GiG consider its pipeline to be strong and expect to enter into additional new contracts in 2020.

The revenue share model on white label agreements is gradually being phased out as GiG targets long term sustainable partnerships. The majority of the existing white label agreements are expected to be terminated or shifted into a fixed fee Software-as-a-Service (SaaS) model by year end, reducing potential risks. The operating expenses related to the white label model are higher than for the SaaS model, and the shift will result in better margins.

Sports Betting Services

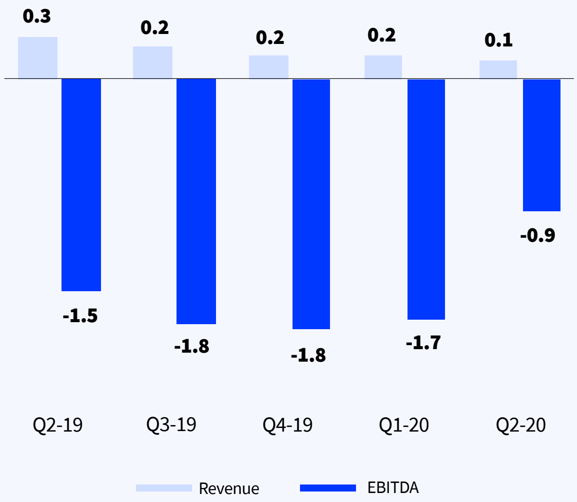
The restructuring of Sports Betting Services continued in the second quarter, and initiatives were taken to improve operations and reduce expenses.

Progress is also being made with regards to integrations of third party solutions into the platform to maintain our vision to have a sportsbook agnostic platform. Betsson's sportsbook solution is intended to be integrated on GiG's platform-offering as part of the transaction and the work towards integrating other third party suppliers continues.

GiG's sportsbook is live in two states in the US market and will be used by new clients in Latin America. Large emerging markets in regions such as 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.

In order to realize that potential, Sports Betting Services must have a more sustainable cost base, and in April, a restructuring initiative was rolled out to significantly reduce costs. This will result in a reduction in the number of staff as well as other initiatives to make the operations more efficient.

Sports Betting Services
Revenue & EBITDA (MEUR)



Revenues and EBITDA

Revenues from Sports Betting Services were €0.1 (0.3) million in the second quarter 2020. Revenues were impacted by the closure of sport events in the quarter due to Covid-19.

Operating expenses in Sports Betting Services reduced significantly in the quarter, down 44% from the first quarter 2020. The reduction is a result of initiatives taken in 2020 to reduce costs. Several of the actions taken are still carrying a restructuring cost through Q2, and further improvement is expected in the third quarter. This resulted in an improved EBITDA of €-0.9 (-1.5) million.

Strategy

GiG believes that the initiatives taken to reduce costs 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.

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.

B2C revenues in the second quarter 2020 up until this date was EUR €2.9 million, and the EBITDA for the second quarter was €-0.8 million. The B2C segment is reported as a discontinued operation, see note 5 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 for the periods ending 30 June 2019 and 2020. From Q2-2020 and onwards, GiG will not show the financial results with B2C as a continued operation, but information on the effect of B2C are included in note 5 on page 24.

Second Quarter 2020

Revenues

Consolidated revenues amounted to €16.7 (11.3) million in the second quarter 2020, an increase of 47% from the second quarter 2019, and a 49% increase from EUR 11.2 million in the first quarter 2020. Reported revenues includes revenues from Sky City, a platform client were 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 €13.2m, a 16% increase year-over-year and 18% quarter-on-quarter.

Cost of sales and gross profit

Cost of sales amounted to €0.8 (0.2) million in the second quarter 2020. This resulted in a gross profit of €15.9 (11.1) million in the second quarter 2020, an increase of 43% and a gross profit margin of 95% (98%). Adjusted for Sky City, cost of sales were €0.1 million, resulting in a gross profit of €13.1 million and a gross profit margin of 99%.

Marketing expenses

Marketing expenses were €4.5 (1.4) million in the second quarter 2020. Adjusted for Sky City related site overhead expenses, GiG's marketing expenses were €1.7 million in the quarter, an increase of 22%. Adjusted marketing expenses' share of total revenues were 12% (12%) and are mainly related to Media Services.

Operating expenses

Other operating expenses are mainly related to salaries, rent and general corporate expenses and amounted to €8.5 (8.2) million in the second quarter 2020, an increase of 4% from the second quarter.

Historically, services were being provided by the continued operations (B2B) to the discontinued operations (B2C), where such internally generated operational expenses were eliminated in the group consolidation. In the absence of any specific guidance in IFRS standards or from the IFRS Interpretations Committee with regards to how to reflect the elimination of such intragroup transactions, best practice is for these intragroup transactions to be eliminated within discontinued operations if the continued operations intend to engage in similar transactions after disposal, or within continued operations if there is not such an intention. GiG do not intend to engage in similar transactions in the future, and as such, internally generated expenses between continued and discontinued operations, were eliminated against continued operations, hence reducing the actual historical operational costs incurred by continued operations.

Adjusted for these effects of dividing into continued and discontinued operations, as well as the reversal of corporate costs previously allocated to B2C, comparable other operating expenses amounted to €9.9 million in the second quarter 2019 (12% reduction) and €10.0 million in the first quarter 2020 (12% reduction).

Personnel expenses were €6.1 (6.4) million, a decrease of 3%. Compared with the first quarter 2020, personnel expenses decreased by 2% from €6.2 million. Capitalised salaries related to the Company's development of technology and future products amounted to €1.1 (1.3) million in the second quarter and are capitalised over 3 years. These costs are mainly related to the development of GiG's platform. Including capitalised salaries, personnel costs decreased by 8% year-on-year and 1% quarter-on-quarter.

