UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 40-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934**

☒ **ANNUAL REPORT PURSUANT TO SECTION 13(a) OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2021 **Commission File Number 001-40759**

BRAGG GAMING GROUP INC.

(Exact name of Registrant as specified in its charter)

Canada
(Province or other jurisdiction of incorporation or organization)

7379
(Primary Standard Industrial Classification Code Number (if applicable))

Not Applicable
(I.R.S. Employer Identification Number (if applicable))

130 King Street West, Suite 1955
Toronto, Ontario, Canada M5X 1E3
(647) 800-2282
(Address and telephone number of Registrant's principal executive offices)

Puglisi & Associates
850 Library Avenue, Suite 204
Newark, Delaware
United States, 19711
(302) 738-6680
(Name, address (including zip code) and telephone number (including area code)
of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, no par value	**BRAG**	**The Nasdaq Stock Market LLC**

Securities registered or to be registered pursuant to Section 12(g) of the Act: Not applicable.

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: Note Applicable.

For annual reports, indicate by check mark the information filed with this Form:

☒ Annual information form ☒ Audited annual financial statements

Number of outstanding shares of each of the issuer's classes of
capital or common stock as of December 31, 2021:
19,973,462 Common Shares, no par value

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act. Emerging growth company ☒

If an emerging growth company that prepares is financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

EXPLANATORY NOTE

Bragg Gaming Group Inc. (the "**Company**" or the "**Registrant**") is a Canadian issuer that is permitted, under the multijurisdictional disclosure system adopted in the United States, to prepare this Annual Report on Form 40-F (this "**Annual Report**") pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the " **Exchange Act**"), in accordance with Canadian disclosure requirements, which are different from those of the United States. The Company is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act and Rule 405 under the Securities Act of 1933, as amended. Equity securities of the Company are accordingly exempt from Sections 14(a), 14(b), 14(c), 14(f) and 16 of the Exchange Act pursuant to Rule 3a12-3 thereunder.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains certain "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") which are based upon the Company's current internal expectations, estimates, projections, assumptions and beliefs which are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the Company's control and many of which, regarding future business decisions, are subject to change. Such forward-looking information may include information regarding our financial position, business strategy, growth strategies, the status of acquisitions, addressable markets, budgets, operations, financial results, taxes, dividend policy, plans and objectives. Particularly, statements regarding our expectations of future results, performance, achievements, prospects or opportunities or the markets in which we operate and the impact thereon of the ongoing COVID-19 pandemic declared by the World Health Organization on March 11, 2020, as well as statements relating to expectations regarding industry trends, our growth rates, the achievement of advances in and expansion of our platforms, expectations regarding our revenue and the revenue generation potential of our business, expected acquisition outcomes and synergies, our business plans and strategies, and our competitive position in our industry are forward-looking statements.

In some cases, such statements can be identified by the use of forward-looking terminology such as "expect", "likely", "may", "will", "should", "would", "intend", or "anticipate", "potential", "proposed", "estimate" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. Forward-looking statements include estimates, plans, expectations, opinions, forecasts, projections, targets, guidance, or other statements that are not statements of historical fact. Such forward-looking statements are made as of the date of this Annual Report.

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. The Company is unable to guarantee future results, levels of activity, performance or achievements. Moreover, neither the Company nor any other person assumes responsibility for the outcome of the forward-looking statements. Many of the risks and other factors which could cause results to differ materially from those expressed in the forward-looking statements contained in this Annual Report are beyond the control of the Company. The risks and other factors include, but are not limited to:

- regulatory landscape and potential regulatory changes in significant jurisdictions in which the Company operates or plans to operate;
- concentrated customer base accounts for significant portion of revenues of the Company;
- loss of license;
- impact of regulatory changes in Germany on July 1, 2021;
- competition and changes in the competitive landscape;
- reliance on top customers and key personnel and employees;
- the completion of strategic acquisitions by the Company, including the pending Spin Games LLC acquisition, and management of growth;
- reliance on strategic alliances and relationships with third party network infrastructure developers, key suppliers, and service platform vendors;

- new business areas and geographic markets;
- legal status of real-money gaming and changes to and interpretations of laws and regulations;
- intrusion or other security breaches, cyberattacks, or cybercrime;
- the costs and potential impact of obtaining all necessary regulatory approvals, and complying with existing and proposed laws in a heavily regulated industry;
- the plans, costs, and timing for future research and development of the Company's current and future technologies, including additional platforms;
- deriving revenue from players located in jurisdictions in which the Company does not hold a license, and the impact of customers' operations in unregulated or prohibited jurisdictions;
- projections of market prices and costs;
- expected revenues and the ability to attain profitability;
- expectations regarding the ability to raise capital on acceptable terms;
- access to payment processors and currency, exchange and interest rates;
- the Company's management and protection of intellectual property and other proprietary rights;
- changes in, or in the interpretation of, legislation with respect to the Company's tax liabilities and changes in taxation regimes;
- prices and price volatility of the Company's products;
- money laundering and fraudulent activity;
- disruptions to markets, economic activity, financing, and supply chains, and a deterioration of general economic conditions including a possible national or global recession;
- risks related to COVID-19, including travel restrictions, border closures, nonessential business closures, quarantines, self-isolations, shelters-in-place and social distancing and various recommendations, orders and measures of governmental authorities to try to limit the pandemic; and
- shareholders holding 5% or more of voting securities of the Company may be subject to compliance requirements.

Readers are cautioned that the foregoing list of factors is not exhaustive and that additional information on these and other factors that could affect the Company's operations or financial results is discussed in this Annual Report. Copies of this Annual Report are available electronically under the Company's profile on SEDAR at www.sedar.com and from EDGAR at www.sec.gov. The above summary of risks related to forward-looking statements is included in this Annual Report in order to provide readers with a more complete perspective on the future operations of the Company. Readers are cautioned that this information may not be appropriate for other purposes.

With respect to forward-looking statements contained in this Annual Report, the Company has made assumptions regarding, among other things: the Company's ability to obtain and maintain licenses; market demand for online gaming services; present and future business strategies; the impact of increasing competition; conditions in general economic and financial markets; the environment in which the Company will operate in the future, including the ability to obtain services and supplies in a timely manner to carry out the Company's activities; current technology; cash flow; future exchange rates; timing and amount of capital expenditures; effects of regulation by governmental agencies; future operating costs; and the Company's ability to obtain financing on acceptable terms.

If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward- looking statements prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking statements.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. Forward-looking information is provided for the purpose of presenting information about management's current expectations and plans relating to the future and allowing investors and others to get a better understanding of our anticipated financial position, results of operations and operating environment. Readers are cautioned that such information may not be appropriate for other purposes.
Although we have attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other risk factors not presently known to us or that we presently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking statements. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, prospective investors should not place undue reliance on forward-looking statements, which speak only as of the date made.

The forward-looking statements contained in this Annual Report are expressly qualified by this cautionary statement. The Company is not under any duty to update or revise any of the forward-looking statements except as expressly required by applicable securities laws.

NOTE TO UNITED STATES READERS - DIFFERENCES IN UNITED STATES AND CANADIAN REPORTING PRACTICES

The Registrant is permitted, under the multi-jurisdictional disclosure system adopted by the United States Securities and Exchange Commission (the "**SEC**"), to prepare this Annual Report in accordance with Canadian disclosure requirements, which differ from those of the United States. The Company has prepared its financial statements, which are filed as Exhibit 99.2 to this Annual Report and incorporated by reference herein, in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board and they are not comparable to financial statements of United States companies.

ANNUAL INFORMATION FORM

The Registrant's Annual Information Form for the fiscal year ended December 31, 2021 is filed as Exhibit 99.1 to this Annual Report (the "**AIF**") and is incorporated by reference herein.

AUDITED ANNUAL FINANCIAL STATEMENTS

The audited consolidated financial statements of the Registrant for the years ended December 31, 2021 and 2020, including the report of the independent auditor thereon, are filed as Exhibit 99.2 to this Annual Report and are incorporated by reference herein.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis of the Registrant for the three and twelve months ended December 31, 2021, is filed as Exhibit 99.3 to this Annual Report (the "MD&A") and is incorporated by reference herein.

TAX MATTERS

Purchasing, holding, or disposing of the Company's securities may have tax consequences under the laws of the United States and Canada that are not described in this Annual Report.

CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

As of the end of the period covered by this Annual Report, the Company carried out an evaluation, under the supervision of the Company's Chief Executive Officer (the "CEO") and Chief Financial Officer (the "CFO"), of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act). Based upon that evaluation, the Company's CEO and CFO have concluded that, as of the end of the period covered by this Annual Report, the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and (ii) accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.

While the Company's principal executive officer and principal financial officer believe that the Company's disclosure controls and procedures provide a reasonable level of assurance that they are effective, they do not expect that the Company's disclosure controls and procedures or internal control over financial reporting will prevent all errors or fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Management's Annual Report on Internal Control over Financial Reporting

This Annual Report does not include a report of management's assessment regarding internal control over financial reporting due to a transition period established by rules of the SEC for newly public companies.

Attestation Report of the Registered Public Accounting Firm

This Annual Report does not include an attestation report of the Company's registered public accounting firm due to a transition period established by rules of the SEC for newly public companies.

Changes in Internal Control over Financial Reporting

During the period covered by this Annual Report, no change occurred in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

AUDIT COMMITTEE

The Board of Directors has a separately designated standing Audit Committee established for the purpose of overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company in accordance with Section 3(a)(58)(A) of the Exchange Act and NASDAQ Stock Market Rule 5602(c). As of the date of this Annual Report, the Company's Audit Committee is comprised of Paul Pathak, Rob Godfrey and Holly Gagnon, each of whom are independent based on the criteria for independence prescribed by Rule 10A-3 of the Exchange Act and NASDAQ Stock Market Rule 5605(a)(2). The Audit Committee meets the composition requirements set forth by Section 5605(c)(2) of the NASDAQ Stock Market Rules.

The Board of Directors has also determined that each member of the Audit Committee is financially literate, meaning each such member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Audit Committee Financial Expert

The Board of Directors has determined that both Rob Godfrey and Holly Gagnon qualify as a financial expert (as defined in Item 407(d)(5)(ii) of Regulation S-K under the Exchange Act) and NASDAQ Stock Market Rule 5605(c)(2)(A); and are independent (as determined under Exchange Act Rule 10A-3 and NASDAQ Stock Market Rule 5605(a)(2)).

The SEC has indicated that the designation or identification of a person as an audit committee financial expert does not make such person an "expert" for any purpose, impose any duties, obligations or liability on such person that are greater than those imposed on members of the audit committee and the board of directors who do not carry this designation or identification, or affect the duties, obligations or liability of any other member of the audit committee or board of directors.

PRE-APPROVAL OF AUDIT AND NON-AUDIT SERVICES PROVIDED BY INDEPENDENT AUDITOR

The Audit Committee pre-approves all audit services to be provided to the Company by its independent auditors. The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table sets forth the fees billed to the Registrant by MNP LLP (PCAOB ID 1930) for professional services rendered in each of the years ended December 31, 2021 and 2020. During these years, MNP LLP was the Registrant's only external auditor.

	Fiscal Year Ended December 31, 2021 (C$)	Fiscal Year Ended December 31, 2020 (C$)
Audit Fees	539,032	385,668
Audit-related Fees	299,600	149,800
Tax Fees[(1)]	230,063	63,023

Notes:

(1) Fees charged for tax compliance, tax advice and tax planning services.

CODE OF ETHICS

The Company has adopted a Code of Business Conduct and Ethics that applies to directors, officers and employees of, and consultants to, the Company (the "**Code**"). The Code is posted on the Company's website at www.bragg.games. The Code meets the requirements for a "code of ethics" within the meaning of that term in General Instruction 9(b) of Form 40-F.

All waivers of the Code with respect to any of the employees, officers or directors covered by it will be promptly disclosed as required by applicable securities rules and regulations. During the fiscal year ended December 31, 2021, the Company did not waive or implicitly waive any provision of the Code with respect to any of the Company's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions.

TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS

The information provided in the table under the heading "*Liquidity and Capital Resources*" in the MD&A included as Exhibit 99.3 hereto, is incorporated herein by reference.

NOTICES PURSUANT TO REGULATION BTR

There were no notices required by Rule 104 of Regulation BTR that the Company sent during the year ended December 31, 2021 concerning any equity security subject to a blackout period under Rule 101 of Regulation BTR.

MINE SAFETY DISCLOSURE

Not Applicable.

DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

NASDAQ STATEMENT OF CORPORATE GOVERNANCE DIFFERENCES

The Company is a "foreign private issuer" as defined in Rule 3b-4 under Exchange Act and its common shares are listed on the NASDAQ Global Select Market (the "NASDAQ") and the Toronto Stock Exchange (the "TSX") Rule 5615(a)(3) of NASDAQ Stock Market Rules permits foreign private issuers to follow home country practices in lieu of certain provisions of NASDAQ Stock Market Rules. A foreign private issuer that follows home country practices in lieu of certain provisions of NASDAQ Stock Market Rules must disclose ways in which its corporate governance practices differ from those followed by domestic companies either on its website or in the annual report that it distributes to shareholders in the United States. A description of the ways in which the Company's governance practices differ from those followed by domestic companies pursuant to NASDAQ standards are as follows:

Majority Independent Directors: The Registrant does not follow NASDAQ Stock Market Rule 5605(b)(1), which requires companies to have a majority of the board of directors comprised of "Independent Directors" as defined in NASDAQ Stock Market Rule 5605(a)(2). In lieu of following NASDAQ Stock Market Rule 5605(b)(1), the Registrant follows the rules of the TSX.

Executive Sessions: The Registrant does not follow NASDAQ Stock Market Rule 5605(b)(2), which requires companies to have their Independent Directors regularly schedule meetings at which only Independent Directors are present ("executive meetings"). In lieu of following NASDAQ Stock Market Rule 5605(b)(2), the Registrant follows the rules of the TSX.

Audit Committee Charter: The Registrant does not follow NASDAQ Stock Market Rule 5605(c)(1), which requires companies to adopt a formal written audit committee charter that specifies the scope of its responsibilities and the means by which it carries out those responsibilities; the outside auditor's accountability to the audit committee; and the audit committee's responsibility to ensure the independence of the outside auditor. In lieu of following NASDAQ Stock Market Rule 5605(c)(1), the Registrant follows the rules of the TSX.

Compensation Committee Charter: The Registrant does not follow NASDAQ Stock Market Rule 5605(d)(1), which requires companies to adopt a formal written compensation committee charter and have a compensation committee review and reassess the

adequacy of the charter on an annual basis. In lieu of following NASDAQ Stock Market Rule 5605(d)(1), the Registrant follows the rules of the TSX.

Composition of Compensation Committee: The Registrant does not follow Rule NASDAQ Stock Market 5605(d)(2), which requires companies to have a compensation committee comprised of at least two members, with each member being Independent Director as defined under NASDAQ Stock Market Rule 5605(a)(2). In lieu of following NASDAQ Stock Market Rule 5605(d)(2), the Registrant follows the rules of the TSX.

***Independent Director Oversight of Director Nominations*:** The Registrant does not follow NASDAQ Stock Market Rule 5605(e)(1), which requires Independent Director involvement in the selection of director nominees, by having a nominations committee comprised solely of Independent Directors. In lieu of following Rule NASDAQ Stock Market 5605(e)(1), the Registrant follows the rules of the TSX.

Nominations Committee Charter: The Registrant does not follow NASDAQ Stock Market Rule 5605(e)(2), which requires companies to adopt a formal written nominations committee charter or board resolution, as applicable, addressing the director nomination process and such related matters as may be required under the federal securities laws. In lieu of following NASDAQ Stock Market Rule 5605(e)(2), the Registrant follows the rules of the TSX.

Shareholder Meeting Quorum Requirements: The Registrant does not follow NASDAQ Stock Market Rule 5620(c) which requires that the minimum quorum requirement for a meeting of shareholders be 33 1/3 % of the outstanding common shares. In addition, NASDAQ Stock Market Rule 5620(c) requires that an issuer listed on NASDAQ state its quorum requirement in its by-laws. In lieu of following NASDAQ Stock Market Rule 5620(c), the Registrant follows the rules of the TSX.

The foregoing is consistent with applicable laws, customs and practices in Canada.

UNDERTAKING

The Company undertakes to make available, in person or by telephone, representatives to respond to inquiries made by SEC staff, and to furnish promptly, when requested to do so by SEC staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

CONSENT TO SERVICE OF PROCESS

The Company has previously filed with the SEC a written consent to service of process on Form F-X. Any change to the name or address of the Company's agent for service shall be communicated promptly to the SEC by amendment to the Form F-X referencing the file number of the Company.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

DATED this 10th day of March, 2022.

BRAGG GAMING GROUP INC.

By: /s/ PAUL GODFREY
Name: Paul Godfrey
Title: Interim Chief Executive Officer

EXHIBIT INDEX

The following documents are being filed with the SEC as Exhibits to this Form 40-F:

Exhibit Number	Description
99.1	Annual Information Form dated March 10, 2022 for the fiscal year ended December 31, 2021
99.2	Audited Consolidated Financial Statements for the years ended December 31, 2021 and 2020 and the Report of Independent Registered Public Accounting Firm (PCAOB ID 1930)
99.3	Management's Discussion and Analysis for the three and twelve months ended December 31, 2021
99.4	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the U.S. Securities Exchange Act of 1934, as amended
99.5	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the U.S. Securities Exchange Act of 1934, as amended
99.6	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.7	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.8	Consent of MNP LLP
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* To be filed by amendment.

Table of Contents

Exhibit 99.1

BRAGG GAMING GROUP INC.
ANNUAL INFORMATION FORM
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

DATED: March 10, 2022

TABLE OF CONTENTS

	Page
EXPLANATORY NOTES AND OTHER INFORMATION	1
EXCHANGE RATE DATA	1
CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS	2
NON-IFRS MEASURES	4
CORPORATE STRUCTURE	5
Name, Address and Incorporation	5
Inter-corporate Relationships	6
GENERAL DEVELOPMENT OF THE BUSINESS	6
Three Year History	6
DESCRIPTION OF THE BUSINESS	12
Market	16
Intellectual Property	17
Licenses & Registrations	17
Regulatory Environment and Regulatory Compliance	20
RISK FACTORS	27
Risk Factors Related to the Company	27
DIVIDENDS AND DISTRIBUTIONS	48
DESCRIPTION OF CAPITAL STRUCTURE	48
Common Shares	48
Equity Awards	48
Warrants	49
MARKET FOR SECURITIES	49
Trading Price and Volume	49
Prior Sales	50
DIRECTORS AND OFFICERS	50
Name, Occupation and Security Holding	50
Cease Trade Orders, Bankruptcies, Penalties or Sanctions	52
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	53
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	53
TRANSFER AGENT AND REGISTRAR	53
MATERIAL CONTRACTS	54
INTERESTS OF EXPERTS	54
AUDIT COMMITTEE DISCLOSURE	54
ADDITIONAL INFORMATION	57
SCHEDULE "A" AUDIT COMMITTEE CHARTER	A-1

EXPLANATORY NOTES AND OTHER INFORMATION

In this annual information form ("**AIF**" or "**Annual Information Form**"), unless the context otherwise requires, all references to the "**Company**", "**Bragg**", "**we**", "**us**", or "**our**" refers to Bragg Gaming Group Inc., together with its wholly-owned subsidiaries and entities.

In this AIF, unless the context otherwise requires, all references to " **Oryx**" refers to Oryx Gaming International LLC, together with its wholly-owned subsidiaries and entities on a consolidated basis.

This AIF applies to the business activities and operations of the Company for the year ended December 31, 2021, unless otherwise indicated.

This AIF contains company names, product names, trade names, trademarks and service marks of the Company and other organizations, all of which are the property of their respective owners.

EXCHANGE RATE DATA

Except as otherwise indicated in this AIF, references to "Canadian dollars" or "C$" are to the currency of Canada, references to "U.S. dollars" or "US$" are to the currency of the United States, references to "GBP" or "£" are to the currency of the United Kingdom and references to "EUR" or "€" are to European Euros.

The following table sets forth, for the periods indicated, the high, low, average and period-end rates of exchange for one U.S. dollar, expressed in Canadian dollars, published by the Bank of Canada (based on the daily average rates as reported by the Bank of Canada).

	Year Ended December 31, 2021	Year Ended December 31, 2020
High	1.2942	1.4496
Low	1.2040	1.2718
Average rate per period	1.2535	1.3415
Rate at end of period	1.2678	1.2732

The following table sets forth, for the periods indicated, the high, low, average and period-end rates of exchange for one Euro, expressed in Canadian dollars, published by the Bank of Canada (based on the daily average rates as reported by the Bank of Canada).

	Year Ended December 31, 2021	Year Ended December 31, 2020
High	1.5641	1.5851
Low	1.4188	1.4282
Average rate per period	1.4828	1.5298
Rate at end of period	1.4391	1.5608

The following table sets forth, for the periods indicated, the high, low, average and period-end rates of exchange for one British pound sterling, expressed in Canadian dollars, published by the Bank of Canada (based on the daily average rates as reported by the Bank of Canada).

	Year Ended December 31, 2021	Year Ended December 31, 2020
High	1.7764	1.7835
Low	1.6716	1.6733
Average rate per period	1.7246	1.7199
Rate at end of period	1.7132	1.7381

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

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- impact of regulatory changes in Germany on July 1, 2021;
- competition and changes in the competitive landscape;
- reliance on top customers and key personnel and employees;
- the completion of strategic acquisitions by the Company, including the pending Spin Games LLC (" **Spin**") acquisition, and management of growth;
- reliance on strategic alliances and relationships with third party network infrastructure developers, key suppliers, and service platform vendors;
- new business areas and geographic markets;
- legal status of real-money gaming and changes to and interpretations of laws and regulations;

- intrusion or other security breaches, cyberattacks, or cybercrime;
- the costs and potential impact of obtaining all necessary regulatory approvals, and complying with existing and proposed laws in a heavily regulated industry;
- the plans, costs, and timing for future research and development of the Company's current and future technologies, including additional platforms;
- deriving revenue from players located in jurisdictions in which the Company does not hold a license, and the impact of customers' operations in unregulated or prohibited jurisdictions;
- projections of market prices and costs;
- expected revenues and the ability to attain profitability;
- expectations regarding the ability to raise capital on acceptable terms;
- access to payment processors and currency, exchange and interest rates;
- the Company's management and protection of intellectual property and other proprietary rights;
- changes in, or in the interpretation of, legislation with respect to the Company's tax liabilities and changes in taxation regimes;
- prices and price volatility of the Company's products;
- money laundering and fraudulent activity;
- disruptions to markets, economic activity, financing, and supply chains, and a deterioration of general economic conditions including a possible national or global recession;
- risks related to COVID-19, including travel restrictions, border closures, nonessential business closures, quarantines, self-isolations, shelters-in-place and social distancing and various recommendations, orders and measures of governmental authorities to try to limit the pandemic;
- shareholders holding 5% or more of voting securities of the Company may be subject to compliance requirements; and
- the other factors discussed under " *Risk Factors*" herein.

Readers are cautioned that the foregoing list of factors is not exhaustive and that additional information on these and other factors that could affect the Company's operations or financial results is discussed in this AIF. Copies of this AIF are available electronically under the Company's profile on SEDAR at www.sedar.com and from EDGAR at www.sec.gov. The above summary of risks related to forward-looking statements is included in this AIF in order to provide readers with a more complete perspective on the future operations of the Company. Readers are cautioned that this information may not be appropriate for other purposes.

With respect to forward-looking statements contained in this AIF, the Company has made assumptions regarding, among other things: the Company's ability to obtain and maintain licenses; market demand for online gaming services; present and future business strategies; the impact of increasing competition; conditions in general economic and financial markets; the environment in which the Company will operate in the future, including the ability to obtain services and supplies in a timely manner to carry out the Company's activities; current technology; cash flow; future exchange rates; timing and amount of capital expenditures; effects of regulation by governmental agencies; future operating costs; and the Company's ability to obtain financing on acceptable terms.

If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward-looking statements prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking statements. The opinions, estimates or assumptions referred to above and described in greater detail in "*Risk Factors*" should be considered carefully by prospective investors.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. Forward-looking information is provided for the purpose of presenting information about management's current expectations and plans relating to the future and allowing investors and others to get a better understanding of our anticipated financial position, results of operations and operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

Although we have attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other risk factors not presently known to us or that we presently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking statements. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, prospective investors should not place undue reliance on forward-looking statements, which speak only as of the date made.

The forward-looking statements contained in this AIF are expressly qualified by this cautionary statement. The Company is not under any duty to update or revise any of the forward-looking statements except as expressly required by applicable securities laws.

NON-IFRS MEASURES

This AIF makes reference to certain non-IFRS measures. These non-IFRS measures are not recognized measures under International Financial Reporting Standards ("**IFRS**") and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these non-IFRS measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management's perspective. Accordingly, these non-IFRS measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. The Company uses the non-IFRS financial measures "EBITDA" and "Adjusted EBITDA" (each defined below). These non-IFRS measures are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. The Company also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. The Company's management uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation.

The Company defined such non-IFRS measures as follows:

"**EBITDA**" is calculated by adding back certain non-cash items to net income or loss from continuing operations and is used by management to measure operating performance. The Company defines EBITDA as earnings before interest, taxes, depreciation and amortization; provided that all revenue, costs and expenses shall be recorded on an accrual basis. The Company's method of calculating EBITDA may differ from the method used by other issuers and, accordingly, the Company's EBITDA calculation may not be comparable to similarly titled measures used by other issuers.

"**Adjusted EBITDA**" means earnings before interest, taxes, depreciation, and amortization after: (i) adding back share based compensation; (ii) adding back transaction and acquisition costs; (iii) adding back impairment of intangible assets and goodwill; (iv) deducting lease payments recorded as a depreciation and interest expense under IFRS standards; (v) adding back or deducting gain / loss on re-measurement of contingent and deferred consideration; and (vi) adding back certain exceptional costs.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated on March 17, 2004, under the name Rockies Financial Corporation pursuant to the *Canada Business Corporations Act* ("**CBCA**"). By Certificate of Amendment dated October 29, 2004, the Company removed its "private company" restrictions within the meaning of applicable securities laws. The common shares of the capital of the Company (the "**Common Shares**") were admitted for trading on the TSX Venture Exchange (the " **TSXV**") under the ticker symbol RKI.P at the opening of the market on March 18, 2005, as a capital pool company.

On June 22, 2007, the Company entered into a share exchange agreement, pursuant to which it agreed to acquire all of the issued and outstanding securities of Sprylogics International Inc. ("**SII**"). The transaction constituted the Company's qualifying transaction and was a reverse takeover of the Company by SII. The qualifying transaction was completed on July 4, 2007, resulting in SII becoming a wholly-owned subsidiary of the Company.

On September 19, 2007, the Company's shareholders (the "**Shareholders**") approved a name change of the Company to Sprylogics International Corp., and on October 9, 2007, the Common Shares began trading on the TSXV under the ticker symbol "SPY".

On September 3, 2013, the Company filed articles of amendment to affect the consolidation of the Common Shares on the basis of one new post-consolidation Common Share for every 10 pre-consolidation Common Shares.

On September 9, 2015, the Company filed articles of amendment to change the name of the Company to "Breaking Data Corp.".

On April 13, 2017, the Company filed articles of amendment to consolidate the Common Shares on the basis of one new post-consolidation Common Share for every ten pre-consolidation Common Shares.

On December 21, 2018**,** the Company filed articles of amendment to change the name of the Company to "Bragg Gaming Group Inc.", and on December 27, 2018, the Company began trading on the TSXV under the ticker symbol "BRAG".

On January 27, 2021, the Common Shares began trading on the Toronto Stock Exchange (" **TSX**") under the ticker symbol "BRAG" and ceased trading on the TSXV.

On April 30, 2021, the Company announced a consolidation of the Common Shares on the basis of one new post-consolidation Common Share for every 10 pre-consolidation Common Shares. The Common Shares began trading on the TSX on a post-consolidation basis on May 5, 2021. Changes in share volumes and share prices as a result of the consolidation have been applied retrospectively to this Annual Information Form.

On August 27, 2021, the Common Shares began trading on the Nasdaq Global Select Market (" **Nasdaq**") under the ticker symbol "BRAG".

The registered office of the Company is located 130 King Street West, Suite 1955, Toronto, Ontario M5X 1E3.

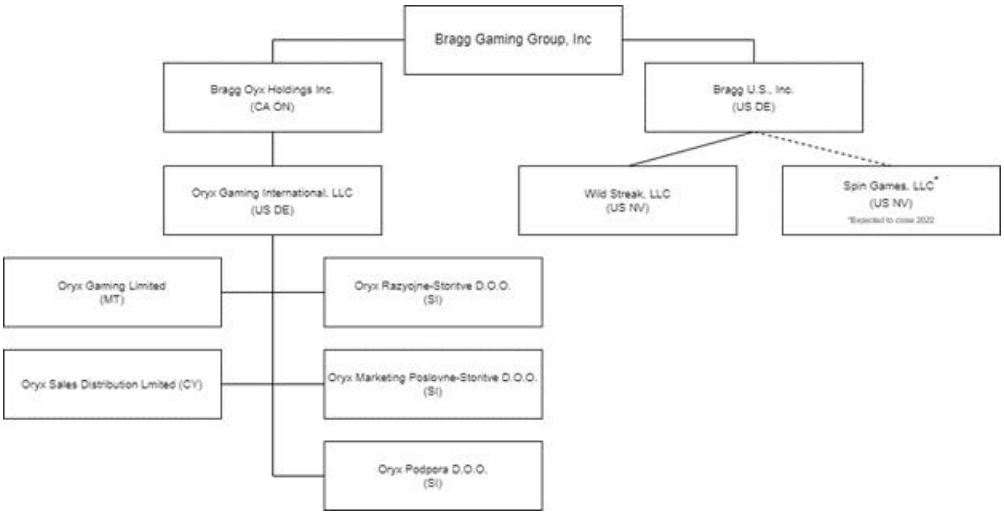
Inter-corporate Relationships

The Company's principal subsidiary is Oryx, which was incorporated in the State of Delaware and is headquartered in Las Vegas. Oryx is wholly-owned by the Company and, together with its subsidiaries, carries on substantially all of the business of the consolidated enterprise. Oryx's primary operations are provided through its wholly-owned subsidiaries in Malta, Slovenia, and Cyprus.

In May 2021, Bragg entered into a definitive agreement to acquire Spin, a Reno, Nevada-based iGaming technology supplier and content provider licensed and active in key regulated North American jurisdictions, which is subject to customary closing conditions, including required regulatory approvals.

In June 2021, Bragg acquired Wild Streak Games LLC (" **Wild Streak**"), a leading iGaming content studio based in Las Vegas, Nevada with a portfolio of proprietary titles distributed globally, including in regulated markets in the United States and Europe. See "*Description of the Business"* below.

The following table sets out material inter-corporate relationships of the Company as of the date of this AIF:



GENERAL DEVELOPMENT OF THE BUSINESS

This section discusses the major events or conditions that have influenced the general development of the Company.

