Q4 2018
INTERIM REPORT

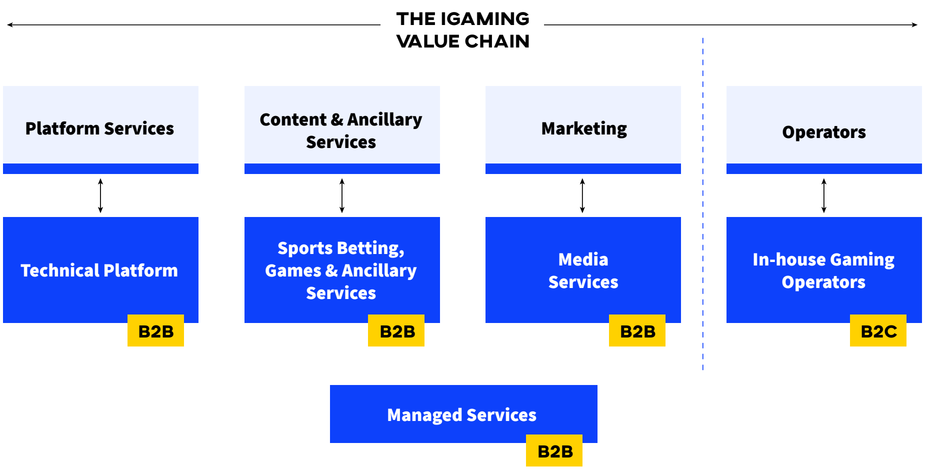
11 FEB 2018

gig.com

GiG'S ECOSYSTEM EXPLAINED

GiG's vision is: **"Opening up iGaming, making it fair and fun for all".** The Company's ecosystem consists of a range of products and services which are connecting end users, operators and suppliers, creating synergistic effects and margin potential for all.

GiG B2B iGaming products and services are sold both as part of the ecosystem and independently.



"THE GLOBAL PARTNER FOR STRONG BRANDS IN IGAMING"

GiG'S VALUE CHAIN

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

Value Chain	Lead Generators	Platform Suppliers	Odds & Games Developers	Gaming Operators
What	Finding & referring end users to operators	Cloud based platform services	Sports & Casino Services	In-house operators
Business model	Revenue share & fixed fees	Revenue share & fixed fees	Revenue share & fixed fees	Bets minus Wins
Customer	Gaming operators	Gaming operators	Gaming operators & platform suppliers	Direct end users
Business type	B2B	B2B	B2B	B2C
GiG Verticals	Media Services	Platform Services	Sports Betting Services & Casino Services	Gaming Operators

CATEGORY	PRODUCT	BUSINESS DESCRIPTION
Platform Services (B2B)	GiG Core	GiG Core is a cloud-based solution licensed in multiple jurisdictions. It provides iGaming operators with the technical foundation they need for their operations. Operators can access any GiG product through GiG Core, including third party game suppliers, multiple payment options and added features such as our front end solution, GiG Magic.
Media Services (B2B)	GiG Publishing	GiG Publishing is an extensive network of multilingual and multi-market editorial websites. It is built on Search Engine Optimization (SEO) principles to answer user queries and keyword searches in Google.
	GiG Traffic	We generate high-quality iGaming customer leads across casino and sportsbook verticals via paid digital marketing campaigns. With GiG Traffic we engage by using data-driven campaign optimisation.
	GiG Reach	This is a 360° media offer, where we put together all our media capabilities and partner with our customers to understand their goals and challenges, form a strategy, build the marketing machine and then power.
	GiG Comply	Comply monitors advertising partners with respect to regulatory requirements to ensure compliance, it is fully customisable to each respective client´s needs or market standards. Operators can protect their brands by automatically monitoring, controlling and managing where and how they are being advertised across thousands of websites.
Casino Services (B2B)	GiG Games	GiG Games is a Games studio creating a new generation of games, we are here to disrupt the market, bringing a new user-first approach. Our games include a variety of slots, leading table games and instant win games.
	GiG Magic	GiG Magic turns the operators' casino front end into a best-in-class user experience across all devices. Our extensive technical client library gives operators building blocks to create a mobile-first website, complete with features such as content handling, demographic filters and game management.
	GiG Casino Connect	Casino connect is a scalable aggregator platform where GiG can sell both in-house developed games and games from third party game suppliers. The operator only needs to integrate with one partner – GiG - and get access to multiple game providers.
Sports Betting Services (B2B)	GiG Sports Connect	Our odds and data services give operators proprietary odds generated in real time using computer algorithms and data feeds. This service also aggregates odds and data from third party providers. It covers fixtures, futures, pre-match, live betting and settlement.
	GiG Goal	This is our cutting-edge front end with easy navigation and an optimised user journey. It is responsive and mobile first with a learning recommendation to engine to where the operator can tailor make its marketing efforts and increase player lifetime value.
	GiG Trader	These are our state-of-the-art trading tools and risk management services, built from the ground-up, responsive with exceptional UX for optimising. They are a complete trading tool.

Gaming Operators (B2C)

GAMING INNOVATION GROUP INC.

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Key Figures

MEUR	Q4 2018	Q4 2017	2018	2017
REVENUE	39.9	39.9	151.4	120.4
GROSS PROFIT	32.1	33.4	124.0	99.9
MARKETING EXPENSES	11.6	13.1	47.2	47.1
OPERATING EXPENSES	15.4	12.4	60.7	40.3
EBITDA	5.0	7.9	16.1	12.5
EBITDA ADJUSTED	6.9	5.9	18.9	10.5

HIGHLIGHTS

- Revenues for Q4 2018 were €39.9m (39.9), a 7% increase quarter-on-quarter and in line with Q4 -17. Full year 2018 revenues were €151.4m (120.4), an increase of 26% over 2017.
- EBITDA in Q4 2018 was €5.0m (7.9), in line with Q3 2018, and a decrease of 36% over Q4 2017. Full year 2018 EBITDA was €16.1m, an increase of 28% over 2017.
- EBITDA, excluding one-off costs, was €6.9m in Q4 and €18.9m for the full year 2018. One-off items include accrual for the UKGC sanction which impacted EBITDA by €1.8m in Q4 2018.
- Full year 2018 guidance: Revenues €149 – 152m, EBITDA €16 – 18m (excluding one-off costs).
- Revenues for the B2B segment in Q4 2018 amounted to €16.4m (18.0), a 9% decrease on Q4 2017. EBITDA was €4.3m (10.1), €5.1m adjusted for one-off costs. The reduction is mainly explained by development expenses in the Sports Betting Services vertical.
- Revenues for the Media vertical reached an all-time-high in Q4 2018 of €8.7m (8.5), driven by 'Publishing' (affiliation websites).
- Revenues for the B2C segment reached an all-time-high in Q4 2018 of €25.8m (25.4), with an EBITDA of €0.7m (-2.1), €1.7m adjusted for one-off costs.
- Restructuring in the B2C segment impacted EBIT in Q4 2018 with a non-cash impairment of €13.7m. The impairment represents write-offs on the domain value in four in-house brands. Customers and staff have been channelled to other in-house brands yielding better performance.
- A further decrease in the number of employees in Q4 2018 resulted in an 8% decrease in other operating expenses quarter-on-quarter (adjusted for one-offs).
- Cash flow from operations in Q4 2018 was €2.6m (2.0), and for the full year. €12.9m (13.0)
- Omni-channel sportsbook solution agreement with Hard Rock Intl., live in January 2019.
- Two in-house developed games launched during Q4 2018.
- Two new brands were signed to platform services in Q4 2018. One new brand was signed to Comply after the quarter.
- Awarded two licences in the newly regulated Swedish market and Spanish licence pending.
- New Board of Directors elected and a reversed stock split of 10:1 effective from 21 December 2018.

LETTER FROM THE CEO

"Dear Shareholders,

"In November, we hosted our first capital markets day. We wanted to give key insights to our strategic intent of becoming the global partner for strong brands in iGaming. It was a proud moment for GiG as we could showcase how we, in Q4, had achieved the major milestone of being live with a seamless product suite covering the entire iGaming value chain.

At GiG, we believe that owning and offering such a rich and competitive technological architecture is a key building block to achieve large scale. By owning the IP, we can achieve increased margins through decreased supplier costs, while selling B2B enables cost sharing and produces network effects. Our product portfolio now comprises of Omni-channel Platform, Casino, Sports and Media Services.

We have built a competitive portfolio. Proof of the pudding is our in-house brand Rizk.com, which in 2018, profitably grew from €3.4 million of revenues in January, to €7.3 million in December. The immersive user experience, powered by proprietary machine learning algorithms, is paving the way for the digital perfection we are selling in B2B.

Out of our 30+ clients, the most famous brand we have signed is Hard Rock international, whom after beating all local records with its Casino launch in New Jersey, USA, decided to contract our sports betting platform following a highly competitive tender process. This is a showcase of our capability to take the leading offline operators and large brands from digital intent, to perfection.

Such an ultra-ambitious roadmap is costly. In 2018, we invested between €16 and 18 million into technological development for the future. These are funds we would not have to front-load had we sourced products on the market. We believe in a conservative approach to capitalisation, and nearly 2/3 of these development costs where expensed over the P&L. In 2019, we will continue to invest similar amounts as we are gaining commercial traction with our products, which will benefit us in the long run.

Every product we have built has now been sold. As we continue to sell these products, the cash flow from operating activities should improve from the €12.9 million we reached in 2018. We do not foresee we need to add much to headcount this year. In Q4, headcount decreased for the third consecutive quarter.

Nearly 600 people joined the organisation over the last four years while we aggressively expanded our product catalogue. Simultaneously, the industry underwent its largest regulatory transformation to date. It has been demanding to absorb the increased complexity, which is what led us to flatline between the first and the third quarter. We were therefore pleased to see growth returning in the fourth quarter.

Throughout this period, we critically reviewed our operations and focused on fewer but larger in-house brands. This was successful as our brands went from an EBITDA loss in the first part of the year, to a profit in the second half. Q4 was an all-time-high in terms of revenues for our gaming business.

Having now concentrated our customers and staff on fewer brands, we have decided to write-off the value of the domains on the brands we have de-prioritised leading to a non-cash impairment of €13.7m. With that impairment done we can continue to further focus our B2C Gaming business.

