Gaming Innovation Group p.l.c.

Annual Report and Consolidated
Financial Statements
31 December 2023

Company Registration Number: C 44319

Directors' report

The directors present their annual report (including the 'Sustainability report') and the audited consolidated financial statements of Gaming Innovation Group p.l.c. (the 'Group', 'Company' or 'GiG') for the year ended 31 December 2023.

Principal activities

The Group's principal activities during 2023 were the provision of online gaming services, primarily casino and sports, provision of a remote gaming platform and affiliate marketing operations.

Strategic review

The Board of the Company's Parent initiated a strategic review in February 2023, intending to split the Group into two separate structures by distributing Platform & Sportsbook to the Parent's shareholders. The split's purpose is to optimise growth opportunities by ensuring each business can benefit from the strategic and financial flexibility of its distinctive business models, with a clear focus in each business. The split will form two industry-leading companies with the potential to grow faster than in the current corporate structure.

Planning was carried out in 2023, focusing on the strategic and operational tasks needed to execute the split. By year-end, Media and Platform & Sportsbook had their own separate offices, all employees were moved/employed in the respective segments, and separate C-level management groups were established.

As a result of the strategic review and the planned distribution of Platform & Sportsbook to the Parent's shareholders, Platform & Sportsbook is now shown as discontinued operations under IFRS 5 in these financial statements. See Note 7, Discontinued operations and disposal groups held for distribution for more information.

All necessary corporate steps are ongoing, including the application for listing of the new Platform & Sportsbook entity on Nasdaq Stockholm. A final execution is expected by the third quarter of 2024 and will be subject to all necessary corporate actions, including shareholder approval.

2023 Acquisitions

AskGamblers

On 31 January 2023, GiG Media acquired the two companies Catena Publishing Ltd (Malta), subsequently renamed to AskGamblers Limited, and Catena Media D.O.O. Beograd (Serbia), subsequently renamed to Askgamblers doo, including the casino affiliate website AskGamblers.com and several smaller domains from Catena Media Plc. The total consideration was EUR 45 million, of which EUR 20 million was paid in cash on closing, EUR 10 million in January 2024 and the EUR 15 million balance will be paid in January 2025.

GiG financed the initial consideration through a combination of own cash (EUR 8.8 million), a revolving credit facility (RCF) of EUR 1.0 million and a share issue of EUR 10.2 million where existing shareholders participated.

AskGamblers.com is an award-winning website recognised as a well-trusted website source in the iGaming industry with strong brand recognition by users. As part of the transaction GiG Media also got ownership of the websites Johnslots.com and Newcasinos.com. The acquisition of AskGamblers builds on GiG Media's strategy to diversify its business and portfolio of assets.

Directors' report - continued

2023 Acquisitions – continued

AskGamblers – continued

The acquisition further diversifies the Media leg of the Group in line with the strategy to create sustainable long-term growth and provide the business with several key strategic assets and multiple revenue opportunities. The acquired websites are strong in markets that currently are non-core markets for GiG Media, therefore expanding our current geographical reach. Multiple strategies to improve the performance of the acquired business were implemented throughout the year by utilising GiG's proprietary marketing technology and marketing expertise in conjunction with the expertise of AskGamblers, leading to a strong increase through the year in revenues.

KaFe Rocks

On 21 December 2023, GiG Media acquired KaFe Rocks Ltd. and its subsidiaries, a prominent iGaming affiliate boasting multiple Power Affiliate top 10 rankings. The purchase price was EUR 35 million, consisting of a EUR 15 million upfront cash payment and EUR 20 million divided in four semi-annual payments over 24 months with an added earn-out if specific performance targets are met. GiG financed the initial consideration through the issue of a new bond in December 2023.

KaFe Rocks employed around 120 persons (33 direct employees and the rest being consultants) by year-end 2023, of which a minority are Malta based and the rest working remotely across Europe.

With a global portfolio diversified across 15+ markets, it features user-centric US-facing flagship brands Time2play.com and USCasinos.com. Through this strategic purchase, GiG Media strengthened its position as a leading lead generator within the online casino market and will accelerate its market presence in the valuable North American market.

For further information on the acquisitions, see Note 6, Business combinations.

Activities and development

Performance Marketing

The Company's performance marketing arm ("GiG Media") achieved all-time high in annual revenue and player intake. Revenue achieved by GiG Media during 2023 was EUR 88.6 million (2022: EUR 61.8 million) whilst player intake was 471,400 (2022: 351,700).

In December 2022, GiG Media entered into a new commercial partnership with News Corp UK & Ireland Limited, operating the sports betting and casino content sections on their premium media websites. The Sun and talkSPORT. The partnership has developed positively since launch, contributing to a new revenue stream for the Group. Revenue grew quarter-on-quarter through 2023, and by year-end, the partnership was extended to encompass new territories, beginning with Australia, Nigeria, and South Africa. Additional territories are anticipated to be incorporated in 2024.

Directors' report - continued

Activities and development - continued

Platform & Sportsbook

2023 represented a transformational period for the Platform & Sportsbook organisation, structuring the organisation for the planned split. A flatter organisational and decision-making structure was implemented, increased levels of automation were developed, and a more data-driven and analytical culture across all business units was embedded with a focus on (i) streamlining the development and delivery process to enable a step up in future new client on-boarding cadence; (ii) lowering the cost to serve both existing customers and delivering new customers, (iii) driving faster market entry and (iv) more group-wide innovation.

Following the appointment of Richard Carter as CEO for Platform & Sportsbook in September 2023, Platform & Sportsbook has been further strengthened with the addition of new senior management across technology, sales, operations, and sports, bringing a wealth of industry experience to secure a strong foundation for future growth as a Software-as-a-Service (SaaS) provider with strong recurring revenues over the coming years.

Platform & Sportsbook signed 12 new agreements in 2023 to provide GiG's award-winning casino platform solution, helping power these operators' online entry into international and emerging markets. The new contracts span over Europe and Americas, securing a diversified portfolio of clients. In addition, six contract extensions were also completed with existing clients.

13 new brands went live during 2023, including entry into Serbia, Portugal and the state of Maryland, US. Eight brands ceased their operations in 2023, bringing the number of live brands to around 60 at the end of year.

The Group decided to divest its own Sportsbook in 2022, with Sportnco's sportsbook being the preferred product going forward. In April 2023, GiG completed the migration of all its legacy "GiG Sports" clients onto the Sportnco sportsbook platform. The clients were migrated seamlessly and experienced zero downtime during the migration.

During March 2023, the Group signed a perpetual licence agreement as an Enterprise Solution Model for Platform to a successful industry group. The agreement was structured by way of a sale of software for a significant initial amount with subsequent fees to be earned over the term of the agreement. The Enterprise Solution provides technological and operational autonomy to clients who have technical development capabilities and wish to modify, enhance or build on GiG's existing application.

Events after the reporting date

On 31 January 2024, the Group paid the EUR 10 million deferred payment for the acquisition of AskGambers. The EUR 15 million remaining balance is due on 31 January 2025.

GiG officially launched the next generation X-suite igaming and sportsbook solutions – CoreX and SportX and supporting AI-led verticals, DataX and LogicX at the show ICE London in February 2024. This greatly enhanced and meticulously crafted new X-suite of products that address the evolving needs of the industry, with faster deployment, open-source tech-stack, extremely efficient to operate and scale and dynamic data-driven rules engine that drives real-time insights, marks a significant step up in product innovation to capitalise on increasing global opportunities, with regulated markets becoming more demanding for technology providers.

Directors' report - continued

Overall Group performance

Revenues for the Group, including both Media and Platform & Sportsbook amounted to EUR 140.6 (2022: EUR 105.2) million during 2023, an increase of 34% due to a general increase in revenues in both segments as well as the positive impact from the onboarding of AskGamblers from 1 February 2023. On an organic basis, revenues increased by 21% year over year.

EBITDA for the Group increased from EUR 33.6 million in 2022 to EUR 58.8 million in 2023. Operating profit for the Group increased from EUR 12.0 million in 2022 to EUR 30.2 million in 2023.

EBITDA is equivalent to operating profit before depreciation, amortisation and impairment.

Group performance from continuing operations

Revenues and EBITDA

Revenues from continuing operations consisted of revenues from performance marketing and amounted to EUR 88.6 (2022: EUR 61.8) million during 2023, an increase of 48%, mainly due to general increase in revenues and the onboarding of AskGamblers from 1 February 2023. On an organic basis, revenues increased by 21% year over year.

Other operating revenue in 2022 included a non-recurring revenue of EUR 1.8 million; this related to tax claims received from relevant authorities.

EBITDA from continuing operations increased from EUR 29.8 million in 2022 to EUR 40.7 million in 2023. The increase in revenue was partly absorbed by an increase in total marketing cost from EUR 18.1 million in 2022 to EUR 26.8 million in 2023 and by an increase in other operating expenses from EUR 21.9 million in 2022 to EUR 32.4 million in 2023.

Marketing expenses

Marketing expenses were EUR 26.8 million in the year 2023 (2022: EUR 18.1 million), an increase of 48%.

Total operating expenses

Personnel expenses amounted to EUR 10.2 million during 2023 (2022: EUR 7.2 million), an increase of 42%. Capitalised expenses relating to the Group's development of technology amounted to EUR 4.4 million in 2023 (2022: EUR 2.3 million).

Depreciation and amortisation amounted to EUR 12.5 million (2022: EUR 8.0 million), an increase of 56%, where the increase is mainly derived from amortisation of assets acquired or assets recognised on consolidation from the AskGamblers acquisition. AskGamblers contributed with EUR 3.8 million of depreciation and amortisation during 2023.

Other operating expenses amounted to EUR 9.7 million in 2023 (2022: EUR 6.7 million), an increase of 49%. The increase is mainly due to the onboarding of AskGamblers and a general increase in expenses due to increased activity.

Directors' report - continued

Group performance from continuing operations - continued

Profit

The Group's profit before tax from continuing operations for 2023 was EUR 18.7 million (2022: EUR 20.3 million).

The Company's loss before tax for 2023 was EUR 55.4 million (2022: EUR 0.6 million). The main contributions to the results in 2023 arose from impairment losses of EUR 55.6 million on the investment in subsidiaries, which was partly offset by a one-off gain on the reversal of the contingent consideration liability relating to the 2022 acquisition of Sportnco.

Net finance costs

Group finance costs from continuing operations for 2023 were EUR 9.5 million (2022: EUR 3.5 million). The increase in borrowing costs is a result of an increase in borrowings, together with a general increase in the variable STIBOR rates that increased significantly during the period from April 2022 (when the rate was marginally above nil) until October 2023, when the rate peaked at above 410 basis points; decreases between October and December 2023 were marginal.

Finance costs also increased as a result of exchange rate losses amounting to EUR 0.3 million in 2023, compared to gains of EUR 1.9 million in 2022. The Group presents exchange rate gains within finance income, and exchange rate losses within finance costs.

Group performance from discontinued operations

The 2023 results of the discontinued Platform & Sportsbook include a full year's results of Sportnco, which was acquired in 2022. Revenues from discontinuing operations for 2023 increased to EUR 52.0 million (2022: EUR 45.2 million).

EBITDA from the discontinued Platform & Sportsbook increased from EUR 3.7 million in 2022 to EUR 18.2 million in 2023. The improvement is mainly attributable to an increase of 15% in net revenue from EUR 45.2 million in 2022 to EUR 52.0 million in 2023, and a gain of EUR 10.5 million resulting from the reversal of part of the contingent consideration arising from the acquisition of Sportnco. This one-off gain is presented within operating expenses.

The discontinued operations also experienced a decrease in operating expenses from EUR 54.8 million in 2022 to EUR 52.5 million in 2023. This is mainly attributed to a consistent amount of personnel expenses (EUR 15.9 million in 2023 compared to EUR 14.6 million in 2022), a decrease in marketing expenses from EUR 13.1 million in 2022 to EUR 11.0 million in 2023, and an increase in depreciation and amortisation charges from EUR 13.5 million to EUR 16.2 million in 2023.

Finance costs arising within the discontinued operation amounted to EUR 2.7 million in 2023, representing a decrease from EUR 3.2 million in 2022.

Financial position

The assets and liabilities associated with the discontinued Platform & Sportsbook operations are presented separately from assets and liabilities associated with the continuing Media operations in the Group's statement of financial position as at 31 December 2023; in accordance with the accounting rules, the comparative financial information in the statement of financial position has not been restated.

Directors' report - continued

Group performance from discontinued operations - continued

Financial position - continued

The largest asset on the balance sheet relates to intangible assets of EUR 93.0 million (2022: EUR 125.9 million). On a comparable basis that includes only the intangible assets associated with the continuing Media operations, intangible assets increased from EUR 25.0 million in 2022, to EUR 93.0 million in 2023, with the increase being attributable to goodwill and other intangible assets through the acquisitions by the Group of AskGamblers and KaFe Rocks, together with other additions during the period. Intangible assets at 31 December 2023 mainly comprise goodwill generated through business combinations (EUR 30.3 million), affiliate assets acquired (EUR 47.3 million), client contracts acquired (EUR 9.2 million) as well as development of technology platform (EUR 5.3 million).

Trade and other receivables from the continuing Media operations amounted to EUR 18.5 million at 31 December 2023. Despite representing a marginal increase from the figure reported in 2022, this represents an increase from EUR14.8 million at 31 December 2022 when adjusted to only represent receivables from the Media operations; this increase is attributable to the acquisition of AskGamblers and a general increase in Media revenue.

The continuing Media operations closed out the year with a healthy balance of cash and bank deposits amounting to EUR 15.3 million; the Group's cash and bank deposits in 2022 amounted to EUR 15.1 million (inclusive of the discontinued Platform & Sportsbook operations). On a comparable basis, the Media operations' cash and bank deposits increased from EUR 6.1 million in 2022 to EUR 15.3 million, with the increase being attributable to the issuance of a new 3-year senior secured bond and a share capital increase, net of the consideration paid for the acquisitions of AskGamblers and KaFe Rocks. An amount of EUR 10.0 million was paid on 31 January 2024 in relation to the acquisition of AskGamblers.

The assets associated with the discontinued Platform & Sportsbook operations had a carrying amount of EUR 130.9 million as at 31 December 2023.

Significant liabilities in the Group's balance sheet include trade and other payables and borrowings. Trade and other payables have increased year over year mainly due to the deferred payments associated with the AskGamblers acquisition (EUR 25.0 million to be paid in 2024 and 2025, of which EUR 10.0 million was paid on 31 January 2024).

Payments during 2023 for the acquisitions of AskGamblers and KaFe Rocks amounted to EUR 32.0 million, with a further EUR 4.2 million outflow representing a part payment of the Sportnco earn-out. Financing for these acquisitions was mainly obtained through a direct share offering by the Group's parent, together with fresh proceeds from the bond refinancing in December 2023.

The liabilities associated with the discontinued Platform & Sportsbook operations had a carrying amount of EUR 41.0 million as at 31 December 2023.

Group financing and cash flows

The Group experienced a net cash inflow from operations during the year of EUR 46.5 million (2022: EUR 30.4 million). Net cash generated from operating activities was mostly utilised to fund investment in non-current assets, payment of bond interest and lease payments. The cash generated through financing was utilised for the acquisitions of Askgamblers and KaFe Rocks.

Directors' report - continued

Going concern

In December 2023, the Company successfully completed the issuance of new 3-year EUR 75 million equivalent senior secured bonds, split into two tranches of EUR 45 million and SEK 350 million, respectively, and with a combined borrowing limit of EUR 100 million equivalent. During 2023, the Company also achieved material revenue growth, both organically and due to the acquisition of AskGamblers in January 2023. Further, the acquisition of KaFe Rocks in December 2023 will further enhance the revenue growth potential of the Group.

As at 31 December 2023, the Group, including discontinued operations, reported net current assets of EUR 3.5 million (2022: net current liabilities of EUR 3.4 million).

As at 31 December 2023, the Group, excluding discontinued operations, reported net current liabilities of EUR 4.6 million (2022: net current liabilities of EUR 3.4 million). Liabilities are inclusive of the deferred consideration for the acquisition of KaFe Rocks (see Note 6); of these amounts, consideration with a nominal value of EUR 2.5 million will be paid in shares, while at the Group's sole option, an additional nominal amount of EUR 5.0 million due in 2024 can also be paid in shares; their combined carrying amount is EUR 6.6 million at 31 December 2023. After adjusting for non-cash liabilities, primarily representing the non-cash item relating to the additional payments related to the KaFe Rocks acquisition, the net position of the Group, excluding discontinued operations, is also of net current assets, amounting to approximately EUR 2.1 million as at 31 December 2023.

The Group's net cash generated from operating activities, excluding discontinued operations, materially improved to EUR 46.5 million in 2023 (2022: EUR 30.4 million), an increase of 53%. The strong cash generation is expected to continue going forward, in line with the Group's business plans and track record over the last years.

As at 31 December 2023, the Company's current liabilities exceeded current assets by €65,692,923 (2022: €17,654,541). In determining the ability of the Company to continue to operate as a going concern, the directors consider the support obtained from Innovation Labs Limited, a subsidiary operating in the Media segment, allowing the Company to meet its obligations as and when they fall due. This support is valid for a minimum period of twelve months from when these financial statements were available for issuance.

As a result of the above, the Directors consider the going concern assumption in the preparation of the Group's and Company's financial statements to be appropriate as at the date of authorisation of issuance of the 2023 Annual Report and Consolidated Financial Statements.

Significant risks and uncertainties

General

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

Directors' report - continued

Significant risks and uncertainties - continued

This evolving environment makes compliance an increasingly complex area with the risk of non-compliance with territory specific regulations, including responsible gaming and anti-money laundering obligations. These uncertainties represent a risk for the Group's ability to develop and grow the business, as changes in legislation or enforcement practices could force the Group to exit markets, indemnify clients for losses or financial sanctions, or even result in direct financial sanctions to the Group, litigation, licence withdrawal or unexpected tax exposures, which have not duly been provided for in the financial statements. These risks are relevant to both our existing B2B business (which could present themselves directly or indirectly via B2B customers) and also for our white label B2C licence.

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

B2C

In line with the strategic review taken in 2020, GiG is less directly exposed to legal and compliance risks associated with gaming operations due to currently having one B2C license with the Malta Gaming Authority servicing one white label partner (SkyCity), together with various B2B licenses in various regulated markets.

Platform & Sportsbook Services

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

In March 2023, the Group was awarded B2B licences in two additional US states, Pennsylvania and Maryland which complemented existing US licences in New Jersey and Iowa. Additionally, the Group was awarded a Swedish B2B license in Q2 2023 further enhancing our European licensing portfolio alongside existing licenses in the UK and Romania. These developments serve to mitigate the Group's exposure to regulatory changes.

Media Services

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

The media business diligently adheres to marketing and content guidelines across multiple jurisdictions, recognizing the inherent risks associated with non-compliance stemming from employee unfamiliarity. To mitigate such risks, the Group prioritises continuous education and updates for all staff regarding these guidelines, ensuring thorough awareness and alignment with any changes implemented. This proactive approach underscores our commitment to operating with integrity and regulatory adherence in every aspect of our business.

Directors' report - continued

Significant risks and uncertainties - continued

Extraordinary events

The Group does not have business in the impacted conflict regions of Ukraine and Russia, and Israel and Gaza, and while difficult to predict the wider impact on consumer spending, no material impact has been experienced so far in the Group's operations. Historically, the online gambling industry has proved robust and normally has not been materially affected by uncertain periods for the global economy.

Financial risk management

Information on the Group's and Company's financial risk management is disclosed in Note 3 of the financial statements.

Pledged securities

Gaming Innovation Group Inc. has pledged all of the issued share capital in the Company with a nominal value of EUR 1 per share to Nordic Trustee AS, acting as the agent on behalf of bond holders. The bonds are secured by guarantees provided by group operating subsidiaries guaranteeing the discharge of the Company's obligations.

Results and dividends

The income statements are set out on page 44. The directors did not declare a dividend during the current and preceding financial years.

Directors

The directors of the Company who held office during the period were:

Mr Justin Psaila
Mr Richard Brown (resigned 27 October 2023)
Mr Richard John Carter (appointed 27 October 2023)

The Company's Articles of Association do not require the directors to retire.

Statement of directors' responsibilities for the financial statements

The directors are required by the Maltese Companies Act (Cap. 386) to prepare financial statements that give a true and fair view of the state of affairs of the Group and Company as at the end of each reporting period and of the profit or loss for that period.

In preparing the financial statements, the directors are responsible for:

- ensuring that the financial statements have been drawn up in accordance with International Financial Reporting Standards as adopted by the EU;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances;
- ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business as a going concern.

Directors' report - continued

Statement of directors' responsibilities for the financial statements - continued

The directors are also responsible for designing, implementing, and maintaining internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and that comply with the Maltese Companies Act (Cap. 386). They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board:

Richard Carter	Justin Psalia
Director	Director

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1 May 2024

Sustainability report

Table of contents

Foreword

Our people and practices are continually improving to focus on creating a truly sustainable business which adds value to the world in which we live.

We have delivered on a number of key sustainability commitments under each pillar in 2023 and have grown and evolved in our thinking and practices along the way. From completing our inaugural Scope 1, 2 and 3 GHG emissions assessment with carbon management accounting platform Greenly, to conducting the Social and Governance portions of our ESG gap analysis with RSM, to planting our #GiGForest, which now includes 1,720 trees, offsetting a total of 395,000kg CO2. Additionally, we have offset a further 219,000 kg of CO2 emissions stemming from business travel with GreenPerk. We have also achieved a marked year-on-year improvement in our ESG ratings, rising from 47 to 51. Furthermore, at GiG, we have enhanced our team's expertise in Safer Gambling and Player Protection with safeTALK/ASIST trainer accreditation, and also launched our AML and RG scoring tool. The central teams have focused on the gargantuan task of operationally separating GiG Media and GiG Platform & Sportsbook, further evidencing just a few of the many highlights from 2023. Please read the full report to grasp the full extent of what every colleague has contributed to achieving this year.

Like any impactful journey, our approach has evolved over time. We are refining our sustainability framework for 2024 and beyond to better reflect our progress and impacts. To simplify our reporting, we are transitioning from our current four internal pillars to a streamlined structure focused on Environmental, Social and Governance (ESG) categories fully aligning and complying with the EU Corporate Sustainability Reporting Directive legislation. Following the 2023 annual report, we will adopt this new framework, shaped by the insights of the ESG gap analysis that we performed and double materiality assessment. This will allow us to better demonstrate the direct impact of our initiatives and measure our progress. Each category will feature one overarching objective, supported by several initiatives that address the 17 United Nations Sustainable Development Goals (UNSDGs) across both operational independent entities. Upon completion of the gap analysis, which will further refine this framework, we will publish the new format in our 2024 annual report.

Ultimately, GiG has advanced significantly in its commitment to sustainability, establishing a dedicated role and budget that promise to enhance the company's value and benefit its shareholders in 2024 and beyond. We are excited to lead the industry into a better tomorrow, for the people and for the planet.

Gemma Edward
Director of Sustainability

Our strategic approach to sustainability

Our people and stakeholders are at the heart of every decision we make, as are the communities in which we live and work. We want to create sustainable growth for every internal and external stakeholder. We have aligned our four key pillars and development areas, with the United Nations 2030 Agenda for Sustainable Development and the 17 Goals for People, for the Planet.

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

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

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

Highlights of 2023 - Business Goals

Operational split progress for GiG Media and Platform & Sportsbook. GiG Media and GiG Platform & Sportsbook have had laser focus on the differing priorities and drivers for each business, operational spin off was implemented and complete by the end of 2023. From team restructuring, office locations, central team resources and processes, each business can operate fully independently. In GiG Media the c-level team and direct reports were restructured with Jonas Warrer appointed as CEO of Media. Our Platform & Sportsbook leadership team has been strengthened with key appointments, Richard Carter CEO, Andrew Cochrane CCO, James Coxon COO and Matt Saxton as CTO, ensuring we have the expertise and experience necessary to drive future growth.

GiG Media Acquisition of AskGamblers and KaFe Rocks. GiG Media acquired AskGamblers in January and it has continued positive momentum with revenues up 92% from run rate at takeover. Additionally, the finalisation of the KaFe Rocks acquisition in December 2023 aligns strongly with our ambition to maintain our position as the leading casino affiliate in the industry.

GiG Platform & Sportsbook crowned twice at EGR B2B Awards. We were awarded with Full Service Platform and Multi-Channel supplier of the year at the prestigious EGR B2B awards 2023, at the ceremony in London. The EGR awards carries with it some extra significance and prestige within the industry. The awards represent the investment in our products and services and the value in our transformation from a B2C and White label to a pure, leading edge B2B platform, services and sportsbook provider.

Focus on Safer Gambling through training and accreditation. GiG continues to upgrade and develop our responsible gambling product, with two of our Player Safety team leaders undergoing the SafeTALK/ASIST trainers accreditation two-day course. The course has been approved by World Health Organisation, LivingWorks Applied Suicide Intervention Skills training (ASIST) is the only workshop of its kind. This will enable us to conduct internal training for our managed services team, ensuring they are proficient and confident in handling contacts from players who are displaying serious markers of harm.