Three Year History

2019

Acquisition of Win Gaming Limited

On April 30, 2019, the Company completed an acquisition transaction whereby it acquired all of the equity in WIN Gaming Limited ("**WIN**") in exchange for cash consideration of €65,923. The purpose of the acquisition was to acquire WIN's remote gaming licence issued by the Malta Gaming Authority. WIN is a private limited liability company incorporated in Malta. On November 11, 2021, the Company agreed to surrender the remote gaming licence in order to focus in its B2B strategy.

Partnership with Kambi Group

On November 5, 2019, the Company entered into an agreement ("**SGC Agreement**") with Kambi Group plc ("**Kambi**"), a global sports betting provider, and Seneca Gaming Corporation ("**SGC**"), a gaming operator, to provide casino services and player account management to SGC's three casinos located in Western New York. The services are provided through Oryx. The SGC Agreement sets out that the Company and Kambi will provide Oryx's gaming platform, including a player account management system, desktop and mobile gaming portal, casino services and integration with Kambi's portfolio of on-property sports wagering products inside the SGC's casinos. On August 10, 2021, the Company and Seneca mutually agreed to terminate the SGC Agreement and provide mutual releases from each of their respective obligations under the SGC Agreement. Given the termination of the SCG Agreement, the Company withdrew its license application in New York State.

2020

Sale of Sports New Media Holdings Limited

On May 1, 2020, the Company entered into an agreement with Sn&ck Media Limited (" **SML**") for the sale of Sports New Media Holdings Limited and its subsidiaries, including GiveMeSport ("**GMS Sale**"). Pursuant to the GMS Sale, the Company received total consideration of up to £400,000. The consideration consisted of an upfront cash payment of £50,000 upon completion of the GMS Sale and 10% of the gross revenues from GMS for a period of 21 months following the completion of the sale. The GMS Sale was completed on May 7, 2020.

Oryx Settlement

On May 13, 2020, the Company entered into an amending agreement with KAVO and Matevž Mazij, whereby the earn-out payment otherwise due to the Oryx Vendor on June 30, 2020 was extended to September 30, 2020 and the first earnout payment's range was agreed to be between €10,020,000 and €11,500,000.

On September 29, 2020, the Company entered into an agreement with Matevž Mazij and KAVO to amend the Oryx SPA (the "**Fifth Amending Agreement**"). The Fifth Amending Agreement provides, among other things, that the Company's obligations to pay the first Oryx Earn-Out (the "**First Earn-Out Payment**") to KAVO would be extended for a period of four months from the deadline provided in the Oryx SPA (as amended) and upon the terms and conditions set out in the Fifth Amending Agreement. The Company and KAVO agreed that the First Earn-Out Payment would equal €10,547,761, payable in cash. In addition, it was agreed that €1,500,000 would be payable to the Oryx Vendor in relation to successful collection of certain trade receivables and that interest would be payable at a rate of 10% per annum of the principal amount of the first earnout payment commencing October 1, 2020.

On November 13, 2020, the Company amended and restated the September 29, 2020 Fifth Amending Agreement (the "**Amended and Restated Fifth Amending Agreement")** and agreed that the second Oryx Earn-Out (the " **Second Earn-Out Payment**") would be converted into €22,000,000 worth of Common Shares by January 31, 2021 at a conversion price of C$7.30 per Common Share, pending shareholder approval. If, and only if, shareholders do not approve the transactions, or the meeting of shareholders is postponed, the due date for settlement of the equity component was further extended to December 1, 2021 and was to be settled in cash. On November 27, 2020, shareholder approval of the transactions was obtained, and the Second Earn-Out Payment was converted to Common Shares on January 18, 2021.

Exercise of Warrants

Between October 15, 2020 and November 30, 2020 160,178 Special Warrants and 1,945,693 Warrants issued upon closing of the Transaction with AA Acquisition Group Inc. and Oryx Gaming International LLC were exercised for gross proceeds of C$15,604,175. On November 30, 2020 920,365 outstanding Warrants expired. All Special Warrants were exercised prior to the expiry date.

Financing – Prospectus Offering

On November 18, 2020 the Company announced the closing of the a "bought deal" short form prospectus offering of 2,957,225 units for total gross proceeds of C$20,700,575, which included the exercise of an over-allotment option in full (the "**2020 Offering**").

Each unit issued pursuant to the 2020 Offering consisted of one Common Share and one half of one Common Share purchase warrant of the Company. Each warrant entitled the holder thereof to purchase one Common Share at a price equal to C$10.00 for a period of 36-months following the closing of the 2020 Offering. The warrants include an acceleration provision, exercisable at the Company's option, if the Company's daily volume weighted average share price is greater than C$15.00 for at least ten consecutive trading days.

In addition to the units, the Company granted 177,434 broker warrants, each convertible to one Common Share and half of one warrant at a price equal to C$7.00.

Board and Management Changes

Effective August 27, 2020, the Company announced that its Chief Executive Officer, Dominic Mansour, was taking a period of paid leave of absence for personal reasons. To cover for the vacancy created in connection with Mr. Mansour's leave of absence, the Board appointed Adam Arviv to act as Interim Chief Executive Officer of the Company. In addition, the Board nominated and elected Mr. Arviv to serve on the Board.

On September 30, 2020, the Company announced that the Board nominated and elected Richard Carter to serve as the Executive Chair of the Board. Mr. Carter has extensive experience in the gaming industry and held the role of CEO of interactive sports betting solutions and services provider SB Tech for the past five years, until the company's merger with digital sports entertainment and gaming company DraftKings through a three-way deal with Diamond Eagle Acquisition Corp. in April 2020. The Company also entered into a consulting agreement with the Richard Carter for consultancy, advisory assistance, and services relating to the Company's expansion into the U.S. market. In connection with Mr. Carter's election to the Board, Paul Pathak was appointed as Vice-Chair and Lead Independent Director of the Board.

On December 2, 2020, the Company announced that the Board accepted the resignation of Dominic Mansour as the Chief Executive Officer effective November 27, 2020, and that Adam Arviv, the Interim Chief Executive Officer, assumed the role of Chief Executive Officer on a full-time basis. Dominic Mansour vacated all executive positions and resigned from the Board.

2021

Financing – Common Shares

On January 13, 2021, the Company completed a non-brokered private placement. The Company raised gross proceeds of C$3,000,000 through the issuance of 247,934 Common Shares at a price of C$12.10 per Common Share. Insiders of the Company subscribed for 247,934 Common Shares.

Acceleration of Warrants

On January 21, 2021, the Company announced that it elected to exercise its option to accelerate certain warrants issued pursuant to the 2020 Offering. Each warrant entitled the holder thereof to purchase one Common Share at a price equal to C$10.00. The expiry date of the warrants was accelerated to February 22, 2021. A total of 1,554,082 warrants were exercised for proceeds to the Company totalling C$15,540,820.

Between January 21, 2021, and February 18, 2021, 160,548 broker warrants were exercised at a price equal to C$7.00 for 160,548 Common Shares and 80,274 warrants for proceeds to the Company totalling C$1,123,836.

As at the date of this AIF, there are nil issued and outstanding warrants and 16,886 broker warrants issued and outstanding.

Oryx Second Earn-Out

On January 18, 2021, the Second Earn-Out Payment was converted into €22 million worth of Common Shares at a conversion price of C$7.30 per Common Share, subject to certain conditions, including the completion of a financing transaction and the entering into of an investor rights agreement with KAVO (the "**KAVO Investor Rights Agreement**"). The Fifth Amending Agreement further provides that KAVO is entitled to receive up to €1,500,000 in certain accounts receivable of the Company.

Following the completion of the Second Earn-Out Payment, Matevž Mazij became a "control person" of the Corporation, and, as of the date of this AIF, exercises control or direction over 24.7% of the outstanding Common Shares on a non-diluted basis. The Amalgamation and Transaction were completed in compliance with applicable securities laws at the time, and the Fifth Amending Agreement does not substantially change the terms of the underlying SPA. The common shares of the Corporation issued to satisfy the second earn-out payment are subject to a statutory four-month hold period. In connection with the settlement of the Second Earn-Out Payment, Matevž Mazij was appointed to the Board.

The full text of the Oryx SPA, the Fifth Amending Agreement, and the KAVO Investor Rights Agreement are filed under the Company's profile on SEDAR at www.sedar.com. Readers are encouraged to read the Oryx SPA (as amended by the Fifth Amending Agreement) and the KAVO Investor Rights Agreement in their entirety.

Acquisitions

On May 12, 2021, the Company entered into a purchase agreement to acquire 100% of the membership interests in Spin, a Nevada based business-to-business ("**B2B**") gaming technology and content provider currently servicing the U.S. market (the "**Spin Acquisition**"). The Company agreed to pay a purchase price consisting of: (i) US$10 million in cash; and (ii) US$20 million in Common Shares, of which US$5 million worth of Common Shares will be payable on closing and US$5 million worth of Common Shares will be payable on each of the next three anniversaries of the closing date of the Spin Acquisition. On December 16, 2021, the Company received all required regulatory approvals to complete its acquisition of Spin, which it now expects to occur during 2022.

On June 2, 2021, the Company acquired 100% of the membership interests in Wild Streak, a Nevada-based content creation studio with a portfolio of 39 premium casino slot titles supported across online- and land-based applications (the "**Wild Streak Acquisition**"). Pursuant to the Wild Streak Acquisition, Doug Fallon, the founder and CEO of Wild Streak, joined the Company as Managing Director of Group Content. The Company agreed to pay a purchase price consisting of: (i) US$10 million in cash; and (ii) US$20 million in Common Shares, of which US$10 million worth of Common Shares will be payable on the first anniversary of the closing date of the Wild Streak Acquisition and US$5 million worth of Common Shares will be payable on each of the next two anniversaries of the closing date of the Wild Streak Acquisition.

Market Launches

In late March 2021, the Company launched its partnership with Grand Casino Baden. The operator's online casino brand, jackpots.ch, provides content from the Company's exclusive RGS partner, Gamomat. This represents the Company's entrance to the Swiss market. On December 21, 2021, Oryx took its content live with Grand Casino Baden, marking further inroads into Switzerland's market. On July 1, 2021, new German regulations came into effect requiring all operators to be compliant. The Company certified its RGS and games in advance and successfully rolled out its products in the newly regulated market.

In August 2021, the Company was granted a license to supply its remote games server (RGS) and casino content to operators in Greece by the Hellenic Gaming Commission. The Company's customers in the territory include OPAP, Stoiximan, Novibet, Betsson and NetBet.

On October 4, 2021, Oryx launched its platform in the newly regulated Dutch market after going live with the highly anticipated BetCity.nl brand under a full turnkey agreement with local operator BetEnt. BetEnt, the online arm of established Dutch land-based operator Casino City, selected Oryx to provide it with a complete solution including its leading Player Account Management ("**PAM**") iGaming Platform and extensive content library.

On November 26, 2021, Oryx launched a PAM iGaming platform and content in the Netherlands with JACKS.NL, the online brand of Jack's Casino. The launch occurred after the Dutch Gaming Authority granted a license to JOI Gaming, part of the JVH Gaming & Entertainment Group, to operate JACKS.NL.

Board and Management Changes

On January 12, 2021, the Company announced that Paul Godfrey had been appointed to the Board. Mr. Godfrey is a renowned business leader and Canadian politician, recently holding the role of President and CEO of Postmedia Network and continuing to act as Chair of Postmedia, a company he founded. Mr. Godfrey also previously held the roles of Publisher and CEO of Sun Media and President and CEO of the Toronto Blue Jays. He is a recipient of the Order of Canada and of the Order of Ontario.

On March 1, 2021, the Company appointed Lara Falzon to the Board.

Richard Carter was appointed Chief Executive Officer of the Company on May 1, 2021, replacing Adam Arviv, who also stepped down from the Board on that date.

On May 3, 2021, Paul Godfrey was appointed Chair of the Board and Lara Falzon was appointed Chair of the Company's audit committee.

On May 4, 2021, Chris Looney was appointed Chief Commercial Officer, who is responsible for the development and execution of the Company's product and strategic direction.

On May 11, 2021, the Company appointed Holly Gagnon to the Board.

On May 11, 2021, the Company appointed Alex Spiro to the Board.

On November 8, 2021, Matevž Mazij was appointed as Vice-Chair of the Board and Paul Pathak was appointed as Deputy Chair.

On November 15, 2021, Paul Godfrey, Chair of the Board of Directors, was appointed to the role of Interim Chief Executive Officer of the Company.

Recent Developments

New Studio Launch

In January 2022, the Company launched its new proprietary studio brand, Atomic Slot Lab, releasing its debut online slot game Egyptian Magic in European markets on January 27. The game was well received and will be launched in North American markets later in the year. The follow-up title, Fairy Dust, is scheduled to be released in Europe in March.

Market Launches

Oryx obtained a supplier licence from the United Kingdom's Gambling Commission in November 2021 , launching its content in the territory with 888casino before the end of the year (and announced on January 5, 2022). The United Kingdom launch is an extension of the Company's existing partnership with 888casino across several other regulated markets in Europe.

On February 14, 2022, the Company announced its market entry to the Czech Republic, taking its content live with the SYNOT Group in the territory.

New Gaming Licences

On March 1, 2022, the Company announced it had obtained a license to supply its technology, content and services in the Bahamas.

On March 8, 2022, the Company announced it had obtained a supplier license to offer its technology, content and services in Ontario, Canada, when the market opens, anticipated on April 4, 2022.

Supplier Agreements

On January 18, 2022, Oryx went live with Swiss operator Casino Interlaken to supply its range of exclusive slots. The partnership with Interlaken marks Oryx's third in Switzerland following deals with leading operators Grand Casino Luzern and Grand Casino Baden.

On March 7, Oryx announced that it went live in Spain with 888casino, expanding its relationship with the tier 1 operator as well as its presence in the Spanish market.

Licensing Agreements

On February 7, 2022, the Company announced a content licensing agreement with slots developer Blue Guru Games, allowing it to release numerous exclusive game titles from the studio.

Management Changes

On January 31, 2022, Lara Falzon was appointed President and Chief Operating Officer, taking responsibility for primary oversight of the Company's operational performance and guiding the ongoing execution of growth strategies. Lara Falzon resigned as Chair of the Audit Committee concurrent with her appointment as Chief Operating Officer. Paul Pathak succeeds Lara Falzon as Chair of the Audit Committee.

DESCRIPTION OF THE BUSINESS

General

The Company is a global technology and content supplier to the gaming industry with a proprietary omni-channel Player Account Management (**"PAM"**) platform for casino and sportsbook operators, content studios supplying online, land-based and social casinos, and advanced promotional and business intelligence software. It also offers managed operational and marketing services to its iGaming operator customers to complete its full turnkey gaming solution.

Operating Segment

The Company has only one operating segment: B2B online gaming, and as of 2021 it derives 81% of its revenue from its games and content services. The Company's customer base consists only of online gaming operators. The principal products and services provided by the Company are the licensing of its PAM, games and content, and managed services. For the year ended December 31, 2021, approximately 73% of the Company's operating revenue is geographically based in Europe, though this segmentation is not correlated to the geographical location of the Company's worldwide end-user base.

Products and Services

The Company offers a full range of games including slot games, table games, card games, video bingo, scratch card games, virtual sports, and live dealer games. These games are featured on the PAM and are also available for use on other gaming platforms offered by third parties.

PAM Platform Licensing

The Company offers a multi-channel and cross-product PAM that enables operators to manage their entire product suite using one shared account and one wallet for casino, lottery, sportsbook, and other operations. The PAM allows operators to maximize cross-sale opportunities and increase player value by using the fully-integrated set of tools and solutions to manage users, transactions, campaigns, reporting, and analytics. The PAM features games from proprietary studios and content developed by third parties. The PAM offers a full payment solution integrated with a large number of payment solution providers covering local and global markets; and it also includes a player risk profile level and an advanced rule engine for customization.

Through a single account across all products and channels, operators get a complete overview and history of customer activities, transactions, balance, and personal data. This enables a personalized approach in communication with players and tailor-made offers. The platform also offers player protection features such as deposit limits, play-time limits, loss limits, and reality checks to allow operators to encourage responsible gaming.

The PAM has an integrated chat function which enables quick access to customer data, and enables operators to provide unrivaled customer support as well as up-selling and cross-selling opportunities. The platform also has bonus and wagering management, whereby the platform can enable automatically triggered bonuses for deposits and signup promotions, manual bonuses given to players by customer support, bonus code and many other flexible bonus configurations. In addition, the platform provides for loyalty management wherein operators can set different levels for different game limits, transaction limits, bonuses, levels of service and predefined deposit amounts. The platform also allows for dynamic campaign management whereby operators can create automated or bespoke campaigns to maximize cross-selling opportunities to increase player value.

The PAM has a sophisticated business intelligence tool which can create insightful dashboards and reports on customer behaviour, financial transactions, gaming income, bets, detailed statistics of game-play, all with flexible filtering and grouping options, as well as campaigns performance reporting. The PAM contains an affiliate management system and portal to enable operators to build productive relationships with affiliates using redirect or download links, coupon codes, and real-time earning and payment reporting. Further, the PAM provides for an integrated land-based, self-serve, betting system with support for anonymous play (cash and cashless play support), and account play (registration, login, deposit and fund transfers). Development and maintenance of the PAM is completed in-house by employees and contractors of the Company and its subsidiaries.

Turnkey and Managed Services

The Company offers a complete solution for its PAM customers where it can manage an operator's customers and marketing communications. The operational managed services assist with hosting and security, know-your-client requirements, payment and transaction management, customer support, and risk and fraud management. The Company's marketing managed services address retention and conversion marketing programs, VIP marketing and management, and provide a personalized approach to players. These services are based on player data and correspondence history, and aim to create a strong relationship and customer loyalty. The Company's analytics and business intelligence services aggregate, manage and utilize significant amounts of data and prepare periodic and per-request reports and insights.

Games and Content

The Company offers proprietary, exclusive, and third-party gaming content, all delivered through a single integrated platform and supported by data platform functionality and its FUZE™ player engagement toolset. The Company has three proprietary studios, two located in Europe and the other in the United States, with a combined portfolio of over 60 casino gaming titles as of December 31, 2021. Spin also has a proprietary games studio with over 35 titles.

The Company also holds exclusive content distribution rights through partnerships with selected third-party studios. These studios offer differentiated and localized content that is not available elsewhere in specific markets. The Company has such arrangements with a total of ten third-party studios including Gamomat, Kalamba Games, Peter & Sons, Bluberi and Blue Guru Games with over 250 Bragg-exclusive games from third-party partner studios live at the end of 2021.

To meet the needs of the market, the Company's casino game aggregator is integrated with and distributes non-exclusive games from additional third-party studios including leading brands such as Evolution, Playtech and Play'N Go. Content is constantly updated on this platform, with 1,400 unique game titles added in 2021 and over 5,000 unique game titles from 60 games studios live on the platform as at December 31, 2021.

Locations

The Company provides gaming services to its customers that operate in the Netherlands, Germany, Switzerland, Greece, Serbia, Romania, Croatia, Spain, Sweden, Denmark and Colombia. The Company is particularly focused on expanding its presence in new and growing geographies such as the United States, Canada, the United Kingdom, Italy, other European Union countries and Latin America, and has made significant inroads towards delivering on its market expansion plan. Specifically, Bragg is expanding its United States footprint with the Spin and Wild Streak transactions.

The Company is currently in the process of obtaining licenses and appropriate certification in European regulated countries, the United States and Canada. The Company is in active commercial discussions with operators in Italy and Belgium, and it continues to monitor other markets for regulatory developments. The acquisitions of Spin and Wild Streak have accelerated the Company's expansion into United States and Canadian markets, as New Jersey, Michigan, Pennsylvania and British Columbia, with Ontario expected to open for regulated iGaming business from Q2, 2022.

Customers

As of December 31, 2021, Bragg had 146 customers, of which 10 were added in the three months ended December 31, 2021. Its existing customer base in Europe and Latin America continues to expand, while the recent acquisition of Wild Streak and pending acquisition of Spin offer new opportunities in the growing North American market. The Company continues to strengthen its customer base, servicing leading business-to-consumer ("**B2C**") operators in the online casino industry such as Entain, Gamesys, Betsson, Superbet, Mr. Green, Casumo, 888casino and others. After taking into account Bragg's acquisition of Spin, the Company will have an additional 30+ customers in North America, including names such as BetMGM, Caesars, FanDuel, Golden Nugget, Hard Rock, DraftKings, TwinSpires, Penn National Gaming, Resorts, Parx, Rush Street Interactive, Unibet and WynnBet.

Revenue and Sales

ORYX Gaming Limited (Malta)

ORYX Gaming Limited ("**OGL**") is a wholly-owned subsidiary of Oryx, and holds its gaming supply license, being its Maltese B2B license ("**Critical Gaming Supply License**") to supply 'Type 1' games (casino-games), which is regulated by the Malta Gaming Authority ("**MGA**"), and its "class 2" Romanian license ("**Class 2 License**"), which is regulated by the Romanian Gaming Authority. OGL generates revenue for Oryx by being the main arm through which it uses its Critical Gaming Supply License to license and/or supply proprietary and third-party gambling software products, but it does not supply Oryx Sportsbook to MGA license holders using its Critical Gaming License. OGL uses its Class 2 License to support Romanian-licensed operators.

ORYX Sales Distribution Limited (Cyprus)

ORYX Sales Distribution Limited ("**OSD**"), is a wholly-owned subsidiary of Oryx, and is a sales and distribution company for the license and/or supply of proprietary and third-party gambling software products to operators in non regulated markets. OSD holds no gambling licence as this is not required for its operations. The purpose of OSD is the distribution and sale of gaming software and content to markets that are not regulated by the MGA. The regulatory framework of the MGA does not permit MGA licensees to provide services to businesses that do not hold a valid MGA license. The Company incorporated the OSD subsidiary to provide non-regulated services to non-licensees. OSD is managed in a similar fashion to OGL, since both subsidiaries provide many of the same services. OGL, however, sells gaming software and content to MGA licensees, while OSD sells gaming software and content to non-MGA licensees. OSD is unregulated, requires and retains no licensees or certificates, has no physical office space, and retains no employees.

Oryx retains a corporate services firm in Cyprus that provides resident directors, as Cyprus has director residency requirements, and houses the minute book and constating documents of OSD. The nominee director of OSD can be removed or replaced by Oryx, the legal and beneficial owner of all of the issued and outstanding shares of OSD.

Revenue

The Company sells the products it has developed (including the Oryx Games, Oryx Sportsbook, Oryx Lottery and the PAM) and third-party content within its solutions. Oryx also licenses its Oryx Games for use on other gaming platforms offered by third parties.

The Company derives the majority of its revenue from operators using its platforms and proprietary and third-party content, whereby it earns a percentage of the gross gaming revenue generated by the operators. As such, the success of Oryx is tied to the performance of its operators. In addition, the Company made significant strides improving revenue diversification throughout the year. For the year ended December 31, 2021, 55.1% of revenue was derived from ten clients, down from 58.3% for the twelve months ended December 31, 2020.

The company's revenue[3] for the year ended December 31, 2021, increased from the same period in the previous year by 25.6% to EUR 58.3m (2020: EUR 46.4m) while the underlying business revenue (excluding Wild Streak) was up 21.2% compared to the same period in the previous year, continuing a solid quarterly growth momentum since Q1 2019. Wild Streak's revenue for the period was EUR 2.1m (2020: Nil). The Group's positive year-on-year revenue growth was derived mainly from organic growth from its existing customer base, the onboarding of new strategic customers in various jurisdictions and a strong revenue performance from the acquisition of Wild Streak in June 2021.

The company's revenue growth was mainly derived from the games and content which accounted for 81% (2020: 89%) of total revenues, as demand for the Group's unique games and content and technology proposition continues to grow. The Corporation's growth has been underpinned by continued investment and innovation in its technology and product offerings. These investments accelerated the roll out of the iGaming (PAM) services in new markets throughout the year including the launch of Oryx Hub, new data analytic tools and customer engagement platform earlier this year, demonstrating the Corporation's potential to further leverage its technology to accelerate growth.

Other financial information

Gross profit increased compared to the same period in the previous year by 40.3% to EUR 28.3m (2020: EUR 20.2m) with gross margins increasing by 5.1% to 48.6% (2020: 43.5%). This improvement is primarily due to a higher proportion of revenue derived from our iGaming platform and managed services and increase of Wild Streak games and content revenue which has no cost of sale, compared to third party games and content which have associated third party costs.

The company's Adjusted EBITDA increased from the same period in the previous year by 29.8% to EUR 7.2m (2020: EUR 5.5m) with Adjusted EBITDA margins increasing by 0.4% to 12.3% (2020: 11.9%). The marginal increase achieved mainly as a result of scale and improvement in the product mix of iGaming and managed services offset by the increased salaries and subcontractors costs as part of the Corporation's strategy of investment in the expansion of its software development, product and senior management functions.

Total net loss from continuing operations for the period amounted to EUR 7.5m (2020: EUR 14.5m) a movement predominantly driven by the incremental increase in total employee costs (including share based compensation) of EUR 7.5m, professional fees of EUR 1.5m other operational costs EUR 1.1m and depreciation and amortisation in the sum of EUR 1.9m, offset by increased gross profit of EUR 8.1m, reduction in measurement of deferred consideration payable of EUR 9.3m and reduction in accretion on liabilities expense of EUR 1.0m.

Operations

ORYX razvojne storitve d.o.o. (Slovenia)

ORYX razvojne storitve d.o.o. ("**ORS**") is a wholly-owned subsidiary of Oryx, and its principal function is as the development arm of Oryx. ORS develops and implements the gambling software products for Oryx and other subsidiaries for further licensing and/or supply to operators. ORS holds no gambling licence as this is not required for its operations.

[3] Revenue includes group share in games and content, platform fees, and management and turnkey solutions.

ORS holds, together with OGL, the ISO/IEC 27001 certificate. The ISO/IEC 27001 is an international standard on how to manage information security. The standard was originally published jointly by the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC) in 2005 and then revised in 2013. It details requirements for establishing, implementing, maintaining and continually improving an information security management system (ISMS) – the aim of which is to help organizations make the information assets they hold more secure. A European update of the standard was published in 2017. Organizations that meet the standard's requirements can choose to be certified by an accredited certification body following successful completion of an audit.

The ISO/IEC 27001 certificate is widely known, providing requirements for an ISMS, though there are more than a dozen standards in the ISO/IEC 27000 family. Using them enables organizations of any kind to manage the security of assets such as financial information, intellectual property, employee details or information entrusted by third parties.

Development

With respect to development, Oryx develops some of its own products and subcontracts out certain development activities. Software development know-how and expertise for online gambling are contained within Oryx. The main input into the development of its products is human capital in the form of employees or contractors. Oryx's proprietary technology include its PAM, an omni-channel platform enabling the operation of casino and sports betting businesses, plus a fully owned remote games server (RGS), its content delivery and aggregation platform, data platform and its FUZE™ player engagement promotional toolset. In addition, Oryx houses two proprietary online casino game studios: the ORYX Gaming studio, and Atomic Slot Lab, which released its first game in January 2022. All intellectual property is owned by Oryx, while physical assets for software development are owned by Oryx's subsidiaries.

Real Property

The Company, including Oryx, holds no real property or mortgages, but Oryx leases office space in Slovenia and Wild Streak Gaming leases office space in Las Vegas, Nevada.

Employees

As of December 31, 2021, the Corporation employed 286 employees (December 2020: 241) across Slovenia, UK, Malta, USA and Canada.

Market

Bragg is a gaming solutions provider selling to gaming operators headquartered in countries including Malta, Germany, the Netherlands, Greece, Romania, Croatia, the Czech Republic, Serbia, Colombia, Sweden, and Denmark. While a large portion of revenue derived from German facing operations during the first nine months of the year the Company has seen significant growth outside of Germany – mainly the Netherlands market – in the fourth quarter, which demonstrates the Company's ability to continually diversify and reduce its exposure to any single country. Oryx intends to maintain its position by providing compliant, localized and unique solutions, highly adaptable to regulatory requirements and third-party integrations. See "*Risk Factors – Risks Factors Related to the Company*" for related risks including with respect to operating in different jurisdictions.

Competition

The online gaming market is extremely competitive, which is growing rapidly. Bragg is a highly sought-after provider of content for operators targeting Netherland, Germany, Croatia, Serbia, Romania, Bulgaria, Spain, Denmark, Sweden, Switzerland, Latin America and elsewhere in South Eastern Europe. Bragg is a primary iGaming option for new operators in the German, Croatian and Latin American markets.

The major competitors in its market are:

- Playtech
- EveryMatrix
- Gaming Innovation Group
- Optima gaming
- IsoftBet
- Relax gaming
- GAN
- Score Media and Gaming Inc.
- International Game Technology
- Light & Wonder Inc.

Management also believes that, while most of the customers have the option of internalizing their content development, it is not likely to happen given the specialized skills required to develop content and the need of operators to supply end-users with a large variety of games.

Intellectual Property

The Company's software is copyright protected. In addition, the Company knowledge base are considered trade secrets and it imposes non-disclosure agreements on any party it transacts with. The Company has trademarks registered in various jurisdictions globally.

Licenses & Registrations

Oryx complies with all local rules and regulations within its operating jurisdictions and has licenses, registrations, and certificates with respect to its software and operations in the following jurisdictions: Oryx has business-to-business software licenses in Malta and Romania and has certificates and approvals to distribute their products in Croatia, Denmark, United Kingdom, Spain, Colombia, Estonia, Gibraltar, Schleswig-Holstein, Germany, The Netherlands, Serbia, Czech Republic, Sweden, Latvia, Portugal, Switzerland, Bulgaria, the Bahamas and the ("**Licenses and Registrations**"). Please see the chart below for further details on the licensing regime in the jurisdictions in which Bragg has material operations or currently intends to operate in the near future. In addition to the below we are in progress of applying for the following B2B licenses: New Jersey, Pennsylvania, Michigan and other U.S. states.