EBITDA

EBITDA for the second quarter 2020 was €2.8 (1.5) million, an increase of 93%. The EBITDA margin was 17.0% (13.0%). Adjusted for Sky City revenues, the EBITDA margin was 21.6%.

D&A

Depreciation and amortisation amounted to €5.0 (5.9) million in the second quarter 2020, whereof depreciation was €1.3 (1.1) million.

Amortisation related to the affiliate acquisitions completed in 2015 - 2017 were €2.0 (2.3) million, split with €0.6 (1.0) million related to affiliate contracts and €1.4 (1.4) million to domains/SEO. Acquired affiliate assets are conservatively amortised over 3 years for customer contracts and 8 years for domains/SEO. The amortisation of these customer contracts will be completed in the third quarter 2020. The balance is mainly related to capitalised development expenses with

€1.4 (2.2) million and software and licenses with €0.3 (0.4) million. Depreciation expense related to IFRS16 was €0.7 (0.6) million.

EBIT

EBIT came in at €-2.2 (-4.4) million in the second quarter 2020, and improvement of 50% from the second quarter 2019 and 53% from €-4.7 million in the first quarter 2020.

Financial and other expenses

Interest on the Company's bonds were €-0.9 (-1.1) million in the second quarter 2020, and unrealized loss related to the bond due to the strengthening of the SEK towards the EUR during the quarter was €-1.5 (1.3) million. Other financial and other expenses were €-0.4 (-2.1) million in the second quarter 2020, including interest related to IFRS 16 of €-0.3 (-0.2) million.

Discontinued operations

The loss from discontinued operations were €-0.9 (0.4) million in the second quarter 2020. See note 5 for more information.

Net result

The net result was €-6.0 (-6.1) million in the second quarter 2020.

Cash flow

The consolidated net cash flow from operating activities amounted to €10.1 (3.2) million for the second quarter 2020. Included in the net cash flow from operating activities are changes in operating assets and liabilities.

The net cash flow from investing activities was €20.8 (-3.5) million, whereof €1.3 (1.6) million were capitalised development expenses and €0.2 (0.1) million in computer equipment, mainly investments in the new infrastructure. The disposal of the B2C segment in April was included with €22.3 million.

The net cash flow from financing activities was €-29.0 (2.4) million in the second quarter 2020, and included repayment of the Company's 2017-2020 bond with €27.8 million.

Cash and cash equivalents increased by €2.4 (2.1) million, after a translation gain of €0.5 (-0.0) million related to foreign exchange differences on intangible assets held in foreign subsidiaries.

Financial position

As at 30 June 2020, holdings of cash and cash equivalents amounted to €7.5 (15.2) million. In addition, cash in transit from payment providers amounted to €3.6 (8.4) million. Customer monies, that are held in fiduciary capacity for the white label clients in Platform Services, amounted to €4.2 (8.9) million, which are partly secured by balances with payment providers and partly by cash balances.

As at 30 June 2020, GiG held total assets of €98.6 (196.0) million. Shareholders' equity was €13.6 (78.4) with an equity ratio of 14% (40%). The interest-bearing debt as at 30 June 2020 was €37.6 (67.8) million. The Company's lease liability is included with €2.7 (1.3) million under current liabilities and €12.4 (16.5) million under long-term liabilities as per IFRS 16.

January to June 2020

Revenues

Consolidated revenues amounted to €27.8 (23.6) million in the first six months of 2020, an increase of 18%. Reported revenues includes revenues from Sky City, a client were 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, adjusted revenues were €23.8m in the first six months of 2020, a 1% increase year-over-year.

Cost of sales and gross profit

In the first six months of 2020, cost of sales amounted to €1.2 (0.5) million, whereof €0.9 million is related to Sky City. Gross profit amounted to €26.6 (23.1) million during the first six months of 2020, a 15% increase. The gross profit margin for the first six months of 2020 was 96% (98%). Adjusted for Sky City, cost of sales were €0.4 million, resulting in a gross profit of €23.5 million and a gross profit margin of 98%.

Marketing expenses

Consolidated marketing expenses were €6.2 (2.9) million in the first six months of 2019. Adjusted for Sky City related site overhead expenses, marketing expenses were €3.0 million in the first six months of 2020, an increase of 5%. Adjusted marketing expenses' share of total revenues were 13% (12%) and are mainly related to Media Services.

Operating expenses

Other operating expenses amounted to €17.0 (16.4) million in the first six months of 2020, an increase of 4%. Adjusted for the effects of dividing into continued and discontinued operations, comparable other operating expenses amounted to €20.0 million in the first half of 2019 (6% reduction). Operating expenses are mainly related to salaries, rent and general corporate expenses. Personnel expenses were €12.3 (12.7) million in the first six months of 2020, a 2% reduction.

Capitalised expenses related to the Company's development of technology and future products amounted to €2.1 (2.8) in the first six months of 2020 and are capitalised over 3 years. These costs are mainly related to the development of GiG's platform.

EBITDA

EBITDA for the first six months of 2020 was €3.4 (3.8) million, a 9% decrease. The EBITDA margin was 12.3% (16.0%). Adjusted for Sky City revenues, the EBITDA margin was 14.4%.

D&A

Depreciation and amortisation amounted to €10.3 (11.9) million in the first six months of 2020, whereof depreciation was €2.6 (2.2) million.

Amortisation related to the affiliate acquisitions completed in 2015 - 2017 were €4.2 (4.8) million in the first six months of 2020, split with €1.4 (2.0) million for affiliate contracts and €2.8 (2.8) million to domains/SEO. Acquired affiliate assets are amortised over 3 years for customer contracts and 8 years for domains/SEO. The balance is mainly related to capitalised development expenses with €2.8 (3.5) million.