Improved ESG rating year-on-year from 47 to 51 overall. Legacy consultancy completed GiG's second ESG ratings analysis, which is delivered as a consensus of the 28 ESG analyst companies who are currently monitoring GiG. This provides consistent ratings of ESG performance and helps guide us moving forward for areas of improvement.

Introduced AML & RG Automated Risk Rating Tools. Utilising data from various sources and collaborating with GiG Logic. DataX provides a unique product for scoring player risk, aiding in Anti-Money Laundering (AML) risk detection and Responsible Gaming (RG) awareness. The information is accessible through channels such as GiG insights and Core PAM Backoffice, enabling strategic actions to uphold sustainable growth while complying with regulatory requirements.

Focus for 2024 – Business Goal

Completing strategic review. Looking ahead, we remain committed to our strategic objectives, including the planned split of the Company into two separate entities, GiG Media and Platform & Sportsbook. This strategic move will unlock new growth opportunities and maximise value for our shareholders.

GiG Media significant growth potential. We anticipate further positive developments from AskGamblers in 2024. Additionally, the finalisation of the KaFe Rocks acquisition in December 2023 aligns strongly with our ambition to maintain our position as the leading casino affiliate in the industry. We are confident in the quality of the acquired assets and see significant potential for growth, particularly in the North American and LatAm markets.

GiG Platform & Sportsbook expanding sales pipeline. Advanced discussions with key partners and an expanding sales pipeline across both platform and sports verticals underpin belief that our strategy and long-term objectives are providing us exciting opportunities to continue to expand and scale the business, improve revenue quality and growth, and ultimately increase shareholder value.

Platform & Sportsbook launched enhanced next generation X-suite products and new branding. We have unveiled the revamped face of our brand ahead of ICE 2024. This marks another milestone for the company after officially launching a whole new suite of product innovations - Platform CoreX, Sportsbook SportX, and AI led features DataX and LogicX. All the rebrand was showcased on our stand at the ICE exhibition in London.

Focussing on ESG objectives under new framework. Since building the sustainability reporting foundations over the past two years, we are now in a place where we are coming to the end of a gap analysis and audit of our current efforts. With this comes renewed focus on ESG, a new way of reporting and presenting progress under each Environmental Social and Governance vertical. (Please see ESG section for full description)

Highlights of 2023 - People Goal

Operational spin off progression. After the strategic review announcement made in Q1 2023, a timeline was put in place and all central teams worked round the clock to ensure both independent entities were set up for success. In November 2023 both organisations started to operate independently with separate office environments, team structures, processes, HR initiatives and dedicated resources. This was a huge undertaking occupying much of the central teams' time.

Streamlined office environments and improved workplace services. By Q4 each business had independent floors, which were designed specifically for them, their needs and requirements, giving each business its own unique identity and remarkable working environment.

Launched improved Benefits package with dedicated website to all colleagues. The brand-new perks and benefits package was rolled out in 2023. These changes come directly because of engagement and Have Your Say voice of employee survey feedback points, 63,000 to be precise. The new package includes Me Time day, Birthday leave, GiG Gives paid volunteer day, Work anniversary manager reward toolkit, Sustainable new joiner gift of tree planting, and a EUR 350 Well-being allowance.

DEI Developments in Talent Acquisition. The team have reviewed all job descriptions, templates and external communications, trained hiring manager on unconscious biases, joined the Diversity and Inclusion network in Malta, initiated discussion on collaboration with the Right of The Person with Disabilities, sourced certifications / external training for Talent Acquisition Partners and HR and explored various platforms and websites to network and increase diversity in our organisation, and looked into organisations / platforms supporting women in leadership/tech communities.

Branched out with Tree-Nation and started #GiGForest. We've committed to planting two thousand trees per 12 months, we started in July 2023 and have planted 1720 trees at the time of publishing this report, offsetting 395 tCO_2. Tree-Nation is a fantastic organisation which allows us to support the communities in which we plant and to offset our emissions, it is an ESG win-win.

People team awarded Stevie award 2023. We're thrilled to announce our industry leading People team has been recognised on a global scale for their work in 'Creating an Inclusive and Tailored Global Culture' at this week's The Stevie® Awards for Great Employers 2023, and won the Bronze award in the 'Best Use of HiBob for Creating a Winning Global Company Culture' category.

Rated Bronze for GHG Reporting Compliance. Standardised by the GHG protocol when assessing GiG's Scope 1, 2 and 3 GHG emissions. With a total emission of 9.2k tCO_2e for 2022 (concluded reporting in Q3 2023). We will shortly be starting the process to measure for 2023 and will publish these results in the 2025 annual report.

Focus for 2024

Improve employee experience. The People team is entirely focused on improving the employee offering, from recruitment to retention, including benefits, compensation packages and benchmarking salaries, improved recognition schemes, more focus on professional development and training, succession planning, well-being resources and more. This will be achieved through various initiatives across the employee lifecycle to be implemented in 2024 and beyond.

Implement 'Leaders of Tomorrow' leadership training programme. Complementing the Leadership Programme we launched in 2022, the people team have formed and rolled out an additional training programme for 37 mid-level managers, covering similar topics to last year.

Streamline office environments and improve workplace services. Continue the works carried out in 2023, with the new 3 day a week in-office strategy whilst still maintaining flexibility, by working on a new office in Madrid, improving Malta through more desk space and services, increased floorspace in Marbella, and bring all offices up to the same level of location appropriate services and X branding.

GHG Emissions reduction planning. Working with Greenly we will be hosting a workshop in H2 2024 with senior stakeholders from across GiG Platform & Sportsbook and GiG Media to assess and set targets of where and how we can reduce our emissions in meaningful and efficient ways in the coming years. After this workshop we will have a full reduction plan with outcomes and an implementation plan.

Implement Global Sustainability Policy
In 2024 the team created the first Sustainability policy for GiG as a whole and will further be tailored as the spin off progresses.

Our pillars of sustainability - In depth

Innovation - It's in our name. *From AI to ideation, we will continuously improve and build partnerships to give our stakeholders maximum outputs, such as improved products and systems, cutting edge technology, best practices, and real sustainable growth.*

In addition to the items listed under the 2023 highlights our product, platform, tech and commercial highlights are:

GiG Platform & Sportsbook Commercial updates. 2023 has been packed with new deals being signed, launches and go lives, and prestigious awards being bestowed on GiG, rewarding the team for years of hard work and innovation, and industry conferences attended.

- **GiG was crowned twice at EGR B2B Awards.** We were awarded with Full Service Platform and Multi-Channel supplier of the year at the prestigious EGR B2B awards 2023, at the ceremony in London. The EGR awards carries with it some extra significance and prestige within the industry, and they can be seen as a good indicator for the future of our business, as there is a strong correlation between winning these awards and future growth and success. The awards represent the investment in our products and services and the value in our transformation from a B2C and White label to a pure, leading edge B2B platform, services and sportsbook provider.
- **Powering the industry with 10 launches in 2023.** One additional brand went live in January 2024. As of today, the number of live brands is 62 with an additional 19 brands in the integration pipeline. The geographical diversification covers a total of 35 markets including the current pipeline.
- **We had a grand GiG presence at G2E in Las Vegas.** With a large stand, sending over 20 people to showcase our product suite, meeting both prospective and existing partners. 25,000 industry professionals in attendance and over 125 countries represented, covering regulated and regulating markets.
- **SBC Summit in Barcelona** at the end of September where the team met with a number of both prospective and existing partners.
- **Exhibited at Peru Gaming show in June** for the first time in Latin America. The three-day exhibition in Lima provided an opportunity for the team to meet potential partners and strengthen existing relationships.

- **SBC Summit LatAm** in June, the **Canadian Gaming Summit in Toronto** and **Gaming in Spain conference in Madrid**.

GiG Platform & Sportsbook Product updates. Compliance is a crucial part of the business which we continuously invest in, including;

- **Estonia certification and regulatory approval achieved.** The team completed the outstanding tasks related to Estonia, enabling brands to initiate the certification process and secure regulatory approval.
- **Sports Bonus enhancements complete.** We incorporated Sports Bonus wagering into the standard configuration, making enhancements to the overall sports bonus framework. Additionally, we worked on integrating new sports bonuses, including Betsson's Profit Boost, and introduced a Max Win limit in the bonus configuration.
- **Implemented improvements in automatic PEP and Sanction checks** spanning multiple jurisdictions and introduced a third-party solution for ID Scanning and Liveliness checks.
- **Refined Multipam offering and Launched GiG Migration Framework.** Data-centric efforts included refining the Multipam offering and the launch of the GiG Migration Framework in Q4. This framework ensures a seamless migration of customer data, prioritising regulatory compliance, operational continuity, data integrity, and minimal downtime.
- **Introduced AML & RG Scoring.** Utilising data from various sources and collaborating with GiG Logic. DataX provides a unique product for scoring player risk, aiding in Anti-Money Laundering (AML) risk detection and Responsible Gaming (RG) awareness. The information is accessible through channels such as GiG insights and Core PAM Backoffice, enabling strategic actions to uphold sustainable growth while complying with regulatory requirements.
- **Increased Data integration offering.** The Data team has used the data broker to increase our third-party integration offering, including FastTrack CRM, Jooba Jackpots, IwinBack and Thrilltech.
- **Endeavour: Vast integration progress and improvements.** The team has improved the Game provider integrations and also added promotional tools for already integrated game providers. In addition to the Game provider, the team also worked on Automated Data Verifications Screen, improved Wallets Screen and Performance Tests, for: Games Global, GreenTube, Markor, Caleta, Booming, Hub88, Elk Studios, Evolution Promo Tools, Alea Promo Tools, iSoftBet Promo Tools and Oryx Promo Tools.
- **Further enhancements to Source of Wealth configurations.** These have been added to allow self-service configurations by the brands whilst supporting the multiple jurisdictions offered by GiG. In addition to this, improvements to the Data Anonymisation flows have been implemented to ensure we fulfil privacy requests by our customers in accordance with the GDPR requirements.

GiG Media's expanding global influence. The team remains dedicated to enhancing the organisation's expertise and extending Media's footprint in the worldwide gaming industry and markets. In 2023 representatives from GiG Media attended and participated in:

- **ICE, IGB.** In Q1 2024, GiG Media took part in two prestigious London events, namely ICE & IGB, uniting the entire igaming community for an energetic week filled with meetings, events, and networking prospects. These gatherings will feature a multitude of exhibitors revealing their newest products and updates.

- **SBC Summit Latino America 2023 Miami.** In October GiG Media attended one of the most crowded conferences targeting LatAm. During the conference, the team engaged with numerous existing partners and new operators, establishing valuable connections and gaining insights into various local markets earmarked for GiG Media's expansion in both North and South America.
- **Sigma Malta November 2023**. Presently recognised as the mother of all conferences in the igaming industry, this event stood out as one of the most heavily attended conferences of the year. It provided a unique opportunity to connect with key players in the industry.
- **SBC conference, Barcelona**. A growing conference which was very well attended both by existing partners and new growing brands. The team continued to gain invaluable connections and insights into the LatAm market.
- **SBC conference, New Jersey**. The team gained invaluable connections and insights into the US market, which underscored their commitment to staying at the forefront of industry advancements, and shaped how the team will interact with current and prospective clients in the US.
- **Sigma Americas conference, São Paulo.** This event proved to be an invaluable experience. During the two-day conference the team gathered significant amounts of intel about the LatAm market, focusing on Brazil as a leader, which meant the team managed to improve GiG Media's position in the Brazilian market and built mutually beneficial relationships with clients.

GiG Media's continuous product innovation updates.

- **Improvements to our internal platform** providing Data and Site Management services include:
    - An update to how our websites receive data from the platform with increased reliability
    - A launch of the Affiliate Management System combining more data into one dashboard for a single source of truth with stronger reliability and stability
    - 90% of our websites are now utilising a new tracking tool which provides us with accurate data on user behaviour, financial performance and also supplies the end user with accurate geo-located links for improved accuracy.
- **30 migrated products to centralised platform, Olympus.** The team has completed more migrations of our products sitting on standalone platforms to our internal centralised platform for improved performance and overall quality, meaning less resources spent on secluded updates, this brings our total number of sites on Olympus to over 30. By end of Q1 2024 we should have eliminated all sites from the previous platform and our top tier assets all sitting on the centralised platform, which is constantly being improved in parent level.
- **Long-term UI and UX improvements to AskGamblers on track.** AskGamblers and CasinoTopsOnline are on track for a release in the first part of 2024, with a focus on better UX, improved code and the foundations of a whole new set of product innovations and improvements.
- **Boosting conversion for partners with enhanced Sports and Casino widgets.** The team have built and enhanced Media's Sports and Casino widgets offering for third party partnerships, including customers Pre-Match Odds, with team form and other statistics to aid the user's decision making, and boosting conversion for our partners. A curated list of casino operators that can all be managed in-house. These are now branded per partnership to match the partners style and aesthetics and provide their customers with a native experience. The strength of our offering now enables us to grow in other geos which our partners are also targeting, providing value for both parties.

- **CasinoTopsOnline.com rebrand and optimisation.** Media's flagship site CasinoTopsOnline is going through a rebranding process to bring a more modern look and feel, improving the user experience, re-writing and optimising the code base, and in the long run offering a more localised product per market. We hope to roll out our initial tests before the end of the year. During this process we are analysing current user behaviour on various pages to execute data-driven solutions to user's problems and help drive conversion across the site.
- **Exciting in-house lead generation tool released.** Media's belief around building our own products in-house means we keep our costs on third parties extremely low. This quarter we released internally our own lead generation tool which manages exit popups, gamification, surveys and social proofing notifications to attract more users to player reviews, latest bonuses and more, meaning more impressions and driving more traffic to our partners.

Trust - It's what we're building. *Through compliance and resilient technology, we are developing best in class compliance products. Our expert in-house compliance, legal, information security and training teams focus on compliance analysis, emerging markets, responsible marketing and advertising, protecting our data and managing our vulnerabilities, and embedding responsible gaming and AML - and everything in between.*

GRC updates

- **GiG maintains robust security framework.** Directing our attention towards awareness and training, we have maintained our robust framework which includes the execution of multiple phishing simulation campaigns which included a global campaign, as well as targeted one's in Q3 & Q4 2023 including Sportnco and Tecnalis for the first time.
- **Key involvement in mitigating and monitoring risk from GiG's supply chain.** The teams' involvement in the procurement process at GiG continues to be a key factor in mitigating and monitoring risk from GiG's supply chain. During Q3 & Q4 2023, the team continued to assess newly onboarded suppliers who were believed to require interaction in some shape or form with GiG's information. The team continued its supplier reassessment commitment whereby suppliers assessed within the same period 12 months prior were reassessed.
- **Security processes monitored and improved.** The Information Security team has remained dedicated in 2023 to continuously improve and monitor GiG's security processes. The team continues to audit several systems within GiG's landscape to ensure that access control measures are maintained.
- **Reducing Supplier risk radius.** The team continues to reassess 3rd party suppliers (critical & standard) to further reduce our risk radius. According to recent study the average number of supply chain breaches that negatively impacted organisations increased by 26% from 2022 to 2023.
- **Management system recertified ISO:27001.** Following weeks of intensive preparatory work and planning, the team led the ISO:27001 surveillance audit which covered Core and Endeavour among other entities.

Infosec Engineering updates

- **Application and Infrastructure security assessments complete.** All application and infrastructure security assessments were completed across all GiG products to conclude all testing with a 100% completion rate for 2023. All required outsourced testing has also been fully completed as part of GiG's regulatory requirements.

- **Continuous improvement to GiG's SIEM and SOC services.** Including the expansion of the overall scope to also cover verticals like Sportnco and Tecnalis. This includes constantly onboarding new systems to send their logs and events to GiG's SIEM, as well as regular updates to analytic rules to address new threats.
- **Constant work on SAST and DAST**. GiG's SAST platform has been revamped further, by introducing additional automations, to expand the scope of testing to all products' multiple microservices. Constant work is being carried out with GiG's Dynamic Application Security Testing solution, running regularly on select projects complementing the SAST testing by analysing projects in their running state.
- **Compulsory training for Developers complete**. Delivery of the final developers' security training session for 2023, which is compulsory for all developers to attend once a year. Work on enhancing and improving the content for these sessions for 2024 has also started, in order to constantly provide fresh and relevant content.
- **InfoSec guidelines have been revamped**. Also widened in scope and made available to all tech teams in order to serve as a main reference for security standards that should be applied across all GiG projects, increasing security expectations and awareness in the process.

Other business areas

- **Reducing Gambling Related Harm through robust Automated RG Risk profile Programme.** In Q1 2024 we completed all phases of our initiative to build and make available to our Partners a robust Automated RG Risk Rating tool that carries out an automated RG customer risk assessment based on a large data set and flags players that may be vulnerable or experiencing harm to a player safety team, whilst in the meantime also protecting the account.
- **AML Risk Rating Tool profile improvements.** In Q1 2024 we completed all phases of our initiative to make significant improvements to our AML Risk Rating tool and the tool is now in production adopting a more robust methodology and analysing a larger data set as part of the customer risk assessment.
- **Two Player Safety leaders have completed SafeTALK / ASIST training course.** GiG continues to upgrade and develop our responsible gambling product, with two of our Player Safety team leaders undergoing the SafeTALK/ASIST trainers accreditation two-day course. The course has been approved by World Health Organisation, LivingWorks Applied Suicide Intervention Skills training (ASIST) is the only workshop of its kind. This will enable us to conduct internal training for our managed services team, ensuring they are proficient and confident in handling contacts from players who are displaying serious markers of harm.
- **Combating Money-Laundering, financial crime and terrorist financing.** Senior management within our Player Safety managed services team, were recently accredited with the ICA (International Compliance Association) Certificate in Compliance, which acknowledges expertise in combating money laundering, financial crime and terrorist financing. It is always our aim to constantly upgrade the qualifications and knowledge within our player and brand protection offering.
- **Anti-Bribery and Corruption.** GiG maintains a strict stance against bribery and corruption, prohibiting any form of offering, giving, solicitation or acceptance of bribes. The Organisation's Policy held within the Code of Conduct which is read and signed by all employees, outlines what is acceptable and what is not, and what it could look like in reality. It provides comprehensive instructions on appropriate due diligence and when to register a gift, or seek further advice, and that the prevention, detection and reporting of bribery or corruption is the responsibility of all GiG

employees. Reporting matters in this area are covered by the Protection of the Whistleblower Act (2013).

Responsible marketing and advertising. We ensure that all our advertising and marketing efforts are conducted in a socially responsible manner, in accordance with the regulations and requirements on promotional and marketing communications in every local market, and in the absence thereof, in accordance with a code of conduct that adopts industry standard practices. We ensure marketing communications do not mislead, be false or untruthful.

Communications produced by GiG must provide clear and transparent information any offer being made and are not targeted at vulnerable people. We also ensure that we are fully compliant with General Data Protection Regulation (GDPR) guidelines and ensure that we only ever use personal data that is submitted or acquired by us only if we have a valid legal basis:

- **Protecting underage persons.** Marketing and advertising communications are not aimed at, or should not appeal to, underage persons (i.e. any age below the legal age for gambling in any jurisdiction where the communication is targeted) and carry appropriate warnings about underage gambling. For the purpose of brand advertisements and sponsorship agreements, no logos and names of gambling products or gambling services are to be found on products that are intended to be used or worn by underage persons.

- **Avoidance of potentially offensive language.** We refrain from using language, words and phrases in marketing and advertising communications which may be deemed offensive by both advertising audiences and regulatory bodies. These rules reflect the guidance issued by Ofcom, the UK's regulator for communication services.

- **Social media advertising and marketing.** Social media as a platform for advertising or any other form of commercially related content, including blogs, microblogs, vlogs, wikis, message boards, electronic newsletters, online forums, and all social networking sites, follow advertising requirements, such as:
  » Links to sources of more detailed information
  » An 18+ symbol
  » Reference to www.begambleaware.org or a local support institution
  » Do not include any content which is appealing to children Affiliate compliance

Protect your brand with GiG Comply. We built a compliance tool called GiG Comply which we of course use ourselves. GiG Comply drives social responsibility by providing improved visibility of where and how brands are being advertised, highlighting deviations from the brand owner's guidelines. The service helps protect advertisers and brand owners from being promoted on websites which are not brand safe or compliant. It also protects from misleading advertising in their name and helps operators to adhere to complex advertising standards in the different regulated markets.

Diversity, Equity and Inclusion - *It's what we practise. We respect and celebrate the uniqueness of every GiGster. Through updating our practices and implementing new policies and initiatives we recognise, raise awareness of and address every bias including gender, nationality, ethnicity, religion, age, sexual orientation or disability.*

Our two DEI goals are to:

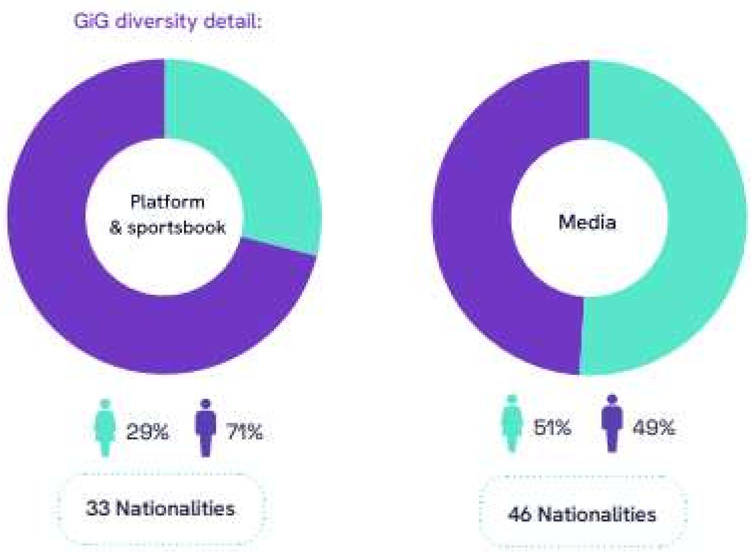
- Increase diversity of thinking and perspective by recruiting from an increasingly diverse talent pool and retaining the best talent

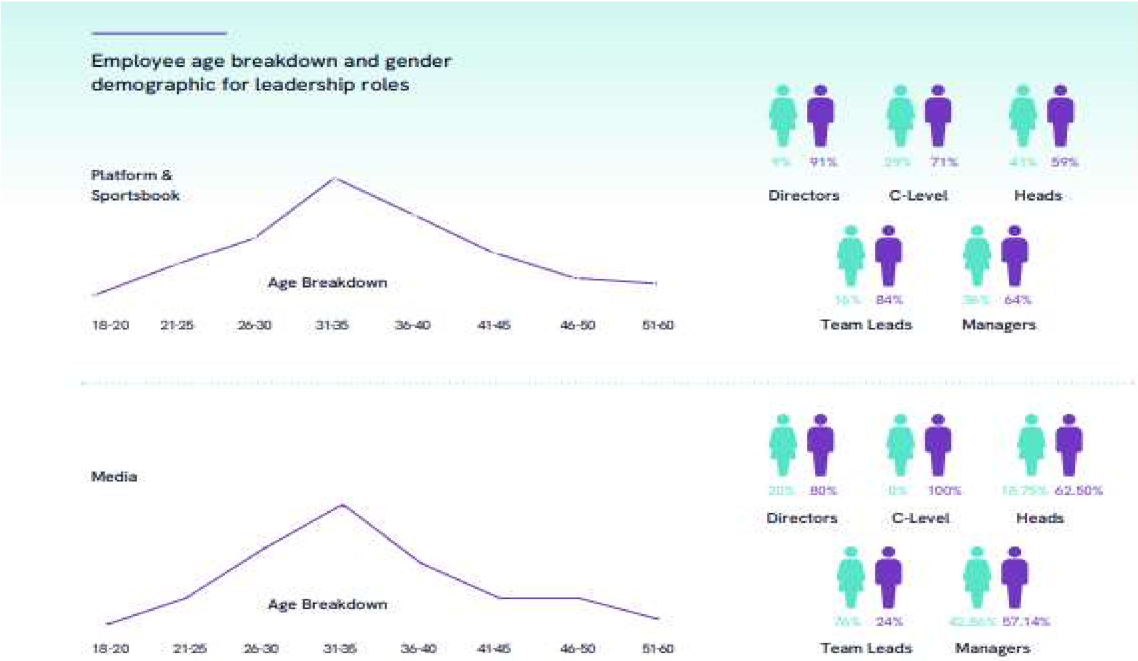
- Break down more barriers and bias by increasing development and education opportunities in our workforce and in our communities, utilising current programmes and creating progression initiatives

Across both GiG Media and GiG Platform & Sportsbook our teams are over 67 nationalities, and we are all different. We know that by attracting a more diverse workforce, we benefit as a company. From our hiring practices to our retention initiatives, we are constantly looking to better what we did before. Through education and working closely with organisations like All-in-Diversity as a founding member, and previous work with the world-renowned Stress Management Society, we focus on our people's awareness, mindset, resilience and well-being. This helps to develop a mindful and autonomous internal culture which influences the communities in which we live.