Jurisdiction	Regulatory Framework (Gaming Authority)	Required Licenses/ Registrations/ Certificates	Status	Renewal	Maintenance Requirements
Malta	MGA (Malta Gaming Authority)	Supplier needs to have a B2B license.	Compliant and Live	Valid until October 2025	Personnel with key functions must file personal declaration forms: (a) CEO; (b) CFO; (c) Legal and compliance; (d) Technical and information security; (e) day to day gaming operations; and (f) internal audit.
Romania	Romanian gaming authority (ONJN)	Supplier needs to have a B2B license. Certificate required for games and platform.	Compliant and Live	B2B license is valid indefinitely subject to payment of annual fees and yearly audit. Certificate is subject to annual renewal or upon specific changes.	N/A
Germany (Schleswig-Holstein)	Ministerium für Inneres, ländliche Räume und Integration des Schleswig- Holstein. Currently only one state has regulated online gambling; federal gaming regulation is in development.	Registration required for games and platform.	Compliant and Live	Ongoing	N/A
Curacao	E-gaming License Authority	Suppliers are not required to hold a gaming license.	N/A (Live)	N/A	N/A
Croatia	Croatian tax authority	Suppliers are not required to hold a gaming license. Certificate required for games and platform.	Compliant and Live	Ongoing	N/A
Paraguay	Comision Nacional de Juegos de Azar (CONAJZAR)	Online gaming is not regulated.	N/A (Live)	N/A	N/A
Gibraltar	Gibraltar Gambling Commission (GGC)	Certificate required for games – UK game certificate is acceptable. Sheltering of Oryx by a GIB B2B licensed third party.	Compliant and Live	N/A	N/A

Jurisdiction	Regulatory Framework (Gaming Authority)	Required Licenses/ Registrations/ Certificates	Status	Renewal	Maintenance Requirements
Colombia	Coljuegos	Certificate required for games and platform.	Compliant / currently not Live	Certificate is subject to annual renewal or upon specific changes.	N/A
Spain	Directorate General for the Regulation of Gambling	Certificate required for games and platform.	Compliant and Live	To be determined.	N/A
Sweden	Swedish Gambling Authority	Certificate required for games and platform.	Compliant and Live	To be determined.	N/A
Slovenia	Slovenian Tax Authority	Suppliers are not required to hold a gaming license.	Compliant / currently not live	N/A	N/A
Serbia	Military Technical Institute Belgrade	Suppliers are not required to hold a gaming license.	Compliant and Live	N/A	N/A
Montenegro	N/A	Certificate required for games – UK game certificate is acceptable.	Compliant and Live	N/A	N/A
Estonia	Tax and Customs Board	Certificate required for games – UK game certificate is acceptable.	Complaint and Live	N/A	N/A
Czech Republic	Ministry of Finance	Certificate required for games. Approval for the platform.	Compliant not Live	N/A	N/A
Denmark	Danish Gambling Authority	Certificate required for games	Compliant and Live	TBD	Servers: EU Certification: Games Yearly pentest Yearly/Quarterly change management review
Latvia	Lotteries and Gambling Supervisory Inspection of Latvia	Certificate required for games	Compliant and Live	N/A	N/A
Portugal	Portuguese Gambling Regulator (SRIJ)	Certificate required for games	Compliant and not live	N/A	N/A
Switzerland	Federal Gaming Board	Certificate required for games. ISO 27001 required.	Compliant and live	N/A	Yearly ISO certificate maintenance
United Kingdom	United Kingdom Gaming Commission	Supplier needs to have a B2B license. Certificate required for games and platform.	Compliant and live	B2B license is valid indefinitely subject to payment of annual fees and yearly audits.	N/A
Netherlands	Kansspelautoriteit (KSA)	Certificate required for games and platform	Compliant and live	N/A	N/A

Jurisdiction	Regulatory Framework (Gaming Authority)	Required Licenses/ Registrations/ Certificates	Status	Renewal	Maintenance Requirements
Greece	Hellenic Gaming Commission	Supplier needs to have a B2B license. Certificate required for games and platform.	Compliant and live	Licence valid for five years	N/A
The Bahamas	Bahamas Gaming Board	Supplier needs to have a B2B license. Certificate required for games and platform.	Compliant and live	Licence valid for one year	N/A

Regulatory Environment and Regulatory Compliance

All the Company's European regulated activities are conducted through Oryx and its subsidiaries. Generally, the development, distribution and use of gaming software in the jurisdictions where the Company conducts business are subject to licensing and regulation. Online gambling is generally authorized under license, with gaming authorities generating revenue from license fees and taxation. In order to develop and distribute the Company's software, which is targeted to the gaming market, the Company must comply with the applicable regulations of each jurisdiction in which the Company seeks to conduct business activities, which in some circumstances includes the jurisdictions from where the Company's customers derive their revenues.

The Company operates in a complex environment, with jurisdictions adopting inconsistent approaches to regulation. In keeping with general industry custom, the Company and its customers have established their core operational presence within the licensing jurisdiction of Malta. These customers (themselves licensed gambling operators) then derive revenue from players who are located in a variety of jurisdictions, having established first the extent to which such players' jurisdictions' laws and regulations apply and are enforceable and second that their deriving such revenue is consistent with their ongoing compliance with the applicable laws in the licensing jurisdictions.

Many European jurisdictions have enacted legislation that specifically criminalizes the activities conducted by an unlicensed online gambling operator, and that we believe is not susceptible to challenge (e.g., on the basis that the legislation has been enacted in contravention of previously issued advice from the European Commission). Other European jurisdictions, however, have enacted such legislation that may be susceptible to such a challenge. Moreover, in certain jurisdictions, a gaming operator without a local license who accepts business from players located in those jurisdictions would not necessarily contravene the laws of that jurisdiction (e.g., on the basis that there is a gap in the legislation because it has not been updated to contemplate remote supply of gaming services or it does not apply to extra-territorial gaming operators). In such scenarios, the risk to the Company (as a supplier of technology and services to such an operator) of committing any accessory offenses is tied to whether the operator is committing the underlying offense.

Nearly all of the jurisdictions in which the Company provides products to B2C operators regulate B2B gaming software developers and distributors, such as the Company. Where B2B licensure is not required, the Company coordinates with B2C customers to deliver products to them in a way so they may comply with the local requirements. While certain jurisdictions require B2B gaming software companies, such as the Company, to be licensed, the focus, rigor, and licensure process, and ongoing regulation, is significantly more onerous for B2C businesses operating in those jurisdictions.

The Company also takes precautions through common industry contract provisions and the use of a compliance plan to only do business with customers who do not derive revenue from end users located in so-called prohibited jurisdictions. As the Company grows and expands into new markets or as jurisdictions regulate or change regulations for their markets, the Company may require additional gaming licenses and may be required to comply with different regulatory regimes.

Gaming regulations applicable to the Company are generally focused on two areas of the Company's operations:

- Corporate/personnel regulations: these regulations establish the qualifications and conditions that the Company must satisfy with respect to the history and future conduct of business and the suitability of the individual Oryx employs. This type of regulation is intended to ensure the integrity of participants in the gaming industry.

- Product/technical regulations: these regulations are related to the products the Company may offer and the specifications those products must adhere to in a particular market. This type of regulation is intended to ensure that the products the Company offers to players or related services are permitted, fair and honest.

In order to maintain the Licenses and Registrations, the Company must submit to regular monitoring of its business by gaming authorities, including regular compliance audits. In some jurisdictions, the Company is required to submit quarterly and annual reports that detail its business activity, financial matters, and compliance processes. Certain material events with respect to Oryx, such as key employee, director or officer appointments and dismissals, regulatory actions, share transfers, material transactions and loans, or material litigation must be reported within short timeframes (typically within 5 and 30 days of the event).

The jurisdictions that have granted the Licenses and Registrations have regulations requiring B2B suppliers like the Company to establish internal controls to identify potential business circumstances, companies, and people that could be harmful to the gaming industry and to take appropriate action to avoid or remove themselves from such situations. As a result, the Company must monitor and review itself and its customers to avoid involvement in situations where the Company should reasonably know that its activities or the Company's customer's activities are incompatible with its licensing requirements, which includes the ongoing use or offering of the Company's products in jurisdictions where gambling or interactive gaming is prohibited.

The Company's compliance plan is a comprehensive internal policy that outlines regulatory parameters for certain aspects of the Company's business operations.

The Company maintains and regularly updates a restricted territories list for jurisdictions where gambling or interactive gaming is prohibited, which currently includes the United States, Canada, Australia, France, Israel and Slovenia, among others. Some jurisdictions prohibit gaming in all or certain forms. In addition, by statute or other operation of law, certain jurisdictions provide a gaming licensee with a right to terminate a contract if a counterparty is determined by the gaming licensee to be unfit for the gaming industry. The Company does not permit its customers to offer its products to end users located in jurisdictions where there are prohibitions that clearly apply to their activities and the business models they have adopted. The Oryx PAM uses third party geo-IP services to reveal the location of the player, based on the IP address through which the player is accessing the platform. Geo-location of the player is checked at the time the player registers on the platform and at every login. The platform enforces geo-blocking procedures based on the identified location of the player and our list of prohibited jurisdictions.

The Company's B2C customers are required by regulation to have certain protective measures to prevent fraud and money laundering. The Company has adopted a fraud management policy and anti-money laundering policy to assist Oryx's customers, partners and regulators to prevent or identify illegal activity. Measures adopted under such policies include the creation of a dedicated fraud management team to monitor suspected fraudulent activity, the implementation of internal fraud reporting procedures and the use of fraud management software to timely communicate relevant information to other stakeholders. When contracting and integrating directly with licensed casino operators, the Company performs due diligence as part of the contracting process. If any suspicious activities are detected, the Company reports such activities to the relevant authorities and terminates the contracting process.

Currently, the majority of the Company's international operations are licensed directly in Malta and Romania. The Company, through Oryx, is also certified, but not licensed, in the UK, the State of Schleswig Holstein (Germany), Colombia, Croatia, Czech Republic, Denmark, Estonia (through Oryx's UK certificate), Latvia, Macedonia (through Oryx's UK certificate), the Netherlands, Portugal, Romania, Serbia, Spain, Sweden, and Switzerland. In these territories, Oryx is certified to provide its services to locally licensed customers. Malta has become a key interactive gaming jurisdiction with comprehensive and mature interactive gaming policies and regulatory frameworks. As a result, Malta hosts and licenses many of the industry's largest operators.

Malta

The Malta Gaming Authority ("**MGA**") is the regulatory body that is responsible for the governance of all gaming activities in Malta. The MGA issues licenses for the provision gaming services (B2C) or the provision of a critical gaming supply (B2B). The licenses cover all types of games, from online casino games, games of chance, online sports betting and general games that use a random number generator, to player-to-player games and controlled skill games. Pursuant to the Gaming Act and corresponding rules and regulations, any person who provides or carries out a gaming service or provides a critical gaming supply from Malta or to any person in Malta, through a Maltese legal entity, must obtain the appropriate license from the MGA. To qualify for a license, an applicant must be a body corporate registered and incorporated in the EU/EEA.

Applicants must provide information, for every director and key official of the applicant and for every ultimate beneficial owner with 10% or more ownership of, or controlling interest in, the applicant, including, but not limited to:

- personal financial background information;
- interest in other commercial activities;
- criminal record information;
- information concerning all pecuniary and/or equity interests; and
- any other information that the MGA requires.

The MGA may, at its sole discretion, require that all beneficial owners of shares in the applicant's company provide such information. The MGA does not request this information for publicly traded companies.

B2C operators are required to pay a gaming tax to the Maltese authorities of 5% on the gross gaming revenue generated from Malta. In addition, B2C operators are required to also pay a compliance contribution which varies depending on the type of games offered by the operator. B2B operators are not required to pay any gaming tax or compliance contribution.

A license must be renewed every ten years from the date of issue. The MGA requires that the licensee commence the renewal process at least 60 days from the date of expiry of the license.

Other Regulatory Regimes and Future Developments

While certain European countries, such as Malta and Gibraltar, have adopted "point-of-supply" regimes which generally permit their licensees to accept wagers from any jurisdiction that does not expressly prohibit the supply of online gaming from outside such jurisdiction, other countries, including the United Kingdom, Italy, France, Spain and Denmark, have implemented, or are in the process of implementing, "point-of-consumption" regimes which only permit the targeting of the domestic market, provided the appropriate local license is obtained and local taxes accounted for (regardless of where the operator's assets, infrastructure and employees may be located). Such licensing regimes can apply onerous compliance requirements and/or introduce product restrictions or marketing restrictions that could have an adverse effect on Oryx's operations (and correspondingly on its financial performance) were it to obtain and maintain such licenses.

In the Netherlands, B2C operators can only target the Dutch market if they have obtained a license by the Dutch regulator. For B2B gaming offering, no license is required. However, the B2B supply of remote gambling solutions to unlicensed operators, constitutes a violation under Dutch law.

Other European territories maintain limited licensing regimes that protect monopoly providers and, in certain jurisdictions, have combined this with an attempt to prohibit or otherwise restrict all other supplies into the territory. Restrictive approaches to the regulation of internet gambling may yet be deemed to be in potential conflict (in any specific jurisdiction) with the Treaty for the Functioning of the European Union ("**TFEU**") treaty laws (governing the free movement of trade and services throughout the EU) and case law rendered by the European Court of Justice ("**ECJ**").

A challenge to the validity of any EU jurisdiction's approach to gambling regulation would focus on restrictions on the freedoms of establishment or the freedom to provide services. Restrictions usually take one of a number of forms, including: (i) granting exclusive rights in certain, or all, gambling activities to one or a few providers; (ii) implementing a blanket exclusion of all gambling activities; (iii) prohibiting, on pain of criminal penalties, the pursuit of activities in the betting and gaming sector without a license or police authorization issued by the Relevant Member State; (iv) limiting the number of licenses available to conduct particular gambling activities; (v) limiting the duration of licenses; (vi) unfair or discriminatory procedures for awarding licenses; and/or (vii) requirement for local establishment.

A series of ECJ decisions over the course of the last 15 years or so have given EU member states wide latitude in regulating the online gambling market. However, restrictions imposed by regulations established by a member state must meet four criteria in order to be justified: (i) non- discriminatory; (ii) for the public interest; (iii) suitable (i.e., that it achieves the purposes for which the restriction is introduced); and (iv) necessary (i.e., does not go beyond the intended purposes).

Initiatives of the European Commission over the last 10 years that would harmonize the regulation of online gambling within the EU in line with the TFEU's stated objective of encouraging a free and open cross-border market have been unsuccessful.

The European Commission has initiated infringement proceedings against various member states for allegedly presiding over legislation and/or regulations that do not comply with the relevant EU member states' TFEU obligations. However, in 2017, the European Commission withdrew various infringement proceedings against various EU member states on the basis that complaints could be more efficiently handled by national courts. This may encourage certain EU member states (who no longer have infringement proceedings against them) to try to enforce their national legislation. There can be no assurance that the ECJ will continue to apply EU freedom principles to the online gambling industry in the future. Consequently, remote gambling operators could need to obtain any requisite local licenses in affected jurisdictions. There is uncertainty as to how jurisdictions regulate remote gambling, including product restrictions, licensing requirements and taxation regimes, any of which could limit or prevent the Company's customers being able to supply their services within such territories on profitable terms or at all. While we believe that we are in compliance in all material respects with all applicable iGaming laws, licenses and regulatory requirements, we cannot assure that our activities or the activities of our users will not become the subject of any regulatory or law enforcement, investigation, proceeding or other governmental action or that any such proceeding or action, as the case may be, would not have a material adverse impact on us or our business, financial condition or results of operations. See "*Risk Factors*".

U.S. Regulatory Landscape

Government Regulation

Though the Company is not currently licensed in the U.S. The Company has submitted license applications in New Jersey, Pennsylvania, and Michigan in connection with the Spin Acquisition. Spin is licensed in those jurisdictions. The Company and certain subsidiaries will be subject to various U.S. laws and regulations that affect our ability to operate in the iGaming industry.

The U.S. gaming industry (including our iGaming product offerings) is highly regulated and we will be required to maintain licenses and pay gaming taxes or a percentage of revenue in each jurisdiction from which we operate in order to continue our operations. Our business is subject to extensive regulation under the laws, rules, and regulations of the jurisdictions from which we operate. These laws, rules, and regulations generally concern the responsibility, financial stability, integrity, and character of the owners, managers and persons with material financial interests in the gaming operations along with the integrity and security of the iGaming product offering. Violations of laws or regulations in one jurisdiction could result in disciplinary action in that and other jurisdictions.

U.S. gaming laws are generally based upon declarations of public policy designed to protect gaming consumers and the viability and integrity of the gaming industry. Gaming laws may also be designed to protect and maximize state and local tax revenues, as well as to enhance economic development and tourism. To accomplish these public policy goals, gaming laws establish stringent procedures to ensure that participants in the gaming industry meet certain standards of character and responsibility. Among other things, gaming laws require gaming industry participants to:

- ensure that unsuitable individuals and organizations have no role in gaming operations;
- establish procedures designed to prevent cheating and fraudulent practices;
- establish and maintain anti-money laundering practices and procedures;
- establish and maintain responsible accounting practices and procedures;
- maintain effective controls over their financial practices, including establishing minimum procedures for internal fiscal affairs and the safeguarding of assets and revenues;
- maintain systems for reliable record keeping;
- file periodic reports with gaming regulators;
- establish programs to promote responsible gaming; and
- enforce minimum age requirements.

Typically, a state regulatory environment is established by statute and underlying regulations and is administered by one or more regulatory agencies (typically a gaming commission or state lottery) which regulate the affairs of owners, managers and persons with financial interests in gaming operations. Among other things, gaming authorities in the various jurisdictions in which we conduct our business:

- adopt rules and regulations under the implementing statutes;
- interpret and enforce gaming laws and regulations;
- impose fines and penalties for violations;
- review the character and fitness of participants in gaming operations and make determinations regarding their suitability or qualification for licensure;
- grant licenses for participation in gaming operations;
- collect and review reports and information submitted by participants in gaming operations;
- review and approve certain transactions, which may include acquisitions or change-of-control transactions of gaming industry participants and securities offerings and debt transactions engaged in by such participants; and
- establish and collect fees and taxes in jurisdictions where applicable.

While we believe that we are in compliance in all material respects with all applicable iGaming laws, licenses and regulatory requirements, we cannot assure that our activities or the activities of our customers will not become the subject of any regulatory or law enforcement, investigation, proceeding or other governmental action or that any such proceeding or action, as the case may be, would not have a material adverse impact on us or our business, financial condition or results of operations. See "*Risk Factors*".

Licensing and Suitability Determinations

In order to operate in certain jurisdictions, we must obtain either a temporary or permanent license or determination of suitability from the responsible authorities. We seek to ensure that we obtain all necessary licenses to develop and put forth our offerings in the jurisdictions in which our customers operate and where their end users are located.

Gaming laws require us, and each of our subsidiaries engaged in gaming operations, certain of our directors, officers and employees, and in some cases, certain of our shareholders, to obtain licenses from gaming authorities. Licenses typically require a determination that the applicant qualifies or is suitable to hold the license. Where not mandated by statute, rule or regulation, gaming authorities typically have broad discretion in determining who must apply for a license or finding of suitability and whether an applicant qualifies for licensing or should be deemed suitable to conduct operations within a given jurisdiction. When determining to grant a license to an applicant, gaming authorities generally consider: (i) the financial stability, integrity and responsibility of the applicant (including verification of the applicant's sources of funding); (ii) the quality and security of the applicant's online real-money gaming platform, hardware and related software, including the platform's ability to operate in compliance with local regulation, as applicable; (iii) the applicant's history; (iv) the applicant's ability to operate its gaming business in a socially responsible manner; and (v) in certain circumstances, the effect on competition.

Gaming authorities may, subject to certain administrative procedural requirements, (i) deny an application, or limit, condition, revoke or suspend any license issued by them; (ii) impose fines, either on a mandatory basis or as a consensual settlement of regulatory action; (iii) demand that named individuals or shareholders be disassociated from a gaming business; and (iv) in serious cases, liaise with local prosecutors to pursue legal action, which may result in civil or criminal penalties.

Events that may trigger revocation of a gaming license or another form of sanction vary by jurisdiction. However, typical events include, among others: (i) conviction in any jurisdiction of certain persons with an interest in, or key personnel of, the licensee of an offense that is punishable by imprisonment or may otherwise cast doubt on such person's integrity; (ii) failure without reasonable cause to comply with any material term or condition of the gaming license; (iii) declaration of, or otherwise engaging in, certain bankruptcy, insolvency, winding-up or discontinuance activities, or an order or application with respect to the same; (iv) obtaining the gaming license by a materially false or misleading representation or in some other improper way; (v) violation of applicable anti-money laundering or terrorist financing laws or regulations; (vi) failure to meet commitments to users, including social responsibility commitments; (vii) failure to pay in a timely manner all gaming or betting taxes or fees due; or (viii) determination by the gaming authority that there is another material and sufficient reason to revoke or impose another form of sanction upon the licensee.

Gaming authorities generally have the right to investigate not only us and our direct and indirect subsidiaries engaged in gaming operations, but also individuals or entities having a material relationship to, or material involvement with, us or any of our subsidiaries, to determine whether such individual or entity is suitable as a business associate. Specifically, as part of our obtaining iGaming licenses, certain of our officers, directors, and employees and in some cases, certain of our shareholders (typically, beneficial owners of more than 5% of a company's outstanding equity, with most jurisdictions providing that "institutional investors" (as defined by a particular jurisdiction) can seek a waiver of these requirements) must file applications with the gaming authorities and may be required to be licensed or to qualify or be found suitable in many jurisdictions. Qualification and suitability determinations generally require the submission of extensive and detailed personal and financial disclosures followed by a thorough investigation. The applicant must pay all the costs of the investigation. Changes with respect to the individuals who occupy licensed positions must be reported to gaming authorities and in addition to the authority to deny an application for licensure, qualification, or a finding of suitability, gaming authorities have jurisdiction to disapprove a change in a corporate position. If any director, officer, employee or significant shareholder is found unsuitable (including due to the failure to submit required documentation) by a gaming authority, we may deem it necessary, or be required, to sever our relationship with such person (which may be difficult in the case of a significant shareholder). See "*Risk Factors*".

Generally, any person who fails or refuses to apply for a finding of suitability or a license within the prescribed period after being advised that it is required by gaming authorities may be denied a license or found unsuitable, as applicable. Furthermore, we may be subject to disciplinary action or our licenses may be in peril if, after we receive notice that a person is unsuitable to be a shareholder or to have any other relationship with us or any of our subsidiaries, we: (i) pay that person any dividend or interest upon our voting securities; (ii) allow that person to exercise, directly or indirectly, any voting right conferred through securities held by that person; (iii) pay remuneration in any form to that person for services rendered or otherwise; or (iv) fail to pursue all lawful efforts to require such unsuitable person to relinquish his voting securities.

Canadian Regulatory Landscape

General Background

The Company is subject to Canadian gaming and betting law that affects its ability to offer its platform for use within Canada. Canadian gaming and betting law derives from the *Criminal Code* (Canada) ("**Criminal Code**") and gaming legislation in effect in various Canadian provinces. The Criminal Code generally prohibits offering gaming or betting services to the public, or producing or selling products related to gaming or betting. However, section 207(1)(h) of the Criminal Code provides certain exemptions from the general prohibitions where the gaming- or betting-related products are being provided by an entity in Canada to anyone in a jurisdiction outside of Canada that uses those products in a lawful manner in that jurisdiction. This exemption allows entities in Canada to create and transmit materials related to gaming and betting, including software, to entities in jurisdictions outside of Canada without contravening the gaming and betting-related prohibitions under the Criminal Code. This provision allows the Company to offer B2B solutions to operators based outside of Canada without contravening the gaming and betting-related prohibitions under the Criminal Code, or requiring any gaming or betting-related form of licensing or government authorization , provided that the applicable operators use these solutions in a lawful manner in their jurisdiction. See "*Risk Factors*".

Section 207(1)(a) of the Criminal Code exempts from the federal prohibition on gaming and betting, a lottery scheme operated by the government of a province. British Columbia enacted the Gaming Control Act which authorizes the government of British Columbia, through the British Columbia Lottery Corporation ("**BCLC**") to conduct and manage all casino gaming in the province, including owning and operating the province's only authorized online gambling site. The Gaming Control Act established the Gaming Policy and Enforcement Branch ("**GPEB**") as an independent regulator to regulate all gambling in British Columbia, ensure the integrity of gaming industry companies, and investigate wrongdoing. GPEB also has regulatory oversight of BCLC and sets operating standards, policies and procedures for the overall marketplace in the province. Spin holds a Class B Supplier Registration issued by GPEB, which permits Spin to supply gaming content to BCLC.

Regulatory Changes

Two significant recent changes have occurred to Canada's gaming and betting regulatory landscape.

The first significant change is Canada's legalization of single-event sports betting. Historically, the Criminal Code has only permitted wagers on the outcome of multiple events. Bill C-218, known as Canada's Safe and Regulated Sports Betting Act, which came into force on August 27, 2021, changes this by amending the Criminal Code in a manner that would have the effect of legalizing single-event sports betting in Canada. It should be noted, however, that while Bill C-218 removes the prohibition on single-event betting in the Criminal Code, companies wishing to offer such betting must comply with the requirements of the regulated gaming regimes administrated by individual provinces. Currently such online gaming and betting services are only offered to the public by Canadian provinces or their agencies, which conduct and manage the gaming and betting, although the province or agency may engage private sector operators to provide gaming-related operational services. With the exception of Ontario, as will be discussed further below, no Canadian province has a regulated online gaming regime in place which allows private, third-party operators to offer gaming services to the public directly, without the participation by the province, on a B2C basis.

The second significant change is a change to Ontario's online gaming and betting regime that will more readily allow private, third-party operators to offer gaming services directly to the public as B2C Operators or indirectly as B2B suppliers, under the authority iGaming Ontario ("iGO") a subsidiary of the Alcohol and Gaming Commission of Ontario ("AGCO"). In the past, the Ontario Lottery and Gaming Corporation was the sole entity responsible for conducting and managing all gaming activity in and for the province. The province established iGO to conduct and manage the online gaming market in Ontario, including by allowing private operators to lawfully provide their products and services to Ontario residents. iGaming Ontario has opened access to applications for the regulated Ontario market in September of 2021 and is currently processing applications. The regulated market is expected to go live and open to Ontarians on April 4, 2022.

RISK FACTORS

Risk Factors Related to the Company

The regulatory environment regarding the internet and electronic commerce

In addition to regulations pertaining specifically to online gambling, the Company may become subject to any number of laws and regulations that may be adopted with respect to the internet and electronic commerce generally. New laws and regulations that address issues such as consumer protection, user privacy, pricing, online content regulation, taxation, advertising, intellectual property, information security and the characteristics and quality of online products and services may be enacted. As well, current laws, which predate or are incompatible with the internet and electronic commerce, may be applied and enforced in a manner that restricts the electronic commerce market. The application of such pre-existing laws regulating communications or commerce in the context of the internet and electronic commerce is fluid and uncertain. Moreover, it may take years to determine the extent to which existing laws relating to issues such as intellectual property ownership and infringement, libel and personal privacy are actually applicable to the remote supply of online gambling content and products. The adoption of new laws or regulations relating to the internet, or particular applications or interpretations of existing laws, could decrease the growth in the use of the internet for gaming and gambling, and result in a decrease in the demand for the Company's products and services, increase the Company's cost of doing business or could otherwise have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The impact and possible conflict of laws

The Company and its subsidiaries are incorporated under the laws of, and/or will operate offices in, Canada, the United Kingdom, the United States, Slovenia, Malta, and Cyprus. The Company and its subsidiaries are and will be subject to a variety of laws in Canada, the United Kingdom, the United States, Slovenia, Malta, jurisdictions where it holds the Licenses and Registrations, and abroad, including laws regarding privacy, intellectual property, taxation and distribution that are continuously evolving and developing. The scope, enforcement and interpretation of the laws that are or may be applicable to the Company and its subsidiaries are often uncertain and may be conflicting. It is also likely that as business grows and expands, the Company will become subject to laws and regulations in additional jurisdictions. Compliance with applicable laws or regulations could be very difficult or liability could arise under these laws or regulations, including due to amendments to or evolving interpretation and enforcement of such laws and regulations. As a result, the Company could be directly harmed, and may be forced to implement new measures to reduce the exposure to this liability. This may require substantial resources to be expended, which could harm the Company's business, financial condition, results of operations and prospects.

Concentrated customer base accounts for significant portion of revenues of the Company

The Company depends on a small number of significant customers for a large portion of revenue. The business of the Company was dependent on ten customers for approximately 55.1% of its revenue in the fiscal year ended December 31, 2021 and 58.3% of its revenue for the year ended December 31, 2020. The Company's largest customer accounted for approximately 11% of the Company's revenue for the year ended December 31, 2021. The Company's accounts receivables tend to be concentrated within a small group of customers and this is expected to continue.

The loss of any significant customer, a significant decrease in business from any such customer or a reduction in customer revenue due to adverse changes in the terms of contractual arrangements or other factors could harm the Company's results of operations and financial condition. Revenue from individual customers may fluctuate from time to time.

Shareholders may be subject to compliance requirements

As part of obtaining real-money gaming licenses, the responsible authority will generally assess an applicant's directors, officers, and employees and, in some instances, significant shareholders, to determine an applicant's suitability to conduct gaming operations. The criteria used by gaming authorities to make this determination varies among jurisdictions, but generally requires extensive and detailed application disclosures followed by a thorough investigation. If any gaming authority with jurisdiction over the Company's business were to find an applicable officer, director, employee or significant shareholder of the Company unsuitable for licensing or unsuitable to continue having a relationship with the Company, the Company may be required to sever its relationship with that person (which may be difficult in the case of a significant shareholder), and the Company may be subject to disciplinary action or risk losing its license if it fails to sever such relationship or if it pays that shareholder dividends on its voting securities, allows that shareholder to exercise, directly or indirectly, any voting rights on its securities, or fails to pursue all lawful efforts to require the shareholder to relinquish its voting securities.

Additionally, a gaming regulatory body may refuse to issue or renew a gaming license or restrict or condition the same, based on the Company's present activities or the past activities of the Company or one of its subsidiaries, or the past or present activities of their or the Company's directors, officers, employees, significant shareholders or third parties with whom the Company has relationships, which could adversely affect the Company's operations or financial condition.

If additional gaming regulations are adopted in a jurisdiction in which the Company operates, such regulations could impose restrictions or costs that could have a significant adverse effect on the Company. From time to time, various proposals are introduced in the legislatures of some of the jurisdictions in which the Company has existing or planned operations that, if enacted, could adversely affect the Company's directors, officers, key employees, or other aspects of the Company's operations. The Company can give no assurance that any additional licenses, permits and approvals that may be required will be given or that existing ones will be renewed or will not be revoked. Renewal is subject to, among other things, continued satisfaction of suitability requirements of the Company's directors, officers, key employees and significant shareholders. Any failure to renew or maintain the Company's licenses or to receive new licenses when necessary would have a material adverse effect on the Company.

Nascent industry

The industries within which the Company operates are relatively new and rapidly evolving and as such it is difficult to predict the prospects for growth in these industries. If these industries grow more slowly than anticipated or the Company's existing offerings lose, or its new offerings fail to achieve market acceptance, the Company may be unable to achieve its strategic objectives, which could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Competition

The industries within which the Company operates are intensely competitive, characterized by low barriers to entry, and are subject to changing technology, shifting user needs, and frequent introductions of new offerings. The Company's current and potential competitors include large and established companies as well as other start-up companies. Certain competitors have more established relationships and greater financial resources and they can use their resources against the Company in a variety of competitive ways, including by making acquisitions, investing aggressively in research and development and advertising. Emerging start-ups may be able to innovate and provide offerings faster than the Company can. If competitors are more successful than the Company in developing compelling offerings or navigating regulatory hurdles, the Company's revenue and growth rates could be negatively affected. There is no assurance that the Company will be able to maintain or grow its position in the marketplace.

Restricted ability to enforce contracts in certain jurisdictions

The legal framework, ways of working and conduct of business affairs in certain jurisdictions can differ from what may be considered as standard market practice in other jurisdictions in which the Company operates. If agreements with counterparties in such jurisdictions are subject to any default, dispute or enforcement action, the Company's recourse to local courts or other enforcement bodies to enforce its rights under such agreements may be limited by virtue of such differences. Any inability on the Company's part to enforce its contracts could have a direct effect on the revenue generated under such contracts. Furthermore, any deterioration, for any reason, in the strong business relationships which the Company currently enjoys with its customers could harm its reputation and have a material adverse effect on its business, financial condition, results of operations and prospects.