EBIT

EBIT came in at €-6.9 (-8.1) million in the first six months of 2020.

Financial and other expenses

Interest on the Company's bonds were €-2.3 (-2.4) million in the first six months of 2020, and unrealized gain related to the bond due to the weakening of the SEK towards the EUR during the first six months of 2020 was €1.1 (2.2) million. Other financial and other expenses were €-1.3 (-2.1) million in the first six months of quarter 2020, including interest related to IFRS 16 of €-0.5 (-0.6) million.

Discontinued operations

The result from discontinued operations were €1.0 (1.6) million in the first six months of 2020. See note 5 for more information.

Net result

The net result was €-8.6 (-9.0) million in the first six months of 2020.

Cash flow

The consolidated net cash flow from operational activities amounted to €18.1 (5.8) million for the first six months of 2020. Included in the net cash flow from operational activities are changes in operating assets and liabilities.

The net cash flow from investing activities was €17.8 (-7.6) million in the first six months of 2020, whereof €2.8 (3.5) million were capitalised development expenses and €1.3 million investments in new infrastructure.

The net cash flow from financing activities was €-32.1 (2.4) million in the first six months of 2020, whereof €27.8 (0.0) was repayment of the Company's 2017-2020 bond.

Cash and cash equivalents increased by €3.0 (0.5) million in the first six months of 2020.

Personnel

By the end of the second quarter 2020, 487 (709) employees were spread throughout Malta, Spain, Gibraltar, Denmark, Norway and some satellite offices at other locations. Approximately 275 people were working in Platform Services, 115 in Media Services and 30 in Sports Betting Services with the balance in corporate functions.

GiG moved quickly at the outbreak of the Covid-19 pandemic to introduce a remote work from home policy. The safety of our staff is paramount, and the organization responded extremely well with no disruption to our business. As a multi-location company, GiG continues to follow the local guidelines for a return to office, and will continue to approach this is a dynamic way as the situation remains fluid.

In April, 63 employees were transferred to Betsson in connection with closing of the transaction. In addition, around 50 employees will support operations of the brands for an initial period as per the Transition Service Agreement whit Betsson. These services will be invoiced at cost.

COVID 19

The Covid-19 virus has 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. Given the inherent uncertainties, it is difficult to ascertain the impact of Covid-19 on the Company's operations, or to provide a quantitative estimate of this impact. Despite the impact on sports events globally, Sports Betting Services showed improved performance due to cost control program, and the exposure in Media Services was mitigated due to agility within the business unit enabling GiG to offset the loss of sports revenue, through switching paid media to Casino.

For further description on Covid-19 and other risk factors, see GiG's 2019 Annual Report that is avialable on www.gig.com/ir.

Shareholder matters

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

As at 30 June 2020, the total number of shares outstanding in GiG was 90,005,626 (par value USD 1.00). The number of authorised shares is 100,000,000.

During the second quarter 2020, 225,000 options were cancelled, and 671,000 options were outstanding as at 31 March 2020.

Bonds

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

The Betsson transaction required compulsory regulatory approvals from merger control and gaming authorities, and GiG received consent from its bondholders to extend the repayment of the 2017 – 2020 bond from the maturity date on 6 March 2020 until 22 April 2020. As compensation for the extension the bondholders in said bond received a consent fee of 0.35% of the nominal amount.

The SEK300 million 2017- 2020 bond was repaid on 22 April 2020.

Annual Meeting of Shareholders

The Annual Meeting of Shareholders was held on Tuesday 19 May 2020 in Stockholm, Sweden.

The Annual Meeting resolved that the Board of Directors should consist of five members and resolved to re-elect Petter Nylander as Chairman of the Board and to re-elect Helge Nielsen and Henrik Persson Ekdahl and to elect Nicolas Adlercreutz and Kjetil Garstad as as new Directors of the Board.

The Annual Meeting furthermore resolved that the Nomination Committee shall represent all shareholders, and consist of not less than three and not more than four members, of which one shall be the Chairman of the Board of Directors, and the remaining to be appointed by the three largest shareholders at 31 August 2020. It was also resolved to reappoint Israeloff Trattner & Co. PC as auditors.

The Annual Meeting also resolved to authorise the Board of Directors to buy back already issued and outstanding shares in the company and to dispose of such shares, all on such terms as the Board of Directors may deem fit. The company's total holding of its own shares may not exceed 10% of the outstanding share capital of the company at any time. Acquisition of own shares may take place on NASDAQ Stockholm and Oslo Børs, during the period until the end of next Annual Meeting of Shareholders.

It was resolved on a total remuneration maximum of EUR 285,000 per annum to be paid to Directors elected at the Annual Meeting, that the remuneration of the Chairman of the Board of Directors shall be EUR 85,000 per annum and that the remuneration to the other members of the Board of Directors shall be EUR 40,000 per annum each.

About Gaming Innovation Group

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

Statement from the board of Directors

The Board of Directors has today approved the condensed consolidated financial statements for the first six months of 2020 and the condensed consolidated balance sheet per 30 June 2020 for Gaming Innovation Group Inc.

We declare to the best of our belief that the condensed consolidated financial statements for the first half of 2020 gives a true and fair view of the Company's assets, liabilities, financial position and results of operations, and that the report is produced according to prevailing accounting standards.

We also declare, to the best of our belief, that the half-year report provides a fair view of the information required under §5-6 (4) of the Norwegian Securities Act. We also confirm that any description of transactions with related parties are correct.

The relevant risks the Company is exposed to are described in the Company's 2019 Annual Report.