In addition to the achievements listed under 2023 people goal highlights, we have also focused on:

- **Our numbers.** Reporting as two independently operating organisations, noted variances in previous Q's numbers are:
    - **Platform and Sportsbook:** With heavy reliance on tech the gender split is 29% females to 71% males. The age bracket of 31-35 continues to be where the largest percentage of our people fall under at 29.5% of the workforce, and 36-40 at 19.9%, closely followed by 26-30 at 16.5%. We are proud to welcome 33 nationalities.
    - **Media:** The gender split is an impressive 51% females to 49% males, and the age bracket of 31-35 also boasts the largest population of employees at over 33% of the team. With 22% of Directors, 40% of Heads of, 37.5% of Managers and 33% of Team Leads being female. We are proud to welcome 46 nationalities.





Kelly Kehn, Co-Founder All-in Diversity - All-Index

"All-in Diversity Project is an international not-for-profit organisation focusing on diversity, equity and inclusion in the workplace. We work with organisations and the industry at large, providing tools, guidance and support as they start to translate strategy into action. Our work is supported by Founding Members, organisations who are as committed to changing this industry as we are, actively working to support their communities and the industry at large.

Gaming Innovation Group has been a pivotal part of the conversation since 2018, not only recognising the importance of Diversity, Equality, Inclusion and Belonging as part of their business strategy but also serving as a beacon of change for others, through initiatives such as their 'GiG Allies' programme - an internal network supporting the personal and professional development of women in the organisation, including leadership training and succession planning. GiG is also a visible participant in cross-sector initiatives such as the All-Index, an annual report which seeks to benchmark diversity and inclusion across the industry, as well as International Women's Day, Pride and International Men's Day. At a time when social governance forms a critical component of any serious sustainability strategy, GiG has taken the lead in placing the role of women within the workplace front and centre, highlighting the challenges and then going on to identify and implement solutions that support and sustain gender parity in the workplace, continuing to be a role model for best practice across all industries and all sectors."

- **Developments in Talent Acquisition.** The team is working on new training for hiring managers to educate them on how to avoid unconscious bias and effectively communicate with employees from different backgrounds and cultures. The team have:
- **Recruited and filled 195 roles.** 2023 has been a tour de force for the TA team and onboarding, and had 233 open roles in total.
- **Implemented a reference check platform** (Xref) to ensure we follow the best recruitment practice and have provided 10 Early Talent (apprentice and intern) opportunities to young talent across Malta and France.

- **Improved the candidate experience and hiring manager resources** and have reviewed all our email templates and contracts to ensure they are inclusive, and our internal recruitment policy and training for hiring managers on best interview practices.
- **Attended several industry leading events and webinars** regarding Diversity and Inclusion topics including; Unlocking the Power of High-Performing Teams Through Diversity by Verified First, "HR wake up" by Deloitte, D&I Networking Event at Betsson and HR Connect and iGaming Next Conferences.
- **Streamlined office environments and improved workplace services.** In Q4 each business had a separate floor, which was designed specifically for them, their needs and requirements, giving each business its own unique identity and remarkable working environment. Moving into Q1 a new approach for the Platform and Sportsbook business is to achieve enough space for every non-remote colleague to attend the office 3 days a week. This is to promote collaboration and the face to face together feeling across our teams, whilst still maintaining the benefits of a hybrid approach. This will involve expanding into level 1 and 0 in Malta, create a new GiG Hub office in Madrid, and rebrand all other offices with the new PAM and SB X branding.
- **Collected over 31,800 pieces of feedback from monthly engagement surveys.** Every month, we send out a 12-question engagement survey, so we can inform decisions and monitor overall engagement and areas for improvement.
- **Well-being #Together**. Everyone's journey to achieving balanced well-being is different and personal. Our approach to wellbeing is holistic and company-wide and supported through industry leading policies like The Right To Disconnect, Flexi-working, GiG Health and Well-being, and our Well-being allowance and more, with focus on personal resilience. Our goal is to give our people the tools to evaluate their well-being and enable them to travel on their personal journey to achieve their ultimate balance.
- **Protecting Human Rights through policy**. The people and operational teams consistently review and update all policies, ensuring GiG protects and respects the human rights of its employees and partners. From Diversity Equity and Inclusion, Health and Well-being, Right to disconnect, Flexi-working, Harassment and Bullying, Grievance, and Code of Conduct, to Whistleblowing, AML, Insider Trading and Infosec plus many more - we review and update constantly.

GiGStars 2023 Recognition Awards. Our fourth annual award ceremony was held during our Christmas event for GiG Platform & Sportsbook. Our 22 judges, composed of Subject Matter Experts and previous winners, selected the 21 finalists from over 300 colleague nominations, and the 7 individual and team winners were revealed and celebrated on the night, with individuals receiving EUR 500 well-being allowance top-ups and teams up to EUR 1,000 top-ups to their team event budget.

Team events 2023

- **Team events 2023**
  - 62 team events with 565 people attending a team event in total across Platform & Sportsbook and Media
  - 58 Team events / activities
  - 4 Workshops / Training
- **All hands/ GC/ LS meetings**
  - 6 all hands sessions
  - 2 GiGsters Connect
  - 4 Lightning sessions

GiG STARS 2023

17

Recognition Awards

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22	21	300	7
judges	finalists	company-wide nominations	winners

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- 58 Team events / activities
- 4 Workshops / training

All hands/ GC/ LS meetings

- 6 all hands sessions
- 2 GiGsters Connect
- 4 Lightning sessions

62	58	4
Team Events	Team events / Activities	Workshops / Training
6	**2**	**4**
All-hands Meetings	GiGsters Connect	lightning sessions

Education and ESG - *It's what we believe in. Quality education and reducing the impact we have on our* *planet is very important to us. From our expert in-house training and development team and community outreach projects, we are firmly focused on improving the lives of our people, the level of education available, and impacting poverty and economic growth in our communities.*

Training and education. We believe in developing our people through investment in education and performance management support.

- Over 2500 courses were completed in 2023, with 52 new courses published on our internal GiGsters Academy.

Leadership Programme 2022 - 23. This programme emphasises the importance of authentic, compassionate, and inclusive leadership. Over 50 leaders across all locations and business units attended completed an initial assessment called Strengthsfinder with a follow-up coaching session, and then 4 training sessions held throughout the year focused on; Engaging People with KPI's, Empowering others to grow, Emotional Intelligence and Embracing the challenge of change. These courses started in 2022 and completed in 2023, and will continue with new focus in Q3 2023 aimed at a different level of seniority of participants and are called Leaders of Tomorrow.

ESG

In 2023 we focussed on ensuring our emissions and ESG ratings year on year were being recorded through our partnership with leading carbon management accounting platform Greenly, and commissioned another ESG rating analysis with Legacy consultancy, both of which are B Corp certified companies - the highest sustainability standards achievable. We are fully committed to reducing our impact on the planet and supporting our people, and we are excited to continue our journey to achieve Net Zero through analysis, reduction and neutralisation.

Highlights of 2023

Rated Bronze for GHG Reporting Compliance standardised by the GHG protocol when assessing GiG's Scope 1, 2 and 3 GHG emissions. With total emissions of 9.2k tCO2e for 2022 (concluded reporting in Q3 2023). We will shortly be starting the process to measure for 2023 and will publish these results in 2025 annual report.

Improved ESG rating year-on-year from 47 to 51 overall

- Legacy consultancy completed GiG's second ESG ratings analysis, which is delivered as a consensus of the 28 ESG analyst companies who are currently monitoring GiG. This provides consistent ratings of ESG performance and helps guide us moving forward for areas of improvement.

Legacy

			Mar-23	Mar-24	YoY Improvement
Gaming Innovation Group, Inc.		Overall Rating	47	51	8.51%
Category Ratings		Community	47	51	8.51%
		Employees	47	52	10.64%
		Environment	46	47	2.17%
		Governance	49	55	12.24%
Subcategory Ratings	Community	Community Dev & Philanthropy	51	56	9.80%
		Human Rights & Supply Chain	40	43	7.50%
		Product	49	53	8.16%
	Employees	Compensation & Benefits	49	55	12.24%
		Diversity & Labour Rights	47	48	2.13%
		Training, Health & Safety	46	53	15.22%
	Environment	Energy & Climate Change	56	58	3.57%
		Environment Policy & Reporting	41	41	0.00%
		Resource Management	41	42	2.44%
	Governance	Board	51	57	11.76%
		Leadership Ethics	50	56	12.00%
		Transparency & Reporting	45	54	20.00%

0 - 29 | 30-39 | 40-49 | 50-59 | 60-79 | 80-100
Low | High

ESG Sources (28)	
Act Analytics	Ideal Ratings
Brand Finance 2021-22	Ideal Ratings SFDR
Brand Finance 2022-23	Integrum ESG
CDP Scores 2022	InvestVerte
Clean 200	ISS ESG (Institutional Shareholder Services)
Corporate Climate Action Transparency Index (CATI)	MSCI ESG Controversies
Corporate Information Transparency Index (CITI)	MSCI ESG GovernanceMetrics
Corporate Register	MSCI ESG Ratings
Covalence ESG Ratings	S&P Global ESG Scores
ESG Book	S&P Global Trucost
FTSE Russell's ESG Ratings	SASB Reporter
GaiaLens	SIGWATCH
Glassdoor	Stocksnips
IAF CertSearch	Sustainalytics

Branched out with Tree-Nation planting #GiGForest
We've committed to planting 2000 trees per 12 months, we started in July 2023 and have planted 1720 trees at the time of publishing this report, offsetting 395 tCO_2. Tree-Nation is a fantastic organisation which allows us to support the communities in which we plant and to offset our emissions, it is an ESG win-win.

Commenced the ESG gap analysis type audit with RSM
In Q3 2023 we started the work behind identifying the gaps GiG have from an ESG perspective with RSM, currently assessing the Social and Governance portion, and we are soon to begin the E portion of the assessment with Bureau Veritas in H1 2024.

GiG Gives - Bridging the Gap

Community outreach
As per the 17 United Nations goals, we engage with initiatives locally with our GiGsters, supporting charities or events such as World Clean Up Day, building animal shelters, volunteering in people's homes, collecting and donating food, clothing and supplies for orphanages and women's shelters, donating our expertise for small struggling businesses or schools who need IT/tech support. These are just a few examples of work done and upcoming projects:

Donated over EUR 17,000 by selling IT equipment to our GiG Gives charity foundation, partnered charities Dar Merhba Bik foundation, AFESOL, Women's Shelter Reden. 68 items total 9 tablets, 43 laptops, 3 monitors, 7 mobile phones, 2 TVs, 2 others, 2 desktops.

World Oceans Day 2023
- 39 GiGsters used their GiG Gives paid volunteer day to take part in our land and sea cleanup, removing harmful waste from the shoreline in Malta. We had two teams of GiGsters who got to work and cleaned up Fortizza shoreline, with the fabulous support of Malta Blue Diving, and our wonderful Operations team cleaned up Selmun Beach. Our scuba divers at Fortizza managed to collect vast amounts of eroding scrap metal, leather pieces and plastic, while the land clean-up team at Fortizza and Selmun collected vast amounts of glass, plastic bottles, cigarette ends, bags, cups, and general waste from further damaging the ocean's ecosystem.

Environmental footprint:
- Recycling paper, plastic, glass, organic material, printer toner and batteries in all of our locations, including electronic waste
- Commenced quarterly recording of water and energy consumption with the view to reducing waste, including already installed LED energy saving light systems
- Merchandise and associated emissions have been reduced by and replaced with more sustainable and planet friendly initiatives including sponsored tree planting around the world
- Travel in 2023:
    - We have offset 100% of recorded Co2 travel emissions = 219,287kg CO_2 through TravelPerk's GreenPerk offsetting tool.

- We reduced travel and emissions through our continual investment and maintenance in our digital meeting facilities and communication channels:
  - Total slack messages sent Feb 23 - Feb 24: 126,410,02
  - Total Google Meets meetings July 23 - Dec 23: 21,156 equivalent to 702,632 mins
  - Total Zoom meetings 124, with 5219 participants, equivalent to 18,876 mins

Our ESG areas of focus heading into 2024

Focussing on ESG objectives under new framework for GiG Media and Platform & Sportsbook.

Since building the sustainability reporting foundations over the past two years, we are now in a place where we are coming to the end of a gap analysis and audit of our current efforts. With this comes renewed focus on ESG, a new way of reporting and presenting progress under each Environmental Social and Governance vertical and leaving the four pillars denoted in this annual report behind. This will include one overall objective per vertical, with a combination of measurable initiatives to achieve it and to measure success. The focus will be on the items below, subject to amendment upon receipt of gap analysis results:

- **Reduction of emissions and environmental impact**
  - Reduction target planning with Greenly
  - Offsetting through Tree-Nation growing GiG Media Forest and Platform & Sportsbook Forest
  - UN World Earth Day Talk hosted by CEO of Greenly and World Oceans Day Beach and water cleanups
  - Individual emissions reporting for managed serviced clients
- **Safer Gambling**
  - Leveraging our internal excellence and knowledge to educate on key SG topics and gambling harms
  - Communicating and influencing through organised talks and social media platforms
- **Supply chain ethics**
  - Surveying our suppliers to gauge their commitment to ESG, CSRD and UN 17 SDGs
- **GiG Gives Foundation**
  - Philanthropic and well-being work for our people and the communities in which we live - one charity per location
- **Our workforce**
  - Revisiting all standards and practices, how we support our people and encourage a culture of well-being, progression and togetherness.

GHG Emissions reduction planning
Working with Greenly, GiG is intensifying its efforts to reduce GHG emissions across all operations. We will be hosting a workshop in the second half of 2024 with senior stakeholders from across the GiG Platform & Sportsbook and GiG Media network to assess and set targets of where and how we can reduce our emissions in meaningful and efficient ways in the coming years. The outcome of this workshop will be a comprehensive reduction plan, complete with specific outcomes and a detailed implementation strategy to ensure effective and measurable impact.

Implement Global Sustainability Policy
In 2024, GiG took a significant step by creating its first comprehensive Sustainability Policy, applicable to the entire organisation. As the planned spin-off of our business units progresses, we will continue to refine and tailor this policy to meet the specific needs and goals of each entity. The policy will be implemented across both independent entities with colleagues signing and accepting the terms through HRIS platform HiBob.

Consolidated disclosures pursuant to Article 8 of the Taxonomy Regulation

Introduction

In order to achieve the targets established by the European Union ('EU') of reaching net zero greenhouse gas ('GHG') emissions by 2050, with an interim target of reducing GHG emissions by 55%, compared to 1990 levels, by 2030, the EU has developed a classification system, by virtue of the EU Taxonomy Regulation[1], ('the EU Taxonomy') which establishes the criteria for determining whether an economic activity qualifies as environmentally sustainable.

The EU Taxonomy establishes criteria in terms of six environmental objectives, against which entities will be able to assess whether economic activities qualify as environmentally sustainable.

In order to qualify as such, an economic activity must be assessed to substantially contribute to at least one of these environmental objectives, whilst doing no significant harm ('DNSH') to the remaining objectives. This is achieved by reference to technical screening criteria established in delegated acts to the EU Taxonomy. The economic activity is also required to meet minimum safeguards established in the EU Taxonomy.

The six environmental objectives considered by the EU Taxonomy are the following, where climate-related environmental objectives (i-ii below) are established in the Climate Delegated Act[2] ('CDA'), whilst non-climate environmental objectives (iii-vi below) are established in the Environmental Delegated Act[3] ('EDA'). This financial year is the first reporting period in which the Group is required to report in the context of the EDA, which was formally adopted in 2023.

i. Climate change mitigation ('CCM');
ii. Climate change adaptation ('CCA');
iii. Sustainable use and protection of water and marine resources ('WTR');
iv. Transition to a circular economy ('CE');
v. Pollution prevention and control ('PPC'); and
vi. Protection and restoration of biodiversity and ecosystems ('BIO').

A Delegated Act to the EU Taxonomy was issued in 2021, supplementing article 8 of the EU Taxonomy ('the Disclosures Delegated Act[4]'), which establishes the disclosure requirements of entities within the scope of the EU Taxonomy.

This currently comprises entities subject to an obligation to publish non-financial information pursuant to the Non-Financial Reporting Directive[5], ('NFRD'), emanating from article 19a or 29a of the Accounting Directive[6].

The Disclosures Delegated Act was further updated in 2023 by the Complementary Climate Delegated Act to include certain energy activities relating to fossil gas and nuclear energy.

[1] EU Regulation 2020/852

[2] Commission Delegated Regulation 2021/2139

[3] Commission Delegated Regulation 2023/2486

[4] Commission Delegated Regulation 2021/2178

[5] EU Directive 2014/95/EU. *NFRD entities are public interest entities exceeding an average of 500 employees during the reporting period. The introduction of EU Directive 2022/2464/EU (the Corporate Sustainability Reporting Directive, 'CSRD', which will replace the NFRD) will significantly extend the scope of EU Taxonomy reporting.*

[6] EU Directive 2013/34/EU

In the following section, the Group, as a non-financial parent undertaking, presents the share of its turnover, capital expenditure (CapEx) and operating expenditure (OpEx) for the reporting period ended 31 December 2023, which are associated with the following, in accordance with the Disclosures Delegated Act.

- Taxonomy-eligible and Taxonomy-aligned economic activities in respect of climate-related environmental objectives; and
- Taxonomy-eligible economic activities in respect of non-climate environmental objectives.

This does not include subsidiary level Taxonomy KPIs in the contextual information, which are only required where the parent undertaking identifies significant differences between the risks or impacts of the Group and those of the subsidiaries, in line with FAQ 12 in the Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (second Commission Notice)[7]. The Group is currently still in the process of identifying such risks and impacts as part of its preparation for CSRD reporting.

The Group does not identify any significant differences between the risks or impacts of the Group and those of its subsidiaries. In addition, none of the Group's subsidiaries are currently obliged to publish non-financial information pursuant to the NFRD. Neither do they avail of the subsidiary exemption emanating from paragraph (9) of Article 19a, or paragraph (8) of Article 29a, of the Accounting Directive, respectively.

Our Activities

1 Overview

Proportion of taxonomy-eligible and taxonomy-aligned economic activities in total turnover, CapEx and OpEx:

	Total (€000)	**Proportion of taxonomy-eligible (non-aligned) economic activities**	**Proportion of taxonomy-aligned economic activities**	**Proportion of taxonomy non-eligible economic activities**
FY 2023:				
Turnover	140,980	0%	0%	100%
CapEx	103,841	0.5%	0%	99.5%
OpEx	125	100%	0%	0%
FY 2022:				
Turnover	105,215	0%	0%	100%
CapEx	107,478	0.4%	0%	99.6%
OpEx	32	100%	0%	0%

[7] C/2023/305

1.1 Definitions

'Taxonomy-eligible economic activity' means an economic activity that is described in the delegated acts supplementing the Taxonomy Regulation (that is, either the Climate Delegated Act or the Environmental Delegated Act), irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated acts.

The Climate Delegated Act is structured such that Annex I contains a list of activities and the respective technical screening criteria in relation to the Climate Change Mitigation objective, whereas Annex II relates to the Climate Change Adaptation objective, with potentially different activities being considered in the different annexes. The Environmental Delegated Act similarly comprises respective lists of activities and technical screening criteria in relation to the non-climate environmental objectives therein.

A 'Taxonomy-aligned economic activity' refers to a taxonomy-eligible activity which complies with the technical screening criteria as defined in the Climate Delegated Act or Environmental Delegated Act and is carried out in compliance with minimum safeguards regarding human and consumer rights, anti-corruption and bribery, taxation, and fair competition. To meet the technical screening criteria, an economic activity must contribute substantially to one or more environmental objectives while 'doing no significant harm' to any of the remaining environmental objectives therein.

A 'Taxonomy-non-eligible economic activity' refers to any economic activity that is not described in the delegated acts supplementing the EU Taxonomy.

2 Taxonomy-eligible and Taxonomy-aligned economic activities

2.1 Taxonomy eligibility of turnover-generating activities

The Group has examined all economic activities carried out to see which of these are taxonomy-eligible and also taxonomy-aligned in accordance with Annexes I and II to the Climate Delegated Act and Annexes I to IV to the Environmental Delegated Act. Information on the extent to which the economic activities are also Taxonomy-aligned is provided in the KPI templates further below.

Taxonomy-eligible activities were identified by extracting the total turnover, CapEx and OpEx required to be captured in the denominators of the respective KPIs and assessing the NACE code of the activities to which the amounts relate. The Group then assessed which of the identified NACE codes relate to activities included within the annexes to the Climate Delegated Act and Environmental Delegated Act. For the identified eligible activities, the Group then began the process to begin assessing them against the technical screening criteria. However, this process is still currently ongoing, with no activities presently being classified as taxonomy-aligned.

Turnover-generating activities performed by the Group

The Group operates two segments:
- Platform offering front-end services ('Platform'); and
- Affiliate marketing ('Media').

Such activities are not captured as part of the Climate Delegated Act or Environmental Delegated Act and therefore the Group's turnover-generating activities are fully classified as taxonomy non-eligible.

As a result, CapEx or OpEx associated with turnover-generating activities is also considered to be taxonomy non-eligible.

2.2 Taxonomy eligibility of investment activities not directly related to turnover-generating activities

Further to the activities from which the Group generates turnover, and generally incurs both CapEx and OpEx, the Group also engages in investment activities not directly related to its turnover-generating activities. Such investment activities which are taxonomy-eligible have been highlighted below.

Economic activity	Description of the taxonomy-eligible purchased output or individual measure	CapEx (%)*	OpEx (%)*	Environmental objective(s)	NACE Code
7.7 Acquisition and ownership of buildings	The acquisition of lease-hold property to be utilised internally by the Group	3.5	100	CCM, CCA	L68

*% of the total CapEx and OpEx included in the denominator of the respective KPI

Taxonomy alignment

Determining whether an activity meets the requirements to be classified as taxonomy-aligned requires considerable detailed information about the activity in order to properly assess it against the established technical screening criteria.

The Group is currently still in the process of gathering the necessary information in order to conclude that activities may be considered as taxonomy-aligned and verifying its accuracy. As a result of the ongoing process, the Group has not been able to substantiate the alignment of any of its activities in the current year.

Therefore, as a result of no activities being considered as taxonomy-aligned in the current year, disclosure requirements surrounding the assessment of taxonomy-alignment in accordance with section 1.2.2.1 of the Disclosures Delegated Act are not deemed to be applicable to the Group.

Our KPIs and accounting policies

The key performance indicators ('KPIs') comprise the turnover KPI, the CapEx KPI and the OpEx KPI. In presenting the Taxonomy KPIs, the Group uses the templates provided in Annex II to the Disclosures Delegated Act. The Group also presents comparative figures on Taxonomy-alignment.

Moreover, since the Group does not carry out any of the activities related to fossil gas and nuclear energy (activities 4.26-4.31), the Group only publishes Template 1 of Annex XII of the Disclosures Delegated Act as regards activities in certain energy sectors.

In section A.1 'Environmentally sustainable activities (Taxonomy-aligned)' of respective Turnover, CapEx, and OpEx templates, columns 5 and 6 are marked as 'N' given that the Group does not have any Taxonomy-aligned balances, whilst remaining columns 7-17 are marked as '-' since, under Substantial Contribution criteria, Taxonomy-alignment reporting is not required for non-climate environmental objectives and under DNSH criteria and Minimum Safeguards, there is no current Taxonomy-alignment assessment to be reported.

Turnover KPI template for financial year 2023

Proportion of Turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering 2023

Financial year 2023	2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Turnover 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		€000	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0 %	N	N	-	-	-	-	-	-	-	-	-	-	-	0 %		
Turnover of environmentally sustainable activities		0	0 %	N	N	-	-	-	-	-	-	-	-	-	-	-	0 %		
Of which Enabling		0	0 %	N	N	-	-	-	-	-	-	-	-	-	-	-	0 %	E	
Of which Transitional		0	0 %	N						-	-	-	-	-	-	-	0 %		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
			0 %	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0 %		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0 %	0 %	0 %	0 %	0 %	0 %	0 %								0 %		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		0	0 %	0 %	0 %	0 %	0 %	0 %	0 %								0 %		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		140 980	100 %																
TOTAL		**140 980**	**100 %**																

	Proportion of turnover/Total	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0,0%	0,0%
CCA	0,0%	0,0%
WTR	-	0,0%
CE	-	0,0%
PPC	-	0,0%
BIO	-	0,0%

CapEx KPI template for financial year 2023

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering 2023

Financial year 2023	2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		€000	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0 %	N	N	-	-	-	-	-	-	-	-	-	-	-	0 %		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0 %	N	N	-	-	-	-	-	-	-	-	-	-	-	0 %		
Of which Enabling		0	0 %	N	N	-	-	-	-	-	-	-	-	-	-	-	0 %	E	
Of which Transitional		0	0 %	N						-	-	-	-	-	-	-	0 %		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	527	0,5%	EL	EL	N/EL	N/EL	N/EL	N/EL								0,4%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		527	0,5%	0,5%	0 %	0 %	0 %	0 %	0 %								0,4%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		527	0,5%	0,5%	0 %	0 %	0 %	0 %	0 %								0,4%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		103 314	99,5%																
TOTAL		**103 841**	**100 %**																

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0,0%	0,5%
CCA	0,0%	0,5%
WTR	-	0,0%
CE	-	0,0%
PPC	-	0,0%
BIO	-	0,0%

OpEx KPI template for financial year 2023

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering 2023

Financial year 2023		2023		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	OpEx (3)	Proportion of OpEx 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		€000	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0 %	N	N	-	-	-	-	-	-	-	-	-	-	-	0 %		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0 %	N	N	-	-	-	-	-	-	-	-	-	-	-	0 %		
Of which Enabling		0	0 %	N	N	-	-	-	-	-	-	-	-	-	-	-	0 %	E	
Of which Transitional		0	0 %	N						-	-	-	-	-	-	-	0 %		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	0	0 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0 %		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0 %	0 %	0 %	0 %	0 %	0 %	0 %								0 %		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		0	0 %	0 %	0 %	0 %	0 %	0 %	0 %								0 %		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		125 000	100 %																
TOTAL		**125 000**	**100 %**																

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0,0%	0,0%
CCA	0,0%	0,0%
WTR	-	0,0%
CE	-	0,0%
PPC	-	0,0%
BIO	-	0,0%

The specification of the KPIs is determined in accordance with Annex I to the Disclosures Delegated Act. The Group adopts the methodology to determine taxonomy-alignment in accordance with the legal requirements and describes its policies in this regard as follows:

3 Turnover KPI

o

3.1 Definition

The proportion of taxonomy-aligned economic activities of the total turnover has been calculated as the part of net turnover derived from products and services associated with taxonomy-aligned economic activities (numerator) divided by the net turnover (denominator), in each case for the financial year from 1 January 2023 to 31 December 2023. Given that the Group has not identified any taxonomy-eligible economic activities, taxonomy-alignment is not possible to be assessed.