Additional capital requirements

The Company has limited financial resources and may require substantial additional equity or debt financing in order to carry out its business objectives, including the continued development of new and upgraded functionality of the Company's product offerings to execute on its new strategy of acquiring studios and developing its own proprietary content. There can be no assurance that debt or equity financing or cash generated by operations would be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it would be on terms acceptable to the Company. Failure to obtain sufficient financing may result in the delay or indefinite postponement of development or production on any or all of the Company's offerings which could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Brand development

The brand identities that the Company has developed have significantly contributed to the success of its businesses. Maintaining and enhancing its brands is critical to expanding the Company's base of customers, users, end users, advertisers and partners, as applicable. The Company believes that the importance of brand recognition will increase due to the relatively low barriers to entry in its industries. The Company's brands may be negatively impacted by many factors, including product malfunctions, delivery of incorrect information, data privacy and security issues. If the Company fails to maintain and enhance its brands, or if the Company incurs excessive expenses in this effort, it could have a material adverse effect on the Company's business, financial condition, results of operations and prospects. Maintaining and enhancing its brands will depend largely on the Company's ability to be a technology leader and to continue to provide high-quality products and services, which the Company may not do successfully.

Dependence on key personnel and employees

The success of the Company is dependent on the services and performance of key executives, including the directors and officers of the Company and a small number of highly skilled and experienced executives and personnel. The Company depends on the business and technical expertise of its management and key personnel. The loss of any of these individuals or the Company's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations. The competition for highly skilled technical, research and development, design, management and other employees is high and there can be no assurance that the Company will be able to engage the services of such personnel or retain its current personnel.

Rapid technology developments

The industries within which the Company operates are characterized by rapid technological change, evolving industry standards, frequent new product introductions and short product life cycles. To keep pace with the technological developments, achieve product acceptance and remain relevant to users and therefore attractive to customers, the Company will need to continue developing new and upgraded functionality of its offerings and adapt to new business environments and competing technologies and offerings developed by its competitors. The process of developing new technology is complex and uncertain. If the Company is not able to adapt to new technologies and/or standards, experiences delays in implementing adaptive measures or fails to accurately predict emerging technological trends and the changing needs of end-users, this could have a material adverse effect on the Company's business, financial condition, results of operations and prospects. The development and application of new technologies involve time, substantial costs and risks. There can be no certainty that the Company will be able to develop new offerings and technologies to keep up-to-date with developments in the industries within which it operates and, in particular, to launch such offerings or technologies in a timely manner or at all.

Reliance on collaborative partners

The Company expects to rely on collaborative arrangements to provide services and to develop and commercialize some of its offerings in the future. There can be no assurance that the Company will be able to negotiate acceptable collaborative arrangements, that such collaborative arrangements will be successful or that the Company would not be required to relinquish certain material rights to its offerings. In addition, there can be no assurance that the Company's collaborative partners will not pursue alternative technologies or develop alternative offerings either on their own or in collaboration with others, including the Company's competitors. To the extent that the Company succeeds in entering into collaborative arrangements, it will be dependent on the efforts of third parties for the continued development of certain offerings.

Additionally, the Company employs agents and subcontractors as part of the delivery of the Company's services to its customers and as part of the development and commercialization of the Company's offerings. The ultimate liability for the performance of the agents or subcontractors lies with the Company. Further, the Company's business model is based on the distribution of its products and services by third parties, including communication network providers, web hosting providers and operating system manufacturers. If these third parties are not successful in distributing the Company's products and services it could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Management of growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The Company may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for the Company's personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. The Company's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. Managing such growth can be expensive and may divert the time and attention of management from the operation of the business. The inability of the Company to deal with this growth could have a material adverse impact on its business, financial condition, results of operations and prospects.

Selection and integration of acquired businesses and technologies

The Company may invest in or acquire other businesses, and the Company's business may suffer if it is unable to successfully integrate acquired businesses into the Company or otherwise manage the growth associated with multiple acquisitions. As part of the Company's business strategy, it has made, and it intends to continue to make, acquisitions as opportunities arise to add new or complementary businesses, products, brands, technologies, or strategic alliances. In some cases, the costs of such acquisitions may be substantial, including as a result of professional fees and due diligence efforts. There is no assurance that the time and resources expended on pursuing a particular acquisition will result in a completed transaction, or that any completed transaction will ultimately be successful. In addition, the Company may be unable to identify suitable acquisition or strategic investment opportunities, or may be unable to obtain any required financing or regulatory approvals, and therefore may be unable to complete such acquisitions or strategic investments on favorable terms, if at all. The Company may decide to pursue acquisitions with which the Company's investors may not agree and the Company cannot assure investors that any acquisition or investment will be successful or otherwise provide a favorable return on investment. In addition, acquisitions, and the integration thereof, require significant time and resources and place significant demands on the Company's management, as well as on its operational and financial infrastructure. In addition, if the Company fails to successfully close transactions or integrate new teams, or integrate the products and technologies associated with these acquisitions into the Company, it risks spending time and money investigating and negotiating with potential acquisition or alliance partners, but not completing transactions and its business could be harmed. Acquisitions may expose the Company to operational challenges and risks, including:

- the ability to profitably manage acquired businesses or successfully integrate the acquired businesses' operations, personnel, financial reporting, accounting and internal controls, technologies and products into the Company's business;
- increased indebtedness and the expense of integrating acquired businesses, including significant administrative, operational, economic, geographic or cultural challenges in managing and integrating the expanded or combined operations;
- entry into jurisdictions or acquisition of products or technologies with which the Company has limited or no prior experience, and the potential of increased competition with new or existing competitors as a result of such acquisitions; diversion of management's attention and the over-extension of the Company's operating infrastructure and its management systems, information technology systems, and internal controls and procedures, which may be inadequate to support growth;
- the ability to fund the Company's capital needs and any cash flow shortages that may occur if anticipated revenue is not realized or is delayed, whether by general economic or market conditions, or unforeseen internal difficulties; and
- the ability to retain or hire qualified personnel required for expanded operations.

If an acquired business, technology or an alliance does not meet the Company's expectations, or the Company is unable to successfully integrate an acquired businesses, there could be material adverse effects on the Company's business, financial condition, results of operations and prospects.

New business areas and geographic markets

The Company's growth strategy is dependent upon expanding its offerings into new business areas or new geographic markets. There can be no assurance that these new business areas and geographic markets will generate the anticipated volume of customers, users or revenue. In addition, any expansion into new business areas or geographic markets could expose the Company to new risks, including: compliance with applicable laws and regulations; changes in the regulatory or legal environment; different customer preferences or habits; adverse exchange rate fluctuations; adverse tax consequences; differing technology standards or end-user requirements and capabilities; difficulties staffing and managing foreign operations; infringement of third party intellectual property rights; the cost of localizing software (including translations) or otherwise adapting products and services for new markets; difficulties collecting accounts receivable; or difficulties associated with repatriating cash generated or held abroad in a tax-efficient manner. These factors could cause the Company's expansion into new business areas or geographic markets to be unsuccessful or less profitable than its existing markets, or could cause the Company's operating costs to increase unexpectedly or its revenues to decrease, any of which could have a material adverse effect on the Company's business, financial condition, results of operations and prospects. The Company expects that a majority of its future revenue will be derived from its business operations outside of Canada. Execution of this business strategy is subject to a variety of risks, including operating and technical problems, regulatory uncertainties and possible delays.

Legal status of real-money gaming

The Company's growth prospects depend on the legal status of real-money gaming in various jurisdictions, and predominantly within the United States, which is an initial area of focus, and legalization may not occur in as many states as the Company expects, or may occur at a slower pace than the Company anticipates. Additionally, even if jurisdictions legalize real-money gaming, this may be accompanied by legislative or regulatory restrictions and/or taxes that make it impracticable or less attractive to operate in those jurisdictions, or the process of implementing regulations or securing the necessary licenses to operate in a particular jurisdiction may take longer than the Company anticipates, which could materially and adversely affect the Company's future results of operations and make it more difficult to meet its expectations for financial performance.

Several U.S. states have legalized, or are currently considering legalizing, real-money gaming, and the Company's business, financial condition and results of operations are significantly dependent upon legalization of real-money gaming. The Company's business plan is partially based upon the legalization of real-money gaming for a specific percent of the population on a yearly basis and the legalization may not occur as the Company has anticipated. Additionally, if a large number of additional U.S. states or the U.S. federal government enact real-money gaming legislation and the Company is unable to obtain or its key customers are unable to obtain, or are otherwise delayed in obtaining, the necessary licenses to operate iGaming, online casino suites, sportsbook and insurance-based lottery betting websites in U.S. jurisdictions where such games are legalized, the Company's future growth in iGaming, online casino suites, sportsbook and insurance-based lottery betting could be materially impaired.

As the Company enters into new jurisdictions, governments in those jurisdictions may legalize real-money gaming in a manner that is unfavorable to the Company. Further, authorities overseeing businesses and jurisdictions in which the Company already operates might pass legislation or construe existing law in an unfavorable matter. As a result, the Company may encounter legal, regulatory and political challenges that are difficult or impossible to foresee and which could result in an unforeseen adverse impact on planned revenues or costs associated with operations in existing jurisdictions or opportunities in new jurisdictions.

Additionally, certain U.S. states require the Company to have a relationship with a land-based, licensed casino for online sportsbook access, which tends to increase the Company's costs of revenue. States that have established state-run monopolies may limit opportunities for private sector participants like the Company. States also impose substantial tax rates on iGaming, online casino suites, sportsbook and insurance-based lottery betting wagering revenue, in addition to sales taxes in certain jurisdictions and a federal excise tax of 25 basis points on the amount of each wager. As most state product taxes apply to various measures of modified gross profit, tax rates, whether federal- or state-based, that are higher than the Company expects, will make it more costly and less desirable for the Company to launch in a given jurisdiction. Additionally, tax increases in any of the Company's existing jurisdictions may adversely impact the Company's profitability.

Even in cases in which a jurisdiction purports to license and regulate iGaming, online casino suites, sportsbook and insurance-based lottery betting, the licensing and regulatory regimes can vary considerably in terms of their business-friendliness and at times may be intended to provide incumbent operators with advantages over new licensees.

Changes to and interpretations of laws and regulations

As the Company seeks to expand in the U.S. and foreign markets, the Company expects to be subject to a variety of U.S. and foreign laws and regulations, many of which are unsettled and still developing and which could subject the Company to claims or otherwise harm its business. Any change in existing regulations or their interpretation, or the regulatory climate applicable to the Company's products and services, or changes in tax laws and regulations or the interpretation thereof related to the Company's products and services, could adversely impact the Company's ability to operate its business as currently conducted or as the Company seeks to operate in the future, which could have a material adverse effect on the Company's business, financial condition and results of operations.

While the Canadian courts have yet to clarify the scope of certain aspects of the exemption provided by section 207(1)(h) of the Criminal Code for offshore gaming services provided from Canada, and a risk exists that the Canadian authorities may commence enforcement proceedings against the Company for its activities, the Company is not aware of such proceedings against B2B solutions providers operating in Canada who solely export their products to lawful jurisdictions. Although the Company believes it is compliant with all applicable laws and regulations, there is a risk that certain activities of the Company could be found to be in contravention of any such law or regulation in Canada and the penalties for any such contravention are unknown. Additionally, changes in applicable laws or regulations or evolving interpretations of existing law could, in certain circumstances, result in increased compliance costs or capital expenditures, which could affect the Company's profitability, or impede the Company's ability to carry on its business which could affect its revenues. Violations of the Criminal Code or any other regulation, whether foreign or domestic, could negatively affect the reputation of the Company and the ability of the Company to obtain required regulatory licenses and registrations in Canada and elsewhere, and cause financial harm to the Company.

The Company is generally subject to laws and regulations relating to online gaming, online casino suites, sportsbook and insurance-based lottery betting in the jurisdictions in which the Company or the Company's customers conduct their businesses or in some circumstances, of those jurisdictions in which their services are offered or available, as well as the general laws and regulations that apply to all online businesses, such as those related to privacy and personal information, tax and consumer protection. These laws and regulations vary from one jurisdiction to another and future legislative and regulatory action, court decisions or other governmental action, which may be affected by, among other things, political pressures, attitudes and climates, as well as personal biases, may have a material impact on the Company's operations and financial results. In particular, some jurisdictions have introduced regulations attempting to restrict or prohibit online gaming, while others have taken the position that online gaming should be licensed or otherwise permitted and regulated and have adopted, or are in the process of considering, legislation and regulations to enable that to happen. Additionally, some jurisdictions in which the Company may operate could presently be unregulated or partially regulated, and therefore more susceptible to the enactment or change of laws and regulations.

Operational and financial infrastructure

The Company is subject to growth-related risks, capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. This expansion may require the Company to commit financial, operational and technical resources in advance of an increase in the size of the business, with no assurance that the volume of business will increase or that such initiatives to improve and upgrade its systems and infrastructure will be successful. The inability to deal with this growth or any failure in these initiatives could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Information technology defects

The integrity, reliability and operational performance of the Company's content aggregation, parsing and distribution and other operational information technology ("**IT**") systems are critical to the Company's ability to serve its businesses. The Company's IT systems may be damaged or interrupted by increases in usage, human error, unauthorized access, natural hazards or disasters or similarly disruptive events. Any failure of these IT systems or the telecommunications and/or other third party infrastructure on which such systems rely, as described in *"— Reliance on Third-Party Owned Communication Networks"* could lead to significant costs and disruptions that could reduce the Company's revenue, harm the Company's business reputation and have a material adverse effect on the Company's prospects, business, financial condition or results of operations.

The Company has procedures and measures in place to protect against network or IT system failure or disruption. However, those procedures and measures may not be effective to ensure that the Company is able to carry on its business in the ordinary course if they fail or are disrupted. In addition, the Company's IT systems may not be effective in detecting any intrusion or other security breaches, or safeguarding against sabotage, hackers, denial of service attacks, viruses or cybercrime. Any failure in these protections could harm the Company's business reputation and have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The costs to maintain, transfer and receive personal data across jurisdictions

With regard to transfers to the U.S. of personal data (as such term is defined under the GDPR) from the Company's European and U.K. employees, customers, users and other persons, the Company has relied until recently upon the EU - U.S. Privacy Shield, and the Company currently attempts to rely upon EU standard contractual clauses in certain circumstances. Both the EU - U.S. Privacy Shield and EU standard contractual clauses have been subject to legal challenge, resulting in the EU - U.S. Privacy Shield being invalidated, in July 2020, by the Court of Justice of the European Union (the "**CJEU**"). The U.S. Department of Commerce and the European Commission have initiated discussions to evaluate the potential for an enhanced EU - U.S. Privacy Shield framework that would comply with the CJEU decision; however, such an enhancement may not be created, or any such enhancement could be subject to further challenge before the European courts. While the validity of the EU standard contractual clauses was confirmed by the CJEU, the use of the standard clauses with respect to data transfers to countries outside of the European Economic Area ("**EEA**") or the U.K., including the U.S., may be subject to further challenge. On 4 June 2021, the European Commission issued revised EU standard contractual clauses which intend to address the decision of the CJEU and recommendations made by the European Data Protection Board. Parties currently relying, or wishing to rely, upon EU standard contractual clauses therefore face operational and administrative challenges to implement these revised clauses, and/or any equivalent clauses issued by the relevant competent authority in the United Kingdom. Due to the unsettled nature of data export from the EEA and the U.K. to the U.S. (and other third countries), the Company may experience reluctance or refusal by current or prospective European customers to use the Company's products, and the Company may find it necessary or desirable to make further changes to its handling of personal data of EEA residents, including arrangements to store and process such data outside the U.S. The regulatory environment applicable to the handling of EEA or U.K. residents' personal data, and our actions taken in response, may cause the Company to assume additional liabilities or incur additional costs, and could result in the Company's business, operating results and financial condition being harmed. Additionally, should the Company continue to transfer the personal data of EEA or U.K. residents to the U.S. or other country outside of the EEA or the U.K., without a solution that complies with the GDPR and other applicable data privacy laws, the Company and its customers may face a risk of enforcement actions by data protection authorities in the EEA or the U.K. relating to personal data transfers to the Company and by the Company from the EEA or the U.K. Any such enforcement actions could result in substantial fines, costs, legal orders to stop transfers and diversion of resources, distract management and technical personnel and negatively affect the Company's business, operating results and financial condition.

Reliance on third-party gaming content

The Company currently relies on third-parties for its gaming content and has no control over the providers of its content. Our business could be adversely affected if our access to games is limited or delayed.

The control of content by our major providers means that even one entity, or a small number of entities working together, may unilaterally affect our access to games and other content. We cannot guarantee that these providers will always choose to license to us. Our business may be adversely affected if our access to games is limited or delayed because of deterioration in our relationships with one or more of these providers or if they choose not to license to us for any other reason.

Even if we are able to secure rights to gaming content from providers or creators, external groups may object and may exert pressure on third parties to discontinue licensing rights to us, hold back content from us, or increase content fees. Content providers also may attempt to take advantage of their market power to demand onerous financial terms from us. If any of these content providers were to not renew their contracts at the expiration of their current service terms, fail to meet their contractual obligations or cease operations for any reason, and if no suitable alternative providers were available, we could be unable to operate our gaming platform. Our inability to retain such third-party providers or find suitable alternate providers in a timely manner could lead to significant costs and disruptions that could reduce our revenue, harm our business reputation, and have a material adverse effect on our financial condition and results of operations.

To the extent that we are unable to license a large amount of content or the content of certain popular games, our business, operating results, and financial condition could be materially harmed.

Intellectual property rights

The Company's ability to compete effectively depends, among other things, on the Company's ability to protect, and where applicable and industry standard, register, its proprietary interests and trade secrets, including, in particular, the Company's intellectual property rights relating to the Company's software. The Company currently has no registered patents and protects it intellectually property through registered and unregistered trademarks, unregistered copyright, and trade secrets. Initiating and maintaining suits against third parties that may infringe upon the Company's intellectual property rights will require substantial financial resources. The Company may not have the financial resources to bring such suits and if the Company does bring such suits, the Company may not prevail. The Company's inability to protect these rights and related expenses involved could have an adverse impact on the Company's business, financial condition, results of operations and prospects.

The Company faces the risk that the Company's intellectual property rights may be infringed by a third-party, and there can be no assurance that the Company will successfully prevent or restrict any such infringing activity. The costs incurred in bringing or defending any infringement actions may be substantial, regardless of the merits of the claim, and an unsuccessful outcome for the Company may result in royalties or damages being payable and/or the Company being required to cease using any infringing intellectual property or embodiments of any such intellectual property (such as software). If any of the Company's intellectual property is held to be infringing, there can be no assurance that the Company will be able to develop or obtain (on favorable terms or at all) alternative non-infringing intellectual property.

The Company may receive, from time to time, letters from intellectual property holders alleging that certain of the Company's products and services infringe the intellectual property rights of third parties. Some of these may result in litigation proceedings being commenced against any member of the Company and the Company's directors, or settlements for amounts that may be material to the Company. The Company will need to divert resources to address any such claims that may arise. If any of the Company's solutions infringe a valid intellectual property claim, the Company could be prevented from distributing that particular product, unless and until the Company can obtain a license or redesign the product in question to avoid infringement. A license may not be available or may require the payment by the Company of substantial royalties. Additionally, the Company may not be successful in any attempt to redesign the infringing product. Infringement and other intellectual property claims, with or without merit, can be expensive and time-consuming to litigate, and the Company may not have the financial and human resources to defend itself against any infringement suits that may be brought against the Company.

There can be no assurance that third parties will not independently develop or have not so developed similar or equivalent software to the Company's software, or will not otherwise gain access to the Company's source code, software or technology.

There can be no assurance that the Company's registered and unregistered intellectual property is valid or enforceable and such intellectual property may be subject to challenge or circumvention by third parties. The Company has not registered all intellectual property rights that are registrable and which are material to the Company's business and no assurance can be given that any applications for registration made by the Company will be successful, as applied for or at all.

Moreover, due to the differences in foreign patent, trademark, trade dress, copyright and other laws concerning rights, the Company's intellectual property may not receive the same degree of protection in foreign countries as it would in Canada or the United States. The Company's failure to possess, obtain or maintain adequate protection of the Company's intellectual property rights for any reason in these jurisdictions could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Currency Fluctuations

The Company's reporting currency will be in Euros but an increasing proportion of the Company's revenue may be earned and expenses may be incurred in other currencies, including the Canadian dollar, the pound sterling, and the American dollar. The movement of any of these currencies against the Canadian dollar could have a material adverse effect on the Company's prospects, business, financial condition and results of operations.

Changes in Taxation

Changes in taxation rates or law, or misinterpretation of the law or any failure to manage tax risks adequately could result in increased charges, financial loss, including penalties and reputational damage, and which could have a material adverse effect on the Company's prospects, business, financial condition and results of operations.

End-users are located in a number of different jurisdictions. Revenues earned from end-users located in a particular jurisdiction may give rise to the imposition of direct, indirect or turnover taxes in that jurisdiction. In addition, as customers need to continue to obtain local licenses to enable them to target specific markets, they may be obliged to pay non-gaming local taxes too. This potentially could erode customers' margins for particular markets, which in turn may affect the financial viability of a specific market, and/or result in the customer wishing to renegotiate its arrangements with the Company.

If the Company is found to be, or one of the Company's subsidiaries is found to be, or to have been, a tax resident in any jurisdiction other than that in which it is incorporated or domiciled or to have a taxable permanent establishment or other taxable presence elsewhere, this may have a material adverse effect on the amount of tax payable by the Company. Furthermore, any change in the Company's tax status or in taxation legislation, practice or its interpretation could adversely affect the post-tax returns to shareholders.

With regard to regulated gaming activities, generally speaking, such activities will not only be subject to direct corporate taxation, but also indirect taxes and gaming duties. As the regulatory environment continues to develop, it is becoming clear that the taxation environment may become less favorable, as jurisdictions seek to impose their own regulation and taxation regimes on what was, traditionally, an offshore activity. As a consequence of an increased taxation burden affecting customers and/or Oryx, the Company may see a reduction in related revenue share or a pressure to re-negotiate with key customers.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The Company's exposure to credit risk is influenced by the individual characteristics of each customer. Although the Company expects to establish an allowance for doubtful accounts that represents its estimate of potential credit losses in respect of accounts receivables and historically has not experienced any significant losses related to individual customers or groups of customers in any particular industry or geographical area, there is no assurance that the allowance for doubtful accounts will be sufficient to cover credit losses in the future and future credit losses could have a material adverse effect on the Company's prospects, business, financial condition and results of operations.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure it will always have sufficient liquidity to meets its liabilities when due, under both normal and distressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. There is no assurance that the Company's approach to managing liquidity will prove successful and should the Company be unable to meet its liabilities when due it could have a material adverse effect on the Company's prospects, business, financial condition and results of operations.

Conflicts of Interest

Certain proposed directors and officers of the Company may become associated with other reporting issuers or other companies which may give rise to conflicts of interest. In accordance with the CBCA, directors who have a material interest or any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors are required to act honestly and in good faith with a view to the best interests of the Company, as the case may be. Certain of the directors have either other employment or other business or time restrictions placed on them and accordingly, these directors will only be able to devote part of their time to the affairs of the Company.

Results of operations may be negatively impacted by the COVID-19 outbreak

The COVID-19 outbreak has spread throughout the world, resulting in restrictions such as border closures, travel restrictions, temporary shut-downs of non-essential services and fluctuations in financial and commodity markets.

The Company derives the majority of its revenue from online casino gaming, an industry that has largely benefited from the various international "lock downs" that have required people to stay at home. As a result, online gaming has prevailed in a similar fashion to the various streaming businesses. Furthermore, the Company has limited exposure to sports betting revenues that have been impacted by the lack of professional sports. The Company's financial condition and cash flow have not been adversely impacted and may have benefitted from the lock downs. To the extent that the global vaccination effort and other means to reduce the impact of COVID-19 are successful, and governments scale-back or repeal lock-downs, stay-at-home orders and social distancing guidelines, the demand for online gaming could be reduced, which could have a material adverse effect on our financial condition and results of operations.

Natural disasters, such as earthquakes, hurricanes, tornadoes, floods, and other adverse weather and climate conditions, unforeseen public health crises such as the recent global outbreak of COVID-19, and other pandemics and epidemics, political crises, such as terrorist attacks, war, and other political instability, or other catastrophic events, could disrupt the Company's operations in any of its offices or the operations of one or more of the Company's third-party providers and vendors. To the extent any of these events occur, the Company's business, financial condition, results of operations and prospects could be adversely affected. For example, the outbreak of COVID-19 has adversely affected, and will likely continue to adversely affect, the Company's employees and customers. However, the impact of COVID-19, with its combined health toll and sharp decline in global economic output, is unprecedented and the full extent of the impact will depend on future developments. These developments are highly uncertain and cannot be accurately predicted. In response to the pandemic, the Company has modified its business practices with a focus on the health and well-being of its workforce both in Europe and North America. The extent of the impact of COVID-19 and measures taken to contain the virus on the Company's results of operations and overall financial performance remain uncertain.

Cash Flow from Operations

The Company had a negative operating cash flow for the financial year ended December 31, 2021. Although the Company anticipates it will have positive cash flow from operating activities in future periods, the Company cannot guarantee it will have a cash flow positive status in the future. If the Company does not achieve or maintain profitability or positive cash flow from operating activities, then there could be a material adverse effect on the Company's business, financial condition and results of operation.

Forward-Looking Statements May Prove Inaccurate

Readers are cautioned not to place undue reliance on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Current Global Financial Condition

Current global financial conditions have been subject to increased volatility and access to equity financing has been, or may be, negatively impacted by the liquidity crisis and market turmoil, and any worsening of these situations. These factors, which include the nature, effects and timing of administrative and legislative change, and possible changes in regulation or regulatory approach resulting from the 2020 general election in the United States, may impact the ability of the Company to obtain equity or debt financing in the future whether on terms favourable to the Company or at all. If these increased levels of volatility and market turmoil continue, or worsen, the Company's operations could be adversely impacted and the trading price of the Common Shares could be adversely affected.

Contingent Liabilities

In the ordinary course of business, the Company is involved in and potentially subject to, legal actions and proceedings. In addition, the Company is subject to tax audits from various tax authorities on an ongoing basis. As a result, from time to time, tax authorities may disagree with the positions and conclusions taken by the Company in its tax filings or legislation could be amended or interpretations of current legislation could change, any of which events could lead to reassessments.

The Company believes it is impractical to disclose a reasonable estimate of any potential contingent liability due to the wide range of assumptions and interpretations implicit in the assessments.

Open Source Software

The Company and its third-party suppliers and collaborative partners make use of Free and Open Source Software (" **FOSS**") in the development of the Company's products and systems which may lead to unintended legal consequences and may have a material adverse effect on the Company's business. The law surrounding the use of FOSS is in a state of evolution and the legal ramifications of such use remain uncertain in the United States, Canada and in other countries. The use of FOSS may therefore lead to unintended legal consequences that may have a material adverse effect on the Company's proprietary technology and intellectual property, or those of the Company's third-party suppliers and collaborative partners, including potential tainting and a loss of the Company's or its suppliers' or partners' proprietary positions in relation to the said applications, properties and systems, and the possibility of intellectual property infringement claims or breach of contract claims from FOSS licensors or from the Company's third-party suppliers or collaborative partners.

Internal Controls

The Company's internal controls cannot provide absolute assurances with respect to the reliability of its financial reporting. Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, recorded and reported and assets are safeguarded against unauthorized or improper use. A control system, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Third-Party Verification

The Company relies on third-party providers to validate the identity and identify the location of the Company's users, and if such providers fail to perform adequately or provide accurate information, or the Company does not maintain business relationships with them, the Company's business, financial condition, results of operations and prospects could be adversely affected. There is no guarantee that the third-party geolocation and identity verification systems that the Company relies on will perform adequately, or be effective. The Company relies on its geolocation and identity verification systems to ensure it is in compliance with certain laws and regulations, and any service disruption to those systems would prohibit the Company from operating its platform, and would adversely affect its business. Additionally, incorrect or misleading geolocation and identity verification data with respect to current or potential users received from third-party service providers may result in the Company inadvertently allowing access to its offerings to individuals who should not be permitted to access them, or otherwise inadvertently deny access to individuals who should be able to access the Company's offerings, in each case based on inaccurate identity or geographic location determination. The Company's third-party geolocation services provider relies on its ability to obtain information necessary to determine geolocation from mobile devices, operating systems, and other sources. Changes, disruptions or temporary or permanent failure to access such sources by the Company's third-party services providers may result in their inability to accurately determine the location of its users. Moreover, the Company's inability to maintain its existing contracts with third-party services providers, or to replace them with equivalent third parties, may result in the Company's inability to access geolocation and identity verification data necessary for its day-to-day operations. If any of these risks materializes, the Company may be subject to disciplinary action, fines, lawsuits, and the Company's business, financial condition and results of operations could be adversely affected.

Loss of license

The Licenses and Registrations and the gaming licenses of any of its customers may not be renewed or may be revoked for a variety of reasons, including the failure by the Company's directors, officers or senior management or significant shareholders or other investors to adequately comply with the suitability, information reporting or other requirements of licensing and regulatory authorities. Such revocation or non-renewal may materially adversely affect the Company's operations, financial performance, and prospects. The revocation of a gaming license could also result in reputational damage to the Company, may cause the Company's other licenses to be subject to review and could materially adversely affect the Company's operations, financial performance and prospects.

Money laundering/fraudulent activity in online transactions

Online transactions may be subject to sophisticated schemes or collusion to defraud, launder money or other illegal activities. There is a risk that the Company's products or systems may be used for those purposes by the Company's customers' players. There is also a risk that the Company will be subject to fraudulent activities by the Company's employees. Any exposure to fraud or money laundering, or both, could subject the Company and the Company to financial losses, business disruption and damage to the Company's and the Company's reputation. In addition, there is a risk that the Company may be subject to investigation and sanctions by a regulator and/or to civil and criminal liability if the Company has failed to comply with the Company's legal obligations relating to the reporting of money laundering or other offenses. The Company has implemented policies and procedures designed to minimize the risk of fraud and money laundering, including conducting anti-money laundering checks on the Company's customers. However, there can be no guarantee that these policies and procedures will be effective in all cases.

User data

The Company may require the registration of its users or end users prior to accessing its offerings or certain features of its offerings and it may be subject to increased legislation and regulations on the collection, storage, retention, transmission and use of user-data that is collected. The Company's efforts to protect the personal information of its users may be unsuccessful due to the actions of third parties, software bugs or technical malfunctions, employee error or malfeasance, or other factors. In addition, third parties may attempt to fraudulently induce employees or users to disclose information in order to gain access to the Company's data or its user's data. If any of these events occur, users' information could be accessed or disclosed improperly. Any incidents involving the unauthorized access to or improper use of the information of users or incidents involving violation of the Company's terms of service or policies, could damage the Company's reputation and the Company's brands and diminish its competitive position. In addition, the affected users or governmental authorities could initiate legal or regulatory action against the Company in connection with such incidents, which could cause the Company to incur significant expense and liability or result in orders or consent decrees forcing the Company to modify its business practices and remediate the effects of any such incidents of unauthorized access or use. Any of these events could have a material adverse effect on the Company's prospects, business, financial condition or results of operations.