11 August 2020

The Board of Directors of Gaming Innovation Group Inc.

Petter Nylander
Chairman

Henrik Persson Ekdahl
Director

Helge Nielsen
Director

Nicolas Adlercreutz
Director

Kjetil Garstad
Director

Richard Brown
CEO

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

Q3 2020 Interim Report: **4 November 2020**
Q4 2020 Interim Report: **23 February 2021**
Q1 2021 Interim Report: **5 May 2021**
2021 Annual Shareholder Meeting: **20 May 2021**

Contacts

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

Sustainability

GiG's sustainability priority areas are:
- Safer gambling
- IT and cybersecurity
- Responsible marketing
- Encourage employees to thrive

In addition, GiG focuses on green initiatives throughout all operations to be a conscious user of energy resources and reduce the Company's carbon footprint where possible.

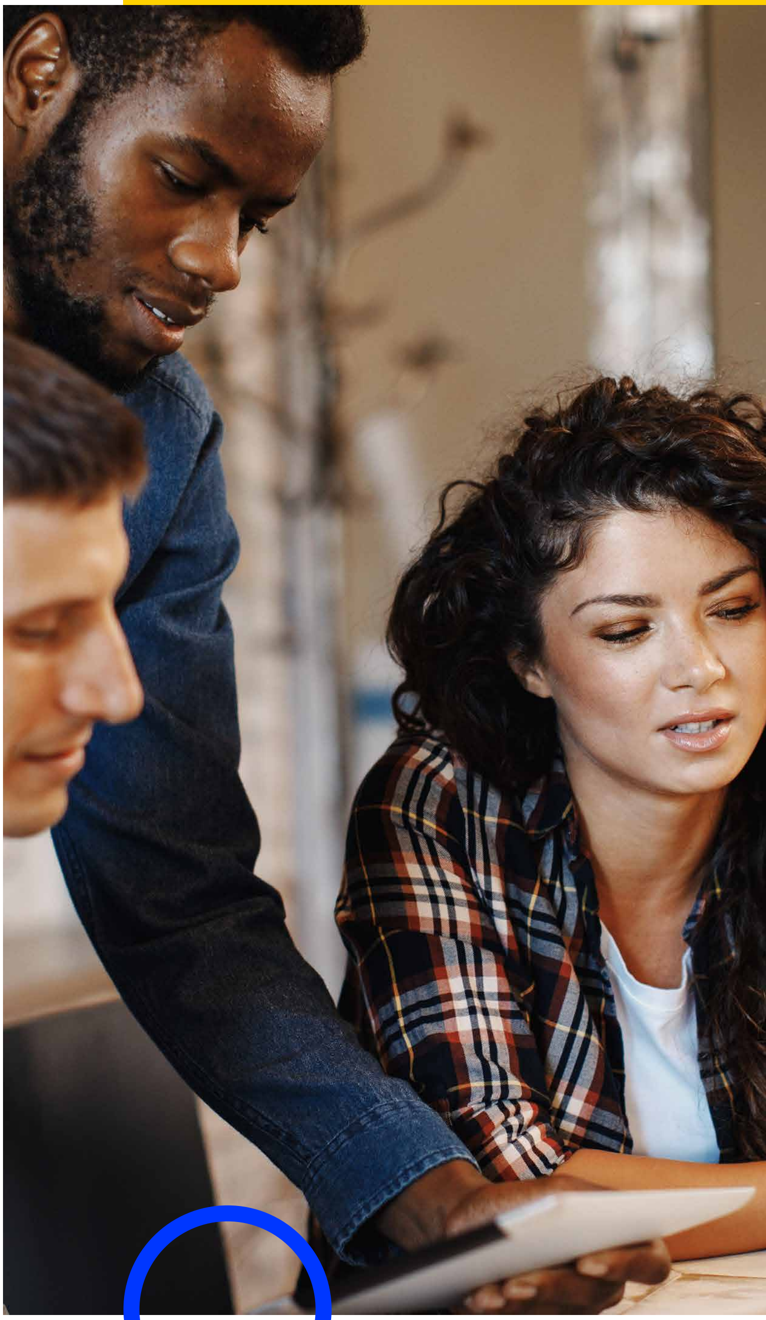
Sustainable and long-term profitable growth is at the core of all aspects of GiG's corporate strategy. GiG focuses its sustainability strategy on areas most relevant to its business, at the heart of which is responsible gambling. This means offering customers and end users a full suite of solutions across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

GiG invests in its employees' knowledge and skills to understand their individual and organisational responsibility towards responsible gambling, to understand how to identify problem gambling, and to have the knowledge to be able to conduct brief interventions and signpost for further support. Tailor-made sustainability and responsible gambling training are provided for each department within the Organisation.

GiG works with several research institutions and charities, using its knowledge of the iGaming industry to support research projects for the benefit of all parties. Besides the ongoing collaboration with Bournemouth University on the GamInnovate project, GiG has sponsored a one-year Masters In Research (MRes) at Bournemouth University, with the objective of designing and assess tools which can help minimise gambling-related harm real-time. Furthermore, GiG entered into a collaboration with YGAM, an education charity providing tools and information to build digital resilience, educate and safeguard young people against problematic gaming and gambling.

GiG is committed to progressively working towards its sustainability goals and has published its sustainability report 2019.