Sustainability is on top of the agenda for our B2B business. Increased regulations and our focus to expand in regulated and soon-to-be regulated markets, led to the termination of the contract with a large platform customer in Q4. We expect the revenues lost to be replaced with contracts already signed, and from new opportunities, by the end of the year.

Our Media business recorded all-time-high revenues of €8.7m in Q4. This comes off the back of a strong focus on organic growth in our key assets. The media space saw an increasing M&A activity with pressure on multiples. We remained disciplined throughout 2018 and in 2019, we will continue to focus on accelerated organic growth, and only consider media acquisitions where there is a very good opportunity.

Q4 was a good quarter for GiG and we are excited as we are heading into 2019. I can now proudly say that we are the full service, global partner for brands eager to offer a unique experience to their end users. We are now focused on improving and selling our products in B2B. To accelerate these processes and scale, we are enhancing our technology. I see an enormous potential in accelerating the business with our target architecture which is why I have been leading our tech department over the last few months. This has been very exciting, I am very happy for the investments made, and very confident in the future. Our key challenge will be to make compliance an edge by developing the best sustainability models for regulated markets. With our entry into New Jersey, Sweden and UK, as well as our licence application into Spain, we have a great opportunity to overcome that challenge. I am looking forward to 2019."

Robin Reed

CEO

GAMING INNOVATION GROUP

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SUMMARY

Q4 Financial Highlights

Consolidated revenues for Gaming Innovation Group Inc. (GiG) ended at €39.9 (39.9) million in the fourth quarter 2018, in matching our all time high in the fourth quarter 2017. The fourth quarter 2017 included a €2.0m one-off fee, adjusting for this fee, revenues increased by 5% year-on-year.

Gross profit for the group was €32.1 (33.4) million in the fourth quarter 2018, a year-on-year decrease by 4%. Gross profit margin for the fourth quarter 2018 came in at 80% (84%). The reduction in gross profit was mainly due to increased betting duties.

Marketing expenses were €11.6 (13.1) million in the fourth quarter 2018, a year-on-year decrease of 12%. Marketing expenses' share of total revenues were 29% (33%) in the fourth quarter 2018. Marketing expenses increased by 9% quarter-on-quarter as a result of increased marketing efforts for the seasonally strong quarter. The marketing mix initiatives taken in the second and third quarters this year; changing from TV advertising to affiliate marketing, social media and other marketing channels, have led to lower spending and a more beneficial outcome for all in-house brands.

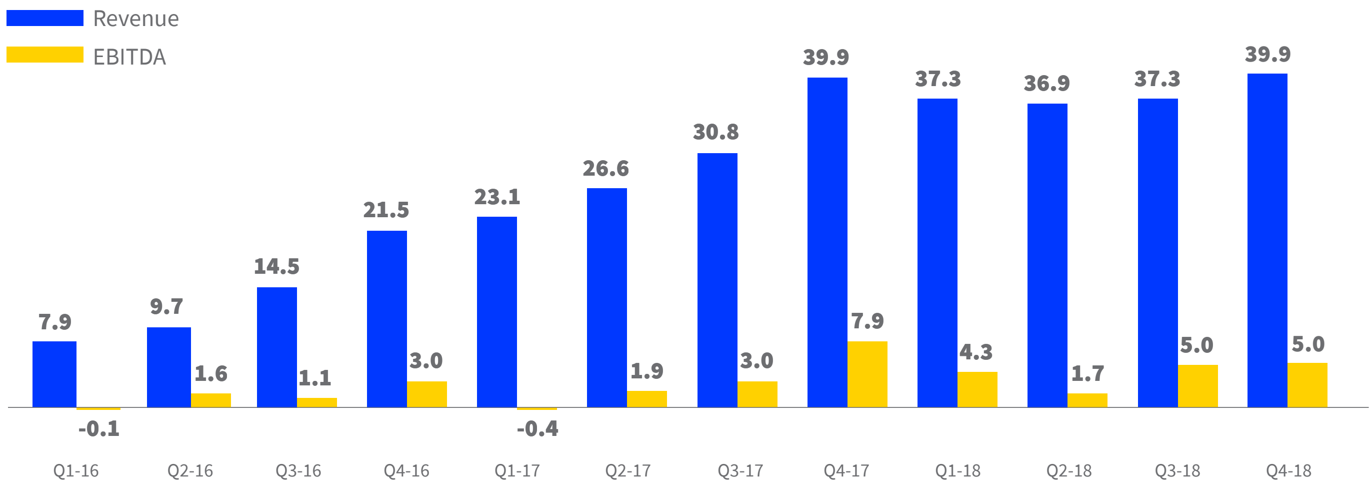
Other operating expenses amounted to €15.4 (12.4) million in the fourth quarter 2018, a year-on-year increase by 24% and 1% increase quarter-on-quarter. Operating expenses included one-off accruals of €1.8 million, excluding these accruals, other operating expenses increased by 9% year-on-year and decreased 9% quarter-on-quarter. The reduction in operating expenses is a result of cost initiatives taken in 2018 and a decrease in number of employees from 734 at the end of the third quarter 2018 to 706 at the end of the fourth quarter 2018.

Depreciation and amortisation amounted to €5.4 (4.3) million in the fourth quarter 2018. Depreciation and amortisation expenses are mainly related to amortisation of intangible assets from affiliate acquisitions completed over the last three years (€2.6 million) and capitalised investments in core, sports and games technology (€2.0 million).

Strategic measures in B2C focusing on fewer brands has resulted in a non-cash impairment of €13.7 million in the fourth quarter 2018, related to the brands: Betspin, Thrills, Kaboo and SuperLenny. Thus, EBIT ended at €-14.1 (3.6) million in the fourth quarter 2018. SuperLenny is from January 2019 transformed to an affiliate site with the same name, the other three brands will continue to operate in a similar form as in the second half of 2018.

Net other income was €-2.0 (0.1) million in the fourth quarter 2018 and included €1.2 million in interest and an unrealised loss of €0.3 million related to the Company's bond due to the change in the SEK/€ exchange rate in the quarter. The net result for the fourth quarter 2018 was €-16.6 (2.8) million.

REVENUES & EBITDA (MEUR)



OUTLOOK

B2B
Investments in new products and services, increased efficiency and an increased roster of customers from strong brands, are all expected to contribute to sustainable profitability and revenue growth in the mid to long term, with an increasingly healthy pipeline of opportunities. It should be noted that the implementation of larger customers, and entry to new markets, might occupy resources and focus from other areas during an implementation period.

Media Services
Media is a solid business vertical and the main contributor to the Company's profits. The acquisitions made in prior years have been integrated into a single operation, which is expected to continue its positive contribution in 2019. Profits from media is invested into the technology for the B2B and B2C segments, with the aim of securing GiG's long term strategic position in the industry. Media's focus is on continued organic growth and some key market developments include:

The Swedish regulation is expected to show a similar pattern as when other jurisdictions have regulated. For example, it can prove to be challenging for SEO (Search Engine Optimisation) due to the presence of paid adverts above the organic results. However, GiG's paid and organic channels are fully aligned and work together to share knowledge and insights, the Company is in a unique position to take up an increased share of the real estate of SEO pages.

GiG was in January 2019, granted an affiliate vendor registration in the state of New Jersey, USA. This allows GiG to refer website traffic to operators on a Cost Per Acquisition (CPA) basis, starting from Q1 2019 with its website 'wsn.com'. GiG's media services arm has, over the past 12 months, been building up portfolio assets to target the US market and this is the first step towards monetising those websites and marketing channels. GiG will apply for registrations in other states in the USA as they open up for the opportunity.

Sports Betting Services
GiG is continuing to develop its new sportsbook with new features, extended in-house odds feed and a retail solution. This segment is expected to have a burn-rate in 2019 at similar levels as in 2018, ie around €0.7-0.9 million per month. GiG launched its new sportsbook in June 2018 and has deployed it with in-house brands and sold externally to brands such as MRG's subsidiary 11.lv, MetalCasino and Hard Rock International. Break-even in this vertical is expected to materialise in the first half of 2020, pending sports betting related revenue contribution from own brands and external customers.

Platform Services
GiG communicated in the Q3 report 2018, its priority to grow long term in regulated and soon-to-be regulated markets and hence decided to terminate one of its customer contracts which could potentially harm this development. This will have a short-term negative impact on revenue of around €2 million in Q1 2019 compared to Q4 2018, but it is expected to be largely offseted from existing and new customers on the platform as revenues from these expect to grow throughout 2019.

GiG Games, as part of the Platform Services vertical and GiG Core, started its development of an in-house Games Studio and has a monthly burn rate of approximately €0.2-0.3 million for the development of proprietary games. GiG expects the Games segment to reach profitability during the first half of 2020.

B2C
GiG Gaming achieved all time high revenues of €25.8 million in Q4 2018. EBITDA grew from negative €-2.1 million in Q4 2017, to €0.8 million in Q4 2018. This is a result of a strategic review of the business, concluded in June 2018, which led to a focus on growing fewer, but larger brands, with more performance marketing and less linear TV Marketing. Proprietary machine learning technology has been implemented at Rizk.com which has improved user experience and ARPU, while increasing automation leading to less manual labour.

Going forward, the gaming industry will experience significant transformation led by strengthened regulatory practices. Data protection, Anti-Money laundering and gaming regulations, have created a more restrictive and bureaucratic environment placing a larger emphasis on customer relations management. Trust is a critical factor due to new and extensive know-your-customer(KYC) requirements. Tougher credit checks, identity and age verification are imposed as licence conditions. GIG is embracing these changes as it leads to a more sustainable future for our industry. GiG is seeking to improve the regulatory and social impact of our industry. A key challenge going forward for GiG is to make compliance an edge by developing and leveraging a user friendly, compliant and competive sustainability model. While the UK market saw revenues plummet following new regulatory obligations at the start of the year, the market returned to growth in Q4. The experience gained in this market will be leveraged when adapting to the new regulatory framework in Sweden, and when entering Spain, where the company recently applied for both sportsbetting and casino licences.

Acquisitions
In 2018, GiG prioritised integration and execution and made no acquisitions. The last acquisition was a strategically important media business based in Copenhagen, acquired in September 2017. The strategy is to not be aggressive on acquisitive growth. However, the Company will look at value accretive, strategically important and immediate cash generating businesses, should the opportunity arise at the right price.

Guidance
The volatile regulatory development makes it challenging to foresee the short term development. Therefore, GiG has chosen not to give a precise guidance of the outcome for 2019. However, the Company remains optimistic and positive with the development of all the business verticals and expects continued growth in 2019.