The Company transmits and stores a large volume of data in the course of supporting its offerings. The interpretation of privacy and data protection laws and their application to the Internet is unclear and subject to rapid change in numerous jurisdictions. There is a risk that these laws may be interpreted and applied in a manner that is not consistent with the Company's data protection practices and results in additional compliance or changes in the Company's business practices, or both, and liability or sanction under these laws. In addition, because its offerings are accessible in many jurisdictions, certain foreign jurisdictions may claim that the Company is required to comply with local laws, even where the Company has no local operating entity, employees, infrastructure or other physical presence in those jurisdictions.

Reliance on third-party owned communication networks

The delivery of the Company's offerings and a significant portion of the Company's revenues are dependent on the continued use and expansion of third-party-owned communication networks, including wireless networks and the Internet. No assurance can be given of the continued use and expansion of these networks as a medium of communications for the Company.

Effective delivery of the Company's products and services through the Internet is dependent on Internet service providers continuing to expand high-speed Internet access, maintaining reliable networks with the necessary speeds, data capacity and security, and developing complementary products and services for providing reliable and timely access and services. Changes in access fees (for example, revising the application of bandwidth caps or other metered usage schemes) to users may adversely affect the ability or willingness of users to access the Company's content. Changes in access fees to distributors, such as the Company or its service providers, or a departure from "net neutrality" (the principle that all forms of Internet traffic (including video, voice, and text) are subject to equal treatment in transmission speed and quality) or its governing regulations, as described in "Governmental Regulation of the Internet" below, could result in increased costs to the Company. All of these factors are out of the Company's control and the manifestation of any of them could ultimately have a material adverse effect on the Company's prospects, business, financial condition or results of operations.

In addition, increasing traffic, user numbers or bandwidth requirements may result in a decline in Internet (or a subset thereof, including in particular mobile Internet) performance and/or Internet reliability. Internet outages or delays or loss of network connectivity may result in partial or total failure of the Company's offerings, additional and unexpected expenses to fund further development or to add programming personnel to complete a development project, loss of revenue which could have a material adverse effect on the Company's prospects, business, financial condition or results of operations.

Impact of customers' operations in unregulated or prohibited jurisdictions

Certain of the Company's customers may, from time to time, provide gaming services to players in unregulated markets. This activity by any of the Company's customers does not necessarily amount to an infringement of laws or regulation in a given jurisdiction, but it is not uncommon for customers to cease providing interactive gaming services in an unregulated market in response to changes or intimated changes to laws or regulation. If a customer is found to have infringed laws or regulations in an unregulated jurisdiction this could materially adversely affect the Company's operations, financial performance and prospects.

The Company cannot be certain that its customers will not provide interactive gaming services to end-users in markets which prohibit interactive gambling. The Company may be considered by a regulatory body in such a restricted jurisdiction as infringing the laws or regulations of that jurisdiction on the basis that the Company is aiding the infringement by providing products or services to that customer. If a customer is found to be operating in a prohibited market, this could materially adversely affect the Company's operations, financial performance, reputation and prospects, as well as jeopardize any one or all of the Licenses and Registrations by virtue of the Company's association with, or provision of products or services to, such customer.

The Company derives revenues from players located in jurisdictions in which the Company does not hold a licence

In certain jurisdictions, online gaming and gambling is either not regulated at all, is subject to very limited regulation, or its legality is unclear. These jurisdictions are commonly referred to in the gaming industry as "unregulated jurisdictions". It is perhaps misleading to refer to the Company's derivation of revenues from such jurisdictions as being "unregulated". The relevant transactions and the associated player relationships that underpin them are, in fact, regulated in either Malta or Gibraltar, being the jurisdictions in which the Company either holds point-of-supply licenses or in which its commercial partners do. As such, such transactions are in fact heavily regulated but are not themselves regulated in the jurisdiction within which the player is ultimately located. There is a risk that such jurisdictions may enact regulations relating to online real money or social gaming and that the Company may be required to register its activities or obtain licenses (or obtain further registrations or licenses, as applicable), pay taxes, royalties or fees, or that the operation of online gaming and gambling businesses in such jurisdictions may be prohibited entirely. The implementation of additional regulatory requirements or payments in such jurisdictions may have an adverse effect on the viability of the Company's operations, business, or financial performance. Where the Company or its partners fail to obtain the necessary registrations or licenses, make the necessary payments, or operate in a jurisdiction where online gaming and gambling is deemed to be or becomes prohibited, the Company or its partners may be subject to investigation, penalties or sanctions, or be forced to discontinue operations entirely, which may negatively impact the Company's business, prospects, revenues, operating results and financial condition.

Certain of the Company's technology providers, payment processing partners, or other suppliers of content or services (collectively, "**Infrastructure Services**") may cease to provide, or limit the availability of, such Infrastructure Services to the extent the Company derives revenue from, or makes such Infrastructure Services available to customers in, unregulated jurisdictions. Were the Company's access to such Infrastructure Services to become unavailable or limited as a result of operations servicing customers located in unregulated jurisdictions, the Company's business, prospects, revenues, operating results and financial condition may be adversely affected. There is also a risk that they may not be able to source suitable or economical replacements if such Infrastructure Services becomes unavailable.

Unregulated jurisdictions may lack or have diminished regulations relating to, amongst other things, consumer protection, the prevention of money-laundering, game fairness and technology or data security which may be detrimental to customers. There is a risk that unscrupulous online gaming and gambling operators that actually operate from within unregulated jurisdictions may fail to maintain effective policies, procedures and safeguards in the aforementioned areas and that the actions or omissions of such unscrupulous operators may damage the reputation of all online gaming and gambling businesses operating in unregulated jurisdictions or lead to the adoption of new regulations. This may negatively impact the Company's business, prospects, revenues, operating results and financial condition.

The Company operates in regulated jurisdictions

Some countries from which the online gambling industry has historically derived revenue have introduced regulations attempting to restrict and/or prohibit online gaming and gambling, while other jurisdictions have taken the position that online gaming and gambling should be regulated and have adopted or are in the process of considering legislation to enable that regulation. The introduction of new gambling regulations or changes to the nature and scope of existing gaming and gambling regulations (and applicable laws and regulations more generally) in the territories in which the Company's customers operates or may operate or from where the Company derives or may derive revenue could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

While certain European countries such as Malta and Gibraltar have adopted "point-of-supply" regimes which generally permit their licensees to accept wagers from any jurisdiction that does not expressly prohibit the supply of online gambling from outside such jurisdiction, other countries, including the United Kingdom, Spain and Denmark have implemented, or are in the process of implementing, "point-of-consumption" regimes which only permit the targeting of the domestic market, provided the appropriate local license is obtained and local taxes accounted for (regardless of where the operator's assets, infrastructure and employees may be located). Such licensing regimes can apply onerous compliance requirements and/or introduce product restrictions or marketing restrictions that could have an adverse effect on the Company's operations (and correspondingly on its financial performance).

Operators within the online gambling industry, including the Company, traditionally have based their own risk rationales on a remoteness of supply, adopting a "country of origin" / point-of-supply approach that justifies supplying gambling services into a jurisdiction unless there was something within the laws of that jurisdiction that explicitly outlawed such provision, and explicitly applied to such inward supply emanating from outside its borders.

Many jurisdictions have historically been unable to prevent inward remote supply due to a lack of extra-territorial enforceability of their laws. As a result, many jurisdictions have sought to regulate online gambling while a small number of other jurisdictions have sought to expand their existing legislation to explicitly prohibit such inward supply. Some jurisdictions include wording in their legislation which explicitly purports to apply extra territorially, thereby challenging the point-of-supply approach.

Certain European territories continue to maintain licensing regimes that protect monopoly providers and, in certain jurisdictions, have combined this with an attempt to prohibit or otherwise restrict all other supplies into the territory.

Future legislative initiatives and court decisions may have a material impact on the Company's operations and financial results. There is a risk that governmental authorities may view the Company as having violated their local gaming regulations and laws if the Company fails to comply with local rules and requirements, including those relating to the licenses it holds. There is also a risk that civil and criminal proceedings, including class actions brought by or on behalf of prosecutors or public entities, incumbent monopoly providers, or private individuals, could be initiated against the Company and its internet service providers, credit card processors, advertisers and others involved in the online gaming and gambling industry. Such potential proceedings could involve substantial litigation expense, penalties, fines, seizure of assets, injunctions or other restrictions being imposed on the Company or its business partners, and may divert the attention of key executives of the Company. Such proceedings could have a material adverse effect on the Company's business, financial condition, results of operations and prospects as well as its reputation.

There can be no assurance that prohibitive legislation will not be proposed and passed in jurisdictions relevant or potentially relevant to the Company's business to regulate various aspects of the internet or the online gaming and gambling industry (or that existing laws in those jurisdictions will not be interpreted negatively). Compliance with any such legislation may have a material adverse effect on the Company's business, financial condition and results of operations, either as a result of determining that a jurisdiction should be blocked, or because a local license may be costly to obtain and/or such licenses may contain other commercially undesirable conditions.

In addition, certain countries in which laws currently prohibit or restrict online gaming or the marketing of those services, or protect monopoly providers of gaming or gambling services, may implement changes to open their markets through the adoption of competitive licensing and regulatory frameworks. While these changes may provide growth opportunities for the Company, a new licensing and regulatory regime adopted in any such country may not grant a license to the Company or may impose onerous conditions such as a requirement to locate significant technical infrastructure within the relevant territory or establish and maintain real-time data interfaces with the regulator, together with enforcement sanctions for breach thereof, taxation liabilities that make the market unattractive to the Company, or impose restrictions that limit its ability to offer certain of its key products or to market its products in the way it would wish to do so. There is also an associated cost with creating specific bespoke, localized platforms.

If regulation is liberalized or clarified in some jurisdictions, then the Company may face increased competition from other providers. The opening of new markets, and the clarification of restrictions surrounding online gaming and gambling in other markets where the legal position is currently unclear, may encourage new entrants to the online gaming sector or strengthen the position of competing operators. A significant increase in competition may have a material adverse effect on the Company's business, prospects, revenues, operating results and financial condition.

Legislative interpretation may result in criminality of activities

The Company generates the majority of its income through licensing the Company's technology and games to enable gaming operators to provide gaming services to customers where such services are dependent on that software and the functionality it provides. One of the consequences of the Company's supply of operational gaming software to customers is the potential regulatory risk associated with doing so. While in many jurisdictions laws and regulations may not specifically apply to gaming software licensors (as distinct from its customers' delivery to end customers), this is not universally the case and, indeed, some jurisdictions have sought to regulate or prohibit such supply explicitly.

Furthermore, the Company relies on the continuity of supply by the Company's customers to their end-users using the gaming related software and technology which the Company licenses. Laws and regulations relating to the supply of gaming services are complex, inconsistent and evolving and the Company may be subject to such laws either directly through explicit service provision or indirectly insofar as it has assisted the supply to customers who are themselves subject to such laws.

Operators within the remote gaming industry have sought, in the past, to justify their activities by asserting that if remote gaming is permitted from the country of origin (i.e., from the point of supply) then the laws in the country of receipt would have to specifically outlaw the activity of the customer (remotely accessing interactive gaming services) or an entity in that jurisdiction or have the authority to implement laws that impacted outside the jurisdiction in order to render the activity illegal, or entitle the country of receipt to assert jurisdiction. Operators have sought to reduce any associated risks of jurisdictions forming a contrary view by limiting or omitting to have physical presence in such jurisdictions where any connected activities are not clearly legal. Several jurisdictions consider this rationale to be unjustified. Indeed in some jurisdictions, laws have been passed to expressly criminalize the provision of (and sometimes the participation in) gaming, irrespective of where the operator is located and licensed. There is a corresponding, continuing risk to any participant in the gaming industry (be they an operator, supplier or other service provider) that jurisdictions in which customers are located may seek to argue that such a participant was acting illegally in accepting or assisting in the acceptance of wagers from its citizens or in the manner in which it operates gaming networks. This could lead to actions being brought against customers which, in turn, could have a detrimental effect on the financial performance and the Company's reputation. Similarly, where supply by the Company to the customer is critical to the gaming transaction, one cannot rule out the risk that direct enforcement action will be taken against the Company or any of the Company's employees and directors.

Many jurisdictions have not updated their laws to address the supply of remote gaming, which by its nature is a multi-jurisdictional activity. Moreover, the legality of interactive gaming and the provision of software, services and gaming network management is subject to uncertainties arising from differing approaches by legislatures, regulators and enforcement agents including in relation to determining in which jurisdiction the gaming takes place and therefore which law applies. This uncertainty creates a risk for the Company that even in instances where older laws have not been updated to address new technology, courts may interpret older legislation in an unfavorable way and determine customers' and/or the Company's activities to be illegal. This could lead to actions being brought against customers and/or the Company or any of the Company's employees and directors, all or any of which may, individually or collectively, have a detrimental effect on the Company's financial performance and the Company's reputation.

The Company seeks to keep abreast of legal and regulatory developments affecting the gaming industry as a whole. However, the Company does not necessarily monitor, on a continuous basis, the laws and regulations in every jurisdiction where the Company's customers derive business and, correspondingly, from where the Company may derive revenue. The Company adapts its regulatory policy and, therefore, the scope of the Company's ongoing monitoring on the basis that an individual market's materiality to both any relevant customer and to the Company may change. As such, the Company may receive revenue from customers' dealing in jurisdictions where the Company may be unaware of the full extent of enforcement risk.

Despite the monitoring undertaken by the Company and the precautions the Company takes as to the location of employees or assets, there remains a prospect that, in the event of legislation being interpreted in an unfavorable or unanticipated way, such measures are not sufficient and result in actions being brought against the Company or the Company's employees and directors, all of which would have a detrimental effect on financial performance and the Company's reputation. Furthermore, similar actions could be brought against customers with the consequence that revenue streams from such customers may be frozen or traced at the behest of authorities even if none of the Company's entities are made a party to any legal proceedings against any such customer. Customers may also face problems in legitimately moving monies in and out of certain jurisdictions which will impact upon payments from customers. Finally, there is also a risk that the Company's directors or employees or individuals engaged by the Company (or directors, employees or individuals connected to any customer) may face extradition, arrest and/or detention in (or from) such territories even if they are only temporarily present.

Evolving nature of gaming regulation

The application of laws designed to enshrine trade freedoms is the subject of ongoing and developing jurisprudence which, ultimately, may result in a regulatory environment that impacts negatively on multi-national stakeholders in the gaming industry such as the Company and its customers.

The way in which gaming laws are evolving is unpredictable and, in some instances, laws have appeared to have been fully implemented by certain jurisdictions in contravention of the jurisprudence and guidance given by related jurisdictions, even following review and comment on draft laws and regulations. As a result, the Company and its customers remain subject to some ongoing uncertainty and to the associated risks that such laws may, ultimately, be interpreted and implemented in a disadvantageous way.

While much global legislative action focuses on liberalizing interactive gambling regulations, in many cases these efforts move slowly, and it may take many years for markets to actually open up to licensed competitors even after laws pass. In addition, there is still potential for legislation that is intended to reduce or eliminate interactive gambling.

Regulatory perception of gaming operators and suppliers

While from a gaming regulatory perspective, operators that directly provide gaming services to their customers are generally perceived to be exposed to a greater degree of enforcement risk than their suppliers, in some jurisdictions laws extend to directly impact such gaming suppliers. Furthermore, a supplier's nexus with a particular jurisdiction may expose it to specific enforcement risks, irrespective of whether there has been an attempt to bring proceedings against any supported operator.

The interactive gaming market has developed such that the nature of some of the services undertaken by suppliers on behalf of operators places them closer to the actual customer transaction, arguably rendering them quasi-operators in their own right. A number of fundamental points have begun to emerge from these market developments. Suppliers cannot claim ignorance of, or indifference to, the origin of an operator's business. Indeed, enforcement proceedings brought against an operator may result in action being taken against a supplier (and even brought in the absence of the former). From a reputational and risk perspective, therefore, it is not sufficient for a supplier to avoid evaluating the risks associated with the businesses of the entities it supplies.

Ultimately, the market may view, or in the future may view, the regulatory risk associated with the business of supplying software and services to gaming operators as being comparable with the regulatory risk attaching to operators themselves. In such circumstances, there is an associated risk that investors may apply valuation methods to any such supplier that are the same as the valuation methods used to value operators, and which build in the same regulatory risk even though, in many territories, such suppliers would be considered sufficiently removed from the transactional activity to warrant the application of a discrete risk analysis. Any such actions could have a material adverse effect on the market price of our common shares.

The Company derives revenues from players located in various jurisdictions

In certain jurisdictions, online gaming and gambling is either not regulated at all through a local licensing regime, is subject to very limited regulation, or its legality is unclear. These jurisdictions are commonly referred to in the gaming industry as "unregulated jurisdictions". Although the Company refers to revenues derived from such jurisdictions as being "unregulated", the relevant transactions and the associated player relationships that underpin them are, in fact, regulated in either Malta or Gibraltar, being the jurisdictions in which either the Company or its customers hold point-of-supply licenses. As such, such transactions are in fact heavily regulated but are not themselves regulated in the jurisdiction within which the player is ultimately located. There is a risk that such jurisdictions may enact regulations relating to online real-money or social gaming and that the Company may be required to register its activities or obtain licenses (or obtain further registrations or licenses, as applicable), pay taxes, royalties or fees, or that the operation of online gaming and gambling businesses in such jurisdictions may be prohibited entirely. The implementation of additional regulatory requirements or payments in such jurisdictions may have an adverse effect on the viability of the Company's operations, business, or financial performance. Where the Company or its partners fail to obtain the necessary registrations or licenses, make the necessary payments, or operate in a jurisdiction where online gaming and gambling is deemed to be or becomes prohibited, the Company or its partners may be subject to investigation, penalties or sanctions, or be forced to discontinue operations entirely, which may negatively impact the Company's business, prospects, revenues, operating results, financial condition and reputation.

Certain of the Company's technology providers, payment processing partners, or other suppliers of content or services (collectively, "**Infrastructure Services**") may cease to provide, or limit the availability of, such Infrastructure Services to the extent the Company derives revenue from, or makes such Infrastructure Services available to customers in, unregulated jurisdictions. Were the Company's access to such Infrastructure Services to become unavailable or limited as a result of operations servicing customers located in unregulated jurisdictions, the Company's business, financial condition, results of operations and prospects may be adversely affected. There is also a risk that they may not be able to source suitable or economical replacements if such Infrastructure Services becomes unavailable.

Unregulated jurisdictions may lack or have diminished regulations relating to, among other things, consumer protection, the prevention of money-laundering, game fairness and technology or data security which may be detrimental to customers. There is a risk that unscrupulous online gaming and gambling operators that actually operate from within unregulated jurisdictions may fail to maintain effective policies, procedures and safeguards in the aforementioned areas and that the actions or omissions of such unscrupulous operators may damage the reputation of all online gaming and gambling businesses operating in unregulated jurisdictions or lead to the adoption of new regulations. This may negatively impact the Company's reputation and its business, financial condition, results of operations and prospects.

Governmental regulation of the internet

Governments and regulatory authorities in some jurisdictions in which the Company's content originates or its users reside, impose rules and regulations affecting the third-party-owned communications networks over which the Company's services are accessed, including Internet and mobile connectivity, and affecting the content distributed to the public as part of the Company's offerings. In certain circumstances this governmental regulation of the Internet, which is frequently controversial, protects the Company's activities from certain tactics by competitors or potential competitors. Should efforts to overturn this governmental regulation prove successful, network services providers could impose restrictions that adversely impact the Company's ability to deliver content on an equal footing with other audiovisual media providers, which could have an adverse effect on the Company's business, financial condition, results of operations and prospects.

Network services and media distribution are frequently subject to particular rules or regulations. Guidelines or rules are in place in many jurisdictions, with varying degrees of enforcement, with respect to both network services, including network neutrality and media, including content exclusivity and standards. However, although regulatory schemes can vary significantly from jurisdiction to jurisdiction, the Company is not aware of regulations in any material jurisdiction that would require it to be licensed to carry on its activities over the public Internet in those jurisdictions, except with respect to the Licenses and Registrations.

Reputational challenge of dealing in the gaming industry

The gaming industry is subject to negative publicity relating to perceptions of underage gaming, exploitation of vulnerable customers and the historical link of the gaming industry to criminal enterprise. As a supplier to the industry, such negative publicity can affect the Company's reputation and correspondingly affect the Company's financial performance.

Typically, under the terms of the applicable laws and the Licenses and Registrations, the Company must avoid making the promotion or advertisement of gaming that is directed at or could be directed at underage players. To the extent that the Company's respective sites are accessed by minors and/or problem gamblers, brand reputation could be tarnished. Situations can arise where minors or compulsive gamblers could access the Company's websites or those of the Company's customers. Where they do so, we will be exposed to negative publicity and potential regulatory censure, all of which would have a corresponding detrimental effect on the Company.

The Company is subject to governmental regulation and other legal obligations related to privacy, data protection and information security, and the processing of user data and personal data. If the Company is unable to comply with these, the Company may be subject to governmental enforcement actions, litigation, fines and penalties or adverse publicity.

The Company collects and processes personal, financial and other data about individuals including when individuals register for the Company's newsletters, visit the Company's websites, and participate in the Company's Oryx Hub and generally when the Company performs its administrative functions (e.g., information about employees and job applicants) for various business purposes, including marketing and promotional purposes. The collection, use and processing of such information about individuals are governed by data privacy laws and regulations enacted in the E.U., U.S. (federal and state), and other jurisdictions around the world, including the European Union's General Data Protection Regulation 679/2016 ("**GDPR**"), the Federal Trade Commission Act, the Controlling the Assault of Non-Solicited Pornography And Marketing Act and Telephone Consumer Protection Act, and state laws regarding unfair and deceptive business acts and practices, and the California Consumer Privacy Act. These data privacy laws and regulations are complex, continue to evolve, and on occasion may be inconsistent between jurisdictions leading to uncertainty in interpreting such laws and it is possible that these laws, regulations and requirements may be interpreted and applied in a manner that is inconsistent with the Company's existing information processing practices, and many of these laws are significantly litigated and/or subject to regulatory enforcement. Most of the jurisdictions in which the Company operates have established their own data privacy and security legal frameworks.

The Company may require the registration of its users or end users prior to their accessing its offerings or certain features of its offerings and, in any event, it may be subject to legislation and regulations on the collection, storage, retention, transmission and use of user data and/or personal data that is collected. For example, in the EEA, the Company is subject to the GDPR, national implementing laws of the GDPR and, in the United Kingdom, the Company is subject to the United Kingdom data protection regime consisting primarily of the United Kingdom General Data Protection Regulation and the United Kingdom Data Protection Act 2018, in each case in relation to the Company's collection, control, processing, sharing, disclosure and other use of personal data, with each regime having the ability to fine up to the greater of €20 million/£17 million or 4% of global annual turnover. Such penalties are in addition to any civil litigation claims by data controllers, data processors, customers and data subjects. In recent years, European lawmakers and regulators have expressed concern over electronic marketing and the use of nonessential cookies, web beacons and similar technology for online behavioral advertising, or tracking technologies, leading to an effort to replace the current rules on e-marketing (currently set out in the ePrivacy Directive and national implementing laws) with a new ePrivacy Regulation. When implemented, the new ePrivacy Regulation is expected to alter rules on tracking technologies and significantly increase fining powers to the same levels as the GDPR. Also, other jurisdictions have also adopted regulations governing electronic marketing and the use of "cookies" and other tracking technologies, which may apply to the Company and could adversely impact the way the Company serves users or customers and advertises in these jurisdictions. The Company's efforts to comply with such legislation and regulations and/or protect personal information may be unsuccessful due to a variety of factors, including inadequate notification to users, insufficient internal documentation, software bugs or technical malfunctions, employee error or malfeasance.

The Company transmits and stores a large volume of data in the course of supporting its offerings. The interpretation of privacy and data protection laws and their application to the Internet is unclear and subject to rapid change in numerous jurisdictions. There is a risk that these laws may be interpreted and applied in a manner that is not consistent with the Company's data protection practices and results in additional compliance or changes in the Company's business practices, or both, and liability or sanction under these laws. In addition, because its offerings are accessible in many jurisdictions, the Company may be required to comply with local laws, even where the Company has no local operating entity, employees, infrastructure or other physical presence in those jurisdictions.

We have invested, and expect to continue to invest, significant resources to comply with the GDPR and other data privacy laws and regulations. Failure to meet any of the requirements of these laws and regulations could result in significant penalties or legal liability, adverse publicity and/or damage to our reputation, which could negatively affect our business, results of operations and financial condition.

In addition, the implication of this includes that various federal, state and foreign legislative or regulatory bodies may enact or adopt new or additional laws and regulations concerning data privacy, data retention, data transfer, and data protection. Such laws may further continue to restrict or dictate how we collect, maintain, combine and disseminate information and could have a material adverse effect on our business, results of operations, financial condition and prospects.

Cyberattacks and security vulnerabilities could result in serious harm to our reputation, business, and financial condition.

Threats to network and data security are constantly evolving and becoming increasingly diverse and sophisticated. Our products and services, as well as our servers and computer systems and those of third parties that we rely on in our operations could be vulnerable to cybersecurity risks. As such, we may be subject to risks inherent to companies that process personal data. An increasing number of organizations have disclosed breaches of their information security systems, some of which have involved sophisticated and highly targeted attacks.

We are the target of attempts to identify and exploit system vulnerabilities and/or penetrate or bypass our security measures in order to gain unauthorized access to our systems. Actual or perceived breaches of our security could subject us to regulatory investigations and orders, litigation, indemnity obligations, damages, penalties, fines and other costs in connection with actual and alleged contractual breaches, violations of applicable laws and regulations and other liabilities. If any of these events occur, users', employees' or others' personal data could be accessed or disclosed improperly. Any incidents involving the unauthorized access to or improper use of the personal data used by the Company or incidents involving violation of the Company's terms of service or policies, or the Company's contractual obligations, could damage the Company's reputation and the Company's brands and diminish its competitive position. The Company has been affected by data incidents in the past, and may be again. We experienced a security incident that resulted in exfiltration of personal data from job applicants in the EEA. We have taken steps to address this incident in accordance with our legal, contractual, and regulatory requirements. We employ multiple methods at different layers of our systems to defend against intrusion and attack, to protect our systems and to resolve and mitigate the impact of any incidents. Despite our efforts to keep our systems secure and to remedy identified vulnerabilities, future attacks could be successful and could result in access and / or exfiltration of personal data and, in turn, in substantial liability or business risk. Third parties will continue to attempt to gain unauthorized access to our systems or facilities through various means, including hacking into our systems or facilities, or those of our customers or vendors, or attempting to fraudulently induce our employees, customers, vendors or other users of our systems into disclosing information, which may in turn be used to access our IT systems or to facilitate cybercrimes such as social engineering attacks. We may also experience breaches of our security measures due to human error, malfeasance, system errors or vulnerabilities, or other irregularities. Our cybersecurity programs and efforts to protect our systems and data, and to prevent, detect and respond to data security incidents, may not prevent these threats or provide adequate security. Further, we may be subject to additional liability risks associated with data security breaches or other incidents by virtue of the private right of action granted to individuals under certain data privacy laws for actions arising from certain data security incidents. For example, the affected users, persons or governmental authorities could initiate legal or regulatory action against the Company in connection with such incidents, which could cause the Company to incur significant expense and liability, including fines, or result in orders or consent decrees forcing the Company to modify its business practices and remediate the effects of any such incidents of unauthorized access or use. Fines for certain breaches of the GDPR are significant; up to the greater of €20 million / £17.5 million or 4% of total global annual turnover. Any of these events could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Currently, we do not possess cyber liability insurance, therefore, liabilities actually incurred could result in substantial costs and diversion of resources, distract management and technical personnel and negatively affect our business, operating results and financial condition.

Access to payment processors

The Company's customers may have difficulty accessing the service of banks, credit card issuers and payment processing services providers, which may make it difficult for the Company's customers to sell their products and services and, as a result, indirectly harm the Company's operations. Although financial institutions and payment processors are permitted to provide services to the Company's customers and others in their industry, banks, credit card issuers and payment processing service providers may be hesitant to offer banking and payment processing services to real-money gaming and fantasy sports businesses. Consequently, those customers' businesses involved in the industry may encounter difficulties in establishing and maintaining banking and payment processing relationships with a full scope of services and generating market rate interest. Furthermore, credit card companies have tightened restrictions on the use of credit cards for interactive gambling transactions, including treating payments as cash advances, additional limits on credit and bans. If the Company's customers were unable to maintain their bank accounts, it would make it difficult for the Company's customers to operate their businesses, increasing their operating costs, and posing additional operational, logistical and security challenges, which could result in indirect harm to the Company's business.

DIVIDENDS AND DISTRIBUTIONS

The Company has neither declared nor paid any dividends on its Common Shares since the date of its incorporation. Any payments of dividends on the Common Shares will be made in accordance with the CBCA and will be dependent upon the financial requirements of the Company to finance future growth, the financial condition of the Company and other factors which the Board may consider appropriate under the circumstances. It is unlikely that the Company will pay dividends in the immediate or foreseeable future.

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The authorized share capital of the Company consists of an unlimited number of Common Shares without nominal or par value. As of the date of this AIF, there are 19,973,462 Common Shares issued and outstanding. The holders of Common Shares are entitled to one vote per Common Share at any meeting of the Shareholders and to receive the property of the Company on liquidation, dissolution or winding-up. The Common Shares carry no special rights or restrictions.

Equity Awards

In addition to streamlining the administration of equity incentives, the purpose of the Company's Omnibus Equity Incentive Plan ("**Omnibus Plan**") is to advance the interests of the Company and its affiliates by: (a) attracting, rewarding and retaining highly competent persons as directors, officers, employees and consultants of the Company; (b) providing additional incentives to such persons by aligning their interests with those of the shareholders; and (c) promoting the success of the Company's business.

The Omnibus Plan is a "fixed" security-based compensation plan, and the Company has authorized up to 3,965,000 Common Shares available for issuance under the Omnibus Plan, less stock options ("**Options**") and deferred share units ("**DSUs**") previously awarded and outstanding under former stock option plans.

The number of Common Shares issuable to insiders of the Company within any one-year period under the Omnibus Plan, together with any other security-based compensation arrangement, may not exceed 10% of the issued and outstanding Common Shares (on a non-diluted basis). In addition, the aggregate number of Common Shares issuable to any one person in any one-year period under the Omnibus Plan, together with any other security based compensation arrangement, may not exceed 5% of the outstanding Common Shares (on a non-diluted basis).