The denominator of the turnover KPI is based on the consolidated net turnover in accordance with paragraph 82(a) of IAS 1. For further details on our accounting policies regarding the Group's consolidated net turnover, refer to disclosure note 1.23 'Revenue recognition' in the Group's consolidated financial statements included in this Annual Report.

3.2 Reconciliation

The Group's consolidated net turnover captured in the denominator of the KPI of EUR 238,207,000 reconciles with the amount disclosed in the 'Net revenue' financial statement line item included in the 'Income Statements' in the consolidated financial statements included in this annual report. Additionally, the amount also reconciles to Note 3 'Segment information' summarised below.

Revenue reconciliation	***2023 (€000)***	***2022 (€000)***
Turnover as per KPI denominator	**140,624**	**105,215**
Turnover as per the consolidated financial statements relating to:	**140,624**	**105,215**
Media	88,617	60,052
Platform	52,007	45,163
Difference	-	-

From the amounts disclosed above, the full amount of €140,624,000 (2022: 105,215,000) is disclosed as 'Turnover of Taxonomy non-eligible activities' in the Turnover KPI.

4 CapEx KPI

o

4.1 Definition

The CapEx KPI is defined as taxonomy-aligned CapEx (numerator) divided by the Group's total CapEx (denominator).

Total CapEx consists of additions to tangible and intangible fixed assets during the financial year, before depreciation, amortisation, and any remeasurements, including those resulting from revaluations and impairments, as well as excluding changes in fair value. It includes acquisitions of tangible fixed assets (IAS 16), intangible fixed assets (IAS 38) and right-of-use assets (IFRS 16) and additions as a result of business combinations. Acquisitions of investment properties (IAS 40) would also be captured; however, the Group had no such additions in the current year. For further details on our accounting policies regarding the Group's CapEx, refer to disclosure notes 1.7 'Property plant and equipment', 1.6 'Intangible assets', 1.8 'Leases' and 1.2 'Consolidations' in the Group's consolidated financial statements included within this annual report.

The Disclosures Delegated Act established three categories under which to classify CapEx:

a) CapEx related to assets or processes that are associated with Taxonomy-aligned economic activities ("category a"). In this case, the Group considers that assets and processes are associated with Taxonomy-aligned economic activities where they are essential components necessary to execute an economic activity.

b) The Group follows the generation of external revenues as a guiding principle to identify economic activities that are associated with CapEx under this category (a).

c) Given that none of the Group's turnover-generating activities are classified as taxonomy-eligible, no CapEx has been identified under this category.

d) CapEx that is part of a plan to upgrade a Taxonomy-eligible economic activity to become Taxonomy-aligned or to expand a Taxonomy-aligned economic activity ("category b").

e) Given that none of the Group's turnover-generating activities are classified as taxonomy-eligible, no such plan may be developed by the Group, and therefore, no CapEx is considered to be eligible under this category.

f) CapEx related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling certain target activities to become low-carbon or to lead to GHG reductions ("category c").

The Group distinguishes between the purchase of output and individual measures as follows:

- 'Purchase of output' relates to when the Group just acquires the product or service that is mentioned in the activity description.
- 'Individual measure' refers to when the Group acquires a product through an activity that is regularly performed by the supplier, but where the Group controls the content and design of the product in detail.

Eligible CapEx under this category has been disclosed in the table named 'Individually taxonomy-eligible CapEx/OpEx and the corresponding economic activities' in the 'Taxonomy eligibility of investment activities not directly related to turnover-generating activities' section above. The full amount of CapEx considered under this category relates purely to 'purchase of output'.

Purchases of output qualify as taxonomy-aligned CapEx in cases where it can be verified that the respective supplier performed a taxonomy-aligned activity to produce the output that the Group acquired. Since taxonomy-alignment also includes DNSH criteria and minimum safeguards, the Group is not able to assess the Taxonomy-alignment on its own. For the purchased output in 2023, we were not able to obtain any conclusive confirmation of taxonomy-alignment.

4.2 Reconciliation

The Group's total CapEx captured in the denominator of the KPI can be reconciled to the consolidated financial statements of the Group included in this annual report, by reference to the respective disclosures capturing the additions for property, plant and equipment, intangible assets, and right-of-use assets.

CapEx Reconciliation		***2023 (€000)***	***2022 (€000)***	
CapEx as per KPI denominator		**103,841**	**107,478**	
Additions as per the consolidated financial statements relating to:		**103,841**	**107,478**	
Property, plant and equipment		3,625	1,050	*Disclosure note 9*
Intangible assets		99,689	106,004	*Disclosure note 8*
Right-of-use assets		527	424	*Disclosure note 5*
Difference		-		

From the amounts disclosed above, the full amount of EUR 3,625,000 (2022: EUR 1,050,000) allocated to 'Property, plant and equipment' and EUR 99,689,000 (2022: EUR 106,004,000) allocated to 'Intangible assets' are disclosed as 'CapEx of Taxonomy non-eligible activities' in the CapEx KPI.

The full amount of EUR 527,000 (2022: EUR 424,000) allocated to 'Right-of-use assets' is disclosed as taxonomy-eligible under activity 7.7 'Acquisition and ownership of buildings' in the CapEx KPI.

5 Opex KPI

5.1 Definition

The OpEx KPI is defined as taxonomy-aligned OpEx (numerator) divided by the Group's total OpEx (denominator).

Total OpEx consists of direct non-capitalised costs that relate to all forms of maintenance and repair. This includes staff costs, costs for services and material costs for daily servicing as well as for regular and unplanned maintenance and repair measures. Direct non-capitalised costs in relation to research and development, building renovation measures and short-term leases would also be captured, however, no such costs were incurred in the current year. It does not include expenses relating to the day-to-day operation of PPE, such as raw materials, cost of employees operating any equipment and electricity or fluids that are necessary to operate the PPE. Amortisation and depreciation are also not included in the OpEx KPI.

The Group also excludes direct costs for training and other human resources adaptation needs from the denominator and the numerator. This is because Annex I to the Disclosures Delegated Act lists these costs only for the numerator, which does not allow a mathematically meaningful calculation of the OpEx KPI.

The OpEx of the Group recognised during the financial year ended December 2023 is disclosed further in the Group's consolidated financial statements included within this annual report in disclosure note 23 'Revenue and other operating expenses'. The full amount included in the denominator of the KPI of EUR 125,000 (2022: EUR 32,000) is captured in the 'other operating expenses' segment of part b 'Other operating expenses' of disclosure note 21.

Given that the Group has not identified any CapEx as being taxonomy-aligned, naturally, no OpEx is able to be considered as taxonomy-aligned.

Appendix 1 Nuclear and fossil gas related activities for financial year 2023

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels	NO

Statements of financial position

	Notes	Group 2023 €	Group 2022 €	Company 2023 €	Company 2022 €
		As at 31 December			
ASSETS					
Non-current assets					
Intangible assets	8	**93,017,113**	125,894,967	**-**	-
Property, plant and equipment	9	**953,206**	1,421,020	**-**	-
Right-of-use assets	5	**2,166,494**	7,563,493	**-**	-
Investments in subsidiaries	10	**-**	-	**135,392,664**	121,733,376
Deferred income tax assets	20	**5,987**	119,648	**-**	-
Trade and other receivables	11	**890,835**	779,854	**-**	-
Total non-current assets		**97,033,635**	135,778,982	**135,392,664**	121,733,376
Current assets					
Trade and other receivables	11	**18,528,395**	23,497,428	**1,147,009**	1,769,999
Cash at bank and other intermediaries	12	**15,326,692**	15,116,837	**9,517,738**	497,784
		33,855,087	38,614,265	**10,664,747**	2,267,783
Assets classified as held for distribution to owners	7	**130,900,010**	-	**-**	-
Total current assets		**164,755,097**	38,614,265	**10,664,747**	2,267,783
Total assets		**261,788,732**	174,393,247	**146,057,411**	124,001,159

Statements of financial position - continued

	Notes	Group 2023 €	Group 2022 €	Company 2023 €	Company 2022 €
EQUITY AND LIABILITIES					
Equity					
Share capital	13	**50,000**	50,000	**50,000**	50,000
Share premium	13	**2,304,345**	2,304,345	**2,304,345**	2,304,345
Capital reserves	15	**151,701,967**	145,902,888	**129,571,597**	125,323,957
Merger reserve	16	**3,533,484**	3,533,484	**5,886,789**	5,886,789
Other reserves	17	**(14,181,562)**	(14,006,520)	**-**	-
Retained earnings		**(73,484,977)**	(87,436,642)	**(142,664,072)**	(87,267,856)
		69,923,256	50,347,555	**(4,851,341)**	46,297,235
Non-controlling interests		**315,278**	239,985	**-**	-
Total equity		**70,238,533**	50,587,540	**(4,851,341)**	46,297,235
Liabilities					
Non-current liabilities					
Borrowings	19	**74,551,082**	60,877,736	**74,551,082**	48,190,977
Deferred income tax liabilities	20	**3,990,421**	2,343,419	**-**	-
Lease liabilities	5	**3,405,673**	6,767,026	**-**	-
Trade and other payables	18	**30,194,220**	11,771,227	**-**	9,590,623
Total non-current liabilities		**112,141,396**	81,759,408	**74,551,082**	57,781,600
Current liabilities					
Trade and other payables	18	**29,261,134**	30,632,058	**61,566,085**	15,633,645
Current income tax liabilities		**4,324,430**	767,575	**40,010**	40,010
Borrowings	19	**3,164,698**	7,483,258	**14,751,575**	4,248,669
Lease liabilities	5	**1,701,310**	3,163,408	**-**	-
		38,451,572	42,046,299	**76,357,670**	19,922,324
Liabilities directly associated with assets classified as held for distribution to owners	7	**40,957,231**	-	**-**	-
Total current liabilities		**79,408,803**	42,046,299	**76,357,670**	19,922,324
Total liabilities		**191,550,199**	123,805,707	**150,908,752**	77,703,924
Total equity and liabilities		**261,788,732**	174,393,247	**146,057,411**	124,001,159

The notes on pages 53 to 112 are an integral part of these consolidated financial statements.

The consolidated financial statements on pages 41 to 112 were authorised for issue by the Board on 1 May 2024 and were signed on its behalf by:

Richard Carter Director	Justin Psalia Director

Income statements

	Notes	Group 2023 €	Group 2022 €	Company 2023 €	Company 2022 €
		Year ended 31 December			
Net revenue	21(a)	**88,616,883**	61,820,837	**-**	-
Operating expenses					
Personnel expenses	22	**(10,176,446)**	(7,222,515)	**-**	-
Depreciation and amortisation	5, 8, 9	**(12,487,809)**	(8,026,124)	**-**	-
Impairment losses	10	**-**	-	**(55,614,924)**	-
Marketing, including commission	21(c)	**(26,777,432)**	(18,144,804)	**-**	-
Other operating (expenses)/income	21(b)	**(9,725,658)**	(6,694,886)	**10,397,671**	(63,139)
Total operating expenses		**(59,167,345)**	(40,088,329)	**(45,217,253)**	(63,139)
Other income/(expense)	23	**718,117**	451,756	**(898,382)**	978,390
Operating profit/(loss) pre transaction costs		**30,167,655**	22,184,264	**(46,115,635)**	915,251
Transaction costs	21(d)	**(2,007,435)**	(364,425)	**(1,690,743)**	-
Operating profit/(loss)		**28,160,220**	21,819,839	**(47,806,378)**	915,251
Finance income	24	**-**	2,034,411	**-**	3,842,927
Finance costs	25	**(9,470,908)**	(3,549,002)	**(7,611,025)**	(5,311,319)
Profit/(loss) before tax		**18,689,312**	20,305,248	**(55,417,403)**	(553,141)
Tax (expense)/credit	26	**(3,245,902)**	(773,914)	**21,187**	-
Profit/(loss) for the year from continuing operations		**15,443,410**	19,531,334	**(55,396,216)**	(553,141)
Loss from discontinued operations to be distributed to owners	7	**(680,437)**	(12,587,919)	**-**	-
Loss from discontinued operations	7	**(736,017)**	(2,609,299)	**-**	-
Profit/(loss) for the year		**14,026,956**	4,334,116	**(55,396,216)**	(553,141)
Profit for the year is attributable to:					
Owners of the company		**13,951,663**	4,117,179		
Non-controlling interests		**75,293**	216,937		
		14,026,956	4,334,116		

The accompanying notes on pages 53 to 112 are an integral part of these consolidated financial statements.

Statements of comprehensive income

	Group		Company	
	Year ended 31 December			
	2023	2022	**2023**	2022
	€	€	**€**	€
Profit/(loss) for the year	**14,026,956**	4,334,116	**(55,396,216)**	(553,141)
Other comprehensive income				
Items that may subsequently be reclassified to profit or loss				
Exchange differences on translation of foreign operations	**(258,396)**	(20,700)	**-**	-
Total other comprehensive income for the year, net of deferred tax	**(258,396)**	(20,700)	**-**	-
Total comprehensive income for the year	**13,768,562**	4,313,416	**(55,396,216)**	(553,141)

Total comprehensive income for the year is attributable to:		
Owners of the company	**13,693,269**	4,096,479
Non-controlling interests	**75,293**	216,937
	13,768,562	4,313,416

Total comprehensive income attributable to the Owners of the company relates to:		
Total comprehensive income from continuing operations	**15,109,722**	19,293,697
Total comprehensive income from discontinued operations	**(1,416,453)**	(15,197,218)
	13,693,269	4,096,479

The accompanying notes on pages 53 to 112 are an integral part of these consolidated financial statements.

Statements of changes in equity

Group

		Attributable to owners of the company								
	Note	**Share capital €**	**Share premium €**	**Capital reserves €**	**Merger reserve €**	**Other reserves €**	**Retained earnings €**	**Total €**	**Non-controlling interest €**	**Total equity €**
Balance at 1 January 2022		50,000	2,304,345	95,698,929	3,533,484	(13,985,820)	(91,553,821)	(3,952,883)	23,048	(3,929,835)
Comprehensive income										
Profit for the year		-	-	-	-	-	4,117,179	4,117,179	216,937	4,334,116
Other comprehensive income:										
Currency translation differences	17	-	-	-	-	(20,700)	-	(20,700)	-	(20,700)
Total other comprehensive income for the year, net of tax		-	-	-	-	(20,700)	-	(20,700)	-	(20,700)
Total comprehensive income for the year		-	-	-	-	(20,700)	4,117,179	4,096,479	216,937	4,313,416

Statements of changes in equity - continued

Group

		Attributable to owners of the company								
	Note	**Share capital €**	**Share premium €**	**Capital reserves €**	**Merger reserve €**	**Other reserves €**	**Retained earnings €**	**Total €**	**Non-controlling interest €**	**Total equity €**
Transactions with owners										
Fair value of employee services	15	-	-	1,703,959	-	-	-	1,703,959	-	1,703,959
Capital contribution arising on acquisition of subsidiary	15	-	-	48,500,000	-	-	-	48,500,000	-	48,500,000
Total transactions with owners, recognised directly in equity		-	-	50,203,959	-	-	-	50,203,959	-	50,203,959
Balance at 31 December 2022		50,000	2,304,345	145,902,888	3,533,484	(14,006,520)	(87,436,642)	50,347,555	239,985	50,587,540

Statements of changes in equity - continued

Group

		Attributable to owners of the company								
	Note	**Share capital €**	**Share premium €**	**Capital reserves €**	**Merger reserve €**	**Other reserves €**	**Retained earnings €**	**Total €**	**Non-controlling interest €**	**Total equity €**
Balance at 1 January 2023		50,000	2,304,345	145,902,888	3,533,484	(14,006,520)	(87,436,642)	50,347,555	239,985	50,587,540
Comprehensive income										
Profit for the year		-	-	-	-	-	13,951,663	13,951,663	75,293	14,026,956
Other comprehensive income:										
Currency translation differences	17	-	-	-	-	(175,042)	-	(175,042)	-	(175,042)
Total other comprehensive income for the year, net of tax		-	-	-	-	(175,042)	-	(175,042)	-	(175,042)
Total comprehensive income for the year		-	-	-	-	(175,042)	13,951,663	13,776,621	75,293	13,851,914

Statements of changes in equity - continued

Group

	Note	Attributable to owners of the company								
		Share capital €	**Share premium €**	**Capital reserves €**	**Merger reserve €**	**Other reserves €**	**Retained earnings €**	**Total €**	**Non-controlling interest €**	**Total equity €**
Transactions with owners										
Fair value of employee services	15	-	-	1,534,286	-	-	-	1,534,286	-	1,534,286
Capital contribution arising on acquisition of subsidiary	15	-	-	4,264,793	-	-	-	4,264,793	-	4,264,793
Total transactions with owners, recognised directly in equity		-	-	5,799,079	-	-	-	5,799,079	-	5,799,079
Balance at 31 December 2023		**50,000**	**2,304,345**	**151,701,967**	**3,533,484**	**(14,181,562)**	**(73,484,973)**	**69,923,255**	**315,278**	**70,238,533**

Statements of changes in equity - continued

Company	Note	Share capital €	Share premium €	Capital reserves €	Merger reserve €	Other reserves €	Retained earnings €	Total €
Balance at 1 January 2022		50,000	2,304,345	76,823,957	5,886,789	-	(86,714,715)	(1,649,624)
Comprehensive income								
Loss for the year		-	-	-	-	-	(553,141)	(553,141)
Total comprehensive income for the year		-	-	-	-	-	(553,141)	(553,141)
Transactions with owners								
Capital contribution arising on acquisition of subsidiary	15	-	-	48,500,000	-	-	-	48,500,000
Total transactions with owners, recognised directly in equity		-	-	48,500,000	-	-	-	48,500,000
Balance at 31 December 2022		50,000	2,304,345	125,323,957	5,886,789	-	(87,267,856)	46,297,235

Statements of changes in equity - continued

Company	Note	**Share capital €**	**Share premium €**	**Capital reserves €**	**Merger reserve €**	**Other reserves €**	**Retained earnings €**	**Total €**
Balance at 1 January 2023		50,000	2,304,345	125,323,957	5,886,789	-	(87,267,856)	46,297,235
Comprehensive income								
Loss for the year		-	-	-	-	-	(55,396,216)	(55,396,216)
Total comprehensive income for the year		-	-	-	-	-	(55,396,216)	(55,396,216)
Transactions with owners								
Capital contribution arising on acquisition of subsidiary	15	-	-	4,247,640	-	-	-	4,247,640
Total transactions with owners, recognised directly in equity		-	-	4,247,640	-	-	-	4,247,640
Balance at 31 December 2023		**50,000**	**2,304,345**	**129,571,597**	**5,886,789**	**-**	**(142,664,072)**	**(4,851,341)**

The accompanying notes on pages 53 to 112 are an integral part of these financial statements.

Statements of cash flows

	Notes	Group 2023 €	Group 2022 €	Company 2023 €	Company 2022 €
		Year ended 31 December			
Cash flows from operating activities					
Cash generated from/(used in) operations	27	**46,005,462**	31,573,467	**(15,230,833)**	1,207,055
Interest received		**196,974**	-	**-**	-
Interest paid		**(1,559,460)**	(225,361)	**(108,157)**	-
Tax paid/(received)		**(99,087)**	(992,049)	**21,187**	-
Net cash generated from/(used in) operating activities		**44,543,889**	30,356,057	**(15,317,803)**	1,207,055
Cash flows from investing activities					
Payments for intangible assets	8	**(20,762,876)**	(16,703,357)	**-**	-
Purchases of property, plant and equipment	9	**(1,454,021)**	(850,556)	**-**	-
Acquisition of subsidiaries, net of cash acquired	6	**(36,202,608)**	(27,772,688)	**(4,247,640)**	(31,915,738)
Net cash used in investing activities		**(58,419,505)**	(45,326,601)	**(4,247,640)**	(31,915,738)
Cash flows from financing activities					
Net receipts/repayment of loan from ultimate parent	19	**7,775,390**	(1,411,728)	**8,532,472**	2,131,440
Net proceeds from issuance of bond	19	**55,152,977**	8,820,868	**55,152,977**	8,820,868
Redemption of bond	19	**(28,839,696)**	-	**(28,839,696)**	-
Loan repayment (inclusive of accrued interest)	19	**(3,828,806)**	(2,589,945)	**-**	-
Interest paid on bond		**(6,260,356)**	(4,776,236)	**(6,260,356)**	(4,776,236)
Capital contribution received from Group's Parent	15	**-**	25,000,000	**-**	25,000,000
Lease liability principal payments	5	**(2,569,820)**	(3,195,753)	**-**	-
Net cash generated from financing activities		**21,429,689**	21,847,206	**28,585,397**	31,176,072
Net movement in cash and cash equivalents		**7,554,073**	6,876,662	**9,019,954**	467,389
Cash and cash equivalents at beginning of year		**13,729,989**	6,853,327	**497,784**	30,395
Cash and cash equivalents classified as held for distribution to owners		**(5,957,370)**	-	**-**	-
Cash and cash equivalents at end of year	12	**15,326,692**	13,729,989	**9,517,738**	497,784

The accompanying notes on pages 53 to 112 are an integral part of these consolidated financial statements.

Notes to the financial statements

1 Summary of material accounting policies

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

1.1 Basis of preparation

The consolidated financial statements include the financial statements of Gaming Innovation Group p.l.c. ("GiG p.l.c." or "the Company") and its subsidiaries. These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and the requirements of the Maltese Companies Act (Cap. 386). They have been prepared under the historical cost convention, with the exception of contingent consideration which is measured at fair value.

The preparation of the consolidated financial statements in conformity with IFRSs as adopted by the EU requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Group's accounting policies (see Note 4 – Critical accounting estimates and judgements.

Going concern

In December 2023, the Company successfully completed the issuance of new 3-year EUR 75 million equivalent senior secured bonds, split into two tranches of EUR 45 million and SEK 350 million, respectively, and with a combined borrowing limit of EUR 100 million equivalent. During 2022, the Company also achieved material revenue growth, both organically and due to the acquisition of AskGamblers in January 2023. Further, the acquisition of KaFe Rocks in December 2023 will further enhance the revenue growth potential of the Group.

As at 31 December 2023, the Group, including discontinued operations, reported net current assets of EUR 3.5 million (2022: net current liabilities of EUR 3.4 million).

As at 31 December 2023, the Group, excluding discontinued operations, reported net current liabilities of EUR 4.5 million (2022: net current liabilities of EUR 3.4 million). Liabilities are inclusive of the deferred consideration for the acquisition of KaFe Rocks (see Note 6); of these amounts, consideration with a nominal value of EUR 2.5 million will be paid in shares, while at the Group's sole option, an additional nominal amount of EUR 5.0 million due in 2024 can also be paid in shares; their combined carrying amount is EUR 6.6 million at 31 December 2023. After adjusting for non-cash liabilities, primarily representing the non-cash item relating to the additional payments related to the KaFe Rocks acquisition, the net position of the Group, excluding discontinued operations, is also of net current assets, amounting to approximately EUR 2.1 million as at 31 December 2023.

The Group's net cash generated from operating activities, excluding discontinued operations, materially improved to EUR 46.5 million in 2023 (2022: EUR 30.4 million), an increase of 53%. The strong cash generation is expected to continue going forward, in line with the Group's business plans and track record over the last years.

As at 31 December 2023, the Company's current liabilities exceeded current assets by €65,692,923 (2022: €17,654,541). In determining the ability of the Company to continue to operate as a going concern, the directors consider the support obtained from Innovation Labs Limited, a subsidiary operating in the Media segment, allowing the Company to meet its obligations as and when they fall due. This support is valid for a minimum period of twelve months from when these financial statements were available for issuance.