KEY EVENTS

Sports Betting Services (B2B)

Omni-channel sportsbook agreement with long term partner Hard Rock International
Hard Rock has chosen GiG's sports betting services for its full omni-channel solution with Over-the-Counter (OTC) wagering and Self Service Betting Terminals (SSBT) available in the Hard Rock Hotel & Casino Atlantic City as well as online via desktop and mobile. GiG will support a seamless account, which significantly enhances UX and ease of transactions for the player. The sportsbook was launched in January 2019.

GiG is, since June 2018, powering the growth of Hard Rock's digital gaming division with its technical platform and has, in collaboration with the Hard Rock team, designed and developed the front end solutions for its successful casino offering. Since launch in June, it has been the fastest growing casino in the New Jersey history. There is potential to expand the partnership further in the future in other jurisdictions.

The potential of US sports betting
In June, GiG received approval to operate in the state of New Jersey. GiG will apply for any further licence in the US market on a customer led basis. The US is a highly competitive market and GiG continues to invest and add resources to further develop and position our B2B services in the US for the long term.

Sportsbook agreement with existing customer Metal Casino
GiG expanded its cooperation with Metal Casino to also provide its sports betting services. MetalCasino has been a customer on the GiG Core platform for a year and will be offering its end users both Casino and Sports powered by GiG. The sportsbook is expected to be launched during H1 2019.

Platform Services (B2B)

Games launched its first in-house developed games
GiG launched its first two in-house developed games, 'Wild Reels' and 'Book of Souls', under the new product line GiG Games. It was initially launched onto GiG's own internal operators and shortly thereafter sold externally. GiG Games studio has been in development for the past year and develops gaming products including slots and table games. GiG expects to have launched a total of six to eight of its own developed games and to launch additional games through collaborations with external game studios, before the end of the first half of 2019.

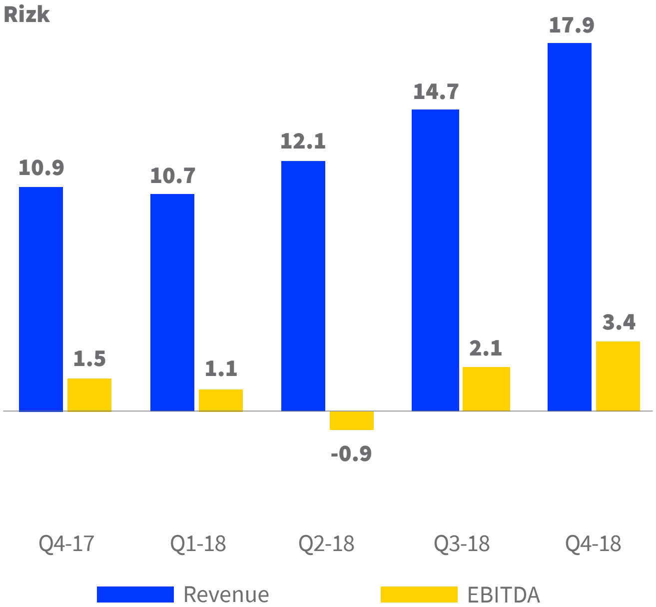
GiG signed its first contracts with a game studio and a game aggregator
GiG signed an agreement with game studio Jade Rabbit where they will build games directly onto GiG's Remote Gaming Server, enabling GiG to release their games on every market which GiG is active in and to every operator GiG integrates to. GiG also signed an agreement with casino games aggregator Join Games, which will act as a reseller for GiG Games, initially in Italy and Latin America. The first games deriving from these partnerships are expected to be launched during the first half of 2019.

Gaming Operators (B2C)

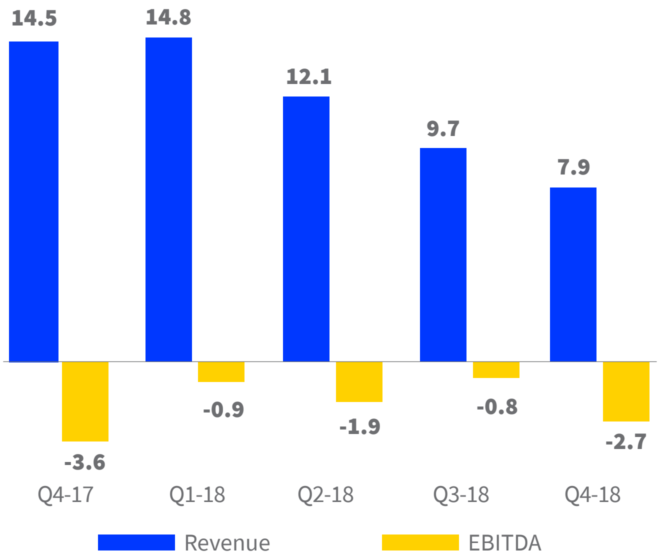
Success as a gaming operator going forward will be dependent on the competitiveness in user experience, marketing efficiency and sustainability model. In 2018, GiG operated seven in-house brands. To focus these efforts, the Company has increasingly focused on fewer brands throughout 2018.

The Rizk brand is the best performer of the in-house operators, representing around 70% of total B2C revenues in the fourth quarter and as such, a strong contributor to the segment's

Rizk



Other brands combined



EBITDA. With the focus being on further developing Rizk going forward, it is expected that the B2C vertical will deliver an improved margin development. However, the introduction of 18% gaming tax, and increased restrictions on player activity, following re-regulation of Sweden is expected to have an initial impact on revenues and profitability. Pending successful marketing adaptation with a competitive sustainability model, GiG is expecting growth of the activities experienced in Sweden during Q1.

As a result of the strategic decision to focus on fewer brands to increase profitability, an impairment of Betspin, Thrills, Kaboo and SuperLenny has resulted in a €13.7 million write down in the fourth quarter 2018. SuperLenny has been transformed to an affiliate site with the same name, operational from January 2019. The other three brands will continue to operate in a maintenance mode where revenues are expected to be kept, or slowly reduce, from current levels until further action is taken.

Miscellaneous

Update on the listing at NASDAQ Stockholm
GiG has applied for a listing on the main list at Nasdaq Stockholm and plans for the shares to be listed in March 2019. The Board has decided to continue the listing at Oslo Børs for a period (dual listing). GiG will communicate further details to the market when all details are formalised.

Reversed share split
Shareholders at the Special Meeting on 11 December 2018 approved a 10:1 reversed share split (10 old shares were converted to 1 new share) with the first trading day on 19 December 2018. Par value changed from USD 0.10 to USD 1.00 per share. (More details under “Shareholder matters on page 18).

GiG awarded two Swedish licences
GiG was granted two licences by the Swedish Gambling Authority (Lotteriinspektionen). One for its white label operators and one for its in-house operators (Rizk, Guts, Highroller, Thrills, Kaboo and Betspin) and has applied for an additional four licences. Sweden re-regulated the gambling market by introducing a new gambling law with effect from 1 January 2019, the new law will carry a betting duty of 18%. GiG has applied for four additional licences in the Swedish market.

GiG granted permission for sports betting in the UK
The UK Gambling Commission (UKGC) has granted GiG permission to offer its sports betting services under its B2B licence. The licence complements GiG’s existing software and B2C licence in the UK. It will enable the Company to offer its sports betting services to its existing white label customers as well as other external brands operating in the UK market.

Application for Spanish licence
GiG has applied for an online B2C casino and sports betting licence in Spain as part of its expansion in regulated markets. GiG will, as part of the licencing process, certify its B2B technical platform and offer its services and solutions to external licenced operators in the Spanish market. GiG will enter the Spanish market with both its B2C and B2B offering and is aiming to launch in in the second half of 2019. The Spanish marketing is growing at a rapid rate and presents a significant opportunity for the company.

New Board of Directors
A Special Shareholder Meeting on 11 December 2018 elected an addition of two Board Members, an increase to a total of six Members. For the period until the next Annual General Meeting in Stockholm on Wednesday 22 May 2019, the Board consists of following Members: Re-election of Henrik Persson Ekdahl and Helge Nielsen; election of four new Directors: Petter Nylander, Robert Burén, Paul Fischbein and Frode Fagerli. Petter Nylander was elected as the new Chairman of the Board.

Capital Markets Day
GiG held its inaugural Capital Markets Day on 4 December 2018 in Stockholm. The Company gave a thorough overview of its strategy and how its products and services can create powerful iGaming and media solutions for its partners across the whole value chain of iGaming. The event also covered the benefit of running a B2C business to support and inform the development of relevant and cutting edge offering and UX to end users and how it adds scale to the overall business. A case study of the launch with long term partner Hard Rock introduced the audience to the seamless integration and digital transformation, demonstrating how GiG can transform a land-based, offline business to a digital offering, with full flexibility to tailor make its online offering to suit its end users and ambitions.

The webcast can be accessed via this link address: https://tv.streamfabriken.com/gig-cmd-2018

Events after Q4

Platform Services (B2B)
GiG has signed a long-term contract with MegaLotto for the provision of its technical platform services and casino games. With this agreement, GiG enters the Lottery betting vertical. MegaLotto is a new and well funded start-up, which will provide lottery betting services allowing users to bet on the outcome of the largest lotteries in the world. Launch is planned for mid-2019. Revenues deriving from this partnership is expected to have limited impact on GiG’s overall revenues in 2019 due to the nature of a start-up, however revenues are expected to accelerate from 2020 onwards.

GiG has signed an agreement with open gaming platform provider, Finnplay. This deal sees GiG Games deliver its content to Finnplays’ expanding operator base. Finnplay will take all games from GiG Games and plans to release the first game on its platform in Q1 2019.

GiG has signed an agreement with casino games aggregator Relax Gaming. Online casino operators integrated with the Relax Gaming platform will be able to offer its end users GiG Games titles. Relax Gaming will take all games from GiG Games and plans to release the first game on its platform in Q1 2019.

GiG is in the process of signing a new major land-based client that will use GiG for its online expansion.