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	Q2 2020	Q2 2019	6M 2020	6M 2019	2019
Revenues	16 678	11 338	27 840	23 581	44 054
Cost of sales	806	249	1 231	520	906
Gross profit	**15 872**	**11 089**	**26 609**	**23 061**	**43 148**
Operating expenses					
Marketing expenses	4 504	1 393	6 180	2 890	5 272
Other operating expenses	8 528	8 223	16 999	16 392	34 432
Total operating expenses	**13 032**	**9 616**	**23 179**	**19 282**	**39 704**
EBITDA	**2 840**	**1 473**	**3 430**	**3 779**	**3 444**
Depreciation & amortisation	3 086	3 585	6 112	7 210	14 422
Amortisation of acquired affiliate assets	1 953	2 301	4 217	4 700	9 228
Impairment of intangibles	-	-	-	-	3 911
EBIT	**-2 199**	**-4 413**	**-6 899**	**-8 131**	**-24 117**
Financial income (expense)	-1 369	-3 314	-3 596	-4 471	-9 362
Unrealized exchange gain(loss) on the bond	-1 514	1 275	1 062	2 177	1 140
Other income (expense)	2	-3	18	-33	-5
Result before income taxes	**-5 080**	**-6 455**	**-9 415**	**-10 458**	**-32 344**
Tax income/(expense)	-96	-62	-156	-197	-627
Loss from continuing operations	**-5 176**	**-6 517**	**-9 571**	**-10 655**	**-32 971**
Income/(loss) from discontinuing operations	**-867**	**385**	**950**	**1 647**	**-31 720**
Loss for the period	**-6 043**	**-6 132**	**-8 621**	**-9 008**	**-64 691**
Exchange differences on translation of foreign operations	516	-49	-812	-80	-245
Fair value movement in available for sale investment	-16	-47	-13	-8	-1 284
Total comprehensive income (loss)	**-5 543**	**-6 228**	**-9 446**	**-9 096**	**-66 220**
Total comprehensive income (loss) attributable to:					
Owners of the Company	-5 541	-6 220	-9 441	-9 084	-66 218
Non-controlling interests	-2	-8	-5	-12	-2
Total comprehensive income (loss)	**-5 543**	**-6 228**	**-9 446**	**-9 096**	**-66 220**
Weighted average shares outstanding (1000)	90 006	90 006	90 006	90 006	90 006
Diluted weighted average shares outstanding (1000)	90 006	90 006	90 006	90 006	90 006
Basic and diluted earnings (losses) per share from continuing operations:	-0.06	-0.07	-0.11	-0.12	-0.37
Basic and diluted earnings (losses) per share from discontinuing operations	-0.01	0.00	0.01	0.02	-0.35
Basic and diluted earnings (losses) per share attributable to GiG Inc.	-0.07	-0.07	-0.10	-0.10	-0.72

Gaming Innovation Group Inc.

Condensed Statements of Financial Position - B2C included as discontinued operations

EUR 1000 - Unaudited	30 JUN 2020	30 JUN 2019	31 DEC 2019
ASSETS			
Non-current assets:			
Goodwill	15 516	69 525	15 995
Intangible assets	36 260	63 012	40 912
Deposits and other non-current assets	20 476	26 208	20 191
Total non-current assets	**72 252**	**158 745**	**77 098**
Current assets:			
Prepaid and other current assets	33	54	3
Trade and other receivables	18 809	21 990	20 464
Cash and cash equivalents	7 508	15 196	4 557
Total current assets	**26 350**	**37 240**	**25 024**
Assets of discontinued operations held for sale	-	-	32 966
TOTAL ASSETS	**98 602**	**195 985**	**135 088**
Liabilities and shareholders' equity			
Shareholders' equity:			
Share capital	78 858	78 858	78 858
Share premium/reserves	25 083	121 238	29 835
Retained earnings (deficit)	-90 393	-121 747	-87 797
Total equity attributable to GiG Inc.	13 548	78 349	20 896
Non-controlling interests	19	13	24
Total shareholders' equity	**13 567**	**78 362**	**20 920**
Liabilities:			
Trade payables and accrued expenses	33 590	31 583	24 940
Short term loans	-	619	-
Short term bond	3 462	27 674	30 035
Total current liabilities	**37 052**	**59 876**	**54 975**
Bond payable	34 149	38 148	36 908
Other long term liabilities	12 444	16 523	12 496
Deferred tax liability	1 390	1 117	1 270
Long term loans	-	1 959	-
Total long term liabilities	**47 983**	**57 747**	**50 674**
Total liabilities	**85 035**	**117 623**	**105 649**
Liabilities directly associated with assets classified as held for sale	-	-	8 519
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**98 602**	**195 985**	**135 088**
CONDENSED STATEMENTS OF CHANGES IN EQUITY:			
Equity at beginning of period	**20 920**	**88 072**	**88 076**
Adjustment in prior period	-20	-140	-259
Deemed distribution	-388	-	-
Fair value movement in available for sale investments	-13	-8	-1 284
Share compensation expense	-334	-474	-677
Non-controlling interests	-5	-12	-2
Exchange differences on translation of foreign operations	-812	-80	-245
Disposal of subsidiary	2 835	-	-
Net results from continuing operations	-9 566	-10 643	-32 969
Net results from discontinuing operations	950	1 647	-31 720
Equity at end of period	**13 567**	**78 362**	**20 920**

Gaming Innovation Group Inc.