The Incentive Plan provides for the grant of Options. DSUs, restricted share units (" **RSUs**"), performance share units ("**PSUs**"), stock appreciation rights ("**SARs**") and other share-based awards (each an " **Award**" and collectively, the " **Awards**"). All Awards are granted by an agreement or other instrument or document evidencing the Award granted under the Incentive Plan (an "**Award Agreement**"). Awards may be granted alone, in addition to, or in tandem with any other Award or any award granted under another plan of the Company or an affiliate. Awards granted in addition to or in tandem with other Awards may be granted either at the same time or at different times. The date of grant, the number of Common Shares, the vesting period and any other terms and conditions of Awards granted pursuant to the Incentive Plan are to be determined by the Board, subject to the express provisions of the Incentive Plan and the applicable award agreement. The Incentive Plan also gives the Board discretion to make other equity incentive awards, subject to the approval of the TSX.

As at the date of this AIF, there are 1,816,302 Options, 77,500 RSUs, 120,000 PSUs, and 246,945 DSUs outstanding pursuant to the Omnibus Plan.

Additional information regarding the Omnibus Plan and the criteria the Board uses in determining grants of Equity Awards is discussed in the Company's management information circular dated March 26, 2021 filed on www.sedar.com under the Company's profile.

Warrants

As of this date of this AIF, the Company has 16,886 broker warrants issued and outstanding. Broker warrants are convertible to one Common Share with an exercise price of C$7.00.

MARKET FOR SECURITIES

Trading Price and Volume

On December 27, 2018, the Common Shares were listed and posted for trading on the TSXV under the symbol "BRAG". On January 27, 2021, the Common Shares began trading on the TSX under the ticker symbol "BRAG" and ceased trading on the TSXV. The following table sets out trading information for the Common Shares for the periods indicated as reported by the TSXV and TSX for the most recently completed financial year. On August 27, 2021, the Common Shares began trading on the Nasdaq under the ticker symbol "BRAG".

On April 29, 2021, the Company filed articles of amendment to affect the consolidation of the Common Shares on the basis of one new post-consolidation Common Share for every 10 pre-consolidation Common Shares. Changes in share volumes and share prices as a result of the consolidation have been applied retrospectively to this Annual Information Form.

TSXV and TSX

Period	High (C$/share)	Low (C$/share)	Volume
2021			
December	7.85	6.30	2,200,924
November	12.22	7.42	3,367,284
October	13.61	9.75	2,204,810
September	15.78	11.88	3,151,455
August	15.47	8.31	7,029,618
July	13.56	9.03	2,450,789
June	16.32	12.95	4,502,874
May	20.50	15.76	1,933,065
April	22.40	17.20	1,339,928
March	26.80	16.90	2,287,155
February	31.80	19.20	3,327,451
January	26.70	13.60	4,451,572

Nasdaq

Period	High (US$/share)	Low (US$/share)	Volume
2021			
December	6.38	4.88	1,230,187
November	9.75	5.78	1,216,118
October	11.00	7.90	735,563
September	12.50	9.03	1,249,511
August	12.27	6.65	1,470,122

Prior Sales

The following table sets out the securities issued during the most recently completed financial year that are not listed or quoted in a marketplace other than Options. The principal terms of Equity Awards are described above under "*Description of Capital Structure – Equity Awards*".

Date Issued	Type of Security	Amount Issued	Issue Price
January 29, 2021	Deferred Share Units	133,800	N/A
January 29, 2021	Restricted Share Units	75,000	N/A
August 30, 2021	Stock Options	210,000	C$10.07 per share(1)
August 30, 2021	Stock Options	817,512	C$15.00 per share(2)
August 30, 2021	Deferred Share Units	25,000	N/A
December 10, 2021	Stock Options	83,852	C$10.07 per share(1)
December 10, 2021	Stock Options	25,000	C$12.00 per share(3)
December 10, 2021	Deferred Share Units	20,000	N/A

Notes:

(1) Each Stock Option is exercisable into one Common Share at a price of C$10.07 per share, for a period of ten-years from the date of grant.

(2) Each Stock Option is exercisable into one Common Share at a price of C$15.00 per share, for a period of five- or ten-years from the date of grant.

(3) Each Stock Option is exercisable into one Common Share at a price of C$12.00 per share, for a period of ten-years from the date of grant.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

At the date of this AIF, in respect of each officer and director of the Company, the following table sets out such officer's or director's municipality of residence, the number and percentage of voting securities beneficially owned, directly or indirectly, or over which such officer or director exercises control or direction, the office held by such officer or director and his principal occupation during the past five years.

Name City, Province and Country of Residence	Position	Principal Occupation(s) During the Five Preceding Years	Director / Officer Since	Number of Common Shares Beneficially Owned or Over which Control is Exercised	Percentage of Common Shares Beneficially Owned or Over which Control is Exercised(1)
Paul Godfrey Toronto, ON, CA	Interim Chief Executive Officer, Chair of the Board Chair of Governance Committee	Executive Chair of the Board of Directors of Postmedia Network Canada Corp. Chair of the Board of Trustees of RioCan Real Estate Investment Trust	January 12, 2021	49,587	0.2%
Ronen Kannor London, UK	Chief Financial Officer	CFO of Stride Gaming Plc	May 15, 2020	6,612	0.0%
Yaniv Spielberg Toronto, ON, CA	Chief Strategy Officer Corporate Secretary	Director of Business Development with the Company Founding member of Legacy Eight Group	January 1, 2020	263,355	1.3%

Name City, Province and Country of Residence	Position	Principal Occupation(s) During the Five Preceding Years	Director / Officer Since	Number of Common Shares Beneficially Owned or Over which Control is Exercised	Percentage of Common Shares Beneficially Owned or Over which Control is Exercised[1]
Lara Falzon Xemxija, Malta	Chief Operating Officer[2] President Director	CFO of NetEnt Star; and CFO of Red Tiger Gaming	March 1, 2021	nil	nil
Paul Pathak Toronto, ON, CA	Deputy Chair of the Board Chair of Audit Committee Member of Compensation Committee	Securities and investment industry lawyer, partner at Chitiz Pathak LLP Served as a director of Gamesys Plc formerly JPJ Group Plc, the Intertain Group Limited, and Wayland Group Corp.	March 15, 2019	33,264	0.2%
Rob Godfrey Toronto, ON, CA	Director Member of Audit Committee Chair of Compensation Committee	President of Brown Lab Industries Inc. Portfolio companies: Qwatro USA and UrbanDog Holdings Active in Brown Lab's real estate activities	June 27, 2019	20,661	0.1%
Matevž Mazij Ljubljana, Slovenia	Vice-Chair of the Board	Founder and Managing Director of Oryx	January 20, 2021	4,900,000	24.5%
Holly Gagnon Phoenix, AZ, USA	Director Chair of Compliance Committee Member of Compensation Committee Member of Governance Committee Member of Audit Committee	Co-CEO and Chair at Artemis Strategic Investment Corporation Distinguished Fellow for the International Gaming Institute at the University of Nevada, Las Vegas President of HGC Hospitality Gaming Consulting Senior strategic advisor for Spectrum Gaming Group	May 11, 2021	nil	nil

Name City, Province and Country of Residence	Position	Principal Occupation(s) During the Five Preceding Years	Director / Officer Since	Number of Common Shares Beneficially Owned or Over which Control is Exercised	Percentage of Common Shares Beneficially Owned or Over which Control is Exercised(1)
Alexander Spiro New York, NY, USA	Director Member of Compliance Committee Member of Governance Committee	Partner at a global law firm, Quinn, Emanuel, Urquart & Sullivan LLP	May 11, 2021	nil	nil

Notes:

(1) Undiluted.

(2) Lara Falzon was appointed Chief Operating Officer of the Company on January 31, 2022 and resigned as Chair of the Audit Committee concurrent with this appointment. Paul Pathak succeeds Lara Falzon as Chair of the Audit Committee.

The directors of the Company are elected by the Shareholders at each annual general meeting and serve until the next annual general meeting, or until their successors are duly elected or appointed. Officers of the Company are appointed by the Board.

At the date of this AIF, 5,273,479 Common Shares were beneficially owned, or controlled or directed, directly or indirectly, by the current directors and executive officers of the Company as a group, representing 26.4% of the issued and outstanding Common Shares on a non-diluted basis.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

For purposes of this section, "**order**" means (a) a cease trade order; (b) an order similar to a cease trade order; or (c) an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

Paul Pathak was formerly a director of Wayland Group Inc. (" **Wayland**"), a reporting issuer previously listed on the Canadian Securities Exchange. In April 2019, the Ontario Securities Commission issued a failure-to-file cease trade order against Wayland as a result of Wayland's failure to file its audited financial statements for the year ended December 31, 2018. Subsequently, in December 2019, Wayland was granted an order from the Ontario Superior Court of Justice (commercial list) under the *Companies' Creditors Arrangement Act*.

Bankruptcies

Except as disclosed below, to the Company's knowledge, no director or executive officer of the Company, and no shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- is, or has been within the ten years before the date of this AIF, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a

proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

- has, within the ten years before the date of this AIF become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

To the Company's knowledge, no director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court, or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Some of the directors or officers of the Company are also directors, officers and/or promoters of other reporting and non-reporting issuers. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of the Company, notwithstanding that they will be bound by the provisions of the CBCA to act at all times in good faith in the interest of the Company and to disclose such conflicts to the Company if and when they arise. To the best of its knowledge, the Company is not aware of the existence of any conflicts of interest between the Company and any of its directors and officers as of the date of this AIF. The Shareholders must appreciate that they will be required to rely on the judgment and good faith of its directors and officers in resolving any conflicts of interest that may arise.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

On August 11, 2017, shareholders of Full Color Games, Inc. (" **FCGI**") filed a derivative lawsuit in District Court, Clark County, Nevada against David Mahon, the CEO of FGCI ("**Mahon**"), and his solely-owned companies (the " **Lawsuit**"). The Lawsuit was filed against Mahon for self-dealing, embezzling money from FCGI, and defrauding the shareholders of FCGI. On November 13, 2019, Mahon, on behalf of FCGI, filed a complaint, which brought claims against the Company and its subsidiaries, employees, former employees, and Matevž Mazij as third-party defendants. The claims allege that a former director of the Company intended to steal intellectual property from Mahon, and usurp opportunities from Mahon by way of wrongful conduct. The Company has served discovery, and has filed a motion to compel productions of documents, but no depositions have occurred. The Clark County District Court provisionally set trial for April 2022, and set the discovery cut-off for December 9, 2021 and the dispositive motion deadline for January 10, 2022. However, the court will likely set a new schedule in the upcoming weeks as the deadlines were set aside or altered by a previous stay that the court granted and later lifted.

The Company believes this action and its claims are without merit and intends to defend the action vigorously.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this AIF, no director or executive officer of the Company or any shareholder holding, of record or beneficially, directly or indirectly, more than 10% of the issued Common Shares, or any of their respective associates or affiliates, had any material interest, directly or indirectly, in any material transaction with the Company within the three years preceding the date of this AIF or in any proposed transaction, which has materially affected or would materially affect Company.

TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is Computershare Investor Services Inc. at its principal office in Toronto, Ontario.

MATERIAL CONTRACTS

The following are the material contracts entered into by the Company, including certain contracts entered into in the last fiscal year and material contracts entered into before the last fiscal year which are still in effect:

- On May 12, 2021, the Company entered into a membership interest purchase agreement to acquire 100% of the membership interests in Spin. The Company agreed to pay a purchase price consisting of: (i) US$10 million in cash; and (ii) US$20 million in Common Shares, of which US$5 million worth of Common Shares will be payable on closing and US$5 million worth of Common Shares will be payable on each of the next three anniversaries of the closing date of the Spin Acquisition.

- On June 2, 2021, the Company acquired 100% of the membership interests in Wild Streak. The Company has agreed to pay a purchase price consisting of: (i) US$10 million in cash; and (ii) US$20 million in Common Shares, of which US$10 million worth of Common Shares will be payable on the first anniversary of the closing date of the Wild Streak Acquisition and US$5 million worth of Common Shares will be payable on each of the next two anniversaries of the closing date of the Wild Streak Acquisition.

INTERESTS OF EXPERTS

There is no person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing, made under National Instrument 51-102 by the Company during, or related to, the Company's most recently completed financial year other than MNP LLP, the Company's auditors. MNP LLP are independent in accordance with the auditor's rules of professional conduct of the Institute of Chartered Accountants of Ontario.

In addition, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company. Neither MNP LLP nor its partners or associates beneficially own, directly or indirectly, any of the outstanding Common Shares of the Company.

AUDIT COMMITTEE DISCLOSURE

The following information regarding the audit committee of the Board (the "**Audit Committee**") is required to be disclosed pursuant to National Instrument 52-110 – *Audit Committees* ("**NI 52-110**").

Pursuant to applicable laws, the policies of the TSX and NI 52-110 , the Company is required to have an audit committee comprised of not less than three directors, all of which are not officers, control persons or employees of the Company or an affiliate of the Company. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor.

The Audit Committee is responsible for the Company's financial reporting process and the quality of its financial reporting. In addition to its other duties, the Audit Committee reviews all financial statements, annual and interim, intended for circulation among Shareholders and reports upon these to the Board. In addition, the Board may refer to the Audit Committee other matters and questions relating to the financial position of the Company. In performing its duties, the Audit Committee maintains effective working relationships with the Board, management and the external auditors and monitors independence of those auditors.

Audit Committee's Charter

The Board is responsible for reviewing and approving the consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. The Audit Committee assists the Board in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board for its consideration in approving the unaudited interim financial statements together with other financial information of the Company for issuance to the Shareholders.

The Audit Committee has the general responsibility to review and make recommendations to the Board on the approval of the Company's annual and interim financial statements, the management discussion and analysis and the other financial information or disclosure of the Company. More particularly, it has the mandate to:

(a) Oversee all the aspects pertaining to the process of reporting and divulging financial information, the internal controls and the insurance coverage of the Company;

(b) Oversee the implementation of the Company's rules and policies pertaining to financial information and internal controls and management of financial risks and to insure that the certifications process of annual and interim financial statements is conformed with the applicable regulations; and

(c) Evaluate and supervise the risk control program and review all related party transactions.

The Audit Committee makes sure that the external auditors are independent from management. The Audit Committee reviews the work of outside auditors, evaluates their performance, evaluates their remuneration and makes recommendations to the Board. The Audit Committee also authorizes non- related audit work. A copy of the Charter of the Audit Committee is annexed hereto as Schedule "A".

Composition of the Audit Committee

The following are the members of the Audit Committee:

Name	Independence and Financial Literacy[2]
Paul Pathak[1]	Independent and Financially Literate
Rob Godfrey	Independent and Financially Literate
Holly Gagnon	Independent and Financially Literate

Notes:
(1) Chair of audit committee.
(2) Within the meaning of NI 52-110.

Relevant Education and Experience

The education and experience of each Audit Committee member that is relevant to the performance of their responsibilities as an Audit Committee member is as follows:

Paul Pathak, *Director*

Mr. Pathak has been a partner of Chitiz Pathak LLP since 1996, a Toronto-based law firm serving clients in the securities and investment industries, including issuers and dealers on a full range of securities transactions. Mr. Pathak practices principally in the areas of corporate and commercial law, securities law, and mergers and acquisitions.

Mr. Pathak has acted for issuers in a broad range of securities transactions, including initial public offerings, reverse take-overs, establishment of capital pool companies, going-private transactions and numerous financing structures. Mr. Pathak has served as a member of the board of directors of several private and public corporations. Mr. Pathak currently serves as a director of JPJ PLC (LSE), The Intertain Group Limited (TSX) and Wayland Group Corp. (TSXV).

Mr. Pathak was called to the Ontario Bar in 1994, having completed his LL.B. at Osgoode Hall Law School in 1992.

Rob Godfrey, *Director*

Mr. Godfrey is the President of Brown Lab Industries Inc. and oversees two portfolio companies: Qwatro USA (specialty chemicals) and UrbanDog Holdings (pet services). In addition, Mr. Godfrey is active in Brown Lab's real estate activities including the management of commercial and industrial properties in Ajax, Etobicoke and Toronto. Previous work experience includes Senior Vice President of the Toronto Blue Jays Baseball Club, President of the Toronto Phantoms Arena Football Team and Associate at TD Securities, and audit committee member of the Ontario Society for the Prevention of Cruelty to Animals (Ontario SPCA). Mr. Godfrey holds a BA from the University of Western Ontario, and a J.D./MBA from Pepperdine University in California.

Holly Gagnon, Director

Ms. Gagnon is Co-Chief Executive Officer and Chair of Artemis Strategic Investment Corporation. She is the President of HGC Hospitality Gaming Consulting and is a Senior Strategic Advisor for the Spectrum Gaming Group. Ms. Gagnon has served as CEO of the Seneca Gaming Corporation, Chumash Enterprises for the Santa Ynez Band of Chumash Indians, Pearl River Resort in Mississippi, and previously held key financial and operational roles with Caesars Entertainment Corporation, MGM Resorts International and Harrah's Entertainment Inc.

Audit Committee Oversight

At no time since the commencement of the fiscal year ended December 31, 2021 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the fiscal year ended December 31, 2021 has the Company relied on the exemption in Section 2.4 of NI 52-110 *(De Minimis Non-audit Services)*, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees (By Category)

Aggregate fees from the Auditor for the fiscal year ended December 31, 2021 and fiscal year ended December 31, 2020 were as follows:

	Fiscal Year Ended December 31, 2021 (C$)	Fiscal Year Ended December 31, 2020 (C$)
Audit Fees	539,032	385,668
Audit-related Fees	299,600	149,800
Tax Fees(1)	230,063	63,023

Notes:

(1) Fees charged for tax compliance, tax advice and tax planning services.

ADDITIONAL INFORMATION

Additional information, including particulars of directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and interests of insiders in material transactions, where applicable, is contained in the Company's management information circular filed on SEDAR at www.sedar.com. Additional financial information is contained in the Company's audited financial statements and MD&A for the Company's most recently completed financial year, copies of which have been filed with the securities regulatory authorities in the provinces of British Columbia, Alberta, Ontario and Quebec.

Such documents, as well as additional information about the Company, may be found on SEDAR at www.sedar.com under the Company's name.

SCHEDULE "A"
AUDIT COMMITTEE CHARTER

BRAGG GAMING GROUP INC.

This Audit Committee charter (the "**Charter**") sets forth the purpose, composition, responsibilities, duties, powers and authority of the Audit Committee (the "**Committee**") of the directors (the "**Board**") of Bragg Gaming Group Inc. (the "**Company**").

1. PURPOSE

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

(a) accounting, financial reporting and disclosure requirements;

(b) ensuring that an effective risk management and financial control framework has been implemented by management of the Company; and

(c) external and internal audit processes.

2. COMPOSITION AND MEMBERSHIP

(a) The members (collectively "**Members**" and individually a "**Member**") of the Committee shall be appointed by the Board to serve one-year terms and shall be permitted to serve an unlimited number of consecutive terms. The Board may remove a Member at any time and may fill any vacancy occurring on the Committee. A Member may resign at any time and a Member will cease to be a Member upon ceasing to be a director of the Company.

(b) The Committee will consist of at least three Members. Every Member must be a director of the Company. Each Member shall be independent to the extent required by (and subject to the exemptions and other provisions set out in) applicable laws, rules, regulations and requirements of all exchanges on which the securities of the Company are listed for trading (collectively "**Applicable Laws**"). No Member may have participated in the preparation of the financial statements of the Company or any of its subsidiaries at any time during the past three years. Each Member must be financially literate to the extent required by (and subject to the exemptions and other provisions set out in) Applicable Laws. In this Charter, the terms "**independent**" and "**financially literate**" have the meanings ascribed to such terms in Applicable Laws and include the meanings given to similar terms in Applicable Laws to the extent such similar terms are used in this Charter and are applicable under Applicable Laws. At least one Member must have accounting or related financial management expertise, and, if applicable, meet any elevated financial expert criteria under applicable securities laws and the rules and regulations of all exchanges on which the securities of the Company are listed for trading.

(c) The chair of the Committee (the "**Chair**") will be appointed by the Board and confirmed by the Committee or appointed by the Committee from time to time and must have such accounting or related financial management expertise as the Board or Committee may determine in their business judgment is necessary.

3. MEETINGS

(a) Meetings of the Committee will be held at such times and places as the Chair may determine, but in any event not less than four (4) times per year. Any Member may call a meeting of the Committee at any time upon not less than forty-eight (48) hours advance notice being given to each Member orally, by telephone, by facsimile or by email, unless all Members are present and waive notice, or if those absent waive notice before or after a meeting. Members may attend all meetings either in person or by conference call.

(b) At the request of the external auditors of the Company, the Chief Executive Officer or the Chief Financial Officer of the Company or any Member will convene a meeting of the Committee. Any such request will set out in reasonable detail the business proposed to be conducted at the meeting so requested.

(c) The Chair, if present, will act as the Chair of meetings of the Committee. If the Chair is not present at a meeting of the Committee, then the Members present may select one of their number to act as chair of the meeting.

(d) A majority of Members will constitute a quorum for a meeting of the Committee. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority of Members present at the meeting at which the vote is taken. The Chair will not have a deciding or casting vote in the case of an equality of votes. Powers of the Committee may also be exercised by written resolution signed by all Members.

(e) The Committee may invite from time to time such persons as the Committee considers appropriate to attend its meetings and to take part in the discussion and consideration of the affairs of the Committee, except to the extent the exclusion of certain persons is required pursuant to this Charter or by Applicable Laws.

(f) In advance of every regular meeting of the Committee, the Chair will prepare and distribute to the Members and others as deemed appropriate by the Chair, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may require officers and employees of the Company to produce such information and reports as the Committee may deem appropriate in order to fulfill its duties.

(g) meet in camera with only the auditors (if present), with only management (if present), and with only the Members at every Committee meeting;

4. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee as they relate to the following matters, to the extent considered appropriate or desirable or required by Applicable Laws, are to:

4.1 Financial Reporting and Disclosure

(a) review and recommend to the Board for approval, the audited annual financial statements of the Company, including the auditors' report thereon, the management's discussion and analysis of the Company prepared in connection with the annual financial statements, financial reports of the Company, and any initial public release of financial information of the Company through press release or otherwise, with such documents to indicate whether such information has been reviewed by the Board or the Committee;

(b) review and approval of the quarterly financial statements of the Company including the management's discussion and analysis prepared in connection with the quarterly financial statements, with such documents to indicate whether such information has been reviewed by the Board or the Committee;

(c) review and recommend to the Board for approval, where appropriate, financial information contained in any prospectuses, annual information forms, annual reports to shareholders, management proxy circulars, material change disclosures of a financial nature and similar disclosure documents;

(d) review with management and with the external auditors significant accounting principles and disclosure issues and alternative treatments under International Financial Reporting Standards ("**IFRS**") all with a view to gaining reasonable assurance that financial statements are accurate, complete and present fairly the Company's financial position and the results of its operations in accordance with IFRS; and

(e) annually review the Company's corporate disclosure policy and recommend any proposed changes to the Board for consideration.

4.2 Internal Controls and Audit

(a) review and assess the adequacy and effectiveness of the Company's system of internal control and management information systems through discussions with management and the external auditor of the Company to ensure that the Company maintains: (i) the necessary books, records and accounts in sufficient detail to accurately and fairly reflect the Company's transactions; (ii) effective internal control systems; and (iii) adequate processes for assessing the risk of material misstatement of the financial statements of the Company and for detecting control weaknesses or fraud. From time to time the Committee will assess whether a formal internal audit department is necessary or desirable having regard to the size and stage of development of the Company at any particular time, with any such internal audit department reporting directly to the Audit Committee;

(b) satisfy itself that management has established adequate procedures for the review of the Company's disclosure of financial information extracted or derived directly from the Company's financial statements;

(c) periodically assess the adequacy of such systems and procedures to ensure compliance with regulatory requirements and recommendations;

(d) review and discuss the major financial risk exposures of the Company and the steps taken to monitor and control such exposures, including the use of any financial derivatives and hedging activities;

(e) review and assess, and in the Committee's discretion make recommendations to the Board regarding, the adequacy of the Company's risk management policies and procedures with regard to identification of the Company's principal risks and implementation of appropriate systems to manage such risks including an assessment of the adequacy of insurance coverage maintained by the Company;

(f) review and assess annually, and in the Committee's discretion make recommendations to the Board regarding, the investment policy, if any, of the Company; and

(g) establish procedures for (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

4.3 External Audit

(a) be directly responsible for the selection, nomination, compensation, retention, termination and oversight of the work of the Company’s external auditors engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, and in such regard recommend to the Board the external auditors to be nominated for approval by the shareholders;

(b) ensure the external auditors report directly to the Committee on a regular basis;

(c) ensure the receipt from the external auditors of a formal written statement delineating all relationships between the auditor and the Company, actively engage in a dialogue with the external auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor and take, or recommend that the Board take, appropriate action to oversee the independence of the outside auditor;

(d) review and approve the compensation of the external auditors, and the scope and timing of the audit and other related services rendered by the external auditors;

(e) review the audit plan of the external auditors prior to the commencement of the audit;

(f) establish and maintain a direct line of communication with the Company's external and, if applicable, internal auditors; review the performance of the external auditors who are accountable to the Committee and the Board as representatives of the shareholders, including the lead partner of the independent auditors team;

(g) oversee the work of the external auditors appointed by the shareholders of the Company with respect to preparing and issuing an audit report or performing other audit, review or attest services for the Company, including the resolution of issues between management of the Company and the external auditors regarding financial reporting;

(h) review the results of the external audit and the report thereon including, without limitation, a discussion with the external auditors as to the quality of accounting principles used and any alternative treatments of financial information that have been discussed with management of the Company and the ramifications of their use, as well as any other material changes. Review a report describing all material written communication between management and the auditors such as management letters and schedule of unadjusted differences;

(i) discuss with the external auditors their perception of the Company's financial and accounting personnel, records and systems, the cooperation which the external auditors received during their course of their review and availability of records, data and other requested information and any recommendations with respect thereto;

(j) review the reasons for any proposed change in the external auditors which is not initiated by the Committee or Board and any other significant issues related to the change, including the response of the incumbent auditors, and enquire as to the qualifications of the proposed auditors before making its recommendations to the Board; and

(k) review annually a report from the external auditors in respect of their internal quality- control procedures, any material issues raised by the most recent internal quality-control review, or peer review of the external auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the external auditors, and any steps taken to deal with any such issues.

4.4 Non-Audit Services

(a) pre-approve all non-audit services to be provided to the Company or any subsidiary entities by its external auditors or by the external auditors of such subsidiary entities. The Chair shall have the authority to pre-approve non-audit services but pre-approval by the Chair so delegated shall be presented to the Committee at its first scheduled meeting following such pre-approval.

4.5 Oversight Function

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or are in accordance with IFRS and applicable rules and regulations. These are the responsibilities of the management of the Company. The Committee is not accountable or responsible for the day-to-day operation or performance of such activities.

5. REPORTING

The Committee shall provide the Board with a summary of all actions taken at each Committee meeting or by written resolution. The Committee will annually review and approve the Committee's report for inclusion in the management proxy circular. Minutes of each meeting of the Committee and each written resolution passed by the Committee will be circulated to the Board. The Committee shall produce and provide the Board with all reports or other information required to be prepared under Applicable Laws.

6. ACCESS TO INFORMATION AND AUTHORITY

The Committee will be granted unrestricted access to all information regarding the Company and all directors, officers and employees will be directed to cooperate as requested by Members. The Committee has the authority to retain, at the Company's expense, independent legal, financial and other advisors, consultants and experts, to assist the Committee in fulfilling its duties and responsibilities. The Committee also has the authority to communicate directly with external and, if applicable, internal auditors of the Company.

The Company will provide for appropriate funding, as determined by the Committee, for payment of: (i) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (ii) compensation to any legal, financial and other advisors, consultants and experts employed by the Committee; and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

7. REVIEW OF MANDATE

The Committee will annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.

Table of Contents

Exhibit 99.2



BRAGG GAMING GROUP INC.

CONSOLIDATED FINANCIAL STATEMENTS

Years ended December 31, 2021, and 2020

Presented in Euros (Thousands)

TABLE OF CONTENTS

MANAGEMENT'S STATEMENT OF RESPONSIBILITY FOR FINANCIAL REPORTING	1
INDEPENDENT AUDITOR'S REPORT (PCAOB ID: 1930)	2
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS	6
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	7
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY	8
CONSOLIDATED STATEMENTS OF CASH FLOWS	9

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1	BASIS OF PRESENTATION AND GOING CONCERN	10
2	SIGNIFICANT ACCOUNTING POLICIES	12
3	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS	23
4	LOSS BEFORE INCOME TAXES CLASSIFIED BY NATURE	26
5	ACQUISITION OF WILD STREAK LLC	27
6	DISCONTINUED OPERATIONS	28
7	SHARE CAPITAL	29
8	PUBLIC OFFERING COMPLETED NOVEMBER 18, 2020	30
9	WARRANTS	31
10	SHARE BASED COMPENSATION	33
11	GOODWILL	36
12	DEFERRED AND CONTINGENT CONSIDERATION	36
13	INTANGIBLE ASSETS	38
14	CASH AND CASH EQUIVALENTS	39
15	TRADE AND OTHER RECEIVABLES	39
16	PREPAID EXPENSES AND OTHER ASSETS	40
17	TRADE PAYABLES AND OTHER LIABILITIES	40
18	RELATED PARTY TRANSACTIONS	40
19	FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT	42
20	SUPPLEMENTARY CASHFLOW INFORMATION	45
21	SEGMENT INFORMATION	46
22	INCOME TAXES	46
23	CONTINGENT LIABILITIES	49

Management's Statement of Responsibility for Financial Reporting

The management of Bragg Gaming Group Inc. is responsible for the preparation, presentation and integrity of the accompanying consolidated financial statements. This responsibility includes the selection and consistent application of appropriate accounting principles and methods in addition to making the judgments and estimates necessary to prepare the consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Management is also responsible for providing reasonable assurance that assets are safeguarded, and that relevant and reliable financial information is produced. Management is required to design a system of internal controls and certify as to the design and operating effectiveness of internal controls over financial reporting.

MNP LLP, whose report follows, were appointed as independent auditors by a vote of the Company's shareholders to audit the consolidated financial statements.

The Board of Directors, acting through an Audit Committee comprised solely of directors who are independent, is responsible for determining that management fulfils its responsibilities in the preparation of the consolidated financial statements and the financial control of operations. The Audit Committee recommends the independent auditors for appointment by the shareholders. The Audit Committee meets regularly with senior and financial management and the independent auditors to discuss internal controls, auditing activities and financial reporting matters. The independent auditors have unrestricted access to the Audit Committee. These consolidated financial statements have been approved by the Board of Directors based on the review and recommendation of the Audit Committee.

Paul Godfrey
Interim Chief Executive Officer

Ronen Kannor
Chief Financial Officer

Toronto, Canada
March 10, 2022

Independent Auditor's Report

To the Shareholders of Bragg Gaming Group Inc.:

Opinion

We have audited the consolidated financial statements of Bragg Gaming Group Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2021 and December 31, 2020, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2021 and December 31, 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Acquisition of Wild Streak Gaming

Key Audit Matter Description

As described in Note 5 to the consolidated financial statements, on June 2, 2021, the Company completed its acquisition of Wild Streak LLC, doing business as Wild Streak Gaming ("Wild Streak"), for a total purchase price of EUR 22,014 (in thousands). The identifiable assets acquired and the liabilities assumed are measured at fair value as of the acquisition date. Where the net of the fair value of the assets acquired and liabilities assumed is less than the fair value of consideration transferred, the difference is accounted for as goodwill. In assessing fair value of the acquired assets, management used various valuation techniques involving significant judgement and subjectivity.