OPERATIONAL REVIEW

B2B SERVICES

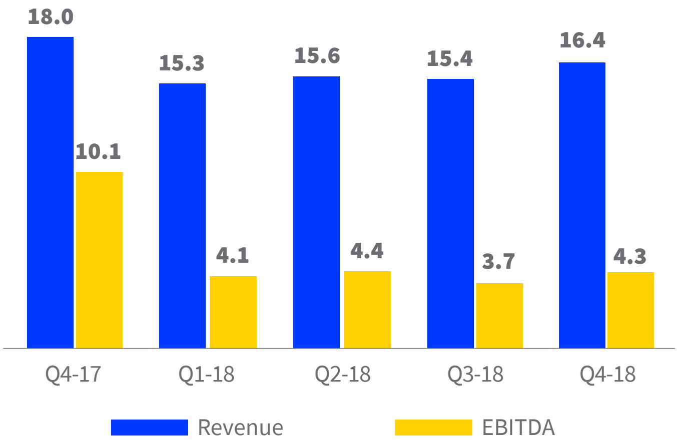
This segment includes GiG's Media Services, Platform Services & Sports Betting Services.

MEUR	Q4 2018	Q4 2017	2018	2017
REVENUE	16.4	18.0	62.7	49.1
EBITDA	4.3	10.1	16.5	21.5
EBITDA ADJ.	5.1	8.2	17.4	19.6

Revenues for the B2B segment amounted to €16.4 (18.0) million in the fourth quarter 2018, a 9% decrease year-on-year. EBITDA was €4.3 (10.1) million in the quarter with an EBITDA margin of 26% (56%). The reduction in EBITDA margin is mainly explained by the negative EBITDA contribution from Sports, where increased staff for the development of the new sportsbook, sports platform, and proprietary odds feed, resulted in temporarily higher operating expenses. The fourth quarter 2017 also included a €2.0 million one-off settlement fee, which improved the margin. Games are included in the B2B segment with an EBITDA of €-0.2 million in the fourth quarter 2018.

For the full year 2018, B2B revenues were €62.7 (49.1) million, a year-on-year increase by 28%, whereof 23% was organic. EBITDA was €16.5 (21.5) million, the decrease being mainly explained by the increased operating expenses in the Sports Betting Services vertical.

B2B SEGMENT REVENUE & EBITDA (MEUR)



MEDIA SERVICES

Revenues in the Media Services reached an all-time-high of €8.7 (8.5) million, a 3% year-on-year increase, all organic growth. Correcting for the Dutch market, growth was 9% (as mentioned in the Q4 2017 report). Media Services decided to take down all advertisement from Dutch facing affiliate websites in 2018 in preparation for a regulated market.

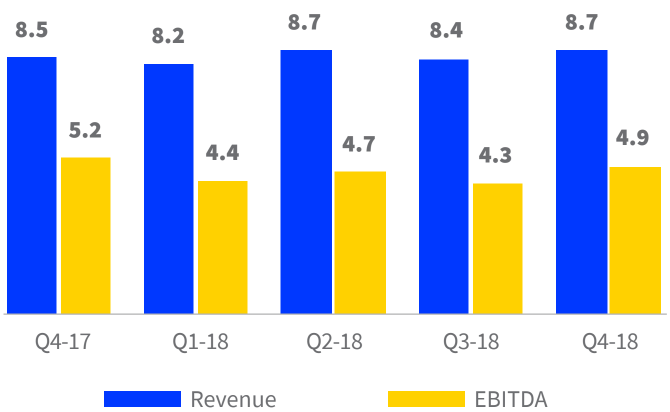
EBITDA in the fourth quarter 2018 was €4.9 (5.2) million with an EBITDA margin of 56% (61%).

Media Services referred 29,741 (35,203) new FTDs (First Time Depositors) to operators in the fourth quarter 2018. Of the new FTDs in the quarter, 7% (13%) were referred to GiG's own brands, 7% (14%) to GiG Core (Platform Services) customers and the remaining 86% (73%) to other operators. The distribution remained at stable levels through 2018.

64% (74%) of revenues in the fourth quarter 2018 derived from revenue share agreements, 18% (17%) from CPA (Cost per Acquisition) and 18% (9%) from listing fees.

The paid model represented 15% of Media Services revenues with the remaining 85% from GiG's traditional SEO (Search Engine Optimisation) publishing services. Media's paid services trended somewhat lower in the fourth quarter 2018 compared to earlier in 2018, due to lower revenues generated by key customers. Tighter regulation and compliance in the UK have impacted player value,

MEDIA SERVICES REVENUE & EBITDA (MEUR)



such as the KYC (Know Your Customer) process and source of wealth requirements and as such, directly impacted deposits in the quarter. We expect this trend to reverse as the end users get accustomed to the aforementioned processes. Preparations and investments are being made to ensure when new markets regulate and channels open up, such as in Sweden and the US (see comment in Outlook on page 8), further opportunities can be realised.

For the full year 2018, Media revenues were €34.1 (22.4) million, an increase of 52%. Adjusting for the Dutch market, growth was 68%, whereof 18% organic. EBITDA was €18.3 (14.8) million, an increase of 23%.

PLATFORM SERVICES

Revenues for GiG Core were €7.2 (9.6) million in the fourth quarter 2018, a 25% decrease, mainly due to the €2.0 million one-off settlement fee in the fourth quarter 2017. 87% was external revenue from customers with the balance from GiG's own brands.

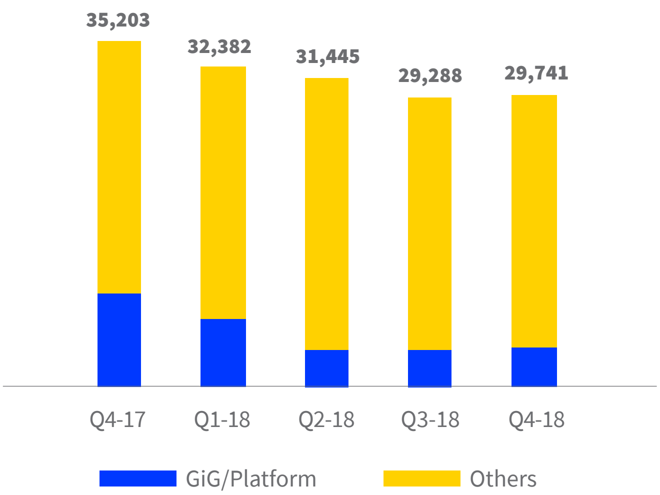
EBITDA for the quarter 2018 was €1.5 (6.6) million, with an EBITDA margin of 20% (69%). Included is a €0.7 million accrual for a potential fine from the UK Gambling Commission related to white label's operations in 2016 and 2017.

Effective from January 2018, GiG Magic was transferred from Gaming Operators (B2C) to GiG Core. Previously, GiG Magic was the front end design tool for the internal Betit brands and has, in 2018, been developed into a B2B front end solution sold to external operators such as Hard Rock International, Rolla and Dunder. In the fourth quarter 2018, GiG Magic's part of Core's revenue were € 0.5 million with an EBITDA of €-0.4 million.

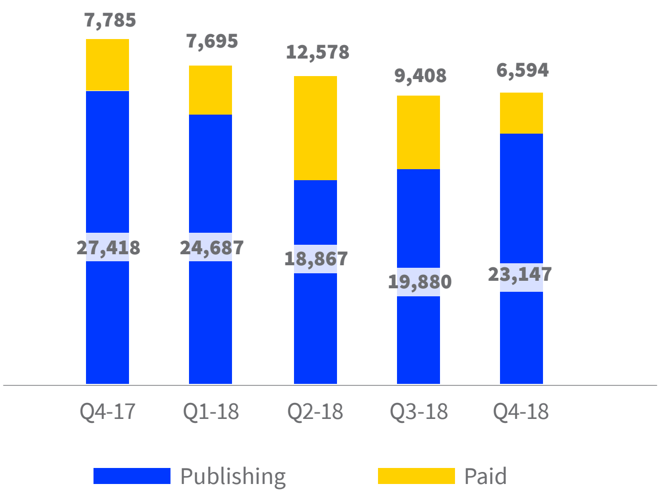
Total database transactions in the fourth quarter 2018 were 5.1 (4.0) billion, a 7% increase quarter-on-quarter. Three new brands started their operations on the platform in the fourth quarter 2018. Two new brands were signed in the fourth quarter 2018 and one additional brand to date in 2019. Two brands discontinued operations in the fourth quarter 2018 and GiG's own brand, SuperLenny, has discontinued its operations and was converted into an affiliate site in January 2019. Four brands are currently in the pipeline, whereof three of these are expected to go live in 1H 2019. Existing live customers and the signed pipeline adds up to a total of 39 brands operating on the platform, including GiG's six own brands.

For the full year 2018, GiG Core revenues were €27.1 (21.0) million, an increase of 29%, all organic. EBITDA was €5.6 (10.0) million, a 48% decrease from 2017. Adjusting for the €2.0 million one-off settlement fee, revenue growth was 43%.

MEDIA SERVICES - FTDs
Split between own brands/customers and others



MEDIA SERVICES - FTDs
Split between publishing and paid



SPORTS BETTING SERVICES

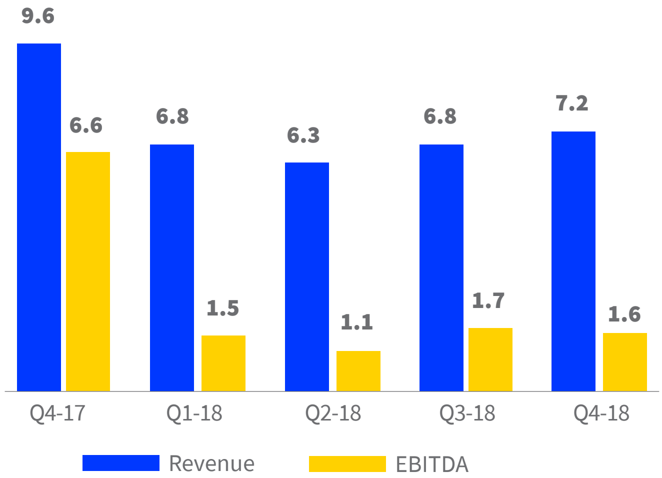
Revenues from Sports Betting Services were €0.5 (-0.1) million in the fourth quarter 2018, EBITDA was €-1.8 (-1.6) million. The negative EBITDA relates to the investments of technology and people to build the sports betting services in-house.

In the third quarter 2018, GiG ceased the in-house trading against other bookmakers activity. This was mainly being used as a testbed and quality assurance when building the new sports betting services in order to focus traders and odds experts into the future-oriented B2B service. Hence, there will be no profits or losses from this activity going forward when comparing to recent quarters.