As a result of the above, the Directors consider the going concern assumption in the preparation of the Group's and Company's financial statements to be appropriate as at the date of authorisation of issuance of the 2023 Annual Report and Consolidated Financial Statements.

1 Summary of material accounting policies - continued

1.1 Basis of preparation - continued

Standards, interpretations and amendments to published standards effective in 2023

In 2023, the Group and Company adopted new standards, amendments and interpretations to existing standards that are mandatory for the Group's and company's accounting period beginning on 1 January 2023. The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in substantial changes to the Group's and Company's recognition, measurement and presentation of items in these financial statements.

The IASB amended IAS 1 Presentation of Financial Statements to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' (being information that, when considered together with other information included in an entity's financial statements, can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements) and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures. Consequently, with effect from these financial statements, the Group and Company is disclosing its material accounting policy information.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the Group and Company. These standards are not expected to have a material impact on the Group's and Company's recognition and measurement of items within these financial statements in the current or future reporting periods and on foreseeable future transactions. The Group and Company are assessing the potential impact that amendments to IAS 1 in relation to (a) the classification of liabilities as current or non-current, and (b) non-current liabilities with covenants may have on the presentation and disclosures relating to liabilities. These amendments, which are mandatory for financial reporting periods commencing on or after 1 January 2024, require additional disclosure to be made where the Group's and Company's right to defer settlement of a liability for at least twelve months is subject to compliance with covenants.

1.2 Business combinations and consolidation

(a) Business combinations

The Group applies the acquisition method of accounting to account for business combinations other than those between entities under common control. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed (identifiable net assets) in a business combination are measured initially at their fair values at the acquisition date.

1 Summary of material accounting policies - continued

1.2 Business combinations and consolidation - continued

(a) Business combinations - continued

Goodwill is initially measured as the excess of the consideration transferred (together with, if applicable, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree) over the fair value of the identifiable net assets acquired.

(b) Business combinations between entities under common control

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

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

(c) Subsidiaries

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

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

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

1.3 Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are accounted for by the cost method of accounting, i.e. at cost less impairment. Cost includes directly attributable costs of the investment.

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

1 Summary of material accounting policies - continued

1.4 Segment information

The Group determines and presents operating segments based on the information that internally is provided to the Group's management team, which is the Group's chief operating decision-maker in accordance with the requirements of IFRS 8 'Operating segments'.

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

1.5 Foreign currency translation

(a) *Functional and presentation currency*

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

(b) *Transactions and balances*

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

(c) *Group companies*

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

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

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

1 Summary of material accounting policies - continued

1.6 Intangible assets

(a) *Goodwill*

Goodwill arises on the acquisition of subsidiaries as set out in note 6.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or Groups of CGUs, which are expected to benefit from the synergies of the combination. Each unit or Group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

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

(b) *Domains*

Domains comprise the value of domain names acquired by the Group as well as the value derived from the search engine optimisation activity embedded in the acquired portfolios. Separately acquired domains are shown at historical cost, which represent their acquisition price and certain domains are expected to have a useful life of 8 years. Amortisation is calculated using the straight-line method to allocate the cost of domains over their estimated useful lives.

(c) *Affiliate and customer contracts*

Acquired affiliate contracts are shown at historical cost and are deemed to have a useful life of 3 years, determined by reference to the expected user churn rate. Where such assets are acquired in a business combination, historical cost represents their acquisition-date fair value.

Acquired customer contracts for SportNCo are deemed to have a useful life of 7 years, determined by reference to the expected user churn rate. Amortisation is calculated using the straight-line method to allocate the cost of affiliate or customer contracts over their estimated useful lives.

(d) *Trademarks*

Separately acquired trademarks and licences are shown at historical cost. Trademarks acquired in a business combination are recognised at fair value at the acquisition date. Trademarks have indefinite useful lives and are subsequently carried at cost less impairment losses. The trademarks are not amortised and are held indefinitely because trends show that they will generate net cash inflows for the Group for an indefinite period. The assessment of indefinite useful life of trademarks is based on the Group's track record of stability in market share and cash flows. Furthermore, the commitment of management to continue to invest for the long term to extend the period over which the trademarks are expected to continue to provide economic benefits.

(e) *Computer software and technology platforms*

Acquired computer software and technology platforms are capitalised on the basis of the costs incurred to acquire and bring to use these assets. Where such assets are acquired in a business combination, historical cost represents their acquisition-date fair value. These costs are amortised over their estimated useful lives of 3 to 4 years or, in the case of computer software, over the term of the licence agreement, if different.

1 Summary of material accounting policies - continued

1.6 Intangible assets - continued

Development costs that are directly attributed to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

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

Directly attributable costs that are capitalised as part of these intangible assets include the development employee costs; the assessment of whether such costs satisfy the above conditions for capitalisation is made by members of the Group's chief officers, and is based on data logged in a project management platform. Other development expenditures that do not meet these criteria are recognised as an expense as incurred.

1.7 Property, plant and equipment

All property, plant and equipment are initially recorded at historical cost and subsequently carried at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Where such assets are acquired in a business combination, historical cost represents their acquisition-date fair value.

Depreciation is calculated on the straight-line method to write off the cost of each asset to their residual values over their estimated useful life as follows:

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

1.8 Leases

Group as a lessee

The Group leases immovable property and recognises a right-of-use asset and a lease liability unless the lease qualifies as a short-term lease.

At initial recognition, future lease payments are discounted to present value using the incremental borrowing rate, being the rate that the respective entity within the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The Group subsequently depreciates right-of-use assets over the shorter of the asset's useful life and the lease term on a straight-line basis.

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

1 Summary of material accounting policies - continued

1.8 Leases - continued

Group as a lessor

Leases where the Group has transferred substantially all risks and rewards incidental to ownership of the leased assets to the lessees, are classified as finance leases. The leased asset is derecognised and the present value of the lease receivable is recognised on the balance sheet and included in "trade and other receivables". The difference between the gross receivable and the present value of the lease receivable is recognised as unearned finance income. Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable. Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and reduce the amount of income recognised over the lease term.

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income. Contingent rents are recognised as income in profit or loss when earned.

1.9 Impairment of non-financial assets

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

1.10 Financial assets

1.10.1 Classification and measurement

The Group's and Company's financial assets comprise debt instruments which it classifies based on an assessment of the business model for managing the financial assets and the contractual terms of an instrument's cash flows.

At initial recognition, the Group and Company measures a financial asset at its fair value plus transaction costs, if any, that are directly attributable to the acquisition of the financial asset. It subsequently measures these debt instruments at amortised cost as the Group's and Company model for managing these instruments is to collect the contractual cash flows arising from them, and those cash flows have been determined to represent solely payments of principal and interest.

If collection of a financial asset is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line items in the statement of profit or loss.

1 Summary of material accounting policies - continued

1.10.2 Impairment

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

Nevertheless, for trade receivables the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 3.1b for further details.

The Group also applies the low credit risk simplification for cash and cash equivalents, for which it measures allowances at the 12-month expected credit losses if a counterparty is considered to have low credit risk at the reporting date. The Group considers low credit risk to be equivalent to a Baa3 or higher rating per Moody's or BBB- or higher per Standard & Poor's or Fitch, although an external rating by one of these agencies is not a prerequisite for the purposes of the Group's assessment.

1.11 Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment (Note 3.1b). The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss. When a receivable is uncollectible, it is written off against the allowance account for trade and other receivables. Subsequent recoveries of amounts previously written off are credited against profit or loss.

1.12 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks and e-wallets, net of restricted balances.

1.13 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Any proceeds in excess of the nominal value of shares issued is recorded as equity and presented within 'Share premium'.

1.14 Capital reserves

Contributions received from the shareholders for which the Company has no obligation to repay are recorded in equity and presented within 'Capital reserves'.

1.15 Distributions

Reductions arising from distributions to shareholders, whether in the form of dividends or otherwise, are deducted directly from equity. Dividend distribution to the Group's and Company's shareholders is recognised as a liability in the Group's and Company's financial statements in the period in which the obligation to pay a dividend is established.

1 Summary of material accounting policies – continued

1.16 Financial liabilities

The Group's and Company's financial liabilities comprise trade and other payables and borrowings, and they are classified as financial liabilities which are not at fair value through profit or loss (classified as 'Other liabilities') under IFRS 9. They are initially measured at fair value, being the fair value of consideration received, net of transaction costs that are directly attributable to the acquisition or the issue of the financial liability, and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are presented as current liabilities unless the Group and Company has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period; in that case, they are presented as non-current liabilities.

1.17 Trade and other payables

Trade payables are obligations to pay for services that have been acquired in the ordinary course of business from suppliers.

1.18 Borrowings

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

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

1.19 Non-current assets held for distribution and discontinued operations

Non-current assets are classified as held for distribution if their carrying amount will be recovered principally through a distribution to owners rather than through continuing use and a distribution is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to distribute, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets that are carried at fair value, which are specifically exempt from this requirement. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to distribute. A gain is recognised for any subsequent increases in fair value less costs to distribute an asset, but not in excess of any cumulative impairment loss previously recognised once its distributed. A gain or loss not previously recognised by the date of the distribution of the non-current asset is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for distribution. Interest and other expenses attributable to the liabilities of a disposal group classified as held for distribution continue to be recognised. Assets of a disposal group classified as held for distribution are presented separately from the other assets in the Statement of financial position.

The liabilities of a disposal group classified as held for distribution are presented separately from other liabilities in the Statement of financial position. A discontinued operation is a component of the entity that has been disposed of or is classified as held for distribution and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. A component of the entity is also presented as discontinued operations if the component is to be abandoned and represents a separate major line of business or geographical area of operations. The results of discontinued operations are presented separately in the Income statement.

1 Summary of material accounting policies - continued

1.20 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled.

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

1.20 Current and deferred taxation - continued

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

1.21 Share-based payments

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

Equity-settled share-based payments

Equity-settled share-based payment transactions are measured at the grant date at fair value for employee services, which requires a valuation of the options. Once the fair value has been determined, the amount recognised as an expense is adjusted to reflect the number of awards for which the related service is expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service.

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

When the options are exercised, the Company's parent transfers shares to the employees.

The grant by the Company's parent of options over its equity instruments to the employees of the Group is treated as a capital contribution on the basis that the Group does not compensate its parent for the fair value of shares granted. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an expense, with a corresponding credit to equity.

1 Summary of material accounting policies - continued

1.22 Revenue recognition

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

(a) *Gaming (discontinued operations only)*

Revenue from gaming transactions that are deemed to be financial instruments, where the Group takes open positions against players, is 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 casinos. These are treated according to IFRS 9 and thus not in scope of IFRS 15.

Revenue from transactions where the Group is taking positions against players, such as sports betting and online casino, is recognised when the outcome of an event is known.

In contracting with one particular white label operator, the Group has the primary responsibility for fulfilling the promise to provide specific services making the Group the principal. On this basis, the revenues are recognised gross of payments made to service providers in line with this accounting policy.

1.22 Revenue recognition - continued

(b) *Platform and sports betting services (discontinued operations only)*

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

The uncertainty on the amount of revenue to be received is resolved at each calendar month-end since the contracts are such that the amounts reset to zero on a monthly basis. Management has determined that it is appropriate for the Group to recognise the monthly amounts invoiced as revenue in the Income Statement as this best represents the Group's enforceable rights to income, as well as the value of services received by the Group's customers.

In accordance with IFRS 15, the set-up is not seen as a distinct performance obligation as the customer cannot benefit from the set-up itself but from the agreement as a whole. Accordingly, the set-up fee is simply seen as being part of the consideration receivable for the software as a service (SaaS) agreement and should therefore be deferred over the period of the agreement. Management performed a detailed analysis of such impact and concluded that this has an immaterial effect for the Group. Management will continue to monitor this matter due to the increase in customers in this segment.

1 Summary of material accounting policies – continued

(c) *Performance Marketing*

The Group enters into arrangements that include one or more types of arrangements; the Group classifies these arrangements as revenue share deals, cost acquisition deals and listing deals.

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

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

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

Management considers the Group's contracts to represent a series of distinct performance obligations to stand ready to redirect players on a constant basis. Such contracts 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 Group recognises the income in the month in which it has a contractual right to bill the iGaming operators.

(d) *Interest and dividend income*

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.

1.22 Revenue recognition - continued

(e) Other (discontinued operations only)

Occasionally, the Group grants perpetual licenses or assigns intellectual property to copies of the source code of internally developed software.

These agreements will include multiple deliverables, such as the access to data warehouse, support and maintenance releases. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

These agreements will typically include revenue to be recognised at a point in time and also revenue to be recognised over time.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

2 Segment information

The Group operates two segments:

- Platform offering front-end services ('Platform'); and
- Affiliate marketing ('Media')

The Group's internal reporting to its management team focuses on Platform and Media separately. The primary measure used by the CEO and the Board of Directors to assess the performance of operating segments is profit from operations. For product analysis, the primary measure is net revenue in line with the Group's internal reporting. In 2023, the Group operated an integrated business model and did not allocate either assets or liabilities of its operating segments in its internal reporting. The income statement segment information is being disclosed accordingly.

2 Segment information - continued

The Platform segment is in its entirety presented within these financial statements as a discontinued operation as a result of the strategic review that is described in more detail in note 7.

2023	**Media**	**Platform**	**Group**
	€	**€**	**€**
Net revenue	**88,616,883**	**52,007,124**	**140,624,007**
Other income	-	1,985,372	1,985,372
Operating expenses			
Personnel expenses	(10,176,446)	(15,914,644)	(26,091,090)
Depreciation and amortisation	(12,487,809)	(16,166,794)	(28,654,603)
Marketing, including commission	(26,777,432)	(11,045,167)	(37,822,599)
Platform and service provider fees	-	(4,778,588)	(4,778,588)
Consultancy fees	(5,852,693)	(3,793,999)	(9,646,692)
Other operating expenses	(3,872,965)	(11,317,623)	(15,190,588)
Release of contingent consideration (Note 21)	-	10,543,215	10,543,215
Total operating expenses	**(59,167,345)**	**(52,473,600)**	**(111,640,945)**
Transaction costs	(2,007,435)	(1,000)	(2,008,435)
Segment profit	**27,442,103**	**1,517,896**	**28,959,999**

2022	**Media**	**Platform**	**Group**
	€	**€**	**€**
Net revenue	61,820,837	**43,394,517**	**105,215,354**
Other operating income	**-**	**1,769,280**	**1,769,280**
Operating expenses			
Personnel expenses	(7,222,515)	(14,642,498)	(21,865,013)
Depreciation and amortisation	(8,026,124)	(13,484,000)	(21,510,124)
Impairment losses	(205,714)	(35,331)	(241,045)
Marketing, including commission	(18,144,804)	(13,087,040)	(31,231,844)
Platform and service provider fees	-	(5,082,064)	(5,082,064)
Consultancy fees	(3,062,050)	(4,969,573)	(8,031,623)
Other operating expenses	(3,427,122)	(3,508,760)	(6,953,882)
Total operating expenses	**(40,088,329)**	**(54,809,266)**	**(94,897,595)**
Transaction costs	(364,425)	(697,518)	(1,061,943)
Segment profit/(loss)	**21,368,083**	**(10,342,987)**	**11,025,096**

2 Segment information - continued

The following tables reconcile the revenues and measure of segment profits of the total reportable segments to the entity's revenues and profit before tax from continuing operations.

	2023	2022
	€	€
Revenue		
Total net revenues for reportable segments	**140,624,007**	105,215,354
Net revenues presented within the results of discontinued operations	**(52,007,124)**	(43,394,517)
Entity's revenues from continuing operations	**88,616,883**	61,820,837
Profit or loss		
Total profit or loss from reportable segments	**28,959,999**	11,025,096
(Profit)/loss of Platform segment discontinued operation	**(1,517,896)**	10,342,987
Other income	**718,117**	451,756
Finance income	**-**	2,034,411
Finance costs	**(9,470,908)**	(3,549,002)
Profit before tax from continuing operations	**18,689,312**	20,305,248

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

	Group	
	2023	2022
	€	€
Performance marketing (media)	**88,616,883**	61,820,837
Platform services	**52,007,124**	43,394,517
	140,624,007	105,215,354

The Group operates in a number of geographical areas as detailed below. The geographical revenue split is based on the operator's location.

	Group	
	2023	2022
	€	€
Net revenue		
Nordic countries	**626,342**	364,372
Europe excluding Nordic countries	**30,761,838**	43,364,879
Rest of world	**57,228,703**	61,486,102
Total	**88,616,883**	105,215,354

All employees of the Group for both the current and the previous years were based in Europe, except some working remotely in other parts of the world. Similarly, all assets for the current and the previous years were located in Europe. The Group is not significantly exposed to concentration risk since it operates in a number of markets as disclosed above.

Numbers for 2023 include Media only, whereas numbers for 2022 include Media and Platform & Sportsbook.

2 Segment information - continued

The media business did not have any individual client contributing to more than 10% of reported Group revenue. For the Platform business in the current year and the preceding year, one individual client (SkyCity) contributed to more than 10% of reported Group revenues, 11.7% in 2023 and 17.9% in 2022. The related revenue is presented within discontinued operations. Unlike other arrangements, the nature of the revenue contract is such that revenue from this contract is presented by the Group on a gross basis, with direct costs presented separately within operating expenses; had the contract qualified for net revenue presentation, the net revenue would not have exceeded the disclosable threshold of 10%.

3 Financial risk management

3.1 Financial risk factors

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

(a) *Market risk*

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the SEK, GBP, USD, NOK, NZD, CAD and RSD. The Company is primarily exposed to foreign exchange risk with respect to SEK arising on the bond in issuance. Notably the DKK exchange risk is very low because of Denmark's fixed exchange rate policy toward EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities which are denominated in a currency that is not the entity's functional currency.

The table below summarises the Group and the Company's exposure to foreign currencies, other than the functional currency, as at 31 December 2023 and 2022.

Group	Assets €	Liabilities €	Net exposure €
As at 31 December 2023			
SEK to EUR	4,849	(31,362,320)	(31,357,471)
GBP to EUR	275,675	(6,722)	268,953
USD to EUR	1,009,286	(48,238)	961,047
NOK to EUR	47,165	(1,333,961)	(1,286,797)
DKK to EUR	1,259,726	(49,039)	1,210,688
RSD to EUR	62,460	0	62,460
Other currencies	29,243	(32,802)	(3,558)
	2,688,403	**(32,833,082)**	**(30,144,679)**

3 Financial risk management - continued

3.1 Financial risk factors - continued

(a) Market risk - continued

(i) Foreign exchange risk - continued

Group	Assets	Liabilities	Net exposure
	€	€	€
As at 31 December 2022			
SEK to EUR	54,540	(48,215,084)	(48,160,544)
GBP to EUR	362,820	(267,367)	95,453
NZD to EUR	5,210,759	(250)	5,210,509
CAD to EUR	508	(28,192)	(27,684)
USD to EUR	601,570	(45,250)	556,320
NOK to EUR	823,572	(39,981)	783,591
DKK to EUR	839,274	(78,022)	761,252
Other currencies	9,927	(1,242)	8,685
	7,902,970	**(48,675,388)**	**(40,772,418)**

Company	Assets	Liabilities	Net exposure
	€	€	€
As at 31 December 2023			
SEK to EUR	-	(31,362,007)	(31,362,007)
As at 31 December 2022			
SEK to EUR	-	(48,190,977)	(48,190,977)

For the Group and Company, a sensitivity analysis for foreign exchange risk disclosing how profit or loss and equity would have been affected by changes in foreign exchange rates that were reasonably possible at the end of the period was deemed necessary for liabilities denominated in SEK.

At the end of the reporting period, had the SEK exchange rate strengthened or weakened against the euro by 5.5% (2022: 7.4%) with other variables held constant, the decrease or increase respectively in net assets of the Group and the Company would amount to approximately EUR 1,656,301 and EUR 1,498,558.

A sensitivity analysis for all other assets and liabilities was not deemed necessary on the basis that the directors do not consider the risk to be material.

3 Financial risk management - continued

3.1 Financial risk factors - continued

(a) Market risk - continued

(ii) Interest rate risk

As at 31 December 2023, the Group and the Company are exposed to cash flow interest rate risk arising on the floating rate note bonds in issue at this date (Note 19). The bonds have a 3 monthly EURIBOR/STIBOR plus a fixed interest rate of 7.25% p.a. Both the EURIBOR and the STIBOR rate have changed materially over the past year and although market expectations are that these rates will decrease going forward, there is risk that the rates may increase. Management has performed a sensitivity analysis whereby the maximum increase of 1.00% (2022: 3.39%) is expected resulting in an increase of interest expense of EUR 764,700 (2022: EUR 217,438).

As at 31 December 2022, exposures to interest rate risk also arose on loans from credit institutions which now form part of the liabilities classified as held for distribution to owners. As these financial instruments are held for distribution, a comparative sensitivity analysis for these borrowings is not being disclosed in these financial statements.

Other than as disclosed above, there are no other significant exposures to floating rates of interest as at 31 December 2023 and 2022.

(b) *Credit risk*

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

The Group and Company's exposure to credit risk is:

	Group		**Company**	
	2023	2022	**2023**	2022
	€	€	**€**	€
Financial assets at amortised cost:				
Trade and other receivables (Note 11)	**16,702,519**	16,927,087	**1,113,790**	1,748,813
Finance lease receivable (Note 11)	**1,331,171**	963,584	**-**	-
Amounts due from payment providers (Note 11)	**-**	892,746	**-**	-
Cash at bank and other intermediaries (Note 12)	**15,326,692**	15,116,837	**9,517,738**	497,784
Exposure	**33,360,382**	33,900,254	**10,631,528**	2,246,597

The maximum exposure to credit risk at the end of the reporting period in respect of the financial assets mentioned above is equivalent to the gross carrying amount.

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

3 Financial risk management - continued

3.1 Financial risk factors - continued

(b) Credit risk - continued

The Group and Company seek to manage credit risk by only undertaking transactions with counterparties which include financial institutions or intermediaries, such as payment providers with quality standing. Control structures are in place to assess credit risk on similar lines. The following table provides information regarding the aggregated credit risk exposure, for deposits with bank and financial institutions or intermediaries with externals credit ratings as at 31 December 2023 and 2022.

As at 31 December 2023, amounts due from payment providers are presented as assets of a disposal group that is held for distribution to owners. As at 31 December 2022, amounts due from payment providers of EUR 892,746 were not rated.

	Group		**Company**	
	2023	2022	**2023**	2022
	€	€	**€**	€
Cash at bank and other intermediaries:				
AAA	**-**	-	**-**	-
AA+ to AA-	**1,040,877**	2,214,004	**-**	-
A+ to A-	**2,064,223**	3,716,435	**-**	3,734
BBB+ to BBB-	**10,382,688**	7,366,291	**9,263,972**	335,227
BB+ to BB-	**-**	-	**-**	-
Below BB or not rated	**1,830,904**	1,820,107	**253,266**	158,823
	15,326,692	15,116,837	**9,517,738**	497,784

Impairment of financial assets

The Group's trade receivables are subject to the expected credit loss model. Cash and cash equivalents are also subject to the impairment requirements of IFRS 9, but due to the low credit risk the loss allowance was deemed to be immaterial in both current and prior years. The loss allowance in relation to amounts due from payment providers was deemed to be nil as at 31 December 2023 and 31 December 2022.

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

Trade receivables from continuing operations amounted to EUR 17,735,327 as at 31 December 2023 (2022: EUR 14,570,311), and accrued income of EUR 296,991 (2022: EUR 1,332,175). As at 31 December 2023, management recorded a loss allowance of EUR 1,434,831 (2022: EUR 675,457). Management has considered the creditworthiness of counterparties as at 31 December 2023 and 2022, and concluded that no further loss allowance should be recorded on the basis of payment experience, where relevant, and management's credit risk assessment.

Finance receivables from sublease of property amounting to EUR 1,331,171 (2022: 963,584) carries immaterial loss allowance since there is limited credit history available and amounts are received as per agreements. Other receivables amount to EUR 105,029 (2022: EUR 1,182,159) for the Group and relate to balances which carry immaterial credit risk due to past experience.