Condensed Statements of Cash Flows - B2C included as discontinued operations

EUR 1000 - Unaudited	Q2 2020	Q2 2019	6M 2020	6M 2019	2019
Cash flows from operating activities:					
Results from continuing operations before income taxes	-5 080	-6 455	-9 415	-10 458	-32 344
Income/(loss) from discontinued operations	-867	385	950	1 647	-31 720
Adjustments. to reconcile profit before tax to net cash flow:					
Tax expense	-96	-62	-156	-197	-627
Depreciation and amortization	3 086	3 585	6 112	7 210	14 422
Amortization on aqcuired affiliate assets	1 953	2 301	4 217	4 700	9 228
Impairment of intangibles	-	-	-	-	44 097
Other adjustments for non-cash items and changes in operating assets and liabilities	11 058	3 435	16 404	2 916	1 021
Net cash provided by operating activities	**10 054**	**3 189**	**18 112**	**5 818**	**4 077**
Cash flows from investing activities:					
Purchases of intangible assets	-1 263	-2 279	-3 184	-3 996	-7 697
Purchases of property, plant and equipment	-244	-1 190	-1 330	-3 553	-2 704
Acquisition of associates	-	-	-	-100	-100
Disposal of subsidiaries	22 300	-	22 300	-	-
Net cash from investing activities	**20 793**	**-3 469**	**17 786**	**-7 649**	**-10 501**
Cash flows from financing activities:					
Proceeds from bond issue	-	2 446	-	2 446	2 446
Proceeds from loans	-	-	-	-	-2 570
Lease liability principal payments	-251	-	-1 587	-	-2 796
Interest paid on bonds	-891	-	-2 710	-	-4 897
Repayment of bonds	-27 825	-	-27 825	-	-
Cash flow from other investing activities	-	-	-	-	-80
Net cash from financing activities	**-28 967**	**2 446**	**-32 122**	**2 446**	**-7 897**
Translation loss	516	-49	-812	-80	-245
Fair value movements	-16	-47	-13	-8	-1 284
Net increase (decrease) in cash	**2 380**	**2 070**	**2 951**	**527**	**-15 850**
Cash and cash equivalents - beginning	5 128	13 126	10 295	14 669	14 669
Cash and cash equivalents attributable to discontinued operations	-	-	-5 738	-	5 738
Cash and cash equivalents - end	**7 508**	**15 196**	**7 508**	**15 196**	**4 557**

Gaming Innovation Group Inc.

Selected Notes to Condensed Consolidated Financial Statements as of and for the Periods Ending 30 June 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 periods ended 30 June 2020 and 2019 are comprised of its subsidiary Plc and Plc's related accounting basis subsidiaries.

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. 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, GiG used part of these proceeds to repay the Company's SEK300 million 2017 - 2020 bond together with the cost incurred of SEK 1.1 million for extending the maturity date of the bond from 6 March 2020 to 22 April 2020.

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 periods ended 30 June 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 30 June 2020 and 2019 have not been audited by the Company's auditors.

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

As at 30 June 2020, the net current assets of the Company amounted to EUR 26,349,741 (2019: net current assets EUR 37,239,537). As at 30 June 2020, the net current liabilities of the Company amounted to EUR 37,037,729 (2019: net current liabilities EUR 59,876,397). In 2019, current liabilities included a bond for an amount of EUR 27,674,463 (nominal value SEK 300 million), with a maturity date of 6 March 2020, which was repaid on 22 April 2020. Further, as described in note 10, a bond with a nominal value of EUR 34,149,062 (SEK 400 million), becomes payable in June 2022.

The Company expects its financial position to improve following the repayment of the bond. At the same time, GIG acknowledges that pressures on liquidity will continue to prevail, until actions emanating from the Company's strategic review are successfully implemented. These include rationalisation of costs and operations in line with the Company's new focus. As described in note 10, an advance payment of EUR 8.7million on B2B support services, was used to settle the bond in Q2 of 2020, giving rise to increased liquidity pressures in the short term.

All of the above factors, combined with the advent of 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 cost mitigation measures already initiated as well as new initiatives that they consider could be introduced relatively quickly to alleviate pressures on liquidity

Impact on the going concern due to COVID-19

The occurrence of extraordinary events, such as natural disasters, and the outbreak of disease epidemics, has an adverse impact on the global economy, and may lead to a global recession. In early 2020, the existence of a new virus, now known as COVID-19, was confirmed, and since this time COVID-19 has spread across the world. COVID-19 has caused disruption to businesses and economic activity, which has also adversely impacted global stock markets. The Company considers the emergence and spread of COVID-19 to be a non-adjusting post balance sheet event. Given the inherent uncertainties, it is difficult to ascertain the 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 monitored the progress of the Coronavirus (COVID-19) outbreak and 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 did not result in disruption to the Company's operating model as a result of its agility.

For more information on the potenetial 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 30 June 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 30 June 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 on a monthly basis. Accordingly, it is appropriate for the Company to recognise the monthly amounts invoiced in the P&L.

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

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

GiG Media Services

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

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

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

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

Other

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

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

Standards, Interpretations and Amendments to Published Standards Effective in 2019

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

IFRS 16 Leasing arrangement

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

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 srtategic decision to halt investments into building its proprietary game studio, GIG Games, an impairment of intangible asset value was completed in the third quarter 2019. This resulted in a non-cash write-down of EUR 2.5 million. The impairment represents write-offs of development cost in terms of salaries capitalized, trademarks, 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. 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 30 June 2020 and 2019. The 30 June 2019 Statement of Operations has been restated for comparability.