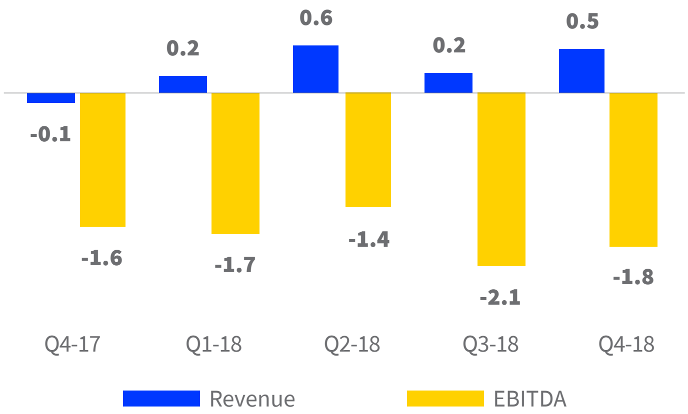
Sports Betting Services is offered as a full B2B solution and sports related revenue from existing Platform customers was shifted from GiG Core to the Sports Betting Services vertical effective from the second quarter 2018 and with an addition from the signing of external customers in the second half of 2018. These revenues were included in GiG Core with €0.2 million in the fourth quarter 2017.

For the full year 2018, Sports revenues were €1.5 (0.9) million, an increase of 56%, EBITDA was €-6.9 (-3.2) million.

**PLATFORM SERVICES
REVENUE & EBITDA (MEUR)**



**SPORTS BETTING SERVICES
REVENUE & EBITDA (MEUR)**



GAMING OPERATORS (B2C)

The B2C segment include GiG's in-house gaming operators; Rizk.com, Betspin.com, Guts.com and (gutsXpress.com), Kaboo.com, Thrills.com, Highroller.com and SuperLenny.com.

MEUR	Q4 2018	Q4 2017	2018	2017
REVENUE	25.8	25.4	99.8	86.0
MARKETING EXPENSE	11.1	13.5	46.1	48.8
EBITDA	0.8	-2.1	-0.5	-8.9
EBITDA ADJ.	1.7	-2.1	1.4	-8.9
TOTAL DEPOSITS	113.8	107.7	428.7	352.3

Revenues in the fourth quarter 2018 for the B2C gaming segment reached an all-time-high of €25.8 (25.4) million, a 2% increase, all organic growth. In-house brand Rizk represents around 70% of total revenues in Gaming Operators.

48% (45%) of revenues came from regulated and soon-to-be regulated markets. Revenues were split with 65% (76%) from the Nordics, 4% (9%) from Western Europe, 26% (11%) from Central Europe and the balance, 5% (4%) from non-core markets.

EBITDA for the fourth quarter 2018 was €0.8 million, a strong improvement from €-2.1 in the fourth quarter 2017. A further €0.9 million has been accrued in the quarter as an allowance for a potential fine from the UK Gambling Commission. A total of €1.9 million was accrued in B2C in 2018.

Strategic measures in the B2C vertical focusing on fewer brands, has resulted in a non-cash impairment of €13.7 million related to the brands: Betspin, Thrills, Kaboo and SuperLenny. Thus, EBIT ended at €-13.3 (2.6) million in the fourth quarter 2018.

SuperLenny is from January 2019 transformed to an affiliate site with the same name, the other three brands will continue to operate in a similar form as in the second half of 2018.

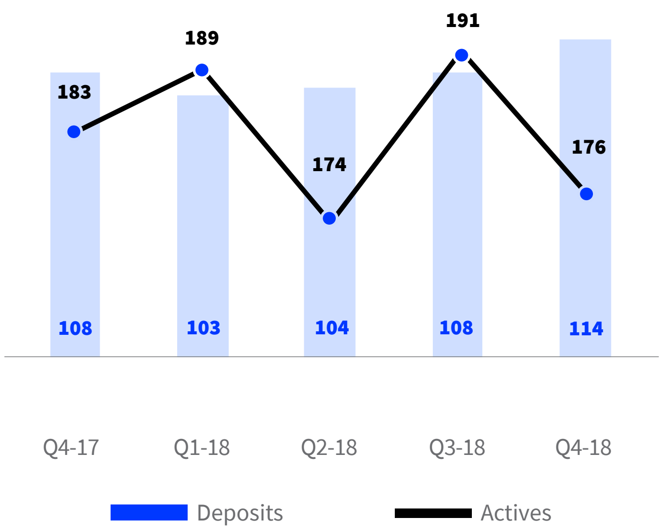
Up-front marketing investments decreased in the fourth quarter 2018, resulting in a total B2C marketing expense of €11.1 million, a decrease from €13.5 million spent in the fourth quarter 2017 and an increase from €10.2 million in the third quarter 2018. The decrease is a result of initiatives taken to change the mix in marketing from TV advertising to affiliate marketing and social media. Of the total B2C marketing expense in the fourth quarter 2018, €3.5 (4.6) million or 30% (35%), was related to revenue share agreements, with the balance attributable to up-front payments including TV campaigns.

Gross deposits were €113.8 (107.7) million in the fourth quarter 2018, up by 6%. The number of active users for the B2C segment was 176,044 (182,565), a decrease of 4% compared to fourth quarter 2017.

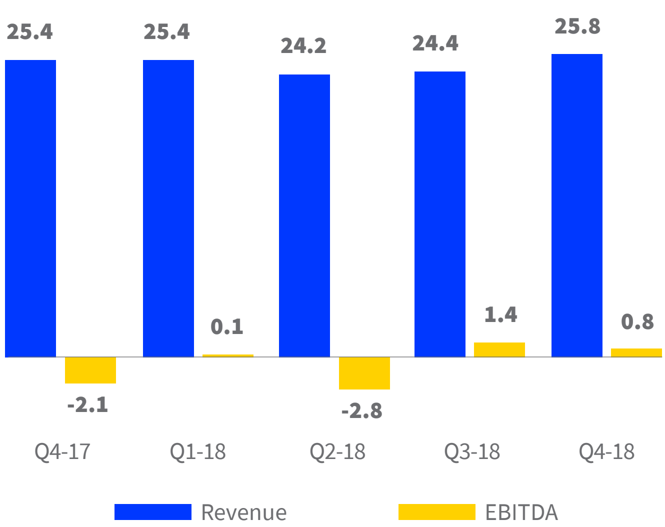
The casino margin in the operator business was 3.57% (3.48) in the fourth quarter 2018. The sports betting margin was 9.6% (9.0%) in the quarter. Betting duties represented 6.3% (3.8) of gaming operators' revenues in the fourth quarter 2018.

For the full year 2018, B2C revenues were €99.8 (86.0) million, an increase of 16%. EBITDA was, adjusted for the €1.9 million allowance for a potential fine, €1.5 million, an improvement from €-9.0 million in 2017.

GAMING OPERATORS DEPOSITS (MEUR) & ACTIVES (1000)



GAMING OPERATORS REVENUE & EBITDA (MEUR)



RESPONSIBLE GAMING

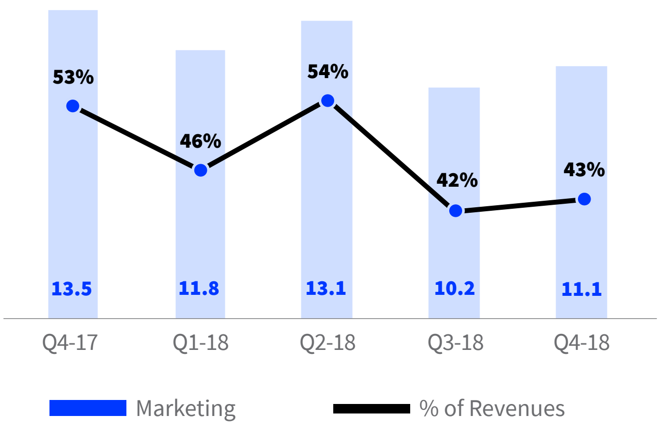
GiG is building a sustainable business to provide a fair and safe gambling environment for its customers and all end users, adding long-term value to all stakeholders. The Company is investing in the legal, regulatory and compliance team. Sustainability is a major driver of the business strategy and GiG is working towards incorporating facets throughout the whole value chain of customer facing and business operations in all aspects of the business.

Both as an online operator and software supplier providing online gambling platform and services, GiG supports end users to comply with technical, legislative and responsible marketing demands. Industry groups, non-governmental organisation, governments and community groups, all play a valuable role in encouraging responsible gambling.

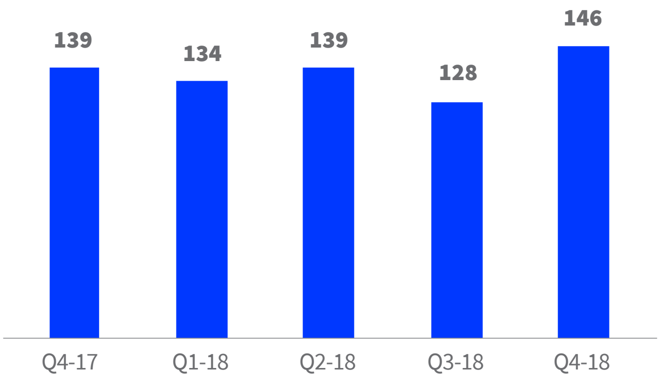
GiG collaborates with the industry to combine efforts in order to address issues in a more powerful way and is working closely with peers and other organisations to encourage a responsible attitude to gambling and to address gambling related harm. For example, in January this year, GiG has, together with three other online gambling companies, started a trade body called the Norwegian Trade Association of Online Gambling. The aim is to promote the benefits for and how to protect both end users, the gambling companies and the whole society in a regulated market and to educate and support relevant bodies with learnings from other jurisdictions.

GiG values a close relationship with its customers and upholds 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's compliance goal is to improve the regulatory standing and social impact of the industry.

GAMING OPERATORS
Marketing (MEUR)



GAMING OPERATORS
ARPU (EUR)



FINANCIAL REVIEW

FOURTH QUARTER 2018

Revenues
After having a decrease in revenues in the two preceding quarters, revenues saw an increase compared to the third quarter 2018, mainly driven by an increase in the B2C segment. GiG's revenues comprise income from the Company's gaming sites, affiliate and paid media marketing in Media Services, B2B customers on GiG Core and Sports Betting Services. Consolidated revenues amounted to €39.9 (39.9) million in the fourth quarter 2018, in line with the same quarter last year. Fourth quarter 2017 included a €2.0 million one-off settlement fee.