3 Financial risk management - continued

3.1 Financial risk factors - continued

(b) Credit risk - continued

Impairment of financial assets - continued

The table below provides detailed information in relation to the loss allowance established for the publishing unit (excluding AskGamblers) within performance marketing:

		Days overdue							
31 December 2023	**Current**	**1 - 30**	**31 - 60**	**61 - 90**	**91 - 120**	**121 - 300**	**301 - 500**	**Over 500**	**Total**
Expected loss rate*	0.60%	0.50%	5.70%	8.30%	13.40%	31.30%	59.60%	98.00%	
Trade receivables, gross	4,090,098	1,883,669	315,915	189,852	127,146	339,447	430,270	(588,517)	**6,787,881**
Loss allowance	**24,541**	**9,418**	**18,007**	**15,758**	**17,038**	**106,247**	**256,441**	**(576,746)**	**(129,297)**

		Days overdue							
31 December 2022	**Current**	**1 - 30**	**31 - 60**	**61 - 90**	**91 - 120**	**121 - 300**	**301 - 500**	**Over 500**	Total
Expected loss rate*	1.32%	0.74%	6.32%	9.28%	13.51%	33.54%	61.27%	97.40%	
Trade receivables, gross	3,566,087	1,575,018	276,654	178,503	114,428	354,486	191,113	28,072	6,284,361
Loss allowance	**46,910**	**11,594**	**17,493**	**16,566**	**15,463**	**118,908**	**117,093**	**27,343**	371,370

3 Financial risk management - continued

3.1 Financial risk factors - continued

(b) Credit risk - continued

Impairment of financial assets - continued

The table below provides detailed information in relation to the loss allowance established for the paid unit within performance marketing:

	Days overdue							
31 December 2023	**1 - 30**	**31 - 60**	**61 - 90**	**91 - 120**	**121-240**	**241-360**	**Over 361**	**Total**
Expected loss rate*	0.20%	1.30%	10.50%	24.40%	45.00%	75.20%	100,00%	
Trade receivables, gross	2,886,080	725,480	115,114	81,526	104,187	32,758	64,383	**4,009,528**
Loss allowance	**5,772**	**9,431**	**12,087**	**19,892**	**46,884**	**24,634**	**64,383**	**183,084**

	Days overdue							
31 December 2022	**1 - 30**	**31 - 60**	**61 - 90**	**91 - 120**	**121-240**	**241-360**	**Over 361**	Total
Expected loss rate*	0.16%	1.27%	10.53%	24.37%	45.05%	75.19%	100.00%	
Trade receivables, gross	**2,046,126**	**1,163,753**	**161,047**	**107,643**	**133,401**	**32,848**	**42,497**	3,687,315
Loss allowance	**3,274**	**14,780**	**16,958**	**26,233**	**60,124**	**24,698**	**42,497**	188,564

The table below provides detailed information in relation to the loss allowance established for the AskGamblers within performance marketing:

		Days overdue							
31 December 2023	**Current**	**1 - 30**	**31 - 60**	**61 - 90**	**91 - 120**	**121 - 300**	**301 - 500**	**Over 500**	**Total**
Expected loss rate*	0.40%	0.90%	8.10%	16.40%	29.20%	53.20%	79.80%	99.00%	
Trade receivables, gross	**2,469,390**	**480,016**	**335,157**	**277,689**	**200,232**	**525,610**	**451,918**	**594,516**	**5,334,509**
Loss allowance	**9,878**	**4,320**	**27,148**	**45,538**	**58,468**	**279,625**	**360,631**	**588,570**	**1,374,176**

*Expected loss rate has been rounded up to the next two decimal places for disclosure purposes.

3 Financial risk management - continued

3.1 Financial risk factors - continued

(b) Credit risk - continued

Impairment of financial assets - continued

The closing loss allowance for trade receivables related performance marketing as at 31 December 2023 and 2022 reconciles to the opening loss allowance as follows:

Group	**2023**	2022
	€	€
Opening loss allowance as at 1 January	**675,457**	422,691
Acquisition of subsidiary	**587,922**	-
Increase/ in loss allowance recognised in profit or loss during the year	**4,197,799**	661,804
Receivables written off during the year as uncollectible	**(471,629)**	(409,038)
Transfer to assets classified as held for distribution	**(3,554,718)**	-
At 31 December	**1,434,831**	675,457

It is management's assessment that no significant concentration risk exists as the trade receivable portfolio is diverse.

(c) *Liquidity risk*

The Group and the Company are exposed to liquidity risk in relation to meeting future obligations associated with their financial liabilities, which comprise principally trade and other payables and borrowings (refer to Notes 18 and 19). Prudent liquidity risk management includes maintaining sufficient cash to ensure the availability of an adequate amount of funding to meet the Group and Company's obligations.

Management monitors liquidity risk by reviewing expected cash flows and assesses whether additional financing facilities are expected to be required over the coming year. The Group's liquidity risk is actively managed taking cognisance of the matching of cash inflows and outflows arising from expected maturities of financial instruments.

The following tables analyse the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at 31 December 2023 and 2022 to the contractual maturity date. The amounts disclosed in the tables below are the discounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

3 Financial risk management - continued

3.1 Financial risk factors - continued

(c) Liquidity risk - continued

31 December 2023	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**More than 5 years**	**Total**
	€	**€**	**€**	**€**	€
Group					
Bond	8,319,155	8,319,155	82,870,237	-	99,508,547
Trade and other payables	10,176,533	1,862,575	-	-	12,039,108
Contingent consideration	360,716	408,120			768,836
Deferred consideration	16,560,348	27,923,525	-	-	44,483,873
Loan from Group parent	16,512,276	-	-	-	16,512,276
Lease liabilities	1,423,497	1,205,754	954,064	-	3,583,855
Total	**43,272,669**	**31,399,975**	**83,824,301**	**-**	**176,896,495**
Company					
Bond	8,319,155	8,319,155	82,870,237	-	99,508,547
Trade and other payables	61,566,085	-	-	-	61,566,085
Contingent consideration	-	-	-	-	-
Loan from Group parent	14,751,575	-	-	-	14,751,575
Total	**76,317,660**	**-**	82,870,237	**-**	**175,826,207**

31 December 2022	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**More than 5 years**	**Total**
	€	€	**€**	**€**	€
Group					
Bond	-	56,274,935	-	-	56,274,935
Trade and other payables	21,690,186	1,448,915	731,689	-	23,870,790
Deferred consideration	8,941,872	10,925,500	-	-	19,867,372
Loan from Group parent	3,719,452	-	-	-	3,719,452
Loan from credit institutions	4,260,906	3,914,854	949,258	15,000	9,140,018
Lease liabilities	3,163,408	3,133,732	4,578,417	580,978	11,456,535
Total	**41,775,824**	**75,697,936**	**6,259,364**	**595,978**	**124,329,102**
Company					
Bond	-	56,274,935	-	-	56,274,935
Trade and other payables	6,691,227	-	-	-	6,691,227
Contingent consideration	8,941,872	10,925,500	-	-	19,867,372
Loan from Group parent	4,248,669	-	-	-	4,248,669
Total	**19,881,768**	**67,200,435**	**-**	**-**	**87,082,203**

3 Financial risk management - continued

3.2 Capital risk management

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

The Company's capital structure is monitored at a Group level with appropriate reference to subsidiaries' financial conditions and prospects. The capital structure of the Company and the Group consist of equity attributable to equity holders, comprising issued share capital and other reserves. Capital risk is monitored on a regular basis by reporting the net interest-bearing liabilities against targets set by the Board, prior periods and covenants set by third parties.

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

3.3 Fair values of financial instruments

Financial instruments not carried at fair value

At 31 December 2023 and 2022 the carrying amounts of cash at bank, receivables, payables, and borrowings reflected in the financial statements are reasonable estimates of fair value in view of the nature of these instruments or the relatively short period of time between the origination of the instruments and their expected realisation. The bond is held at amortised cost and the fair value is disclosed in Note 19.

4 Critical accounting estimates and judgements

Significant estimates and judgements

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

The Group and the Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, other than the uncertainty associated with the legal environment that the Group operates in (disclosed in Note 30), are addressed below.

Group

(a) *Impairment test of goodwill*

The Group tests whether goodwill and other intangible assets with indefinite lives have suffered any impairment on an annual basis. The assumptions used in the value-in-use calculations are inherently uncertain. As at 31 December 2023, the Group operated one CGU comprising of performance marketing - Media. This, because during the year to 31 December 2023, the Platform & Sportsbook arm of the business (which previously comprised of two separate CGUs) has been classified as discontinued operations and met the condition of a disposal group held for distribution as described further in note 7.

The Directors consider that the impairment assessment for Media is less sensitive to changes in key assumptions due to the level of headroom between the reported intangible assets and the respective value-in-use. Further detail as to such impairment testing is included in Note 8.

4 Critical accounting estimates and judgements - continued

(b) Acquisition accounting

Determination of business vs. asset acquisition

The Group determining whether a transaction constitutes a business acquisition or merely an acquisition of assets involves judgement. A business acquisition typically involves the purchase of a set of activities and assets capable of conducting an independent operation, often resulting in the recognition of goodwill. On the other hand, an asset acquisition involves the purchase of specific assets and liabilities without acquiring a full operating business. The distinction between the two requires careful evaluation of factors such as the nature of the acquired assets, whether they include employees, processes, or contractual rights, and the extent of their integration into the acquirer's operations. Such determinations have significant implications for financial statements, affecting the allocation of purchase price and subsequent accounting treatments. In the year to 31 December 2023, the Group determined that both the AskGamblers and KaFe Rocks acquisitions met the definition of a business combination under IFRS 3 - refer to Note 6 for further information.

Valuation of intangible assets in business combinations

The Group exercises judgement and applies estimation techniques in determining the fair value of acquired intangibles on business combinations. From a Media perspective, transactions meeting the definition of a business combination such as the AskGamblers and KaFe Rocks transactions in 2023 normally result in the identification of separately identifiable intangible assets such as domains and affiliate contracts. Value is attributed to such intangible assets using valuation techniques such as the discounted free cash flow model. Inputs into such calculations are based on the Group’s industry experience and through the use of specialists on an as needs basis. The excess of the purchase price over the net identifiable assets acquired (which include the valued domains and affiliate contracts) will result in goodwill arising on the business combination.

Valuation of contingent consideration arising on business combinations

In arriving at the fair value of contingent consideration, Management applies their best estimates of future business projections and compare such estimates to the contingent consideration targets as provided for in the relevant sales and purchase agreements. Such fair value is re-assessed at each reporting date. The KaFe Rocks acquisition (further detail included in Note 6) gave rise to a contingent consideration which has been recognised at fair value as at 31 December 2023.

(c) Discontinued operations and disposal group held for distribution

Determination as to whether the conditions specified in IFRS 5 have been met

The Group classifies disposal groups as held for distribution when management assesses that their carrying amounts will be recovered through a distribution rather than continued use. Management’s assessment is based on an evaluation of whether the distribution is highly probable and the disposal group is available for immediate sale in its current condition. Actions required to complete the distribution should indicate that it is unlikely that significant changes to the distribution will be made or that the decision to distribute will be withdrawn. Management must also be committed to the plan to distribute the disposal group and the distribution must be expected to be completed within one year from the date of the classification.

Management determined that, at 31 December 2023, all of the above conditions had been met. In arriving at this conclusion, certain judgements have been made such as the expectation that the distribution is to be completed within one year from the date of the classification. Accordingly, the Platform & Sportsbook arm has been classified as held for distribution to owners – refer to Note 7 for further information.

4 Critical accounting estimates and judgements - continued

(c) Discontinued operations and disposal group held for distribution - continued

Valuing the disposal group

Management estimated the fair value of the disposal group at 31 December 2023 through the use of internal models as well as assistance obtained from external valuation specialists. Disposal groups classified as held for distribution are measured at the lower of their carrying amount and fair value less costs of disposal. Costs of disposal are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense. Measurement of the fair value of disposal groups is categorised as level 3 in the fair value hierarchy, as measurement is not based on observable market data. Refer to Note 7 for further information on the key assumptions and related sensitivities linked to the impairment assessment carried out for the disposal group.

(d) IFRS 15 – allocation of transaction price to performance obligations

In the year to 31 December 2023, the Platform & Sportsbook arm of the Group (therefore included within discontinued operations – Note 7) entered into a one-off revenue transaction – the Enterprise Solution Model. The transaction involved the outright sale of software together with a number of services to be provided by the Group over the term of the contract. As a result, the Group underwent an exercise to allocate the overall value of the contract to each of the identified performance obligations (including arriving at the value of the outright sale of software). In arriving at such values, management used internal models focusing primarily on establishing the time it would have taken internal developers to build the relevant software. A mark-up was then applied to this estimated value of time incurred. With respect to the provision of services which comprise of various performance obligations, management estimated: i) the time it will take to provide services going forward on which a mark-up was applied, and ii) activity to be generated by the customer to which a fixed % was applied - the inputs into such models required significant estimation (also because of the lack of history and experience the Group has with it being the first kind of transaction it has entered into).

Company

Impairment considerations: Investments in subsidiaries

The Company's principal assets are investments in subsidiaries. The Company is required to periodically assess whether such assets have suffered impairment in accordance with the Company's accounting policies. In assessing for impairment, the Company considers, among others, the i) stage of operations of the underlying subsidiaries, ii) the market landscape in which they currently operate, and iii) future prospects. During the year to 31 December 2023, the Company impaired investments in subsidiaries with an amount of €55.6m as described further in Note 10. Such investments in subsidiaries will continue to be assessed annually for impairment.

5 Leases

(a) *The Group as a lessee*

The Group's leasing activities and how these are accounted for

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

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

Judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee. No change was required in 2023 or in 2022 that would have resulted in a change in the lease term.

Amounts recognised in the statement of financial position

Group	**2023**	**2022**
	€	€
Right-of-use assets		
Buildings	**2,166,494**	7,563,493
Lease liabilities		
Current	**1,701,310**	3,163,408
Non-current	**3,405,673**	6,767,026
	5,106,983	9,930,434

Additions to the right-of-use assets during the 2023 financial year were EUR 526,631 (2022: EUR 424,490). Disposals to the right-of-use assets during the current year were EUR 1,768,865 (2022: EUR 1,493,630) of which EUR 1,768,865 (2022: EUR 957,544) relates to sub-lease arrangements entered into by the Group.

Amounts recognised in the statement of profit or loss

Group	**2023**	**2022**
	€	€
Depreciation charge on right-of-use assets	**1,384,936**	2,462,006
Interest expense (included in finance cost)	**409,854**	443,314

The total cash outflow included lease principal payments amounting to EUR 1,829,655 (2022: EUR 3,195,753) and lease interest payments amounting to EUR 430,854 (2022: EUR 769,700).

5 Leases - continued

(b) *The Group as a lessor*

Leasing arrangements classified as operating leases

During 2023 and 2022, the Group has sub-leased parts of its office to a number of tenants under operating leases with rentals payable monthly. The Group has recognised rental income from operating leases of EUR 718,117 (2022: EUR 451,756) (see note 23). Sublease agreements have during 2023 been renegotiated so the lease periods are now aligned with lease periods in the main lease agreements. Consequently, all subleases are classified as financial lease agreements as at 31 December 2023.

Lease payments include CPI increases, but there are no other variable lease payments that depend on an index or rate.

Minimum lease payments receivable on sub-leasing of office space are as follows:

	Group and Company	
	2023	2022
Within 1 year	**-**	948,295
Between 1 and 2 years	**-**	488,368
Between 2 and 3 years	**-**	384,073
Between 3 and 4 years	**-**	131,191
	-	1,951,927

Leasing arrangements classified as finance leases

During 2023 and 2022, the Group has sub-leased parts of its office to a tenant under a finance lease with rentals payable quarterly. The Group's sub-lease of its right-of-use of the office space is classified as finance lease because the sub-lease is for the entire remaining lease term of the head lease. The ROU asset relating to the head lease with sub-lease classified as finance lease was derecognised upon entering into the sub-lease. The net investment in the sub-lease is recognised under "Trade and other receivables" (Note 11).

Finance income on the net investment in sub-lease during 2023 amounted to EUR 477,079 (2022: EUR 233,366). There are no other variable lease payments that depend on an index or rate.

The following table shows the maturity analysis of the undiscounted lease payments receivable on the sub-leasing of office space classified as finance lease:

	Group and Company	
	2023	2022
Within 1 year	**606,897**	459,947
Between 1 and 2 years	**520,749**	500,454
Between 2 and 3 years	**395,549**	133,541
Total undiscounted lease payments	**1,523,195**	1,093,942
Less: Unearned finance income	**(192,024)**	(130,358)
Net investment in finance lease	**1,331,171**	963,584

6 Business combinations

(a) Acquisition of AskGamblers

In December 2022, one of the Company's subsidiaries signed an agreement to acquire 100% of the shares and voting rights in the company owning the casino affiliate websites AskGamblers.com, Johnslots.com, Newcasinos.com and several smaller domains from Catena Media Plc. The transaction was structured by way of a Share Purchase Agreement (SPA) with the Company's subsidiary Innovation Labs Limited and included the acquisition of the two companies Catena Publishing Ltd (Malta), subsequently renamed to AskGamblers Limited, and Catena Media D.O.O. Beograd (Serbia), subsequently renamed to AskGamblers doo. These companies employed around 95 people at the time of acquisition. Closing was completed on 31 January 2023 and GiG financed the initial consideration through a combination of own cash, a revolving credit facility and a EUR 10.2 million share issue.

(a) Acquisition of AskGamblers - continued

The total consideration is EUR 45 million, of which EUR 20 million was paid in cash on closing on 31 January 2023, EUR 10 million was paid on 31 January 2024 with the EUR 15 million balance due on 31 January 2025.

AskGamblers.com is an award-winning website recognised as a well-trusted website source in the iGaming industry with strong brand recognition by users. Johnslots.com and Newcasinos.com build on GiG Media's strategy to diversify its business.

The acquisition will diversify the Media arm of the Group further in line with the strategy to create sustainable long-term growth and provide the business with several key strategic assets and multiple revenue opportunities. The acquired websites are strong in markets that currently are non-core markets for GiG Media, therefore expanding current geographical reach. Further to the revenue growth potential, operational synergies are expected to be realised after the acquisition via the shared use of marketing technologies, business intelligence systems and key functions.

IFRS3 'Business Combinations' provides a measurement period (which is 12 months after the acquisition date) during which the acquirer may adjust the provisional amounts recognised for a business combination. As of 31 December 2023, the Company has adjusted downwards goodwill as a result of discounting to present value the deferred consideration associated with this deal.

The goodwill of EUR 12.7 million arising from the acquisition represents synergies, increased value proposition with ever increasing growth prospect and further diversification of revenue and geographical reach expected from combining the operations of the Group and AskGamblers.

The following table summarises the adjusted price paid and the fair value of the assets acquired and liabilities assumed.

	€
Consideration	
Cash transfer	22,344,480
Initial consideration	22,344,480
Deferred consideration - cash transfer (i)	21,179,865
Total Purchase Price (Equity value)	43,524,345

(i) The deferred consideration gross of discounting amounts to EUR 25 million

6 Business combinations - continued

(a) Acquisition of AskGamblers - continued

	€
Asset Valuation	
Cash and cash equivalents	2,696,939
Trade and other receivables	2,425,569
Trade and other payables	(350,425)
Corporate tax payable	(300,503)
Deferred tax liability	(1,268,458)
Domains – fair value	22,238,838
Affiliate Contracts – fair value	3,333,435
Other intangible assets	1,859,966
Property, plant and equipment	185,125
Net identifiable assets acquired	30,820,486
Goodwill	12,703,859
Net assets acquired	43,524,345

The revenue included in the consolidated statement of comprehensive income until 31 December 2023 contributed by AskGamblers was EUR 18.2 million. AskGamblers also contributed an operating profit of EUR 6.4 million over the same period. Had AskGamblers been consolidated from 1 January 2023, the consolidated statement of comprehensive income would have included revenue of EUR 19.3 million and an operating profit of EUR 6.5 million.

(b) Acquisition of KaFe Rocks

In November 2023, the Group signed an agreement to acquire affiliate leader KaFe Rocks Ltd and its subsidiaries. Through this strategic purchase, GiG Media strengthened its position as a dominant lead generator within the online casino market. KaFe Rocks is a prominent iGaming affiliate, with a global portfolio diversified across 15+ markets, featuring US-facing brands Time2play.com and USCasinos.com.

The acquisition was completed on 21 December 2023. The transaction, valued at EUR 36.5 million in total is split further below.

Upfront and deferred consideration
A EUR 15 million upfront cash payment was paid on signing and EUR 20 million (undiscounted) in deferred cash distributed in four semi-annual payments over 24 months.

Earn-out consideration
An earn-out mechanism based on certain EBITDA targets being reached over the next 24-month period that is estimated to EUR 0.7 million based on optimisation targets for the KaFe Rocks business up to completion of transaction, as well as EUR 0.8 million based on EBTIDA targets for the KaFe Rocks business every 6 months over the next 2 years. The earn-out will be paid 100% in cash, however the Company has the option to pay up to 50% in new shares, where the number of shares to be issued shall be based on a 30-day VWAP prior to the time of payment.

6 Business combinations - continued

(b) Acquisition of KaFe Rocks - continued

Operational cost savings target consideration
As part of the purchase, an amount of EUR 2.5 million GiG Inc. shares was promised to the sellers in Q2 2024 which was, subject to specific operational cost savings targets being met by year-end 2023, where the number of shares to be issued shall be based on a 30-day VWAP of the GiG share at the time of closing. Such targets were met at year-end and 975,000 shares in the Parent Company will be issued in May 2024. The number of shares to be issued shall be based on a 30-day VWAP of the GiG share at the time of closing (NOK 30.11).

	€
Consideration	
Cash transfer	15,000,000
Contingent consideration	1,468,836
Deferred consideration	20,005,421
Total Purchase Price (Equity value)	36,474,257

	€
Asset Valuation	
Property, plant and equipment	4,800
Right-of-use assets	198,909
Affiliate contracts	5,398,342
Domains	16,108,688
Trade and other receivables	1,760,955
Cash and cash equivalents	2,675,420
Deferred tax liability	(960,013)
Trade and other payables	(90,776)
Financial liability	(190,865)
Corporate tax payable	(226,358)
Net identifiable assets acquired	24,679,102
Goodwill	11,795,155
Net assets acquired	36,474,257

The revenue included in the consolidated statement of comprehensive income until 31 December 2023 contributed by KaFe Rocks was EUR 0.5 million. KaFe Rocks also contributed an operating profit of EUR 0.1 million over the same period. Had KaFe Rocks been consolidated from 1 January 2023, the consolidated statement of comprehensive income would have included revenue of EUR 17.7 million and an operating profit of EUR 3.4 million. The goodwill of EUR 11.7 million arising as a result of the acquisition represents synergies, increased value position with ever increasing growth and further diversification of revenue in markets where the group has limited presents before the acquisition.

6 Business combinations - continued

(c) Other information

As at 31 December 2023, acquisition related costs of EUR 0.3 million have been recognised in the consolidated income statement relating to the KaFe Rocks acquisition.

7 Discontinued operations and disposal groups held for distribution

(a) *Platform and Sportsbook*

In February 2023, the Board of the Company's Parent decided to initiate a strategic review with the intention to split GiG into two main business segments.

The purpose of the split is to sharpen the focus for each business segment, optimise growth opportunities and ensure each business can benefit from the strategic and financial flexibility of their distinctive business models. The split will form two industry leading businesses with the potential to grow much faster than in the current corporate structure.

The split will be achieved through the divestment of the Platform & Sportsbook segment, which will be distributed to the shareholders of the parent company. In accordance with IFRS 5, Platform & Sportsbook financial results are presented as a discontinued operation, and the assets and liabilities of this disposal group held for distribution have been separately presented in the financial statements for the year ended 31 December 2023 and 2022. The results from Platform and Sportsbook have been reported as a discontinued operation in the Group's consolidated financial statements.

7 Discontinued operations and disposal groups held for distribution - continued

Financial performance and cash flow information

	Group	
	2023	2022
	€	€
Net revenue	**52,007,124**	43,394,517
Other operating revenue	**1,985,372**	1,769,280
Operating expenses		
Personnel expenses	**(15,914,644)**	(14,642,498)
Depreciation and amortisation	**(16,166,794)**	(13,484,000)
Impairment losses	**-**	(35,331)
Marketing, including commission	**(11,045,167)**	(13,087,040)
Other operating expenses	**(9,346,995)**	(13,560,397)
Total operating expenses	**(52,473,600)**	(54,809,266)
Other income	**524,281**	542,667
Operating profit/(loss) pre-transaction costs	**2,043,176**	(9,102,801)
Transaction costs	**(1,000)**	(697,518)
Operating profit/(loss)	**2,042,176**	(9,800,319)
Finance income	**196,974**	1,702,417
Finance costs	**(2,711,603)**	(3,171,053)
Loss before tax	**(472,453)**	(11,268,955)
Tax expense	**(207,984)**	(1,318,964)
Loss from discontinued operations	**(680,437)**	(12,587,919)
Loss from discontinued operations attributable to:		
Owners of the company	**(672,739)**	(12,587,919)
Non-controlling interests	**(7,697)**	-
	(680,437)	(12,587,919)
Net cash outflow from operating activities	**25,591,857**	41,549,682
Net cash outflow from investing activities	**(21,056,296)**	(57,236,544)
Net cash outflow from financing activities	**(6,106,201)**	20,401,040
Net decrease in cash generated by discontinued operation	**(1,570,640)**	4,714,178

Items Loss from discontinued operations to be distributed to owners and Loss from discontinued operations will both be distributed to owners as part the discontinued business.