We considered this to be a key audit matter due to the complexity of the transaction, which included valuation of the acquired intangible assets. This resulted in a high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating the audit evidence related to management's estimates. As such, an increased extent of audit effort was required, which included the involvement of internal valuation specialists.

Audit Response

We responded to this matter by performing procedures over management's valuation techniques in determining fair value of the acquired assets and in determining goodwill. Our audit work in relation to this included, but was not restricted to, the following:

- Analyzed the signed purchase agreements to obtain an understanding of the key terms and conditions and to identify the necessary accounting considerations.
- Tested the mathematical accuracy of management's valuation models and supporting calculations.
- Evaluated the fair value of the consideration transferred including shares to be issued.
- Evaluated the reasonableness of key assumptions in management's models, including testing of historical financial results which were used as a basis for future projections.
- Assessed the appropriateness of the disclosures relating to the assumptions used in the acquisition in the notes to the consolidated financial statements.
- With the assistance of internal valuation specialists, evaluated the reasonableness of management's model, through assessing the appropriateness of valuation models used and testing the significant assumptions and inputs by:
    - Comparing to externally available industry and economic trends;
    - Evaluating budgets and forecasts for future operations; and
    - Comparing against guideline companies within the same industry.

Impairment Analysis of Goodwill and Long-Lived Assets

Key Audit Matter Description

We draw attention to Notes 3 and 11 to the consolidated financial statements. The Company has recorded goodwill, property and equipment, right-of-use assets and intangibles assets of EUR 56,404 (in thousands) as of December 31, 2021. The Company performs impairment testing for goodwill and long-lived assets on an annual basis or more frequently when there is an indication of impairment. An impairment is recognized if the carrying amount of an asset, or its cash generating unit (CGU), exceeds its estimated recoverable amount. The recoverable amount of an asset is the greater of its value-in-use and its fair value less costs of disposal. In determining the estimated recoverable amounts using a discounted cash flow model, the Company's significant assumptions include future cash flows based on expected operating results, long-term growth rates and the discount rate.

We considered this a key audit matter due to the significant judgment made by management in estimating the recoverable amount for goodwill and long-lived assets and a high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating audit evidence relating to management's estimates. This resulted in an increased extent of audit effort, including the involvement of internal valuation specialists.

Audit Response

We responded to this matter by performing procedures over the impairment of goodwill and long-lived assets. Our audit work in relation to this included, but was not restricted to, the following:

- Tested management's key assumptions, including a 'retrospective review' to compare management's assumptions in prior year expected future cash flows to the actual results to assess the Company's budgeting process.
- Evaluated the reasonableness of key assumptions in the impairment model, including future cash flows based on expected operating results, long-term growth rates and the discount rate.
- Tested the mathematical accuracy of management's impairment model and supporting calculations.
- Assessed the appropriateness of the disclosures relating to the assumptions used in the impairment assessment in the notes to the consolidated financial statements.
- With the assistance of internal valuation specialists, evaluated the reasonableness of the Company's impairment model, which included:
    - Evaluating the reasonableness of the discount rates by comparing the Company's weighted average cost of capital against publicly available market data;
    - Developing a range of independent estimates and comparing those to the discount rate selected by management; and

- Performing a sensitivity analysis by developing a range of independent estimates of growth rates and weighted average cost of capital.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis; and
- The information, other than the consolidated financial statements and our auditor's report thereon, in the Annual Report on Form 40-F.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We obtained Management's Discussion and Analysis and the Annual Report on Form 40-F prior to the date of this auditor's report. If, based on the work we have performed on this other information, 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 Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Canadian generally accepted auditing standards 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 consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 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 consolidated 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 Company 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 those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance 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, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ajmer Singh Sran.

/s/ MNP LLP

Toronto, Ontario
March 10, 2022

Chartered Professional Accountants
Licensed Public Accountants

MNP

BRAGG GAMING GROUP INC.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	Note	Year Ended December 31, 2021	2020
Revenue	4	58,319	46,421
Cost of revenue		(29,998)	(26,232)
Gross Profit		**28,321**	**20,189**
Selling, general and administrative expenses	4	(34,832)	(22,828)
Gain on remeasurement of consideration receivable	4, 6	98	19
Loss on remeasurement of deferred and contingent consideration	4, 12	—	(9,276)
Loss on disposal of intangible assets	13	(89)	—
Operating Loss		**(6,502)**	**(11,896)**
Net interest expense and other financing charges	4	(184)	(1,384)
Loss Before Income Taxes	4	**(6,686)**	**(13,280)**
Income taxes	22	(826)	(1,196)
Net Loss from Continuing Operations		**(7,512)**	**(14,476)**
Net loss from discontinued operations after tax	6	—	(90)
Net Loss		**(7,512)**	**(14,566)**
Items to be reclassified to net loss:			
Cumulative translation adjustment - continuing operations		2,590	157
Cumulative translation adjustment - discontinued operations	6	—	(95)
Items that will not be reclassified to net loss:			
Remeasurement of employee obligations	19	44	—
Net Comprehensive Loss		**(4,878)**	**(14,504)**
Basic and Diluted Loss Per Share			
Continuing operations		(0.39)	(1.69)
Discontinued operations		0.00	(0.01)
		(0.39)	**(1.70)**
		Millions	Millions
Weighted average number of shares - basic and diluted		**19.5**	**8.6**

See accompanying notes to the consolidated financial statements

BRAGG GAMING GROUP INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	Note	As at December 31, 2021	As at December 31, 2020
Cash and cash equivalents	14	16,006	26,102
Trade and other receivables	15	8,454	10,297
Prepaid expenses and other assets	16	2,442	263
Consideration receivable	6	56	148
Total Current Assets		**26,958**	**36,810**
Property and equipment		252	272
Right-of-use assets		579	708
Consideration receivable	6	—	44
Intangible assets	13	30,845	14,279
Goodwill	5,11	24,728	19,938
Other assets		28	43
Total Assets		**83,390**	**72,094**
Trade payables and other liabilities	17	14,357	16,968
Deferred revenue		27	102
Income taxes payable	22	784	1,318
Lease obligations on right of use assets - current		149	133
Deferred and contingent consideration	12	—	11,521
Total Current Liabilities		**15,317**	**30,042**
Deferred income tax liabilities	22	1,243	1,415
Non-current lease obligations on right of use assets		451	593
Other non-current liabilities		184	147
Total Liabilities		**17,195**	**32,197**
Share capital	7	100,285	62,304
Warrants	9	—	1,642
Broker warrants	9	38	399
Shares to be issued	5, 7, 12	13,746	22,608
Contributed surplus		18,385	14,325
Deficit		(68,743)	(61,231)
Accumulated other comprehensive income (loss)		2,484	(150)
Total Equity		**66,195**	**39,897**
Total Liabilities and Equity		**83,390**	**72,094**
Going Concern	1		

See accompanying notes to the consolidated financial statements

Approved on behalf of the Board

Paul Godfrey
Interim Chief Executive Officer

Paul Pathak
Non Executive Director

BRAGG GAMING GROUP INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	Note	Share capital	Shares to be issued	Warrants	Special warrants - compensation options	Broker warrants	Contributed surplus	Deficit	Accumulated other comprehensive income (loss)	Total Equity
Balance as at January 1, 2020		**40,204**	**—**	**1,565**	**660**	**—**	**11,064**	**(46,665)**	**(212)**	**6,616**
Issue of securities upon Public Offering, net of issuance costs	7, 8, 9	10,086	—	1,642	—	399	—	—	—	12,127
Shares to be issued upon completion of Oryx earn-out	7	—	22,000	—	—	—	—	—	—	22,000
Shares to be issued upon completion of private placement	7	—	608	—	—	—	—	—	—	608
Exercise of deferred stock units	7, 10	219	—	—	—	—	(219)	—	—	-
Exercise of stock options	7, 10	27	—	—	—	—	(9)	—	—	18
Exercise of warrants	9	10,708	—	(1,168)	—	—	—	—	—	9,540
Expiry of warrants	9	—	—	(526)	—	—	526	—	—	—
Exercise of special warrants - broker compensation options	9	1,060	—	129	(660)	—	—	—	—	529
Share-based compensation	10	—	—	—	—	—	2,963	—	—	2,963
Net loss for the period		—	—	—	—	—	—	(14,566)	—	(14,566)
Other comprehensive income		—	—	—	—	—	—	—	62	62
Balance as at December 31, 2020		**62,304**	**22,608**	**1,642**	**—**	**399**	**14,325**	**(61,231)**	**(150)**	**39,897**
Balance as at January 1, 2021		**62,304**	**22,608**	**1,642**	**—**	**399**	**14,325**	**(61,231)**	**(150)**	**39,897**
Shares issued upon completion of Oryx earn-out	7	22,000	(22,000)	—	—	—	—	—	—	—
Shares issued upon completion of private placement, net of issuance costs	7	1,918	(608)	—	—	—	—	—	—	1,310
Shares to be issued as deferred consideration	5	—	13,746	—	—	—	—	—	—	13,746
Exercise of restricted share units	7, 10	267	—	—	—	—	(267)	—	—	—
Exercise of stock options	7, 10	983	—	—	—	—	(347)	—	—	636
Exercise of warrants	9	11,916	—	(1,831)	—	—	—	—	—	10,085
Expiry of warrants	9	—	—	(7)	—	—	7	—	—	—
Exercise of broker warrants	9	897	—	196	—	(361)	—	—	—	732
Share-based compensation	10	—	—	—	—	—	4,667	—	—	4,667
Net loss for the period		—	—	—	—	—	—	(7,512)	—	(7,512)
Other comprehensive income		—	—	—	—	—	—	—	2,634	2,634
Balance as at December 31, 2021		**100,285**	**13,746**	**—**	**—**	**38**	**18,385**	**(68,743)**	**2,484**	**66,195**

See accompanying notes to the consolidated financial statements

BRAGG GAMING GROUP INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	Note	Year Ended December 31, 2021	2020
Operating Activities			
Net loss from continuing operations		(7,512)	(14,476)
Add:			
Net interest expense and other financing charges	4	184	1,384
Depreciation and amortization	4	4,797	2,873
Share based compensation	4, 10	4,667	2,963
Gain on remeasurement of consideration receivable	6	(98)	(19)
Loss on remeasurement of deferred and contingent consideration	12	—	9,276
Loss on disposal of intangible assets	13	89	—
Deferred income tax recovery	22	(172)	(125)
		1,955	1,876
Change in non-cash working capital	20	(1,462)	4,313
Change in income taxes payable		(534)	540
Cash Flows (Used In) From Operating Activities		**(41)**	**6,729**
Investing Activities			
Purchases of property and equipment		(123)	(223)
Additions of intangible assets	13	(3,143)	(2,286)
Proceeds from sale of discontinued operations	6	235	259
Consideration paid upon business combination	5	(8,268)	—
Cash acquired from business combination	5	124	—
Prepaid consideration	16	(1,187)	—
Deferred and contingent consideration payments	12	(11,521)	(527)
Cash Flows Used In Investing Activities		**(23,883)**	**(2,777)**
Financing Activities			
Proceeds from issuance of common shares and warrants, net of costs	8	—	12,127
Proceeds from exercise of warrants and broker warrants	9	10,817	10,069
Proceeds from exercise of stock options	10	636	18
Proceeds from shares to be issued upon private placement	7	—	608
Proceeds from shares issued upon private placement, net of issuance costs	7	1,310	—
Repayment of lease liability		(171)	(212)
Interest income		61	6
Interest and financing fees	4	(245)	(353)
Cash Flows From Financing Activities		**12,408**	**22,263**
Effect of foreign currency exchange rate changes on cash and cash equivalents		1,420	(307)
Net cash flow used in discontinued operations	6	—	(488)
Change in Cash and Cash Equivalents		**(10,096)**	**25,420**
Cash and cash equivalents at beginning of year		26,102	682
Cash and Cash Equivalents at end of year		**16,006**	**26,102**

See accompanying notes to the consolidated financial statements

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

1 BASIS OF PRESENTATION AND GOING CONCERN

Nature of operations

Bragg Gaming Group Inc. and its subsidiaries ("Bragg", "BGG", the "Company" or the "Group") is primarily a B2B online gaming technology platform and casino content aggregator through its acquisition of Oryx Gaming International LLC ("Oryx" or "Oryx Gaming") in 2018.

The registered and head office of the Company is located at 130 King Street West, Suite 1955, Toronto, Ontario, Canada M5X 1E3.

Oryx Gaming

Oryx Gaming is a B2B gaming solution provider. Oryx offers a turnkey solution, including an omni-channel retail, online and mobile iGaming platform, as well as an advanced content aggregator, sportsbook, lottery, marketing, and operational services. Oryx is incorporated in the State of Delaware and headquartered in Las Vegas. Its primary operations are provided through its wholly owned subsidiaries in Malta, Cyprus, and Slovenia.

Classification of online media business unit as held for sale and discontinued operations

During the year ended December 31, 2019, the Company decided to discontinue its online media business unit. The associated assets and liabilities within the disposal group are presented as held for sale and the net loss attributable as discontinued operations in the consolidated financial statements ("financial statements"). The Company completed the sale of the majority of its online media business unit on May 7, 2020 (Note 6).

Statement of compliance and basis of presentation

The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These consolidated financial statements are prepared on a historical cost basis except for financial instruments classified at fair value through profit or loss (“FVTPL”) or fair value through other comprehensive income (“FVOCI”) which are measured at fair value. The significant accounting policies set out below have been applied consistently in the preparation of the financial statements for all periods presented.

These financial statements were, at the recommendation of the audit committee, approved and authorized for issuance by the Company’s Board of Directors on March 10, 2022.

Going concern

These consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to continue as a going concern and realize its assets and discharge its liabilities in the normal course of business, and do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the financial statements. If the going concern assumption is not appropriate, material adjustments to the consolidated financial statements could be required.

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

1 BASIS OF PRESENTATION AND GOING CONCERN (CONTINUED)

As at December 31, 2021, the Company had current assets of EUR 26,958 (December 31, 2020: EUR 36,810) and current liabilities of EUR 15,317 (December 31, 2020: EUR 30,042). As of December 31, 2021, the Company has a cumulative deficit of EUR 68,743 (December 31, 2020: EUR 61,231). These conditions indicate that the Company will be able to continue on a going concern basis.

COVID-19

In December 2019, there was a global outbreak of COVID-19 (coronavirus), which has continued to have a significant impact on businesses through the restrictions put in place by the national, provincial and municipal governments around the world regarding travel, business operations and isolation and quarantine orders.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company in the long term as this will depend on future developments that remain highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, quarantine and isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

However, the Company derives the majority of its revenue from online casino gaming. This sector has largely benefited from the various international “lock downs”, requiring people to stay at home. As a result, such forms of entertainment have prevailed in a similar fashion to the various streaming businesses such as Netflix. Furthermore, the Company has limited exposure to sports betting revenues that have been impacted by the lack of professional sports.

As at the time of release of these financial statements, the Company’s financial performance, financial position and cash flow had not been adversely impacted by COVID-19 and the Company has determined no impairment of its goodwill is required.

Graduation to the Toronto Stock Exchange (“TSX”)

On January 27, 2021, the Company began trading on TSX under the symbol “BRAG”. Concurrent with the TSX listing, the Company’s Common Shares were delisted from the TSX Venture Exchange.

Trading on the Nasdaq Global Select Market (“Nasdaq”)

On August 27, 2021, the Company began trading on Nasdaq under the symbol “BRAG”. The Company’s shares also continue to trade on the Toronto Stock Exchange.

Reverse Stock Split

At the annual and special meeting of the Company’s shareholders held on April 28, 2021, the Company’s shareholders granted the Company’s Board of Directors discretionary authority to implement a consolidation of the issued and outstanding Common Shares of the Company on the basis of a consolidation ratio of up to 15 pre-consolidation Common Shares for one post-consolidation Common Share. The Board of Directors selected a share consolidation ratio of ten pre-consolidation Common Shares for one post-consolidation Common Share and announced the consolidation on April 30, 2021 (the “reverse stock split”). The Company’s Common Shares began trading on TSX on a post-consolidation basis under the Company’s existing trade symbol "BRAG" on May 5, 2021. In accordance with International Financial Reporting Standards (“IFRS”), the change has been applied retrospectively.

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

1 BASIS OF PRESENTATION AND GOING CONCERN (CONTINUED)

Acquisition of Spin Games LLC

On May 12, 2021, the Company announced it had entered into an agreement to acquire Spin Games LLC (“Spin”) in a cash and stock transaction for a purchase price of approximately USD 30 million. Under the deal the sellers of Spin will receive USD 10 million in cash and USD 20 million in Common Shares of the Company of which USD 5 million in Common Shares will be issued on closing and the balance over the next three years. The transaction is expected to close following final approval from state gaming regulators and satisfaction of other customary closing conditions.

Acquisition of Wild Streak LLC

On June 2, 2021, the Company announced that it had acquired Wild Streak LLC, doing business as Wild Streak Gaming ("Wild Streak"), a Las Vegas, Nevada based content creation studio with a portfolio of 39 premium casino slot titles supported across online and land-based applications.

The Company signed a purchase agreement to acquire all of the outstanding membership interests of Wild Streak in a cash and stock transaction for a purchase price of USD 30,000. Pursuant to the transaction, which closed simultaneously with the signing of the purchase agreement, the sellers of Wild Streak received USD 10,000 in cash at closing and will receive USD 20,000 worth of common shares of the Company over the next three years, subject to acceleration in the event of a change of control.

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries when the Company controls them. Control exists when the Company is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The Company assesses control on an ongoing basis. The Company’s interest in the voting share capital of all its subsidiaries is 100%.

Transactions and balances between the Company and its consolidated entities have been eliminated on consolidation.

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The table below summarizes the Company's operating subsidiaries and the functional currency for each operating subsidiary:

	Place of incorporation / operation	Principal activity	Functional currency
Bragg Gaming Group - Group Services Ltd.	United Kingdom	Corporate activities	GBP
Bragg Gaming Group - Parent Services Ltd.	United Kingdom	Corporate activities	GBP
Oryx Sales Distribution Ltd.	Cyprus	Distribution	EUR
Oryx Gaming International LLC	United States	Gaming solution provider	EUR
Oryx Gaming Ltd.	Malta	Gaming solution provider	EUR
Oryx Marketing Poslovne Storitve D.o.o.	Slovenia	Marketing	EUR
Oryx Podpora D.o.o.	Slovenia	B2B support services	EUR
Oryx Razyojne-Storitve D.o.o.	Slovenia	Gaming solution developer	EUR
Poynt Inc.	Canada	Distribution	CAD
Wild Streak LLC	United States	Content creation studio	USD

Presentation currency

The presentation currency of the Company is the Euro, while the functional currencies of its subsidiaries are Euro, Canadian dollar, United States dollar, and British pound sterling due to primary location of individual entities within the Group. The presentation currency of the Euro has been selected as it best represents the majority of the Company's economic inflows, outflows as well as its assets and liabilities.

The assets and liabilities of operations that have a functional currency different from that of the Company's reporting currency are translated into Euros at the foreign currency exchange rate in effect at the reporting date. The resulting foreign currency exchange gains or losses are recognized in the foreign currency translation adjustment as part of other comprehensive income. When such foreign operations are disposed of, the related foreign currency translation reserve is recognized in net earnings as part of the gain or loss on disposal.

Revenues and expenses of foreign operations are translated into Euros at the foreign currency exchange rates that approximate the rates in effect at the dates when such items are transacted.

Business combinations
Business combinations are accounted for using the acquisition method as of the date when control is transferred to the Company. The Company measures goodwill as the excess of the sum of the fair value of the consideration transferred over the net identifiable assets acquired and liabilities assumed, all measured as at the acquisition date. Transaction costs that the Company incurs in connection with a business combination, other than those associated with the issuance of debt or equity securities, are expensed as incurred.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net earnings (loss) per share ("EPS")

Basic EPS is calculated by dividing the net earnings (loss) available to shareholders by the weighted average number of shares outstanding during the period. Diluted EPS is calculated by adjusting the net earnings available to shareholders and the weighted average number of shares outstanding for the effects of all potential dilutive instruments.

Diluted loss per share is equal to basic loss per share when the effect of dilutive securities is anti-dilutive.

Cash and cash equivalents

Cash equivalents consist of highly liquid marketable investments with an original maturity date of 90 days or less from the date of acquisition and prepaid credit cards. Cash and cash equivalents also include any cash held in trust as proceeds from future private placement.

Trade and other receivables

Trade and other receivables consist primarily of trade receivables from customers for which Oryx Gaming and Wild Streak provides services and accrued income in relation to receivables from customers that have yet to be invoiced, for services provided during the years ended December 31, 2021, and 2020. Upon invoicing, amounts are transferred from accrued income to trade receivables and any differences between the accrued and invoiced values are recognized in the consolidated statements of loss and comprehensive loss.

Revenue recognition

The Company recognizes revenue when control of the goods or services has been transferred. Revenue is measured at the amount of consideration to which the Company expects to be entitled, including variable consideration to the extent that it is highly probable that a significant reversal will not occur. Revenue from continuing operations is derived from software platform licensing, maintenance of source code, bespoke development, management service fees, marketing fees, revenue share from licencing of content and hosting fees. Revenue is recognized when the service provided to the customer is complete. Specifically:

- Games and content: revenues from content and platform licensing are derived from revenues a customer earns from utilizing the Company's software platform and aggregated content in that period. The Company's revenue is therefore linked to the revenue derived from a customer's end user, i.e., the subsequent sale. The Company recognizes revenue once the customer has earned the revenue from the subsequent sale/services as this is the point where the performance obligation is satisfied.

- iGaming and turnkey projects: the Company charges a fixed monthly management and marketing fee for its services in the month in which the services are provided, and performance obligations are met. Charges for development projects are charged on a time and materials basis upon delivery at agreed milestones. Revenue is recognized as it is billed unless services and performance obligations are provided in a future period. If services and performance obligations are not provided in the reporting period, then revenue is not recognized.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

Revenue from discontinued operations is derived from programmatic advertising, branded content and social media management, sales of software maintenance agreements, software customization services, technical support services and consulting services. Revenue from discontinued operations is recognized on a monthly basis as it is billed.

Consideration receivable

Consideration receivable consists of cash receivables due as a result of the sale of discontinued operations. The fair value of the consideration receivable is determined by calculating the present value of expected future cashflows relating to the consideration receivable, applying the Company's discount rate.

Income taxes

Current and deferred taxes are recognized in the consolidated statements of loss and comprehensive loss, except for current and deferred taxes related to a business combination, or amounts charged directly to equity or other comprehensive loss, which are recognized in the consolidated statements of financial position.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the asset and liability method of accounting on temporary differences arising between the financial statement carrying values of existing assets and liabilities and their respective income tax bases. Deferred tax is measured using enacted or substantively enacted income tax rates expected to apply in the years in which those temporary differences are expected to be recovered or settled. A deferred tax asset is recognized for temporary differences as well as unused tax losses and credits to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different taxable entities where the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is recorded on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company, and it is probable that the temporary difference will not reverse in the foreseeable future.

Property and equipment

Property and equipment are recognized and subsequently measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset, including costs incurred to prepare the asset for its intended use and capitalized borrowing costs. The commencement date for capitalization of costs occurs when the Company first incurs expenditures for the qualifying assets and undertakes the required activities to prepare the assets for their intended use.

Borrowing costs directly attributable to the acquisition, construction or production of property and equipment, that necessarily take a substantial period of time to prepare for their intended use and a proportionate share of general borrowings, are capitalized to the cost of those assets, based on a quarterly weighted average cost of borrowing. All other borrowing costs are expensed as incurred and recognized in net interest expense and other financing charges.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment (continued)

The cost of replacing a component of property and equipment is recognized in the carrying amount if it is probable that the future economic benefits embodied within the component will flow to the Company and the cost can be measured reliably. The carrying amount of the replaced component is derecognized. The cost of repairs and maintenance of property and equipment is expensed as incurred and recognized in the consolidated statements of loss and comprehensive loss.

Gains and losses on disposal of property and equipment are determined by comparing the fair value of proceeds from disposal with the net book value of the assets and are recognized on a net basis in the consolidated statements of loss and comprehensive loss.

Property and equipment are depreciated on a straight-line basis over their estimated useful lives of up to five years to their estimated residual value when the assets are available for use. When significant parts of a property and equipment have different useful lives, they are accounted for as separate components and depreciated separately. Depreciation methods, useful lives and residual values are reviewed annually and are adjusted for prospectively, if appropriate.

Leases

The Company assesses whether a contract is, or contains, a lease. If a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, then the contract may contain a lease. The Company assesses whether a contract conveys the right to control the use of an asset by performing the following tests:

- assess whether the contract involves the use of an identified asset and may be specified explicitly or implicitly. It should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a significant right to substitution, then the asset is not identified;
- assess whether the Company has the right to obtain substantially all of the economic benefits arising from the use of the asset throughout the period of use; and
- assess that the Company has the right to direct enjoyment of the asset. This right is identified when the Company has the decision-making rights in how and for what purpose the asset is used. In cases where the decision on how and for what purpose to use the asset has been predetermined, the Company has the right to direct the use of the asset if either it has the right to operate the asset, or the Company has designed the asset in a manner that predetermines how and for what purpose the asset will be used.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension, or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of equipment that have a lease term of twelve months or less and leases of low-value assets, including IT equipment. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Intangible assets

Intangible assets are measured at cost less any amortization and accumulated impairment losses. These intangible assets are tested for impairment on an annual basis or more frequently if there are indicators that intangible assets may be impaired as described in the Impairment of non-financial assets policy.

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Intellectual property identified upon business combination	8 - 10 years
Intellectual property acquired from third-parties	3 years
Customer relationships	10 years
Brands	10 years
Deferred development costs	3 years
Trademarks	3 - 15 years
Gaming licences	over the term of the licence

Trademarks and gaming licences are classified under "Other" in the intangible assets disclosure note (Note 13).

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets (continued)

The Company capitalizes the costs of intangible assets if and only if:

- it is probable that the expected future economic benefits attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Certain costs incurred in connection with the development of intellectual property relating to proprietary technology are capitalized to intangible assets as development costs. Intangible assets are recorded at cost, which consists of directly attributable costs necessary to create such intangible assets, less accumulated amortization and accumulated impairment losses, if any. The costs mainly include the salaries paid to the software developers and consulting fees.

These costs are recognized as development costs assets when the following criteria are met:

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

Goodwill

Goodwill arising in a business combination is recognized as an asset at the date that control is acquired. Goodwill is subsequently measured at cost less accumulated impairment losses. Goodwill is not amortized but is tested for impairment on an annual basis or more frequently if there are indicators that goodwill may be impaired as described in the Impairment of non-financial assets policy.

Impairment of non-financial assets

At each statement of financial position date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, the asset is then tested for impairment by comparing its recoverable amount to its carrying value. Goodwill is tested for impairment at least annually.

For the purpose of impairment testing, assets, including right-of-use assets, are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of cash inflows of other assets or groups of assets. This grouping is referred to as a cash generating unit ("CGU").

Corporate assets, which include head office facilities and distribution centres, do not generate separate cash inflows. Corporate assets are tested for impairment at the minimum grouping of CGUs to which the corporate assets can be reasonably and consistently allocated. Goodwill arising from a business combination is tested for impairment at the minimum grouping of CGUs that are expected to benefit from the synergies of the combination.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets (continued)

The recoverable amount of a CGU or CGU grouping is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows from the CGU or CGU grouping, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU or CGU grouping. If the CGU or CGU grouping includes right-of-use assets in its carrying amount, the pre-tax discount rate reflects the risks associated with the exclusion of lease payments from the estimated future cash flows. The fair value less costs to sell is based on the best information available to reflect the amount that could be obtained from the disposal of the CGU or CGU grouping in an arm's length transaction between knowledgeable and willing parties, net of estimates of the costs of disposal.

An impairment loss is recognized if the carrying amount of a CGU or CGU grouping exceeds its recoverable amount. For asset impairments other than goodwill, the impairment loss reduces the carrying amounts of the non-financial assets in the CGU on a pro-rata basis, up to an asset's individual recoverable amount. Any loss identified from goodwill impairment testing is first applied to reduce the carrying amount of goodwill allocated to the CGU grouping, and then to reduce the carrying amounts of the other non-financial assets in the CGU or CGU grouping on a pro-rata basis.

For assets other than goodwill, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. An impairment loss in respect of goodwill is not reversed.

Financial instruments

Financial assets and liabilities are recognized when the Company becomes party to the contractual provisions of the financial instrument. Upon initial recognition, financial instruments are measured at fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of financial instruments that are not classified as fair value through profit or loss.

Financial instruments – classification and measurement

The classification and measurement approach for financial assets reflect the business model in which assets are managed and their cash flow characteristics. Financial assets are classified and measured based on these categories: amortized cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit and loss ("FVTPL"). A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- the financial asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the financial asset is held within a business model in which assets are managed to achieve a particular objective by both collecting contractual cash flows and selling financial assets; and

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments - classification and measurement (continued)

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset shall be measured at FVTPL unless it is measured at amortized cost or at FVOCI.

Financial assets are not reclassified subsequent to their initial recognition unless the Company identifies changes in its business model in managing financial assets.

Financial liabilities are classified and measured based on two categories: amortized cost or FVTPL.

Fair values are based on quoted market prices where available from active markets, otherwise fair values are estimated using valuation methodologies, primarily discounted cash flows taking into account external market inputs where possible.

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal payments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

The following table summarizes the classification and measurement of the Company's financial assets and liabilities:

Asset / Liability	Classification / Measurement
Cash and cash equivalents	FVTPL
Trade and other receivables	Amortized cost
Consideration receivable	FVTPL
Other assets	Amortized cost
Trade payables and other liabilities	Amortized cost
Deferred and contingent consideration	FVTPL
Lease obligations on right of use assets	Amortized cost
Other non-current liabilities	FVTPL / FVOCI

Financial instruments – valuation
The determination of the fair value of financial instruments is performed by the Company's treasury and financial reporting departments on a quarterly basis. There was no change in the valuation techniques applied to financial instruments during the current year.

The carrying amounts reported for cash and cash equivalents, trade and other receivables, consideration receivable, trade payables and other liabilities, and deferred and contingent consideration approximate fair value because of the immediate short-term maturity of these financial instruments. The carrying value of lease obligations on right of use assets approximates the fair value based on rates currently available from financial institutions and various lenders.

Gains and losses on FVTPL financial assets and financial liabilities are recognized in net earnings in the period in which they are incurred. Settlement date accounting is used to account for the purchase and sale of financial assets. Gains or losses between the trade date and settlement date on FVTPL financial assets are recorded in the consolidated statements of loss and comprehensive loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments – derecognition
Financial assets are derecognized when the contractual rights to receive cash flows and benefits from the financial asset expire, or if the Company transfers the control or substantially all the risks and rewards of ownership of the financial asset to another party. The difference between the carrying amount of the financial asset and the sum of the consideration received and receivable is recognized in earnings before income taxes.