Cost of Sales
Cost of sales include fees to game and payment suppliers, gaming taxes and other variable expenses. In the fourth quarter 2018, cost of sales amounted to €7.8 (6.5) million, an increase of 20% compared to the fourth quarter 2017. Gaming taxes amounted to €1.6 (1.0) million, or 4.1% (2.4%) of consolidated revenues.

Gross profit
Gross profit for the group amounted to €32.1 (33.4) million during the fourth quarter 2018, a 4% decrease from the fourth quarter 2017. Gross profit margin for the quarter was 80% (84%), the decline in the gross profit margin is mainly related to an increase in betting duties and the one-off settlement fee in the fourth quarter 2017.

Marketing expenses
Marketing expenses were €11.6 (13.1) million in the fourth quarter 2018, a 12% decrease compared to the fourth quarter 2017 and a 9% increase from €10.6 million in the previous quarter. Marketing expenses' share of total revenues were 29% in the quarter, down from 33% in the fourth quarter 2017. Marketing expenses are mainly derived from the Company's B2C operations, comprising up-front payments such as TV campaigns, CPA (cost per acquisition) and affiliate revenue shares, and payment for traffic in GiG Media's paid operation.

Operating expenses
Other operating expenses amounted to €15.4 (12.4) million in the fourth quarter 2018, a 24% increase compared to the fourth quarter 2017. Operating expenses are mainly related to salaries, rent and general corporate expenses. The main component of the increase represents the raise in the average number of employees to 728 (635). These numbers include full time consultants. Personnel expenses were €8.5 (8.3) million in the fourth quarter.

Capitalised expenses related to the Company's development of technology and future products amounted to €2.0 (0.8) in the fourth quarter and are capitalised over 3 years. These costs are mainly related to the development of GiG's platform and sports products.

EBITDA
EBITDA for the fourth quarter 2018 was €5.0 (7.9) million, a 36% decrease compared to the fourth quarter 2017. The decrease in EBITDA is mainly a result of non-operational one-offs consisting of a €2.0 million settlement fee (revenue) in the fourth quarter 2017 and in the fourth quarter 2018, €1.6 million has been accrued including an allowance for a potential fine from the UK Gambling Commission. Adjusted for one-off items, EBITDA was €6.9 million or a 17% increase from an adjusted €5.9 million in the fourth quarter 2017.

D&A
Depreciation and amortisation amounted to €5.4 (4.3) million in the fourth quarter 2018. A large part is related to amortisation of the affiliate acquisitions completed over the last three years, with €1.1 million related to affiliate contracts and €1.5 million to domains/SEO in the quarter. The balance is mainly related to capitalised development expenses with €2.0 million.

As a result of the strategic decision to focus on fewer brands to improve profitability for B2C, an impairment of brand values has been completed in the fourth quarter. This resulted in a write-down of €13.7 million, whereof €6.4 million for the brand Betspin (to zero), €5.1 million for Thrills (from €15.0 to €9.8 million), €1.2 million for SuperLenny (from €1.5 to €0.3 million) and €0.9 million for Kaboo (to zero). The value of Betspin derives from the reversed merger in 2015 between Gaming Innovation Group Ltd and Nio Inc. and the other brands from the acquisition of Betit Group in 2016.

EBIT
EBIT came in at €-14.1 (3.6) million in the fourth quarter 2018. The reduction is mainly due to the impairment of brand values of €13.7million.

Net result
Net other income was €-2.0 (0.1) million in the fourth quarter 2018. Interest on the Company's bond was included with €1.2 million in the quarter. The balance is net foreign exchange losses, including an unrealised loss on the bond of €0.3 million due to the strengthening of the SEK towards the € during the quarter.

The net result for the fourth quarter was €-16.1 (2.8) million.

Cash flow
The consolidated net cash flow from operational activities amounted to €2.6 (2.0) million for the fourth quarter 2018. The amount excludes a €4m cash deposit related to the Spanish licence applications. Included in the net cash flow from operational activities are changes in operating assets and liabilities, mainly consisting of release of rolling reserves, marketing prepayments as well as payments of receivables.

The net cash flow used on investments was €3.2 (15.8) million in the fourth quarter 2018, whereof €2.0 million were capitalised development expenses and €0.7 million in fixed assets. In the fourth quarter 2017, investments included the purchase of affiliate assets in the paid media business acquired in September 2017.

The net cash flow from financing activities was €1.6 (1.0) million in the fourth quarter 2018 due to drawing under a loan facility.

Cash and cash equivalents increased by €0.8 (-13.7) million in fourth quarter 2018.

FINANCIAL POSITION

As at 31 December 2018, holdings of cash and cash equivalents amounted to €14.7 (12.1) million. A €4.0 million cash deposit for the Spanish licence applications is included under receivables. Cash holdings include €8.1 million in fiduciary capacity, which is customer monies, use of which is restricted in accordance with the Remote Gaming Regulations.

As at 31 December 2018, GiG held total assets of €190.1 million, shareholders' equity was €88.1 (46%).

The interest-bearing debt as at 31 December 2018 was €66.2 (67.5) million.

JANUARY TO DECEMBER 2018

Revenues
Consolidated revenues amounted to €151.4 (120.4) million in the full year 2018, a 26% increase compared with 2017. Organic growth was 20%.

Cost of Sales
Cost of sales include fees to game and payment suppliers, as well as gaming taxes and other variable expenses. In the full year 2018, cost of sales amounted to €27.4 (20.5). Gaming taxes amounted to €5.1 (3.0) million, or 3.4% (2.5%) of total revenues.

Gross profit
Gross profit for the group amounted to €124.0 (99.9) million during the full year 2018, a 24% increase over the full year last year. The gross profit margin for the full year 2018 was 82% (83%).

Marketing expenses
Marketing expenses were €47.2 (47.1) million in the full year 2018, in line with 2017. Marketing expenses' share of total revenues were 31% (39%).

Operating expenses
Other operating expenses amounted to €60.7 (40.3) million in the full year 2018, a 51% increase from the full year 2017. Other operating expenses' share of total revenues were 40% (33%). Personnel expenses were €38.2 (23.8) million in the full year 2018, a 60% increase from the full year 2017. Non-cash expenses related to the Company's option plans were €1.2 (1.8) million in the full year 2018.

Capitalised expenses related to the Company's development of technology and future products amounted to €6.1 (3.9) million in the full year 2018 and are capitalised over 3 years. These costs are mainly related to development of GiG's platform and sports related products.

EBITDA
EBITDA for the full year 2018 was €16.1 (12.5) million, a 29% improvement from the full year 2017.

D&A
Depreciation and amortisation amounted to €20.0 (10.9) million in the full year 2018. Depreciation and amortisation expenses are mainly related to amortisation of the affiliate acquisitions completed over the last three years, with €4.1 million related to affiliate contracts and €5.7 million to domains/SEO in the full year 2018. The balance is mainly related to capitalised development expenses.

An impairment of brand values has been completed in the fourth quarter, resulting in a write-down of €13.7 million.

EBIT
EBIT came in at €-17.6 (1.6) million in the full year 2018. The reduction is mainly due to the impairment of brand values of €13.7million.

Net result
Net other income was €-4.3 (-1.1) million in the full year 2018. Interest on the Company's bond was included with €4.9 million in 2018 and the balance is mainly net foreign exchange gains.

The net result for the full year 2018 was €-22.8 million, compared to €-0.4 million in the full year 2017.

Cash flow
The consolidated net cash flow from operational activities amounted to €12.9 (13.0) million for the full year 2018. The amount excludes a €4m cash deposit related to the Spanish licence applications.

The net cash flow used on investments was €12.4 (67.6) million in the full year 2018, €9.0 (54.5) million were intangibles, whereof €6.1m in capitalised expenses related to the development of new products. The net cash flow from financing activities was €2.0 million in the full year 2018 compared to €61.9 million in the full year 2017 due to issuance of the Company's SEK 650 million bond in 2017.

Cash and cash equivalents increased by €2.6 (6.0) million in full year 2018.

PERSONNEL

By the end of fourth quarter 2018, 706 (635) employees were spread throughout Malta, Spain, Gibraltar, Denmark, Norway and some satellite offices at other locations. Approximately 170 people are working in Gaming Operators, 195 in Platform Services (Core), 75 in Sports Betting Services, 25 in Games and 100 in Media, with the balance in corporate functions.

SHAREHOLDER MATTERS

On 11 December 2018, a Special Meeting of Shareholders approved a 10-for-1 reverse share split of the Company's shares, so that 10 old shares were converted to 1 new share. The par value changed from USD 0.10 to USD 1.00 per share.
Before the year end, 440,000 new shares were issued in connection with exercise of options in 2018. During 2018, employees in GiG exercised options to buy 440,000 shares. GIG has borrowed shares for the transfer of the option shares to the employees and the new shares have been transferred back to the lender.

As at 31 December 2018, the total number of shares outstanding in GiG was 90,005,626 (par value USD 1.00), divided between approximately 3,000 shareholders. The number of authorised shares is 100,000,000. The new ISIN code for the share is US36467X2062.

1,291,000 options were outstanding as at 31 December 2018.

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 the 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".

LEGAL DISCLAIMER

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

FINANCIAL CALENDAR

Q1 2019 Interim Report	8 May 2019
Annual Shareholder Meeting	22 May 2019
Q2 2019 Interim Report	11 August 2019
Q3 2019 Interim Report	6 November 2019

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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, through the agency of the contact person set out above, at 08:00 CET on 11 February 2019.

GAMING INNOVATION GROUP INC.