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

The following is the breakdown of the profit/(loss) from discontinued operations for the periods ended 30 June 2019 and 2020 and the year ended 31 December 2019:

(EUR 1000)	Q2 2020	Q2 2019	6M 2020	6M 2019	2019
Net revenue	2 917	19 634	22 896	39 813	78 972
Expenses	-3 784	-19 249	-21 946	-38 166	-70 507
Impairment losses			-	-	-40 185
Operating profit/(losses)	**-867**	**385**	**950**	**1 647**	**-31 720**
Loss from discontinued operations attributable to:					
Owners of the Company	-867	385	950	1 647	-31 720
Non-controlling interest	-	-	-	-	-
	-867	**385**	**950**	**1 647**	**-31 720**
Net cash flow from operating activities	-	-	-	-	4 135
Net cash flow from investing activities	-	-250	-197	-449	-1 368
Net cash inflow/(outflow) from financing activities	-869	-180	-120	566	-
Net increase in cash generated by discontinued operations	**-869**	**-430**	**-317**	**117**	**2 767**

The following is a breakdown of the assets and liabilities classified as held for sale at 30 June 2020 and 2019 and 31 December 2019:

(EUR 1000)	30 Jun 2020	30 Jun 2019	2019
Goodwill	-	-	24 827
Prepayments	-	-	341
Other trade receivables	-	-	60
License guarantee	-	-	2 000
Players cash	-	-	5 738
	-	**-**	**8 139**
Trade and other payables	-	-	-2 572
Players liability	-	-	-4 341
Jackpot liability	-	-	-1 606
	-	**-**	**-8 519**
Net liabilities directly associated with assets classified ass	-	-	-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 30 June 2020 and 2019. The following tables are included for informational purposes only.

Q2 2020 (EUR 1000)	B2C	B2B	Elimination	Total
Revenue	2 917	16 964	-286	19 595
Cost of sales	1 436	854	-186	2 104
Marketing cost	1 118	4 433	-73	5 478
EBITDA	-815	2 865	-25	2 025
EBIT	-961	-2 080	-25	-3 066

Q2 2019 (EUR 1000)	B2C	B2B	Elimination	Total
Revenue	19 633	13 106	-1 768	30 971
Cost of sales	7 191	249	-866	6 574
Marketing cost	8 203	1 392	-686	8 909
EBITDA	405	2 115	-37	2 483
EBIT	-484	-3 507	-37	-4 028

6M 2020 (EUR 1000)	B2C	B2B	Elimination	Total
Revenue	22 896	29 703	-1 863	50 736
Cost of sales	8 846	1 122	-1 066	8 902
Marketing cost	8 967	6 109	-679	14 397
EBITDA	411	4 172	-21	4 562
EBIT	-215	-5 713	-21	-5 949

6M 2019 (EUR 1000)	B2C	B2B	Elimination	Total
Revenue	39 813	27 257	-3 676	63 394
Cost of sales	14 279	519	-1 777	13 021
Marketing cost	16 024	2 890	-1 422	17 492
EBITDA	1 545	5 097	-49	6 593
EBIT	-96	-6 339	-49	-6 484

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	5 272	-2 906	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 30 June 2020, the Company had 671,000 options outstanding.

8. Changes in equity

In the second quarter 2020, 225,000 options were cancelled resulting in 671,000 options outstanding as of 30 June 2020. GIG borrowed shares for the immediate transfer of the option shares to the employees during the first and second quarters of 2019 and will issue new shares at a later date.

As at 30 June 2020, 90,005,626 shares were outstanding, where of the Company owned no treasury shares. When new shares are issued for the options 2019, the outstanding number of shares will increase to 90,075,626.

9. Loans payable to shareholders

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

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

Short-term loans outstanding balances at 30 June 2020 and 2019 were EUR 0 and EUR 618,654, respectively with accrued interest of EUR 0 and 35,255, respectively. Long term loans outstanding balances at 30 June 2020 and 2019 were EUR 0 and EUR 1,959,071, respectively with accrued interest of EUR 0 and 32,741, 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.

As a result of the Company's divestment of its B2C vertical to Betsson Group, the Company has 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 30 June

2020 and 2019 was EUR 3.462.037 and EUR 27,674,463 respectively, with accrued interest of EUR 433,837 and EUR 558,612 respectively. The outstanding balance of the long term bond at 30 June 2020 and 2019 was EUR 34,149,062 and EUR 38,147,519 respectively, with accrued interest of EUR 263,245 and 18,524, respectively. The bonds are registered in the Norway Central Securities Depository. 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. As of today, 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. Acquisitions

There were no acquisitions in the second quarter 2020.

12. 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.

13. Related party transactions

There were no material related party transactions in the second quarter 2020.

14. Subsequent events

There have been no material subsequent events that occurred after 30 June 2020.

15. Alternative performance measures

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

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

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

Deposits: Money deposited in the customer accounts

EBIT: Operating profit

EBITDA: Operating profit less depreciation, amortization and impairments

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

Gaming tax: Taxes paid on revenues in regulated markets

Gross profit: Operating revenue less cost of sales

Gross margin: Gross profit in percent of revenues

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

Organic growth: Growth excluding acquisitions.

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

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

Gaming Innovation Group plc.

Condensed statement of operations - 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 new bond was used to repay SEK 350 million of the old bond, reducing the balance to SEK 300 million. The bond is listed on Nasdaq Stockholm.