7 Discontinued operations and disposal groups held for distribution - continued

Assets and liabilities of disposal group classified as held for distribution to owners of the Parent Company

The following assets and liabilities were reclassified as held for distribution to owners of the Parent Company in relation to the discontinued operation as at 31 December 2023:

	Group As at 31 December 2023 €
Assets classified as held for distribution to owners	
Intangible assets	**100,919,028**
Property, plant and equipment	**3,069,784**
Right-of-use assets	**1,891,878**
Trade and other receivables	**17,597,372**
Cash at bank and other intermediaries*	**7,421,949**
Total assets of disposal group held for distribution to owners	**130,900,010**
Liabilities directly associated with assets classified as held for distribution to owners	
Borrowings**	**23,138,741**
Deferred income tax liabilities	**1,205,702**
Lease liabilities	**2,682,399**
Trade and other payables	**13,930,389**
Total liabilities of disposal group held for distribution to owners	**40,957,231**

**Included within cash at bank and other intermediaries is an amount of EUR 1,464,579 as restricted cash that is held in a fiduciary capacity and represents customer monies, whose use is restricted in terms of the Malta Gaming Act, 2018.*

*** Within borrowings are loans due to third party credit institutions. As part of such loans, the Group had entered in certain pledges and guarantees as security against such loans*

As required by IFRS 5, a disposal group held for distribution to owners, shall be measured at the lower of its carrying amount and fair value less costs to distribute. The plan to dispose itself is an impairment indicator meaning that an impairment test under IAS 36 has been performed.

The key assumptions on which Management has based its impairment test, are reflected in the cash flow projections comprising the budget for 2024 as confirmed by the entity's Board, forecasted cash flows for years 2024 - 2026 supplemented by extrapolated projections for 2027 – 2032.

The key assumptions include:
- Revenue annual growth rate;
- EBITDA margin;
- Post-tax discount rate
- Long term growth rate

7 Discontinued operations and disposal groups held for distribution - continued

Assets and liabilities of disposal group classified as held for distribution to owners of the Parent company - continued

The revenue growth rate is forecasted to grow to 38.5% in 2025 and then steadily declines from 31.3% in 2026 to 8% in 2032, with a perpetual growth rate assumed in the residual value of 4%. The projected growth rates between FY24-32, reflect a revenue CAGR of 22%. The EBITDA margin is forecasted to increase from 33.4% in 2025 to 40.8% in 2026, and assumed to remain at this level until 2032 including within the terminal value. The post-tax discount rate applied to the cash flow projections in full period was 19% and the tax rate 15%.

With the assumptions applied, the sum of the discounted cash flows amounts to EUR 151 million which exceeds the carrying value of EUR 101 million.

An impairment situation would arise if a reduction of more than 6 percentage points is applied on the current revenue growth rates (reflecting a revenue CAGR of 20% decreasing from 22% from the base case valuation) in the explicit period and terminal value, with all other assumptions remaining constant. In the event that a 10-percentage point reduction is applied on the revenue growth rates, an impairment of c. EUR 27 million would arise.

(b) *Sports Betting Services*

Following the acquisition of Sportnco in the prior year, the Group's own sportsbook was phased out as a standalone product as Sportnco's sportsbook is the preferred product going forward. Thus, in accordance with IFRS 5, the results from Sports Betting Services are reported as a discontinued operation in the Group's consolidated income statement.

During 2023, the Group incurred additional expenses of EUR 0.7 million (2022: EUR 3.1 million) related to the divested business, and these expenses have also been presented within results from the discontinued operation. During 2022, the Group received claims for overpaid taxes to the relevant authorities amounting to EUR 0.5 million.

(c) Revenue included within discontinued operations in 2023

Total net revenue in 2023 amounted to EUR 52,007,124 out of which, 89% is revenue recognised over time and 11% is revenue recognised at a point in time. In 2022, all net revenues relate to sales recognised over time. The Enterprise Solution Model contract also included unsatisfied performance obligations that the Group expects to satisfy over the period 2024 to 2027. Expected revenue from such unsatisfied performance obligations approximates at €2.9 million. In April 2024, the Group amended the terms to reflect reduced unsatisfied performance obligations, resulting in a reduced overall transaction price and a longer payment plan.

7 Discontinued operations and disposal groups held for distribution - continued

Financial performance and cash flow information

	Group	
	2023	2022
	€	€
Net revenue	**-**	585
Other operating revenue	**-**	533,312
Expenses	**(736,017)**	(3,143,196)
Loss from discontinued operations	**(736,017)**	(2,609,299)
Loss from discontinued operations attributable to:		
Owners of the company	**(736,017)**	(2,609,299)
Non-controlling interests	**-**	-
	(736,017)	(2,609,299)
Net cash outflow from operating activities	**(736,017)**	(2,563,386)
Net decrease in cash generated by discontinued operation	**(736,017)**	(2,563,386)

8 Intangible assets

Group

	Notes	**Goodwill €**	**Trademarks €**	**Domains €**	**Affiliate contracts €**	**Technology platform €**	**Computer software €**	**Non-compete agreement €**	**Other €**	**Total €**
Cost or valuation										
As at 1 January 2022		29,203,823	862,688	72,975,502	15,081,218	41,552,694	6,439,101	458,500	905,759	167,479,285
Acquisition of subsidiaries		59,021,555	-	-	14,037,000	16,241,662				89,300,217
Additions		-	22,270	695,955	266,987	14,926,240	711,905	-	80,000	16,703,357
Write down		-	-	-	-	-	(36,000)	-	-	(36,000)
Currency translation differences		-	-	-	-	2,401	-	-	-	2,401
As at 31 December 2022		88,225,378	884,958	73,671,457	29,385,205	72,722,997	7,115,006	458,500	985,759	273,449,260
As at 1 January 2023		88,225,378	884,958	73,671,457	29,385,205	72,722,997	7,115,006	458,500	985,759	273,449,260
Acquisition of subsidiaries	6	24,507,708	-	38,347,515	8,731,778	1,860,019	-	-	-	73,447,020
Additions		-	-	1,540	-	19,398,209	1,363,127	-	-	20,762,876
Write down		-	-	-	-	(718,809)	-	-	-	(718,809)
Assets classified as held for distribution	7	(59,038,005)	(11,135)	(1,278,648)	(14,161,442)	(69,466,647)	(7,305,787)	-	(40,000)	(150,301,664)
Currency translation differences		-	-	-	-	(81,195)	190	-	-	(81,005)
As at 31 December 2023		**53,695,081**	**873,823**	**110,741,865**	**23,955,541**	**23,714,574**	**1,172,536**	**458,500**	**945,759**	**215,557,679**

8 Intangible assets - continued

Group	Goodwill €	Trademarks €	Domains €	Affiliate contracts €	Technology platform €	Computer software €	Non-compete agreement €	Other €	Total €
Accumulated amortisation and impairment									
As at 1 January 2022	23,350,478	22,000	51,776,742	15,066,073	32,247,629	6,066,121	458,500	905,759	129,893,302
Amortisation charge	-	204	4,610,318	1,506,960	10,920,775	569,401	-	53,333	17,660,991
As at 31 December 2022	23,350,478	22,204	56,387,060	16,573,033	43,168,404	6,635,522	458,500	959,092	147,554,293
As at 1 January 2023	23,350,478	22,204	56,387,060	16,573,033	43,168,404	6,635,522	458,500	959,092	147,554,293
Amortisation charge	-	2,227	7,482,337	2,051,515	14,830,438	975,725	-	26,667	25,368,908
Assets classified as held for distribution	-	(1,113)	(437,960)	(3,856,202)	(39,608,649)	(6,438,710)	-	(40,000)	(50,382,635)
As at 31 December 2023	**23,350,478**	**23,317**	**63,431,437**	**14,768,346**	**18,390,193**	**1,172,537**	**458,500**	**945,758**	**122,540,566**
Carrying amount									
As at 1 January 2022	5,853,345	840,688	21,198,760	15,145	9,305,065	372,980	-	-	37,585,983
As at 31 December 2022	64,874,900	862,754	17,284,397	12,812,172	29,554,593	479,484	-	26,667	125,894,967
As at 31 December 2023	**30,344,603**	**850,506**	**47,310,428**	**9,187,195**	**5,324,382**	**-**	**-**	**-**	**93,017,113**

8 Intangible assets - continued

As at 31 December 2023 the net book value of internally generated intangible assets included within the above analysis amounted to EUR 6,962,520 (2022: EUR 29,554,593).

Company	**Technology platform**	**Computer software**	**Total**
	€	**€**	**€**
Cost			
As at 31 December 2022 and 2023	74,982	8,521	83,503
Accumulated amortisation and impairment			
As at 31 December 2022 and 2023	74,982	8,521	83,503
Net book value			
As at 1 January 2022, 31 December 2022 and 2023	**-**	**-**	**-**

Impairment test for goodwill and intangible assets

The Group's reported goodwill as at 31 December 2023 primarily relates to the new acquisitions in the current year and AskGamblers Ltd and KaFe Rocks Ltd., companies offering affiliate marketing via their own websites.

In the prior year, the Group's reported goodwill primarily related to SportnCo, which has been classified as an asset held for distribution as at 31 December 2023, refer to note 7.

Trademarks acquired in 2017 are considered to have an indefinite useful life. Trademarks comprise of gig.com domain.

For the purposes of the impairment testing of goodwill and intangibles, following the platform (including SportnCo) being included as assets held for distribution, one cash generating unit ("CGUs") was identified in 2023 (2022: three cash generating units), comprising performance marketing (Media). The determination of CGUs reflects how the Group manages the day-to-day operations of the business, and how decisions about the Group's assets and operations are made.

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

	Cash-generating unit
	2023
Carrying amounts	**Media**
Goodwill (€'000)	30,345
Intangible assets with definite lives (€'000)	61,823
Intangible assets with indefinite lives (€'000)	849
	93,017

	Cash-generating unit		
	2022		
Carrying amounts	**Media**	**Platform**	**Sportnco**
Goodwill (€'000)	5,853	-	59,022
Intangible assets with definite lives (€'000)	19,350	11,826	29,070
Intangible assets with indefinite lives (€'000)	432	432	-
	25,635	**12,258**	**88,092**

8 Intangible assets - continued

Impairment test for goodwill and intangible assets - continued

The key assumptions on which management has based its impairment tests are reflected in the cash flow projections comprising the budget for 2024 as confirmed by the entity's Board and estimated cash flows for years 2025 - 2027 (2022: 2024 - 2026).

The key assumptions include:

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

The post-tax discount rate applied to the cash flow projections for performance marketing was 15% (2022: 15%). The perpetual growth rate, as assumed in the CGU's residual value, is 2% (2022: 2%) based on the estimated long-term inflation.

With regards to performance marketing, the directors consider that the impairment assessment for this activity is less sensitive due to the level of headroom between the carrying amount of the intangible assets and the respective value-in-use. Goodwill attributed to this CGU was EUR 30.3 million as at 31 December 2023 (2022: EUR 5.9 million), and domains are amortised over a period of 8 years.

9 Property, plant and equipment

Group	Installations and improvements to leasehold premises €	Furniture & fittings €	Computer and office equipment €	Total €
Cost				
As at 1 January 2022	4,106,598	1,590,110	5,826,068	11,522,776
Acquisition of a subsidiary	-	-	198,913	198,913
Additions	91,527	1,698	757,330	850,555
Disposals	-	-	(2,481)	(2,481)
Exchange differences	-	(1,603)	-	(1,603)
As at 31 December 2022	4,198,125	1,590,205	6,779,830	12,568,160
As at 1 January 2023	4,198,125	1,590,205	6,779,830	12,568,160
Acquisition of subsidiaries (note 6)	185,125	-	4,800	189,925
Additions	520,163	130,420	2,788,810	3,439,393
Assets classified as held for distribution (note 7)	(2,508,794)	(878,116)	(7,666,369)	(11,053,279)
Exchange differences	-	(1,282)	-	(1,282)
As at 31 December 2023	**2,394,619**	**841,227**	**1,907,071**	**5,142,917**
Accumulated depreciation				
As at 1 January 2022	3,910,135	1,269,692	4,580,186	9,760,013
Depreciation charge	287,990	127,848	971,289	1,387,127
As at 31 December 2022	4,198,125	1,397,540	5,551,475	11,147,140
As at 1 January 2023	4,198,125	1,397,540	5,551,475	11,147,140
Depreciation charge	272,801	102,777	650,486	1,026,064
Assets classified as held for distribution (note 7)	(2,329,918)	(810,278)	(4,843,299)	(7,983,495)
As at 31 December 2023	**2,141,008**	**690,039**	**1,358,662**	**4,189,709**
Net book value				
As at 1 January 2022	196,463	320,418	1,245,882	1,762,763
As at 31 December 2022	-	192,665	1,228,355	1,421,020
As at 31 December 2023	**253,610**	**151,189**	**548,407**	**953,206**

10 Investments in subsidiaries

	Company	
	2023	2022
	€	€
At 1 January	**121,733,376**	47,785,142
Additions	**69,274,212**	73,948,234
Impairment of investment	**(55,614,924)**	-
At 31 December	**135,392,664**	121,733,376

	Company	
	2023	2022
	€	€
At 31 December		
Cost	**195,107,588**	125,833,376
Impairment	**(59,714,924)**	(4,100,000)
Carrying amount	**135,392,664**	121,733,376

Impairment test for investments in subsidiaries

The Company's investments in subsidiaries before impairment losses as at 31 December 2023 amount to EUR 191,007,588. The material additions in 2023 relate to contributions made by the Company to its subsidiaries in relation to the restructuring of the Group which is to be split into two separate structures through the distribution of Platform & Sportsbook to the shareholders of the parent.

With reference to the classification of the Group's Platform & Sportsbook segment as disclosed in Note 7, Management has performed an impairment test on the investments in subsidiaries within the discontinued operations. In relation to the Platform & Sportsbook segment, management has impaired the carrying value by EUR 55.6 million in the year to 31 December 2023. All other investments in subsidiaries were all tested for impairment and no impairment indicators existed as at 31 December 2023.

10 Investments in subsidiaries - continued

The principal subsidiaries at 31 December 2023 and 2022 are shown below:

			Percentage of ownership and voting rights held directly by the Company		Percentage of ownership and voting rights held directly by the Group	
Subsidiaries	**Country of incorporation/ Principal place of business**	**Class of shares held**	**% 2023**	% 2022	**% 2023**	% 2022
iGamingCloud NV	Curacao	Ordinary shares	**-**	-	**100**	100
Innovation Labs Limited	Malta	Ordinary shares	**100**	100	**100**	100
MT Securetrade Limited	Malta	Ordinary shares	**100**	100	**100**	100
iGamingCloud Limited	Malta	Ordinary shares	**100**	100	**100**	100
iGamingCloud SLU	Spain	Ordinary shares	**-**	-	**100**	100
GiG Norway AS (formerly OddsModel AS)	Norway	Ordinary shares	**100**	100	**100**	100
GIG Central Services Limited	Malta	Ordinary shares	**100**	100	**100**	100
Rebel Penguin ApS	Denmark	Ordinary shares	**-**	-	**100**	100
iGamingCloud Inc	United States	Ordinary shares	**-**	-	**100**	100
SIA GiG Riga (formerly SIA YSG International)	Latvia	Ordinary shares	**-**	-	**100**	100
Silvereye International Limited	Malta	Ordinary shares	**100**	100	**100**	100
BE Marketing Limited	Malta	Ordinary shares	**-**	-	**80**	80
Sportnco Gaming SAS	France	Ordinary shares	**100**	100	**100**	100
Sportnco SAS	France	Ordinary shares	**-**	-	**100**	100
Tecnalis Solution Providers SLU	Spain	Ordinary shares	**-**	-	**100**	100
Sportnco Espana SA	Spain	Ordinary shares	**-**	-	**100**	100
AskGamblers Limited	Malta	Ordinary shares	**-**	-	**100**	-
AskGamblers doo	Serbia	Ordinary Shares	**-**	-	**100**	-
KaFe Rocks Ltd	Malta	Ordinary shares	**-**	-	**100**	-
Digital World Ltd.	Malta	Ordinary shares	**-**	-	**100**	-
Time2Play Media Ltd.	Malta	Ordinary shares	**-**	-	**69.89**	-
KaFe Rocks USA LLC	United States	Ordinary shares	**-**	-	**100**	-

11 Trade and other receivables

		Group		Company	
		2023	2022	**2023**	2022
		€	€	**€**	€
Non-current	Note				
Finance lease receivable	5	**890,835**	543,810	**-**	-
Other receivables		**-**	236,044	**-**	-
		890,835	779,854	**-**	-
Current					
Trade receivables - gross		**17,735,327**	14,570,311	**-**	-
Less: loss allowance		**(1,434,831)**	(675,457)	**-**	-
Trade receivables		**16,300,496**	13,894,854	**-**	**-**
Amounts due from payment providers		**-**	892,746	**-**	-
Amounts due from subsidiaries		**-**	-	**1,042,639**	1,686,048
Amounts due from group undertakings		**-**	148,985	**-**	-
Amounts due from related parties		**-**	132,869	**69,951**	61,565
Finance lease receivable	5	**440,336**	419,774	**-**	-
Indirect taxation		**1,272,785**	3,862,096	**-**	-
Other receivables		**105,029**	1,182,159	**1,200**	1,200
Accrued income		**296,991**	1,332,175	**-**	-
Prepayments		**112,758**	1,631,770	**33,219**	21,186
		18,528,395	23,497,428	**1,147,009**	1,769,999

As at 31 December 2022, other receivables included EUR 710,778 for the Group that related to the sale of a domain, which were expected to reduce in line with the contractual obligations of the counterparty (discontinued operations, Note 7). A portion of EUR 236,044 was included in non-current assets as the Group did not expect to receive such amounts in the next twelve months.

Amounts due from subsidiaries (and in the preceding year amounts due from group undertakings and related parties) are unsecured, interest free and repayable on demand.

12 Cash at bank and other intermediaries

Cash at bank and other intermediaries comprise the following:

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
Cash at bank and other intermediaries	**15,326,692**	15,116,837	**9,517,738**	497,784
Less: restricted cash	**-**	(1,386,848)	**-**	-
Cash and cash equivalents	**15,326,692**	13,729,989	**9,517,738**	497,784

Included in the Group's cash at bank are amounts of EUR nil as restricted cash (2022: EUR 1,386,848) that are held in a fiduciary capacity and represent customer monies, whose use is restricted in terms of the Malta Gaming Act, 2018. As at 31 December 2023, these balances are presented within Assets classified as held for distribution to owners (Note 7).

13 Share capital and share premium

Group and Company	Number of ordinary shares	Ordinary share capital €	Share premium €	Total €
Authorised share capital				
At 1 January 2022	50,000	50,000	2,304,345	2,354,345
At 31 December 2022	**50,000**	**50,000**	**2,304,345**	**2,354,345**
At 31 December 2023	**50,000**	**50,000**	**2,304,345**	**2,354,345**
Issued and fully paid				
At 1 January 2022	50,000	50,000	2,304,345	2,354,345
At 31 December 2022	**50,000**	**50,000**	**2,304,345**	**2,354,345**
At 31 December 2023	**50,000**	**50,000**	**2,304,345**	**2,354,345**

The authorised share capital as at 31 December 2023 was composed of 49,999 Ordinary A shares and 1 Ordinary B share.

On 26 March 2024, the Company increased the authorised share capital to 150,000,000 shares split between 149,999,999 Ordinary A shares of EUR 1 each and 1 Ordinary B share of EUR 1. There were no changes to the issued share capital subsequent to the year end and up until the date of these financial statements.

14 Share-based payments

The Group has over time had various share-based payment plans where the exercise and vesting terms are established by the Board at the time of grant. Share options are granted to selected employees as well as to consultants, through which awardees are granted options over shares in the Company. All options are conditional on the employees and the consultants completing a specified number of years' service (the vesting period) and continued employment at time of exercise. The options are exercisable starting between 1 and 5 years from the grant date. The Group has no legal or constructive obligation to repurchase or settle the options in cash. The fair value of stock options granted is determined using the Black-Scholes option-pricing model.

	2023		**2022**	
	Average exercise price in € per option	Options	**Average Exercise price in € per option**	Options
Share options which were granted or converted into options of GIG Inc.				
At 1 January	**1.92**	**2,804,600**	2.04	1,720,000
At 31 December	**1.75**	**1,975,350**	1.92	2,804,600
Share options which were granted or converted into options of GIG Inc.				
Granted	**-**	**-**	2.29	1,700,000
Exercised	**1.66**	**105,250**	2.26	66,400
Expired	**3.79**	**36,000**	3.12	55,000
Forfeited during the year	**2.02**	**688,000**	2.51	494,000

14 Share-based payments - continued

Out of the 1,975,350 (2022: 2,804,600) outstanding options in GiG Inc, as at 31 December 2023, 585,050 (2022: 397,800) were vested but not yet exercised. The weighted average remaining contractual life is 3.61 years (2022: 4.41). 105,250 options were exercised and converted into GiG Inc. shares during 2023 (2022: 66,400) at a weighted average price of EUR 1.66.

Grant dates (year)	Vest dates (range)	Expiry dates	Exercise prices (range) €	Share options 2023	2022
2016	2018-2020	January 2024	3.56	**-**	36,000
2019	2020-2022	March 2025	2.67	**30,000**	170,000
2021	2022-2024	December 2026	1.33	**698,100**	1,024,600
2022	2023-2025	December 2027	1.96	**1,247,250**	1,574,000
				1,975,350	2,804,600

Share-based payments relating to Sportnco

In the prior year, as an incentive to retain key talent in Sportnco, a 30-month option program has been entered into, whereby the option holders, contingent on continued employment, will receive shares in the Group at future VWAP valuation up to a total aggregate value of EUR 4.0 million. The Group recognises an equity-settled share-based payment expense in its post-combination profit or loss over the vesting period, against an increase in equity.

During 2023, there were a number of resignations and therefore options forfeited as the option holders did not meet the condition of continued employment.

15 Capital reserves

Group	Note	**Capital contribution reserve €**	**Advances for shares to be issued €**	**Total €**
At 1 January 2022		95,188,384	510,545	95,698,929
Capital contribution arising on share options granted by the Group's parent entity:				
- Fair value of employee services*	22	1,703,959	-	1,703,959
Capital contribution arising on acquisition of subsidiary		48,500,000	-	48,500,000
At 31 December 2022		145,392,343	510,545	145,902,888
At 1 January 2023		145,392,343	510,545	145,902,888
Capital contribution arising on share options granted by the Group's parent entity:				
- Fair value of employee services*	22	1,534,286	-	1,534,286
Capital contribution arising on acquisition of subsidiary		4,264,793	-	4,264,793
At 31 December 2023		**151,191,422**	**510,545**	**151,701,967**

*The amount from discontinued operations is also included in the total fair value of employee services.

15 Capital reserves - continued

Company

	Capital contribution reserve €	Advances for shares to be issued €	Total €
At 1 January 2022	76,313,412	510,545	76,823,957
Capital contribution received from the parent entity	48,500,000	-	48,500,000
At 31 December 2022	124,813,412	510,545	125,323,957
At 1 January 2023	124,813,412	510,545	125,323,957
Capital contribution received from the parent entity	4,247,640	-	4,247,640
At 31 December 2023	**129,061,052**	**510,545**	**129,571,597**

Advances for shares to be issued

This balance represents proceeds received by the Company from its shareholders in anticipation of issuance of ordinary shares, and exercised share options, the share capital and premium of which had not yet been issued. The amount of EUR 510,545 as at 31 December 2023 and 2022 represents advances in respect of share premium, for which the formal documentation has not been filed with the Registrar of Companies by the end of the respective financial reporting periods. Once the said filing is formalised, the reserve will be capitalised as share premium.

Capital contribution reserve

In 2023, the Group parent issued new shares for 50% of the earn-out payment amounting to €4,247,640 of SportNCo as per the agreement. The amount was capital contributed to the Company and in turn to the Group.

The 2023 movement of EUR 1,534,286 (2022: EUR 1,703,959) in the Group's capital contribution reserve comprises the cost of share options granted by GiG Inc. as consideration to employees of the various Group undertakings. The amount recognised in the reserve includes the cost attributable to share option vested during the period, net of the reversals of costs associated with options that were forfeited by employees who resigned prior to the vesting conditions being met.

During the prior year, the Group parent had completed a direct share offering amounting to EUR 48.5m in connection with the acquisition of Sportnco Gaming SAS ("Sportnco"). The proceeds were transferred to the Company in the form of a capital contribution.

16 Merger reserve

	Group		Company	
	2023 €	2022 €	**2023** €	2022 €
At 1 January and 31 December	**3,533,484**	3,533,484	**5,886,789**	5,886,789

The merger reserve is attributable to mergers that have taken place in previous years and represents the difference between any consideration received or paid, and the carrying amounts of the net assets acquired.

17 Other reserves

Group	**Currency translation reserve**	**Transactions with non-controlling interests**	**Total**
	€	**€**	**€**
At 1 January 2022	(596,643)	(13,389,177)	(13,985,820)
Currency translation differences	(20,700)	-	(20,700)
At 31 December 2022	(617,343)	(13,389,177)	(14,006,520)
At 1 January 2023	(617,343)	(13,389,177)	(14,006,520)
Currency translation differences	(175,042)	-	(175,042)
At 31 December 2023	**(792,385)**	**(13,389,177)**	**(14,181,562)**

Currency translation reserve
Translation differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Transactions with non-controlling interests
The reserve is used to record transactions where the Group acquires a further interest in a subsidiary or disposes of a stake in a subsidiary without losing control. The above reserves are non-distributable reserves.