Condensed Statements of Operations

EUR 1000 - UNAUDITED	Q4 2018	Q4 2017	2018	2017
REVENUES	39 864	39 929	151 372	120 423
Cost of sales	7 795	6 516	27 358	20 521
GROSS PROFIT	32 069	33 413	124 014	99 902
OPERTING EXPENSES				
Marketing expenses - revenue share	3 453	4 635	14 659	15 392
Marketing expenses - other	8 140	8 467	32 588	31 701
Non-recurring expenses	1 839	-	2 819	-
Other operating expenses	13 598	12 418	57 866	40 288
TOTAL OPERTING EXPENSES	27 030	25 520	107 932	87 381
EBITDA	5 039	7 893	16 082	12 521
Depreciation & amortization	5 414	4 334	19 973	10 912
Impairment of intangibles	13 726	-	13 726	-
EBIT	-14 101	3 559	-17 617	1 609
Financial income (expense)	-1 982	193	-4 209	-1 054
Other income (expense)	3	-74	-113	-
RESULT BEFORE INCOME TAXES	-16 080	3 678	-21 939	555
Tax income/(expense)	-491	-891	-815	-973
NET RESULTS	-16 571	2 787	-22 574	-418
Exchange differences on translation of foreign operations	-157	-846	133	-2 571
Fair value movement in available for sale investment	-15	-11	-15	1 281
TOTAL COMPREHENSIVE INCOME (LOSS)	-16 743	1 930	-22 636	-1 708
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	-16 722	1 920	-22 638	-1 726
Non-controlling interests	-21	10	2	18
TOTAL COMPREHENSIVE INCOME (LOSS)	-16 743	1 930	-22 636	-1 708
EARNINGS PER SHARE ATTRIBUTABLE TO GiG INC:				
Basic earnings (losses) per share	-0,19	0,03	-0,25	0,00
Diluted earnings (losses) per share	-0,19	0,03	-0,25	0,00
Weighted average shares outstanding (1000)	89 570	96 644	89 567	91 661
Effect of dilutive shares (1000)	-	432	-	-
Diluted weighted average shares outstanding (1000)	89 570	97 076	89 567	91 661

GAMING INNOVATION GROUP INC.

Condensed Statements of Financial Position

EUR 1000 - UNAUDITED	31 DEC 2018	31 DEC 2017
ASSETS		
NON-CURRENT ASSETS:		
Goodwill	69 253	69 444
Intangible assets	69 570	91 997
Deposits and other non-current assets	7 963	7 179
TOTAL NON-CURRENT ASSETS	146 786	168 620
CURRENT ASSETS:		
Prepaid and other current assets	5	194
Trade and other receivables	28 602	24 769
Cash and cash equivalents	14 669	12 079
TOTAL CURRENT ASSETS	43 276	37 042
TOTAL ASSETS	190 062	205 662
LIABILITIES AND SHAREHOLDERS' EQUITY		
SHAREHOLDERS' EQUITY:		
Share capital	78 858	78 483
Share premium/reserves	121 942	30 513
Retained earnings (deficit)	-112 752	-236
Total equity attributable to GiG Inc.	88 048	108 760
Non-controlling interests	25	23
TOTAL SHAREHOLDERS' EQUITY	88 073	108 783
LIABILITIES:		
Trade payables and accrued expenses	34 193	28 568
Short term loans	617	-
TOTAL CURRENT LIABILITIES	34 810	28 568
Bond payable	64 230	66 466
Deferred tax liability	996	829
Other long term liabilities	1 953	1 016
TOTAL LONG TERM LIABILITIES	67 179	68 311
TOTAL LIABILITIES	101 989	96 879
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	190 062	205 662
CONDENSED STATEMENTS OF CHANGES IN EQUITY:		
EQUITY AT BEGINNING OF PERIOD	108 783	105 175
Issuance of shares for cash, in repayment of debt and purchase of subsidiary and affilates	26	3 622
Exercise of options	822	-
Fair value movement in available for sale investments	-15	1 281
Share compensation expense	1 078	1 666
Non-controlling interests	2	18
Exchange differences arising from prior year adjustment	-	28
Exchange differences on translation of foreign operations	133	-2 571
Net results	-22 756	-436
EQUITY AT END OF PERIOD	88 073	108 783

GAMING INNOVATION GROUP INC.

Condensed Statements of Cash Flows

EUR 1000 - UNAUDITED	Q4 2018	Q4 2017	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:				
Results before income taxes	-16 080	3 678	-21 939	555
Adjustments to reconcile profit before tax to net cash flow:				
Tax expense	-491	-891	-815	-973
Depreciation and amortization	5 414	4 334	19 973	10 912
Impairment of intangibles	13 726	-	13 726	-
Cash deposit for licence application	-4 000	-	-4 000	-
Other adjustments for non-cash items and changes in operating assets and liabilities	4 087	-5 128	5 951	2 552
NET CASH PROVIDED BY OPERATING ACTIVITIES	2 656	1 993	12 896	13 046
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of intangible assets	-2 436	-14 167	-8 988	-54 479
Purchases of property, plant and equipment	-716	-1 553	-2 479	-3 817
Purchases of affiliates	-	-	-500	-9 120
Cash flow from other investing activities	-100	-100	-460	-200
NET CASH USED BY INVESTING ACTIVITIES	-3 252	-15 820	-12 427	-67 616
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from bond issue	-	-	-	66 956
Exercise of options and issuance of shares for cash	13	-	452	-
Proceeds from loans	1 551	1 016	1 551	3 071
Repayment of loans	-	-	-	-
Cash flow from other investing activities	-	-	-	-8 123
NET CASH PROVIDED BY FINANCING ACTIVITIES	1 564	1 016	2 003	61 904
Translation loss	-157	-846	133	-2 571
Fair value movements	-15	-11	-15	1 281
NET INCREASE (DECREASE) IN CASH	796	-13 668	2 590	6 044
Cash and cash equivalents - beginning	13 873	25 747	12 079	6 035
CASH AND CASH EQUIVALENTS - END	14 669	12 079	14 669	12 079

GAMING INNOVATION GROUP INC.

Selected Notes to Condensed Consolidated Financial Statements as of and for the Periods Ending 31 December 2018 and 2017

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". 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.

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

The consolidated financial statements of the Company as at and for the years ended 31 December 2018 and 2017 are comprised of Plc., and its accounting basis subsidiaries.

2. BASIS OF PREPARATION

The condensed consolidated financial statements 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 interim financial statements for the years ended 31 December 2018 and 2017 have not been audited by the Company's auditors.

These unaudited interim condensed financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. The condensed consolidated financial statements report the full years of operations of both 2018 and 2017 of Gaming Innovation Group Inc. and subsidiaries, and Rebel Penguin from Sept 2017.

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).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies
The accounting policies adopted and used in preparing the condensed consolidated financial statements as of and for the years ended 31 December 2018 and 2017 are consistent with those used in preparing the Company's consolidated financial statements as of and for the year ended 31 December 2017.

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
Gaming transactions that are not deemed to be financial instruments, where the Company revenues stem from commissions. The revenue recognized in this manner relates to Poker.

Revenue from gaming transactions that are deemed to be financial instruments, where the Company takes open positions against players, is recognized as a net fair value gain or loss after the deduction of players' winnings, bonuses and gaming taxes. The revenue recognized in this manner relates to sports betting and casino.

Revenue from transactions where the Company is taking positions against players, such as sports betting and online casino, is recognized 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 recognized when players place wagers in a pool.

GiG Core
In contracting with white label operators, the Company considers that it is acting as an intermediary between the third party platform and the related service providers. On this basis revenue is recognized net of payments made to service providers.

In contracting with own license operators, the Company generates revenue by entering into a revenue share deal or a fixed deal where such revenue is apportioned on an accrual basis over the whole term of the contract.

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

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

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

Other 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. Interest income is recognized 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 recognized when the right to receive payment is established.

Standards, Interpretations and Amendments to Published Standards Effective in 2018 and 2017

In 2018 and 2017, the Company adopted new standards, amendments and interpretations to existing standards that are mandatory for the Company's accounting period beginning 1 January 2018 and 2017. The adoption of these revisions to the requirements of IFRS as adopted by the EU did not result in substantial changes to the Company's accounting policies.

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

IFRS 16, a new and revised accounting standard and interpretation is not mandatory for the preparation of the consolidated financial statements for 2018. Management has begun to assess the impact of IFRS 16 on leases (effective date 1 January 2019) on the future financial reporting. Management has not yet assessed the full impact of the new standard on the Company's financial statements but believes that IFRS 16 will impact its financial statements.

4. IMPAIRMENT OF INTANGIBLE ASSETS

The Company reviews the carrying amounts of its tangible and intangible assets on an annual basis (or more frequently if events or changes in circumstances indicate a potential impairment) to determine if there are any indications that the assets have decreased in value. If any such indications exist, the recoverable amount is set to determine the need to recognise an impairment.

When calculating the recoverable amount. Future cash flows are discounted to present value using a discount rate before tax. If the recoverable amount is determined to be lower than the carrying amount an impairment is recorded through a charge to the statement of operations.

At December 31, 2018, the Company determined that two of its technology platforms that are part of its Business to Consumer segment had carrying values in excess of their respective recoverable amounts. The Company recognised an impairment loss totaling EUR 13,726. Additional information will be included in the Company's annual report for 2018.

5. SEGMENT INFORMATION

The Company operates two segments, the Business to Consumer ("B2C") segment which includes the gaming operations directed towards end-users, and the Business to Business ("B2B") segment which includes its platform offering, sports trading and affiliate marketing. Segment information relating to balance sheet and geographical sales will be disclosed annually in the annual report.

Q4 2018 (EUR 1000)	B2C	B2B	ELIMINATION	TOTAL
REVENUE	25 790	16 375	-2 301	39 864
COST OF SALES	8 599	175	-979	7 795
MARKETING COST	11 121	1 443	-971	11 593
EBITDA	750	4 295	-6	5 039
EBIT	-13 277	75	-899	-14 101

Q4 2017 (EUR 1000)	B2C	B2B	ELIMINATION	TOTAL
REVENUE	25 401	17 959	-3 431	39 929
COST OF SALES	8 002	382	-1 868	6 516
MARKETING COST	13 532	978	-1 408	13 102
EBITDA	-2 130	10 110	-87	7 893
EBIT	-2 550	6 196	-87	3 559

2018 (EUR 1000)	B2C	B2B	ELIMINATION	TOTAL
REVENUE	99 813	62 670	-11 111	151 372
COST OF SALES	30 906	664	-4 212	27 358
MARKETING COST	46 138	5 793	-4 684	47 247
EBITDA	-505	16 530	57	16 082
EBIT	-15 367	-518	-1 732	-17 617

2017 (EUR 1000)	B2C	B2B	ELIMINATION	TOTAL
REVENUE	85 843	49 127	-14 547	120 423
COST OF SALES	25 554	957	-5 990	20 521
MARKETING COST	48 806	2 069	-3 782	47 093
EBITDA	-8 855	21 481	-105	12 521
EBIT	-9 875	11 589	-105	1 609

6. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share are calculated by dividing the net income (loss) for the period, plus or minus applicable dividends, by the weighted number of shares outstanding. Diluted earnings (loss) per share utilize the same numerator, but outstanding shares in gain periods include the dilutive effect of outstanding warrants and options determined by the treasury stock method. As of 31 December 2018, the Company had 1,291,000 options outstanding.