As per the bond terms, the interim condensed consolidated accounts for the issuer for the first 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	Q2 2020	Q2 2019	6M 2020	6M 2019	2019
Revenues	16 678	11 337	27 840	23 581	44 054
Cost of sales	806	249	1 231	520	906
Gross profit	**15 872**	**11 088**	**26 609**	**23 061**	**43 148**
Operating expenses					
Marketing expenses	4 504	1 393	6 180	2 890	5 272
Other operating expenses	8 278	7 834	16 374	15 609	33 042
Total operating expenses	**12 782**	**9 227**	**22 554**	**18 499**	**38 314**
EBITDA	**3 090**	**1 861**	**4 055**	**4 562**	**4 834**
Depreciation & amortisation	3 086	3 585	6 112	7 210	14 422
Amortisation on acquired affiliate assets	1 953	2 301	4 217	4 700	9 228
Impairment of intangibles	-	-	-	-	3 911
EBIT	**-1 949**	**-4 025**	**-6 274**	**-7 348**	**-22 727**
Financial income (expense)	-1 369	-3 250	-3 596	-4 343	-9 234
Unrealized exchange gain (loss) on bond	-1 514	1 275	1 062	2 177	1 140
Other income (expense)	0	-9	0	-27	0
Result before income taxes	**-4 832**	**-6 009**	**-8 808**	**-9 541**	**-30 821**
Tax income/(expense)	-96	-62	-156	-197	-627
Loss from continuing operations	**-4 928**	**-6 071**	**-8 964**	**-9 738**	**-31 448**
Income/(loss) from discontinuing operations	**-867**	**385**	**950**	**1 647**	**-26 481**
Loss for the period	**-5 795**	**-5 686**	**-8 014**	**-8 091**	**-57 929**
Exchange differences on translation of foreign operations	516	-49	-812	-80	-245
Fair value movement in available for sale investment	-16	-47	-13	-8	-1 284
Total comprehensive income (loss)	**-5 295**	**-5 782**	**-8 839**	**-8 179**	**-59 458**
Total Comprehensive income (loss) attributable to:					
Owners of the Company	-5 293	-5 774	-8 834	-8 167	-59 456
Non-controlling interests	-2	-8	-5	-12	-2
Total comprehensive income (loss)	**-5 295**	**-5 782**	**-8 839**	**-8 179**	**-59 458**

Gaming Innovation Group plc.

Condensed statements of financial position - B2C included as discontinued operations

EUR 1000 - Unaudited	30 JUN 2020	30 JUN 2019	31 DEC 2019
ASSETS			
Non-current assets:			
Goodwill	5 068	53 838	5 547
Intangible assets	36 260	63 012	40 912
Deposits and other non-current assets	20 082	25 824	19 856
Total non-current assets	**61 410**	**142 674**	**66 315**
Current assets:			
Trade and other receivables	19 440	25 752	20 464
Cash and cash equivalents	7 480	12 479	4 508
Total current assets	**26 920**	**38 231**	**24 972**
Assets classified as held for sale	-	-	32 966
TOTAL ASSETS	**88 330**	**180 905**	**124 253**
LIabilities and shareholders' equity			
Shareholders' equity:			
Share capital	51	51	51
Share premium/reserves	79 982	93 374	87 289
Retained earnings (deficit)	-76 394	-27 008	-(76 973
Total equity attributable to GiG Inc.	3 639	66 417	10 367
Non-controlling interests	19	13	24
Total shareholders' equity	**3 658**	**66 430**	**10 391**
LIabilities:			
Trade payables and accrued expenses	33 227	31 014	24 634
Bond payable	3 462	27 674	30 035
Total current liabilities	**36 689**	**58 688**	**54 669**
Bond payable	34 149	38 148	36 908
Deferred tax liability	12 444	16 522	12 496
Other long term liabilities	1 390	1 117	1 270
Total long term liabilities	**47 983**	**55 787**	**50 674**
Total liabilities	**84 672**	**114 475**	**105 343**
Liabilities directly associated with assets classified as held for sale	-	-	8 519
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**88 330**	**180 905**	**124 253**

Gaming Innovation Group plc.

Condensed statement of cash flows - B2C included as discontinued operations

EUR 1000 - Unaudited	Q2 2020	Q2 2019	6M 2020	6M 2019	2019
Cash flows from operating activities:					
Results from continuing operation before income taxes	-4 832	-6 009	-8 808	-9 541	-30 821
Results from discontinued operations	-867	385	950	1 647	-26 481
Adjustments. to reconcile profit before tax to net cash flow:					
Tax expense	-96	-62	-156	-197	-627
Depreciation and amortization	3 086	3 585	6 112	7 210	23 650
Amortization on acquired affiliate assets	1 953	2 301	4 217	4 700	-
Impairment of intangibles	-	-	-	-	38 857
Other adjustments for non-cash items and changes in operating assets and liabilities	11 687	3 778	3 495	3 256	-600
Net cash provided by operating activities	**10 931**	**3 978**	**5 810**	**7 075**	**3 978**
Cash flows from investing activities:					
Purchases of intangible assets	-1 263	-2 279	-3 184	-3 996	-7 697
Purchases of property, plant and equipment	-244	-1 190	-1 330	-3 553	-2 704
Acquisition of associates	-	-	-	-100	-100
Acquisition of associates	22 300	-	22 300	-	-
Net cash from investing activities	**20 793**	**-3 469**	**17 786**	**-7 649**	**-10 501**
Cash flows from financing activities:					
Loan from related party	-285	-950	-737	-1 455	-
Lease payments	-251	-	-1 587	-	-2 796
Interest paid on bonds	-891	-	-2 710	-	-4 897
Repayment of bonds	-27 825	-	-27 825	-	-
Cash flow from other investing activities	-	-	-	-	-80
Net cash from financing activities	**-29 252**	**-950**	**-32 859**	**-1 455**	**-7 773**
Translation loss	516	-49	-812	-80	-245
Fair value movements	-16	-47	-13	-8	-1 284
Net increase (decrease) in cash	**2 972**	**-537**	**-10 088**	**-2 117**	**-15 825**
Cash and cash equivalents - beginning	4 508	13 016	14 596	14 596	14 595
Cash and cash equivalents attributable to discintinued operations	-	-	-	-	5 738
Cash and cash equivalents - end	**7 480**	**12 479**	**4 508**	**12 479**	**4 508**

We are GiG

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

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

GiG Media B2B

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

GiG Core B2B

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

GiG Sports B2B

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

GiG Data B2B

Data as a 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

Our Offices

Malta (Headquarters)

@GiG Beach
Golden Mile Business Centre
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Malta

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