18 Trade and other payables

	Group		**Company**	
	2023	2022	**2023**	2022
	€	€	**€**	€
Non-current				
Indirect taxation and social security	**1,862,575**	2,180,604	**-**	-
Contingent consideration	**408,120**	9,590,623	**-**	9,590,623
Deferred consideration	**27,923,525**	-	**-**	-
	30,194,220	11,771,227	**-**	9,590,623
Current				
Trade payables	**1,149,276**	2,224,626	**28,849**	-
Players' accounts	**-**	403,650	**-**	-
Jackpot balances	**15,606**	983,198	**-**	-
Amounts due to subsidiaries	**-**	-	**58,816,124**	6,691,227
Other payables	**6,537,150**	6,011,422	**2,120,312**	-
Indirect taxation and social security	**1,916,100**	7,889,656	**-**	546
Accruals	**2,163,536**	4,177,634	**600,800**	-
Contingent consideration	**360,716**	8,941,872	**-**	8,941,872
Deferred consideration	**16,560,348**	-	**-**	-
Deferred income	**558,402**	-	**-**	-
	29,261,134	30,632,058	**61,566,085**	15,633,645

Amounts due to subsidiaries are unsecured, interest-free and repayable on demand. The Company has performed a set-off exercise and re-assigned the balances in view of the spin-off, amounting to EUR 58,816,124. In connection with the sale of B2C operations related to Sportnco in 2023, a EUR 2.1 million payable to former shareholders of SportNCo is included under other payables for both Group and Company. The amount was paid in April 2024.

18 Trade and other payables - continued

Some of the Group's subsidiaries postponed the remittance of certain indirect taxes. Management has entered into a payment plan with the relevant authorities for any overdue balances relating to 2020 and preceding years. Amounts for which the renegotiated payment does not fall due within 12 months are presented as non-current liabilities. In 2023, some of the Group's subsidiaries entered into a payment plan with the relevant authorities for any overdue tax balances related to 2022 and preceding years.

The deferred consideration relates to the Kafe Rocks and AskGamblers acquisitions as disclosed in Note 6.

19 Borrowings

Non-current	**Group**		**Company**	
	2023	2022	**2023**	2022
	€	€	**€**	€
Loan from Credit Institutions	**-**	12,686,759	-	-
Bonds	**74,551,082**	48,190,977	**74,551,082**	48,190,977
	74,551,082	60,877,736	**74,551,082**	48,190,977

Current	**Group**		**Company**	
	2023	2022	**2023**	2022
	€	€	**€**	€
Loan from Group parent	**3,164,698**	3,719,452	**14,751,575**	4,248,669
Loan from Credit Institutions	**-**	3,763,806	**-**	-
	3,164,698	7,483,258	**14,751,575**	4,248,669

As at 31 December 2023, the Group and the Company have the following outstanding bonds:

Issuance year	Maturity date	Seniority	Currency	Nominal amount	Interest rate
2023	18 December 2026	Senior secured	EUR	45 million	3m EURIBOR + 7.25% p.a.
2023	18 December 2026	Senior secured	SEK	350 million	3m STIBOR + 7.25% p.a.

As at 31 December 2022, the Group and the Company had the following outstanding bond:

Issuance year	Maturity date	Seniority	Currency	Nominal amount	Interest rate
2021	11 June 2024	Senior secured	SEK	550 million	3m STIBOR + 8.5% p.a.

In January 2022, the Group successfully completed a SEK 100 million subsequent bond issue under the previous bond framework, which was used towards partially financing the acquisition of SportnCo and for general corporate purposes. The borrowing limit of SEK 550 million was therefore fully utilised as at 31 December 2022.

In December 2023, the Company completed the issuance of a new 3-year EUR 75 million equivalent senior secured bonds, split in a EUR 45 million and a SEK 350 million tranches, and with a combined borrowing limit of EUR 100 million equivalent and floating coupons of 3 months EURIBOR/STIBOR + 7.25% per annum. The net proceeds were used to call the 2021-24 SEK 550 million bond in full including the call premium, to partly finance the acquisition of KaFe Rocks and for general corporate purposes.

The 2023-26 bonds are registered in the Norway Central Securities Depository and are listed on Frankfurt Stock Exchange Open Market. The Company has initiated the process for application and listing of the bonds on Nasdaq Stockholm. Their quoted price as at 31 December 2023 was EUR 45.8 million and SEK 350.9 million (total EUR 77.4 million) which in the opinion of the directors fairly represents the fair value of these liabilities. This fair value estimate is deemed to fall under level 2 of the fair value measurement hierarchy, as it is based on a quoted price in a market with low trading volume.

19 Borrowings - continued

Through the acquisition of Sportnco in 2022, the Group acquired a number of loans with credit institutions with the following terms:

Date of subscription	Date of maturity	Interest rate
June 2016	January 2024	2.24%
May 2019	June 2025	1.25%
April 2020	April 2026	0.75%
April 2020	March 2026	0.25%
December 2020	December 2027	3m EURIBOR & Variable margin (1.20% - 1.90%)
December 2020	December 2027	1.85%
January 2021	January 2026	2.48%
January 2021	January 2026	0.00%

As at 31 December 2023, such loans are included within assets held for distribution to owners (Note 7).

Pledged securities

Gaming Innovation Group Inc. has pledged all of the issued share capital in the Company with a nominal value of EUR 1 to Nordic Trustee ASA, acting as the agent on behalf of bond holders. The bonds are secured by guarantees provided by group operating subsidiaries guaranteeing the discharge of the Company's obligations.

20 Deferred taxation

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

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

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
Deferred tax asset to be recovered after more than 12 months	**5,987**	119,648	**-**	-
Deferred tax liability to be settled after more than 12 months	**(3,990,421)**	(2,343,419)	**-**	-
	(3,984,434)	(2,223,771)	**-**	-

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

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
As at 1 January	**(2,223,771)**	(338,063)	**-**	-
Deferred tax liability recognised upon acquisition of subsidiary	**(2,228,471)**	(1,037,440)	**-**	-
Deferred tax liability on temporary differences - recognised in profit or loss	**(737,894)**	(848,268)	**-**	-
Transfer to liabilities of disposal group	**1,205,702**	-		
As at 31 December	**(3,984,434)**	(2,223,771)	**-**	-

20 Deferred tax - continued

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

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
Future tax credits on subsidiaries' undistributed profits	**-**	119,648	**-**	-
Differences between the tax base and carrying amounts of intangible and tangible assets	**(4,937,241)**	(2,588,568)	**-**	-
Capital allowances and tax losses	**923,411**	220,930	**-**	-
Provision for impairment of receivables	**29,396**	24,219	**-**	-
	(3,984,434)	(2,223,771)	**-**	-

The movement in each of the above temporary differences has been recognised within the Group's profit or loss, with the exception of differences on intangible assets. In the case of temporary differences on intangible assets, deferred tax charges of EUR 120,202 (2022: EUR 570,065) were recognised within the Group's profit or loss, and EUR 2,228,471 (2022: EUR 1,037,440) arose on business combinations.

As at 31 December 2023, the Group had unrecognised unutilised tax credits which are estimated to be in the region of EUR 17.1 million (2022: EUR 17,097,224) arising from unabsorbed tax losses and capital allowances.

21 Net revenue and other operating expenses

(a) *Net revenue*

The Group's revenue by product line is disclosed in note 2, Segment Information.

(b) *Other operating expenses/(income)*

Other operating expenses/(income) include:

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
Consultancy fees	**5,852,692**	3,062,050	**124,769**	45,108
Loss allowance	**335,255**	661,804	**-**	-
Bad debts	**411,629**	409,038	**-**	**-**
Software expenses	**1,407,271**	1,884,536	**-**	-
Other operating expenses	**1,718,811**	677,458	**20,775**	18,031
Release of contingent consideration	**-**	-	**(10,543,215)**	-
	9,725,658	6,694,886	**(10,397,671)**	63,139

Included within the Company's numbers is an amount of EUR 10,543,215 relating to the release of the SportnCo earn-out. The equivalent amount is accounted for at a Group level within discontinued operations (Note 7).

21 Net revenue and other operating expenses - continued

(c) *Marketing expenses*

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
Marketing expenses	**26,777,432**	18,144,804	**-**	-
	26,777,432	18,144,804	**-**	-

Main categories within marketing are search engine marketing (SEM), social media advertising, banner & display advertising, SEO and content.

(d) *Transaction costs*

The Group's transaction costs of EUR 2.0m primarily relate to circa EUR 1.7m in relation to the re-financing of the bond (including early termination fees) with the difference of circa EUR 0.3m relating to transaction costs linked to the acquisition of KaFe Rocks. The Company amount of EUR 1.7m relates solely to the re-financing of the bond (including early termination fees). In the prior year, transaction costs related to the acquisition of SportNCo and are now presented within the results of discontinued operations within these financial statements (Note 7).

(e) *Auditor costs*

Fees charged by the auditor for services rendered are shown in the table below.

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
Annual statutory audit	471,029	301,250	-	-
Other assurance services	18,917	31,500	-	-
Tax advisory and compliance services	47,495	25,050	3,717	1,700
Other non-audit services	273,206	8,800	-	-
	810,647	366,600	**3,717**	1,700

The Company’s audit fees in the current and preceding year are borne by a subsidiary of the Company. Audit fees in relation to the annual statutory paid to other auditors of a subsidiary within the Group amounts to EUR 23,450 (2022: EUR 7,500).

22 Personnel expenses

	Group	
	2023	2022
	€	€
Gross wages and salaries	**12,978,566**	8,441,313
Less: employee costs capitalised as part of software development	**(4,373,953)**	(2,290,742)
Net wages and salaries, including other benefits	**8,604,613**	6,150,571
Social security costs	**1,501,663**	550,419
Termination costs	**-**	361,930
Cost of share options (Note 14)	**70,170**	159,595
	10,176,446	7,222,515

22 Personnel expenses - continued

The Group employs, on average:

	Group	
	2023	2022
Managerial	**12**	9
Media	**192**	152
Platform & Sportsbook (discontinued, Note 7)	**464**	379
	668	540

23 Other income

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
Other income/(expense)	**718,117**	451,756	**(898,382)**	978,390

The other income recognised by the Group in 2023 and in 2022 relates to rental income from sub-leasing of office space. At a Company level, during 2022, an indirect subsidiary of the Company was liquidated and an amount of EUR 898,382 was generated as proceeds from the said liquidation in line with a signed agreement between the Company and subsidiary. In 2023, a revised agreement was entered into between the Company and the intermediate parent whereby the Company agreed that such previously received proceeds amounting to €898,382 be due to the intermediate parent.

24 Finance income

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
Other interest income	**-**	165,609	**-**	-
Exchange differences	**-**	1,868,802	**-**	3,842,927
	-	2,034,411	**-**	3,842,927

25 Finance costs

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
Bond interest expense	**6,556,435**	2,595,762	**6,556,435**	5,311,319
Other interest expense	**2,247,921**	509,926	**649,511**	-
Exchange differences	**256,698**	-	**405,079**	-
Interest payable for lease liabilities (Note 5)	**409,854**	443,314	**-**	-
	9,470,908	3,549,002	**7,611,025**	5,311,319

26 Tax expense

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
Current tax expense				
Current year	**2,737,179**	1,053,017	**-**	-
Prior year	**(21,187)**	191,593	**(21,187)**	-
Deferred tax (credit)/expense (Note 20)				
Current year	**737,894**	848,268	**-**	-
	3,453,886	2,092,878	**(21,187)**	-

Tax expenses from continuing operations amounts to EUR 3,245,902 (2022: EUR 773,914). Tax expenses from discontinued operations disclosed in Note 7.

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

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
Profit/(loss) from continuing operations before tax	**18,689,312**	20,305,248	**(55,417,403)**	(553,141)
Loss from discontinued operations before tax	**(1,208,469)**	(13,878,254)		
Tax calculated at domestic tax rates applicable to profits or losses in the respective countries	**1,201,890**	865,140	**(19,396,091)**	(193,599)
Tax effect of:				
Disallowed expenses	**1,794,718**	587,900	**19,396,091**	193,599
Income not subject to tax	**(501,861)**	-	**-**	-
Utilisation of prior year losses	**-**	319,245	**-**	-
Movements in unrecognised deferred tax assets	**980,326**	129,000	**-**	-
Unrecognised current tax in previous year	**(21,187)**	191,593	**(21,187)**	-
Tax credit/(expense)	**3,453,886**	2,092,878	**(21,187)**	-

27 Cash flows from operations

(a) *Reconciliation of operating profit/(loss) to cash generated from/(used in) operations:*

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
Operating profit/(loss) from:				
Continuing operations	**30,167,655**	22,184,264	**(46,115,635)**	915,251
Discontinued operations to be distributed to owners	**2,043,176**	(9,102,801)	**-**	-
Discontinued operations	**(736,017)**	(2,609,299)	**-**	-
Adjustments for:				
Amortisation of intangible assets (Note 8)	**25,368,908**	17,660,991	**-**	-
Depreciation of property, plant and equipment (Note 9)	**1,026,065**	1,387,127	**-**	-
Deprecation on right-of-use asset (Note 5)	**2,259,631**	2,462,006	**-**	-
Other non-cash gains	**(1,985,372)**			
Movement in contingent consideration (Note 21)	**(10,543,215)**	-	**(10,543,215)**	-
Dividend/Other income (Note 21)	**-**	-	**-**	(898,393)
Loss on disposal of property, plant and equipment (Note 9)	**-**	2,481	**-**	-
Impairment of intangible assets	**718,809**	241,714	**-**	-
Provision for impairment of investments in subsidiaries (Note 10)	**-**	-	**55,614,924**	-
Provision for impairment of trade receivables (Note 11)	**3,726,170**	252,766	**-**	-
Bad debts (Note 21)	**471,629**	661,904	**-**	-
Share-based payments (Note 22)	**1,534,286**	1,703,959	**-**	-
Transaction costs	**(2,008,435)**	(2,043,387)	**(1,690,743)**	(981,444)
Changes in working capital:				
Trade and other receivables	**(11,599,905)**	(6,574,470)	**13,213,729**	26,564
Trade and other payables	**5,639,808**	5,102,717	**(25,709,893)**	2,145,077
Restricted cash	**(77,731)**	243,495	**-**	-
Cash generated from/(used in) operations	**46,005,462**	31,573,467	**(15,230,833)**	1,207,055

(b) *Non-cash transactions*

As disclosed in note 19, the bondholders of the Company's 2021-2024 bonds were given the opportunity to participate in the issuance of new 2023-26 bonds. As a result of the take up of this opportunity by existing bondholders, the redemption of an amount of EUR 20.1 million 2021-2024 bonds, and the issuance of an equivalent amount of 2023-2026 bonds, were settled through a set-off with no cash being paid or received by the Company.

In the preceding year, a Company's subsidiary having retained earnings available for distribution amounting to EUR 898,382 was liquidated. The amount was recognised as other operating income in the income statement.

27 Cash flows from operations - continued

(c) *Reconciliation of financing liabilities*

Group	Bond	Lease liability	Loan from group parent	Loans from credit institutions	Total
	€	€	€	€	€
Balance as at 1 January 2022	42,703,303	12,468,486	5,131,181	-	60,302,970
Acquisition of subsidiaries	-	-	-	18,627,883	18,627,883
Cash flows	4,044,633	(3,195,753)	(1,411,728)	(2,177,318)	(2,740,167)
Other non-cash movements, including interest accrued	1,443,041	657,701	-	-	2,100,742
Balance as at 31 December 2022	**48,190,977**	**9,930,434**	**3,719,453**	**16,450,565**	**78,291,428**
Balance as at 1 January 2023	48,190,977	9,930,434	3,719,453	16,450,565	78,291,428
Acquisition of subsidiaries	-	190,865	-	-	190,865
Cash flows	26,313,281	(3,195,753)	7,775,390	(3,828,806)	27,064,111
Other non-cash movements, including interest accrued	46,824	863,837	2,186,838	-	3,097,499
Transfer to liabilities of disposal group	-	(2,682,399)	(10,516,854)	(12,621,759)	(25,821,140)
Balance as at 31 December 2023	**74,551,082**	**5,106,984**	**3,164,827**	**-**	**82,822,763**

Company	Bond	Loan from group parent	Total
	€	€	€
Balance as at 1 January 2022	42,703,303	6,365,919	49,069,222
Cash flows	4,044,633	(2,131,419)	1,913,214
Other non-cash movements	1,443,041	14,169	1,457,210
Balance as at 31 December 2022	**48,190,977**	**4,248,669**	**52,439,646**
Balance as at 1 January 2023	48,190,977	4,248,669	52,439,646
Cash flows	26,313,281	8,532,472	34,845,753
Other non-cash movements	46,824	1,970,434	2,017,258
Balance as at 31 December 2023	**74,551,082**	**14,751,575**	**89,302,657**

28 Related party transactions

Gaming Innovation Group Inc. (“GiG Inc”) as the Company’s immediate and ultimate parent entity has its shares traded on the Oslo Børs and NASDAQ Stockholm. In view of its shareholding structure, the Group does not have an ultimate controlling party.

All companies forming part of the GiG Inc. Group, comprising the Company and its subsidiaries (as disclosed in Note 10), the shareholders, and other companies controlled or significantly influenced by the shareholders are considered to be related parties.

28 Related party transactions - continued

The following transactions were carried out with related parties.

(a) *Key management personnel*

	Group	
	2023	2022
	€	€
Directors' emoluments	**990,645**	797,017
Share-based payments	**68,548**	30,642
	1,059,193	827,659

Key management personnel comprise the directors of the Group.

(b) Year-end balances arising from amounts due and loans from related parties, and other transactions

	Group		Company	
	2023	2022	**2023**	2022
	€	€	**€**	€
Other receivables from related parties (Note 11)				
Subsidiaries	**-**	-	**1,042,639**	1,686,048
Group undertakings	**-**	148,985	**-**	-
Related parties	**-**	132,869	**69,951**	61,565
Other payables to related parties				
Subsidiaries (Note 18)	**-**	-	**58,816,124**	6,691,227
Loan from Group parent (Note 19)	**3,164,827**	3,719,452	**14,751,575**	4,248,669
Other transactions				
Capital contributions during the year (Note 15)	**4,264,793**	48,500,000	**4,247,640**	48,500,000
Fair value of employee services (Note 22)	**1,534,286**	1,703,959	**-**	-

The amount of EUR 1,464,117 (2022: EUR 1,544,366) of the fair value of employee services disclosed in the above table is presented within these financial statements as part of the discontinued operation (Note 7).

29 Events after the reporting period

On 31 January 2024, the Group paid the EUR 10 million deferred payment for the acquisition of AskGambers. The EUR 15 million remaining balance is due on 31 January 2025.

GiG launched the next generation X-suite igaming and sportsbook solutions – CoreX and SportX and supporting AI-led verticals, DataX and LogicX at the show ICE London in February 2024. This greatly enhanced and meticulously crafted new X-suite of products that address the evolving needs of the industry, with faster deployment, open source tech-stack, extremely efficient to operate and scale and dynamic data-driven rules engine that drives real-time insights, marks a significant step up in product innovation to capitalise on increasing global opportunities, with regulated markets becoming more demanding for technology providers.

30 Significant risks and uncertainties

General

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

This evolving environment makes compliance an increasingly complex area with the risk of non-compliance with territory specific regulations, including responsible gaming and anti-money laundering obligations. These uncertainties represent a risk for the Group's ability to develop and grow the business, as changes in legislation or enforcement practices could force the Group to exit markets, indemnify clients for losses or financial sanctions, or even result in direct financial sanctions to the Group, litigation, licence withdrawal or unexpected tax exposures, which have not duly been provided for in the financial statements. These risks are relevant to both our existing B2B business (which could present themselves directly or indirectly via B2B customers) and also for our white label B2C licence.

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

B2C

In line with the strategic review taken in 2020, GiG is less directly exposed to legal and compliance risks associated with gaming operations due to currently having one B2C license with the Malta Gaming Authority servicing one white label partner (SkyCity), together with various B2B licenses in various regulated markets.

Platform & Sportsbook Services

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

Subsequent to year end, the Group has been awarded B2B licenses in two additional US states, Pennsylvania and Maryland which will complement existing US licenses in New Jersey and Iowa. Also, the Group is in the process of being awarded a Swedish B2B license which will complement existing European licenses in the UK and Romania. This reduces exposure to the Group with regards to regulation changes.

Media Services

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

30 Significant risks and uncertainties - continued

The media business diligently adheres to marketing and content guidelines across multiple jurisdictions, recognizing the inherent risks associated with non-compliance stemming from employee unfamiliarity. To mitigate such risks, the Group prioritises continuous education and updates for all staff regarding these guidelines, ensuring thorough awareness and alignment with any changes implemented. This proactive approach underscores our commitment to operating with integrity and regulatory adherence in every aspect of our business.

Extraordinary events

The Group does not have business in the impacted conflict regions of Ukraine and Russia, and Israel and Gaza, and while difficult to predict the wider impact on consumer spending, no material impact has been experienced so far in the Group's operations. Historically, the online gambling industry has proved robust and normally has not been materially affected by uncertain periods for the global economy.

31 Contingent liabilities

The Group is facing litigation brought forward by select former clients for damages allegedly suffered as a result of material breaches of long-term contracts. Such litigation relates to the Platform & Sportsbook part of the Group, i.e., the discontinued operations as described further in Note 7. Based on current legal advice (of both internal legal counsel and advice obtained from third party lawyers), the directors do not anticipate the outcome of such litigation to have a material adverse effect since the said claims are deemed to be unfounded and have no merit.

32 Statutory information

Gaming Innovation Group p.l.c. is a limited liability company and is incorporated in Malta, having a registered office at @GiG Beach, The Golden Mile, Trig Id-Dragunara, St. Julian's STJ 3148, Malta.

Gaming Innovation Inc., a company incorporated in the United States of America with a registered office address of 10700, Stringfellow Rd., 10, Bookeelia FL 33922 is the immediate and ultimate parent of the Company.

Independent auditor's report

To the Shareholders of Gaming Innovation Group p.l.c.

Report on the audit of the financial statements

Our opinion

In our opinion:

- The Group financial statements and the Parent Company financial statements (the "financial statements") of Gaming Innovation Group p.l.c. give a true and fair view of the Group and the Parent Company's financial position as at 31 December 2023, and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU; and
- The financial statements have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

What we have audited

Gaming Innovation Group p.l.c.'s financial statements, set out on pages 41 to 112 comprise:

- the Consolidated and Parent Company statements of financial position as at 31 December 2023;
- the Consolidated and Parent Company income statements and statements of comprehensive income for the year then ended;
- the Consolidated and Parent Company statements of changes in equity for the year then ended;
- the Consolidated and Parent Company statements of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these Codes.

Emphasis of matter

We draw attention to Note 7(a) to these consolidated financial statements which, among others, describes the impairment assessment considerations of the identified carrying value of assets and liabilities of the Platform and Sportsbook segment under IFRS 5 'Non-current assets held for sale and discontinued operations'. This matter is considered to be of fundamental important to the users' understanding of the financial statements due to its nature and significance. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report and the Sustainability Report (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except as explicitly stated within the *Report on other legal and regulatory requirements*.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and the requirements of the Maltese Companies Act (Cap. 386), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Independent auditor's report - continued

To the Shareholders of Gaming Innovation Group p.l.c.

Report on other legal and regulatory requirements

The *Annual Report and Consolidated Financial Statements 2023* contains other areas required by legislation or regulation on which we are required to report. The Directors are responsible for these other areas.

The table below sets out these areas presented within the Annual Report, our related responsibilities and reporting, in addition to our responsibilities and reporting reflected in the *Other information* section of our report. Except as outlined in the table, we have not provided an audit opinion or any form of assurance.

Area of the *Annual Report and Consolidated Financial Statements 2023* and the related Directors' responsibilities	Our responsibilities	Our reporting
Directors' report (on pages 2 to 11) The Maltese Companies Act (Cap. 386) requires the directors to prepare a Directors' report, which includes the contents required by Article 177 of the Act and the Sixth Schedule to the Act.	We are required to consider whether the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements. We are also required to express an opinion as to whether the Directors' report has been prepared in accordance with the applicable legal requirements. In addition, we are required to state whether, in the light of the knowledge and understanding of the Company and its environment obtained in the course of our audit, we have identified any material misstatements in the Directors' report, and if so to give an indication of the nature of any such misstatements. With respect to the information required by paragraphs 8 and 11 of the Sixth Schedule to the Act, our responsibility is limited to ensuring that such information has been provided.	In our opinion: • the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Directors' report has been prepared in accordance with the Maltese Companies Act (Cap. 386). We have nothing to report to you in respect of the other responsibilities, as explicitly stated within the *Other information* section.

	Other matters on which we are required to report by exception We also have responsibilities under the Maltese Companies Act (Cap. 386) to report to you if, in our opinion: • adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us. • the financial statements are not in agreement with the accounting records and returns. • we have not received all the information and explanations which, to the best of our knowledge and belief, we require for our audit.	We have nothing to report to you in respect of these responsibilities.

Other matter – use of this report

Our report, including the opinions, has been prepared for and only for the Parent Company's shareholders as a body in accordance with Article 179 of the Maltese Companies Act (Cap. 386) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior written consent.

Curmi

Ian Curmi
Principal

For and on behalf of
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78, Mill Street
Zone 5, Central Business District
Qormi
Malta

1 May 2024