7. CHANGES IN EQUITY

10,000 options were exercised in the fourth quarter 2018 resulting in 1,291,000 options outstanding as of 31 December 2018. GiG borrowed shares for the immediate transfer of the option shares to the employees during the fourth quarter and issued new shares on 31 December 2018.

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

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

On 31 December 2018 the Company issued 440,000 shares of common stock in connection to the options exercised during 2018. During 2018, employees in the Company exercised options to buy 440,000 shares which were transferred during the year to the employees by way of borrowing shares from a shareholder. The new shares issued on 31 December 2018 have been transferred back to the lender. 90,005,626 shares (par value USD 1.00) were outstanding as of 31 December 2018, where of the Company owned no treasury shares.

8. LOANS PAYABLE SHAREHOLDERS

In December 2015, the Company entered into two revolving loan facilities: (a) DKK 4,000,000 with a Danish bank with an interest rate of 10% per annum and maturity on 1 January 2018 and (b) 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, that was increased to NOK 19,200,000 in July 2016. These two loan facilities were repaid in April 2017.
In July 2017, the Company, utilizing the revolving loan facility with a shareholder noted above, borrowed an additional NOK 15,000,000 and, in August 2017, borrowed an additional NOK 4,000,000. This loan facility was repaid in September 2017.
In December 2017, the Company, utilizing the revolving loan facility with the shareholder noted above, borrowed NOK 10,000,000 with an interest rate of 10% per annum due on demand at monthly intervals.

In March and May 2016, the Company entered into loan agreements with shareholders for NOK 17,500,000 and EUR 300,000 with an interest rate of 10% per annum. The loans had maturity dates ranging from 31 May 2016 through 31 December 2016. In December 2016, this loan facility was refinanced and increased by NOK 13,000,000 for a total of NOK 31,500,000 as of 31 December 2016, and maturity was extended to 30 June 2017. Close associates of Helge Nielsen and Jon Skabo, board members of the Company, participated in the loan with NOK 3,500,000 and NOK 1,500,000 respectively. These loans were repaid in April 2017.

In December 2018, the Company utilizing the revolving loan facility with the shareholder noted above, borrowed NOK 9,000,000 with an interest rate of 10% per annum due on demand at monthly intervals.

Also 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.

Short-term loans outstanding balances at 31 December 2018 and 2017 were EUR 616,770 and 0, respectively with accrued interest of EUR 4,562 and 0, respectively. Long term loans outstanding balances at 31 December 2018 and 2017 were EUR 1,953,105 and EUR 0, respectively with accrued interest of EUR 0 for both periods.

9. SENIOR SECURED BOND

In March 2017, GiG issued a SEK 400 million senior secured bond in the Nordic bond market, with a SEK 1,250 million borrowing limit and fixed interest of 7% per annum with maturity in March 2020. Net proceeds from the bond issue have been 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. The outstanding balance at 31 December 2018 was EUR 64,229,542 with accrued interest of EUR 2,082,455. The bonds are registered in the Norway Central Securities Depository and listed on the Oslo Stock Exchange.

10. ACQUISITIONS

There were no acquisitions in the fourth quarter 2018.

11. LITIGATION

In December 2018, the Company was notified of the ruling by Bergen City Court in the dispute against Euro TV AS. The court concluded that GiG shall transfer 340,000 shares to Euro TV AS on the basis of an alleged oral agreement between the parties 30 April 2015. GiG disagrees with the court's ruling and has appealed the judgement. In Q4 2018 the Company accrued an expense of €0.2 million. Please see note 29 in GiG's 2017 annual report for further information about the dispute.

12. RELATED PARTY TRANSACTIONS

There were no material related party transactions in the fourth quarter 2018 other than the loans mentioned in Note 8.

13. SUBSEQUENT EVENTS

There have been no material subsequent events after 31 December 2018.

14. ALTERNATIVE PERFORMANCE MEASURES

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

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

Deposits: Money deposited in the customer accounts

EBIT: Operating profit

EBITDA: Operating profit less depreciation and amortization

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

Gaming tax: Taxes paid on revenues in regulated markets

Gross profit: Operating revenue less cost of sales

Gross margin: Gross profit in percent of revenues

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

Organic growth: Growth excluding acquisitions.

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

GAMING INNOVATION GROUP PLC.

Gaming Innovation Group Plc has issued a SEK 650 million senior secured bond with a SEK 1,250 million borrowing limit. The bond issue has a fixed coupon of 7.0% p.a. with maturity in March 2020. The bond is listed on the Oslo Stock Exchange with ISIN NO0010787120. As per the bond terms, the interim condensed consolidated accounts for the issuer for the third quarter 2018 are stated below. Please refer to the selected notes to condensed consolidated financial statements for the parent Gaming Innovation Group Inc. for more information.

Condensed Statements of Operations

EUR 1000 - UNAUDITED	Q4 2018	Q4 2017	2018	2017
REVENUES	39 864	39 929	151 372	120 423
Cost of sales	7 795	6 516	27 358	20 521
GROSS PROFIT	32 069	33 413	124 014	99 902
OPERATING EXPENSES				
Marketing expenses - revenue share	3 453	4 635	14 659	15 392
Marketing expenses - other	8 140	8 467	32 588	31 701
Non-recurring expenses	1 839	-	2 819	-
Other operating expenses	12 974	12 095	56 314	38 995
TOTAL OPERATING EXPENSES	26 406	25 197	106 380	86 088
EBITDA	5 663	8 216	17 634	13 814
Depreciation & amortization	5 443	4 323	19 973	10 874
Impairment of intangibles	13 726	-	13 726	-
EBIT	-13 506	3 893	-16 065	2 940
Other income (expense)	-1 946	-	-4 095	-1 719
Unrealized gain (loss) on derivative asset	-35	159	-114	-
RESULT BEFORE INCOME TAXES	-15 486	4 052	-20 274	1 221
Tax income/(expense)	-491	-891	-815	-973
NET RESULTS	-15 977	3 161	-21 089	248
Exchange differences on translation of foreign operations	-157	-92	133	-523
Fair value movement in available for sale investment	-15	-12	-15	1 281
TOTAL COMPREHENSIVE INCOME (LOSS)	-16 149	3 057	-20 971	1 006
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	-16 128	3 047	-20 973	988
Non-controlling interests	-21	10	2	18
TOTAL COMPREHENSIVE INCOME (LOSS)	-16 149	3 057	-20 971	1 006

GAMING INNOVATION GROUP PLC.

Condensed Statements of Financial Position

EUR 1000 - UNAUDITED	31 DEC 2018	31 DEC 2017
ASSETS		
NON-CURRENT ASSETS:		
Goodwill	53 882	53 756
Intangible assets	69 253	85 553
Deposits and other non-current assets	7 851	7 178
Total non-current assets	130 986	146 487
CURRENT ASSETS:		
Trade and other receivables	28 601	24 769
Cash and cash equivalents	14 596	11 785
Total current assets	43 197	36 554
TOTAL ASSETS	174 183	183 041
LIABILITIES AND SHAREHOLDERS' EQUITY		
SHAREHOLDERS' EQUITY:		
Share capital	51	54
Share premium/reserves	94 078	-417
Retained earnings (deficit)	-18 930	-749
TOTAL EQUITY ATTRIBUTABLE TO GG PLC.	75 199	-1 112
Non-controlling interests	25	23
TOTAL SHAREHOLDERS' EQUITY	75 224	-1 089
LIABILITIES:		
Trade payables and accrued expenses	33 733	28 367
Inter-co GiG Inc.	-	88 468
TOTAL CURRENT LIABILITIES	33 733	116 835
TOTAL LONG TERM LIABILITIES	65 226	67 295
TOTAL LIABILITIES	98 959	184 130
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	174 183	183 041

CONDENSED STATEMENTS OF CHANGES IN EQUITY:

	31 DEC 2018	31 DEC 2017
EQUITY AT BEGINNING OF PERIOD	-1 089	-7 362
Issue of share capital	-	3 601
Reclassification of capital contribution of merged companies	6 446	-
GIG Inc loans converted into capital contribution	89 760	-
Fair value movement in available for sale investments	-15	1 281
Share compensation expense	1 078	1 666
Non-controlling interests	2	18
Exchange differences on translation of foreign operations	133	-523
Net results	-21 091	230
EQUITY AT END OF PERIOD	75 224	-1 089

GAMING INNOVATION GROUP PLC.

Condensed Statements of Cash Flows

EUR 1000 - UNAUDITED	Q4 2018	Q4 2017	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:				
Results before income taxes	-15 486	4 052	-20 274	1 221
Tax expense	-491	-891	-815	-973
Depreciation and amortization	5 443	4 323	19 973	10 874
Impairment of intangible assets	13 726	-	13 726	-
Cash deposit for licence application	-4 000	-	-4 000	-
Other adjustments for non-cash items and changes in operating assets and liabilities	5 245	-5 165	11 544	2 554
NET CASH PROVIDED BY OPERATING ACTIVITIES	4 437	2 319	20 154	13 676
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of intangible assets	-2 435	-1 980	-8 988	-54 479
Purchases of property, plant and equipment	-716	-1 553	-2 479	-3 817
Purchases of affiliates	-100	-100	-500	-9 120
Cash flow from other investing activities	-	-	-460	-200
NET CASH USED BY INVESTING ACTIVITIES	-3 251	-3 633	-12 427	-67 616
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from bond issue - net	-	-	-	66 956
Loan from related party	-248	1 506	-5 034	-7 867
Increase in share capital	-	-	-	50
NET CASH PROVIDED BY FINANCING ACTIVITIES	-248	1 506	-5 034	59 139
Translation loss	-157	-92	133	-523
Fair value movements	-15	-12	-15	1 281
NET INCREASE (DECREASE) IN CASH	766	88	2 811	5 957
Cash and cash equivalents - beginning	13 830	11 697	11 785	5 828
CASH AND CASH EQUIVALENTS - END	14 596	11 785	14 596	11 785

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