Financial liabilities are derecognized when obligations under the contract expire, are discharged, or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in earnings before income taxes.

Financial instruments – impairment
The Company applies a forward-looking expected credit loss ("ECL") model at each reporting date to financial assets measured at amortized cost or those measured at FVOCI, except for investments in equity instruments. The ECL model outlines a three-stage approach to reflect the increase in credit risks of a financial instrument:

- Stage 1 is comprised of all financial instruments that have not had a significant increase in credit risks since initial recognition or that have low credit risk at the reporting date. The Company is required to recognize impairment for Stage 1 financial instruments based on the expected losses over the expected life of the instrument arising from loss events that could occur during the 12 months following the reporting date.

- Stage 2 is comprised of all financial instruments that have had a significant increase in credit risks since initial recognition but that do not have objective evidence of a credit loss event. For Stage 2 financial instruments the impairment is recognized based on the expected losses over the expected life of the instrument arising from loss events that could occur over the expected life. The Company is required to recognize a lifetime ECL for Stage 2 financial instruments.

- Stage 3 is comprised of all financial instruments that have objective evidence of impairment at the reporting date. The Company is required to recognize impairment based on a lifetime ECL for Stage 3 financial instruments. The ECL model applied to financial assets require judgment, assumptions, and estimations on changes in credit risks, forecasts of future economic conditions and historical information on the credit quality of the financial asset. Consideration of how changes in economic factors affect ECLs are determined on a probability-weighted basis.

The carrying amount of the financial asset or group of financial assets are reduced through the use of impairment allowance accounts. In periods subsequent to the impairment where the impairment loss has decreased, and such decrease can be related objectively to conditions and changes in factors occurring after the impairment was initially recognized, the previously recognized impairment loss is reversed. The impairment reversal is limited to the lesser of the decrease in impairment or the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred and contingent consideration

Prior to January 18, 2021, the Company had deferred and contingent consideration payable to the vendor of Oryx Gaming. Between December 20, 2018, and November 13, 2020, earnout payments were agreed based upon a multiple of EBITDA in financial years ended December 31, 2019, and December 31, 2020 with a minimum amount payable in each twelve-month period. EBITDA is defined as earnings before interest, taxes, depreciation, and amortisation. In each reporting period the present value of the deferred and contingent consideration payable was measured by discounting achieved and forecasted EBITDA by applying the Company's weighted average cost of capital. A Black-Scholes calculation was then applied to account for probability of payout and to determine present value of payout after counter-party risk.

Prior to the next remeasurement period an accretion expense was recorded in the consolidated statements of loss and comprehensive loss as the discount was unwound towards the reporting date. Upon remeasurement, any gain or loss on remeasurement was also recorded in the consolidated statements of loss and comprehensive loss.

On November 13, 2020, the Company entered into an amending agreement with the vendor of Oryx Gaming whereby the second payment of deferred and contingent consideration was agreed at a fixed cash value and, following shareholder agreement on November 27, 2020, could be settled in fixed amount of Common Shares. As the payment can only be settled by way of Common Shares, there is no obligation of the Company to deliver cash or cash equivalents, and the underlying fair value of the liability and number of Common Shares is fixed, the payment qualifies as an equity instrument and was recorded as shares to be issued in the consolidated statements of changes in equity. On January 18, 2021, the agreed fixed number of Common Shares was issued from treasury to the vendor and the balance recorded in shares to be issued was transferred to the share capital account.

Short term employee benefits

Short term employee benefits include wages, salaries, compensated absences, and bonuses. Short term employee benefit obligations are measured on an undiscounted basis and are recognized in operating income as the related service is provided or capitalized if the service rendered is in connection with the creation of an intangible asset. A liability is recognized for the amount expected to be paid under short term cash bonus plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Long term employee benefits

Long term employee benefits include severance pay upon retirement and awards for years of service for certain employees. Liabilities towards severance pay and awards for years of service are determined via actuarial valuation using the Projected Unit Credit Method at the reporting date with liabilities towards severance pay being recognised at FVTPL and liabilities towards awards of years of service being recognised at FVOCI. Actuarial gains and losses in service awards are recognised immediately in Net Loss while actuarial gains and losses in severance pay are recognised in Other Comprehensive Loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Share based compensation

The Company has stock option plans for directors, officers, employees, and consultants. Each tranche of an award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. In addition, the Company also has deferred share unit ("DSU"), restricted share unit ("RSU") and performance share unit ("PSU") plans for directors, officers, employees, and consultants. The fair value of each unit is measured as the share price on date of grant with nil exercise price.

Compensation expense is recognized over each tranche's vesting period, based on the number of awards expected to vest, with the offset credited to contributed surplus. The number of awards expected to vest is reviewed quarterly, with any impact being recognized immediately. When options are exercised, the amount received is credited to share capital and the fair value attributed to these options is transferred from contributed surplus to share capital. In the case of DSUs, RSUs or PSUs, only the fair value attributed to these options is transferred from contributed surplus to share capital.

Equity

Shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity. Contributed surplus includes amounts in connection with conversion options embedded in compound financial instruments, share based compensation and the value of expired options and warrants. Deficit includes all current and prior period income and losses.

Warrants

The Company accounts for warrants using the Black-Scholes option pricing model at the date of issuance. If and when warrants ultimately expire, the applicable amounts are transferred to contributed surplus.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the consolidated financial statements requires management to make estimates and judgments in applying the Company's accounting policies that affect the reported amounts and disclosures made in the consolidated financial statements and accompanying notes.

Within the context of these consolidated financial statements, a judgment is a decision made by management in respect of the application of an accounting policy, a recognized or unrecognized financial statement amount and/or note disclosure, following an analysis of relevant information that may include estimates and assumptions. Estimates and assumptions are used mainly in determining the measurement of balances recognized or disclosed in the consolidated financial statements and are based on a set of underlying data that may include management's historical experience, knowledge of current events and conditions and other factors that are believed to be reasonable under the circumstances.

Management continually evaluates the estimates and judgments it uses.

The following are the accounting policies subject to judgments and key sources of estimation uncertainty that the Company believes could have the most significant impact on the amounts recognized in the consolidated financial statements. The Company's significant accounting policies are disclosed in Note 2.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

Impairment of non-financial assets (property and equipment, right-of-use assets, intangible assets and goodwill) (continued)

- **Judgments made in relation to accounting policies applied**

Management is required to use judgment in determining the grouping of assets to identify their CGUs for the purposes of testing property and equipment, intangible assets and right-of-use assets for impairment. Judgment is further required to determine appropriate groupings of CGUs for the level at which goodwill and intangible assets are tested for impairment.

The Company has determined that Oryx Gaming and Wild Streak are two separate CGUs for the purposes of property and equipment, intangible assets and right-of-use asset impairment testing. For the purpose of goodwill impairment testing, CGUs are grouped at the lowest level at which goodwill is monitored for internal management purposes. In addition, judgment is used to determine whether a triggering event has occurred requiring an impairment test to be completed.

- **Key sources of estimation**

In determining the recoverable amount of a CGU or a group of CGUs, various estimates are employed. The Company determines fair value less costs to sell using such estimates as market rental rates for comparable properties, recoverable operating costs for leases with tenants, non-recoverable operating costs, discount rates, capitalization rates and terminal capitalization rates. The Company determines value in use by using estimates including projected future revenues, earnings and capital investment consistent with strategic plans presented to the Board. Discount rates are consistent with external industry information reflecting the risk associated with the specific cash flows.

Impairment of accounts receivable

In each stage of the ECL impairment model, impairment is determined based on the probability of default, loss given default, and expected exposure to loss at default. The application of the ECL model requires management to apply the following significant judgments, assumptions, and estimations:

- movement of impairment measurement between the three stages of the ECL model, based on the assessment of the increase in credit risks on accounts receivables. The assessment of changes in credit risks includes qualitative and quantitative factors of the accounts, such as historical credit loss experience and external credit scores;
- thresholds for significant increase in credit risks based on changes in probability of default over the expected life of the instrument relative to initial recognition; and
- forecasts of future economic conditions.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

Leases

- **Judgments made in relation to accounting policies applied**

Management exercises judgment in determining the appropriate lease term on a lease-by-lease basis. Management considers all facts and circumstances that create an economic incentive to exercise a renewal option or to not exercise a termination option including investments in major leaseholds and past business practice and the length of time remaining before the option is exercisable. The periods covered by renewal options are only included in the lease term if management is reasonably certain to renew. Management considers reasonably certain to be a high threshold. Changes in the economic environment or changes in the office rental industry may impact management's assessment of lease term, and any changes in management's estimate of lease terms may have a material impact on the Company's consolidated statements of financial position and consolidated statements of loss and comprehensive loss.

- **Key sources of estimation**

In determining the carrying amount of right-of-use assets and lease liabilities, the Company is required to estimate the incremental borrowing rate specific to each leased asset or portfolio of leased assets if the interest rate implicit in the lease is not readily determined. Management determines the incremental borrowing rate using a base risk-free interest rate estimated by reference to the bond yield with an adjustment that reflects the Company's credit rating, the security, lease term and value of the underlying leased asset, and the economic environment in which the leased asset operates. The incremental borrowing rates are subject to change due to changes in the business and macroeconomic environment.

Warrants and share options

- **Judgments made in relation to accounting policies applied**

Management exercises judgment in determining the model used and the inputs therein to evaluate the value of share
option grants and issued warrants. Management considers all facts and circumstances for each grant issuance on an
individual basis.

- **Key sources of estimation**

In determining the fair value of warrants and share options, the Company is required to estimate the future volatility of the market value of the Company's shares by reference to its historical volatility or comparable companies over the previous years, a risk-free interest rate estimated by reference to the Government of Canada bond yield, and a dividend yield of nil.

Long-term employee benefits obligations

- **Judgments made in relation to accounting policies applied**

Management exercises judgment in determining the appropriate fair value of severance pay upon retirement and awards for years of service that certain employees have earned in return for their service. A calculation is made for each employee taking into account the cost of severance pay upon retirement due under the contract of employment and the cost of all expected awards for years of service with the Company until retirement.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

Long-term employee benefits obligations (continued)

- **Key sources of estimation**

In determining the present value of liabilities to certain employees, the Company performs actuarial calculations in accordance with IAS 19 Employee Benefits applying the Projected Unit Credit Method to measure obligations and costs. Various assumptions are applied including retirement age, mortality, average salary of an individual and growth in income in future years.

4 LOSS BEFORE INCOME TAXES CLASSIFIED BY NATURE

The loss before income taxes is classified as follows:

	Note	Year Ended December 31, 2021	2020
Revenue		**58,319**	**46,421**
Third-party content		(29,998)	(26,232)
Gross Profit		**28,321**	**20,189**
Salaries and subcontractors		(14,821)	(9,011)
Share based compensation	10	(4,667)	(2,963)
Total employee costs		(19,488)	(11,974)
Depreciation and amortization		(4,797)	(2,873)
IT and hosting		(1,699)	(1,372)
Professional fees		(3,024)	(1,481)
Corporate costs		(1,437)	(749)
Sales and marketing		(393)	(213)
Bad debt expense	15	(602)	(1,076)
Travel and entertainment		(274)	(176)
Transaction and acquisition costs		(1,349)	(2,212)
Other operational costs		(1,769)	(702)
Selling, General and Administrative Expenses		**(34,832)**	**(22,828)**
Gain on remeasurement of consideration receivable	6	98	19
Loss on remeasurement of deferred and contingent consideration	12	—	(9,276)
Loss on disposal of intangible assets	13	(89)	—
Operating Loss		**(6,502)**	**(11,896)**
Interest income		61	6
Accretion on liabilities	12	—	(1,037)
Interest and financing fees		(245)	(353)
Net Interest Expense and Other Financing Charges		**(184)**	**(1,384)**
Loss Before Income Taxes		**(6,686)**	**(13,280)**

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

5 ACQUISITION OF WILD STREAK LLC

On June 2, 2021, the Company announced that it had acquired Wild Streak LLC ("Wild Streak").

The Company signed a purchase agreement to acquire all of the outstanding membership interests of Wild Streak in a cash and stock transaction for an undiscounted purchase price of EUR 24,680 (USD 30,075). Pursuant to the transaction, the sellers of Wild Streak received EUR 8,268 (USD 10,075) in cash at closing and should receive EUR 16,412 (USD 20,000) worth of common shares of the Company over the next three years, subject to acceleration in the event of a change of control. The fair value of the share consideration is determined using a put option pricing model with volatility of 57.5%, annual dividend rate of 0%, and time to maturity of 1-3 years.

The fair value allocations which follow are based on the purchase price allocations conducted by management.

	Balances
Purchase price:	
Cash	8,206
Shares to be issued	13,746
Deferred consideration	62
Total purchase price	22,014
Fair value of assets acquired, and liabilities assumed:	
Cash and cash equivalents	124
Accounts receivable	408
Trade payables and other liabilities	(87)
Net assets acquired and liabilities assumed	445
Fair value of intangible assets:	
Brands	311
Customer relationships	10,857
Intellectual property	5,611
Goodwill	**4,790**

Wild Streak revenues and net profit for the period

From the acquisition date of June 2, 2021, to December 31, 2021, Wild Streak generated revenue of EUR2,060 and net profit of EUR 1,090.

Pro-forma revenues and net profit (loss) for the period

On a pro-forma basis Wild Streak generated revenue of EUR3,070 for the year ended December 31, 2021. For the year ended December 31, 2021, this would have resulted in consolidated revenues of EUR 59,328.

On a pro-forma basis Wild Streak generated net profit of EUR1,619 the year ended December 31, 2021. For the year ended December 31, 2021, this would have resulted in a consolidated net loss of EUR 6,983.

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

6 DISCONTINUED OPERATIONS

During the year ended December 31, 2019, the Company decided to discontinue its online media business unit.

On April 30, 2020, the Company discontinued its GIVEMEBET operation and as of December 31, 2021, and 2020, this subsidiary is considered dormant with no remaining assets and liabilities. Any associated net loss for this subsidiary continues to be presented as discontinued operations in the consolidated financial statements.

On May 7, 2020, the Company completed the sale of its GIVEMESPORT operation for cash consideration of GBP 50 (EUR 56) plus additional consideration equivalent to the net current assets disposed plus consideration receivable of 10% of GIVEMESPORT aggregate revenues for a period of twenty-one months from date of completion.

As of December 31, 2021, consideration receivable has been recognized at a present value of EUR56, all of which is due within twelve months of the year ended December 31, 2021. As of December 31, 2020, consideration receivable had been recognized at a present value of EUR 192, of which EUR 148 was due within twelve months of the year ended December 31, 2020, and EUR 44 was due beyond twelve months. As of December 31, 2021, and 2020, the Company has not identified any assets or liabilities as held for sale.

Consideration is settled in cash at three-month intervals from the date of sale. In the year ended December 31, 2021, EUR 235 in proceeds from the sale of discontinued operations was received (year ended December 31, 2020: EUR 259).

Consolidated statements of cash flows

	Year Ended December 31, 2021	2020
Net cash used in operating activities	—	(584)
Net cash used in financing activities	—	(74)
Effect of currency translation	—	170
Net cash flows for the year	**—**	**(488)**

Consolidated statements of loss and comprehensive loss

	Year Ended December 31, 2021	2020
Revenue	—	559
Cost of revenue	—	(120)
Gross Profit	**—**	**439**
Selling, general and administrative expenses	—	(624)
Operating Loss	**—**	**(185)**
Net interest expense and other financing charges	—	(41)
Gain on disposal of discontinued operations	—	136
Loss Before Income Taxes	**—**	**(90)**
Income taxes	—	—
Net Loss	**—**	**(90)**
Cumulative translation adjustment	—	(95)
Net Comprehensive Loss	**—**	**(185)**

In the year ended December 31, 2021, remeasurement of the present value of the consideration receivable resulted in a gain on remeasurement of consideration receivable of EUR 98 (the year ended December 31, 2020: gain of EUR 19).

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

7 SHARE CAPITAL

Authorized - Unlimited Common Shares, fully paid

The following is a continuity of the Company's share capital:

		Note	Number	Value
January 1, 2020	Balance		7,986,385	40,204
June 2, 2020	Issuance of share capital upon exercise of DSUs	10	50,000	219
October 15, 2020, to December 18, 2020	Exercise of warrants		1,945,793	10,708
October 16, 2020, to November 23, 2020	Exercise of special warrants - broker compensation options		160,178	1,060
November 18, 2020	Shares issued on completion of Public Offering		2,957,225	10,086
December 22, 2020	Issuance of share capital upon exercise of FSOs		11,667	27
December 31, 2020	**Balance**		**13,111,248**	**62,304**
January 1, 2021	Balance		13,111,248	62,304
January 11, 2021, to February 22, 2021	Exercise of warrants	9	1,554,082	11,916
January 21, 2021, to February 18, 2021	Exercise of broker warrants	9	160,548	897
January 13, 2021	Shares issued on completion of private placement		247,934	1,918
January 18, 2021	Shares issued upon completion of Oryx earn-out		4,700,000	22,000
March 12, 2021, to March 17, 2021	Issuance of share capital upon exercise of RSUs	10	50,000	267
June 9, 2021, to September 20, 2021	Issuance of share capital upon exercise of FSOs	10	132,220	983
	Rounding of fractional shares after consolidation		2	—
December 31, 2021	**Balance**		**19,956,034**	**100,285**

The Company's Common Shares have no par value.

7 SHARE CAPITAL (CONTINUED)

Effective as of April 30, 2021, the Company underwent a reverse stock split on the basis of one post-consolidation Common Share for every ten pre-consolidation Common Shares (1-for-10). The share capital has been reported on a post-consolidation basis (Note 1).

Private placement

On January 13, 2021, the Company completed a non-brokered private placement offering comprised of247,934 Common Shares at a price of CAD 12.10 per share for aggregate gross proceeds of EUR 1,937 less EUR 19 in issuance costs resulting in net proceeds of EUR 1,918. This offering was exclusively taken up by Company employees and Board members and was subject to a hold period expiring May 14, 2021. No commission or finder's fee was paid in connection with the offering.

As at December 31, 2021, EUR nil (December 31, 2020: EUR 608) was held in trust on behalf of the Company for subscription receipts related to the private placement offering. This amount was recorded in cash and cash equivalents.

Completion of Oryx earn-out

On January 18, 2021, the Company satisfied its earn-out obligations to K.A.V.O. Holdings Limited via a combination of cash and Common Shares of the Company. A total of 4,700,000 Common Shares of the Company were issued to the vendor with a recorded fair-value of EUR 22,000. The Common Shares were subject to a hold period expiring May 19, 2021.

In connection with this transaction Matevž Mazij became a "control person" of the Company, in accordance with section 1(1) of the Ontario Securities Act, with a total shareholding through K.A.V.O. Holdings Limited of 4,900,000 Common Shares representing over 27% of the outstanding Common Shares of the Company as of the settlement date.

8 PUBLIC OFFERING COMPLETED NOVEMBER 18, 2020

On October 26, 2020, the Company announced that it had entered into an agreement with a syndicate of underwriters pursuant to which the underwriters agreed to purchase 1,786,000 units (the "Units") from the treasury of the Company, at a price of CAD 7.00 per Unit and offer them to the public by way of short form prospectus for total gross proceeds of approximately CAD 12,500 (the "Offering"). On October 27, 2020, the Company agreed to increase the size of the Offering whereby the Underwriters agreed to purchase 2,571,500 Units for aggregate gross proceeds of CAD 18,001.

The Company granted the underwriters an option (the "Over-Allotment Option") to purchase up to an additional 15% of the Units of the Offering on the same terms exercisable at any time up to30 days following the closing of the Offering. The underwriters exercised the Over-Allotment Option in full and, together with the base offering, purchased 2,957,225 Units in total for aggregate gross proceeds of EUR 13,343 (CAD 20,701). Issuance costs directly associated with raise of funds amounted to EUR 1,216 (CAD 1,887) resulting in cash proceeds, net of issuance costs, of EUR 12,127 (CAD 18,814). Closing of the Offering occurred on November 18, 2020, with net proceeds to be used for growth initiatives, working capital and general corporate purposes.

Each Unit consists of one Common Share and one half of one warrant (each whole warrant, a "Public Offering Warrant") of the Company. Each Public Offering Warrant entitled the holder thereof to purchase one Common Share at a price equal to CAD 10.00 for a period of 36 months following the closing of the Offering (Note 9).

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

8 PUBLIC OFFERING COMPLETED NOVEMBER 18, 2020 (CONTINUED)

The Public Offering Warrants included an acceleration provision, exercisable at the Company's option, if the Company's daily volume weighted average share price is greater than CAD 15.00 for at least ten consecutive trading days. On January 21, 2021, the Company announced that it elected to exercise its right under the terms of the warrant indenture to accelerate the expiry date of the warrants. Accordingly, the Company gave notice to all registered warrant holders that the expiry date for the Warrants was accelerated to February 22, 2021. As of December 31, 2021, all such warrants have been exercised or have expired.

In addition to the Units, the Company granted 177,434 broker warrants ("Broker Warrants"), each convertible to one Common Share and half of one Public Offering Warrant at a price equal to CAD 7.00 (Note 9).

9 WARRANTS

The following are continuities of the Company's warrants:

Number of Warrants		Warrants	Warrants issued upon Public Offering	Special warrants - compensation options	Broker warrants
January 1, 2020	Balance	2,705,880	—	160,178	—
October 15, 2020 to December 18, 2020	Exercise of - warrants	(1,945,693)	(100)	—	—
October 16, 2020 to November 23, 2020	- special warrants - compensation options	160,178	—	(160,178)	—
November 30, 2020	Expiry of warrants	(920,365)	—	—	—
November 18, 2020	Issue of warrants upon Public Offering	—	1,478,612	—	177,434
December 31, 2020	**Balance**	**—**	**1,478,512**	**—**	**177,434**
January 1, 2021	Balance	—	1,478,512	—	177,434
January 11, 2021 to February 22, 2021	Exercise of warrants	—	(1,554,082)	—	—
January 21, 2021 to February 18, 2021	Exercise of broker warrants	—	80,274	—	(160,548)
February 22, 2021	Expiry of warrants	—	(4,704)	—	—
December 31, 2021	**Balance**	**—**	**—**	**—**	**16,886**

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

9 WARRANTS (CONTINUED)

Each unit consists of the following characteristics:

	Warrants issued March 14, 2019	Warrants issued upon Public Offering	Special warrants - compensation options	Broker warrants
Number of shares	1	1	1	1
Number of Warrants	—	—	1	0.5
Exercise price of unit (CAD)	7.60	10.00	5.10	7.00

Warrants issued upon completion of Public Offering

Upon completion of the Public Offering on November 18, 2020 (Note 8) 1,478,612 Public Offering Warrants were issued resulting in an increase in the fair value of Public Offering Warrants of EUR 1,887, before issuance costs. The assumptions used to measure the fair value of the Public Offering Warrants under the Black-Scholes valuation model were as follows:

Expected dividend yield (%)	0.0
Expected share price volatility (%)	103.5
Risk-free interest rate (%)	0.11
Expected life of warrants (years)	1.0
Underlying share price (CAD)	8.00

The Public Offering Warrants were issued with an exercise price of CAD 10.00 and were convertible to one Common Share per Public Offering Warrant initially expiring November 18, 2023. The Public Offering Warrant indenture included an acceleration provision, exercisable at the Company's option, if the Company's daily volume weighted average Common Share price is greater than CAD 15.00 for at least ten consecutive trading days. The Company had the option to accelerate the exercise period of the Public Offering Warrants to a period ending at least 30 days from the date notice of such acceleration is provided to the holders of the Public Offering Warrants. On January 21, 2021, the Company announced that it elected to exercise its right under the terms of a warrant indenture to accelerate the expiry date of the warrants. Accordingly, the Company gave notice to all registered warrant holders that the expiry date for the Warrants was accelerated to February 22, 2021.

Between January 11, 2021, and February 22, 2021, 1,554,082 Public Offering Warrants were exercised resulting in issuance of 1,554,082 shares and cash receipt of EUR 10,085. An increase in share capital of EUR 11,916 and decrease in fair value of warrants of EUR 1,831 was recognized in the consolidated statements of changes in equity. On February 22, 2021, 4,704 Public Offering Warrants expired resulting in a decrease in fair value of warrants and corresponding increase in contributed surplus of EUR 7.

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

9 WARRANTS (CONTINUED)

Broker Warrants issued upon completion of Public Offering

Upon completion of the Public Offering on November 18, 2020 (Note 8), 177,434 broker warrants ("Broker Warrants") were issued resulting in an increase in the fair value of warrants of EUR 399, a decrease in share capital of EUR 331 and decrease in fair value of warrants of EUR 68. The Broker Warrants were issued with an exercise price of CAD 7.00 and are convertible to one Common Share plus one-half of a Public Offering Warrant per Broker Warrant expiring November 18, 2023. The assumptions used to measure the fair value of the Broker Warrants under the Black-Scholes valuation model were as follows:

Expected dividend yield (%)	0.0
Expected share price volatility (%)	103.5
Risk-free interest rate (%)	0.11
Expected life of warrants (years)	1.0
Underlying share price (CAD)	8.00

The underlying Public Offering Warrants were subject to the same acceleration provision and notice of acceleration that was given on January 21, 2021. Between January 21, 2021, and February 18, 2021, 160,548 Broker Warrants were exercised for 160,548 Common Shares and 80,274 Public Offering Warrants resulting in an increase in share capital of EUR 897, an increase in fair value of warrants of EUR 196 and decrease in fair value of Broker Warrants of EUR 361. Broker Warrants may still be exercised for Common Shares until date of expiry.

10 SHARE BASED COMPENSATION

The Company maintains an Omnibus Incentive Equity Plan ("OEIP") for certain employees and consultants. The plan was approved at an annual and special meeting of shareholders on November 27, 2020. At the annual and special meeting of shareholders of the Company held on April 28, 2021, the shareholders approved the increase in the number of Common Shares available for issuance as awards under the plan from 3,180,000 to 3,965,000.

The following is a continuity of the Company's equity incentive plans:

	DSU	RSU	FSO	
	Outstanding DSU Units (Number of of shares)	Outstanding RSU Units (Number of of shares)	Outstanding FSO Options (Number of shares)	Weighted Average Exercise Price / Share CAD
Balance as at January 1, 2020	408,000	—	745,576	6.02
Granted	80,000	210,000	818,858	7.28
Exercised	(50,000)	—	(11,667)	2.30
Expired	—	—	(750)	44.86
Forfeited / Cancelled	(318,000)	—	(323,607)	7.91
Balance as at December 31, 2020	120,000	210,000	1,228,410	6.37
Granted	178,800	75,000	1,141,364	13.65
Exercised	—	(50,000)	(132,220)	7.08
Forfeited / Cancelled	(51,855)	—	(421,252)	14.76
Balance as at December 31, 2021	**246,945**	**235,000**	**1,816,302**	**8.95**

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

10 SHARE BASED COMPENSATION (CONTINUED)

The following table summarizes information about the outstanding share options as at December 31, 2021:

	Outstanding			Exercisable	
Range of exercise prices (CAD)	Options (Number of shares)	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price / Share CAD	Options (Number of shares)	Weighted Average Exercise Price / Share CAD
2.30 - 5.00	254,060	3	3.02	182,930	3.17
5.01 - 5.60	200,000	2	5.60	200,000	5.60
5.61 - 7.80	632,858	4	7.80	632,858	7.80
7.81 - 33.30	729,384	8	12.93	174,500	14.20
	1,816,302	**5**	**8.95**	**1,190,288**	**7.66**

The following table summarizes information about the outstanding share options as at December 31, 2020:

	Outstanding			Exercisable	
Range of exercise prices (CAD)	Options (Number of shares)	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price / Share CAD	Options (Number of shares)	Weighted Average Exercise Price / Share CAD
2.30 - 5.00	269,000	4	2.98	120,983	3.48
5.01 - 5.60	225,000	3	5.60	166,667	5.60
5.61 - 7.80	732,858	5	7.80	732,858	7.80
7.81 - 33.30	1,552	5	33.31	1,552	33.31
	1,228,410	**4**	**6.37**	**1,022,060**	**6.97**

During the year ended December 31, 2021, a share-based compensation charge of EUR1,623 has been recognized in the consolidated statements of loss and comprehensive loss (year ended December 31, 2020: EUR 2,159) in relation to the fixed stock options.

During the year ended December 31, 2021, the Company granted 1,141,364 share options, (year ended December 31, 2020: 818,858 share options) with a weighted average exercise price of CAD13.65 (year ended December 31, 2020 CAD 7.28) and a fair value of EUR 5,422 (year ended December 31, 2020: EUR 2,234). The assumptions used to measure the grant date fair value of FSO options under the Black-Scholes valuation model were as follows:

	2021	2020
Expected dividend yield (%)	0.0	0.0
Expected share price volatility (%)	63.4 - 64.3	65.0 - 85.8
Risk-free interest rate (%)	0.8 - 1.3	0.2 - 0.4
Expected life of options (years)	4.5 - 5.0	0.9 - 5.0
Share price (CAD)	6.88 - 14.04	3.00 - 8.20
Forfeiture rate (%)	0.0	0.0

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

10 SHARE BASED COMPENSATION (CONTINUED)

During the year ended December 31, 2021, 132,220 Common Shares, were issued upon exercise of fixed stock options (year ended December 31, 2020: 11,667). Upon exercise of fixed stock options, for the year ended December 31, 2021, EUR 347 (the year ended December 31, 2020: EUR 9) was transferred from contributed surplus to share capital in the consolidated statements of changes in equity. Cash proceeds upon exercise of fixed stock options during the year ended December 31, 2021, totalled EUR 636 (year ended December 31, 2020: EUR 18).

Deferred Share Units

Exercises of grants may only be settled in shares, and only when the employee or consultant has left the Company. Under the plan, the Company may grant options of its shares at nil cost that vest immediately.

During the year ended December 31, 2021, 178,800 DSUs, (year ended December 31, 2020: 80,000 DSUs), were granted with a fair value of between CAD 6.88 and CAD 21.80 per unit (year ended December 31, 2020: CAD 8.20) determined as the share price on the date of grant.

During the year ended December 31, 2021, a share-based compensation charge of EUR 1,561 has been recognized in the consolidated statements of loss and comprehensive loss (year ended December 31, 2020: EUR 427) in relation to the deferred share units.

During the year ended December 31, 2021, nil Common Shares were issued upon exercise of DSUs (year ended December 31, 2020: 50,000 Common Shares were issued upon exercise of 50,000 DSUs). For the year ended December 31, 2020, upon exercise of DSUs, EUR 219 was transferred from contributed surplus to share capital in the consolidated statements of changes in equity.

Restricted Share Units

During the year ended December 31, 2021, 75,000 RSUs, were granted (year ended December 31, 2020: 210,000), with a fair value of CAD 21.80 per unit (year ended December 31, 2020: CAD 7.47 – CAD 8.20 per unit) determined as the share price on the date of grant.

During the year ended December 31, 2021, a share-based compensation charge of EUR 1,483 EUR has been recognized in the consolidated statements of loss and comprehensive loss (the year ended December 31, 2020: EUR 377) in relation to the RSUs.

During the year ended December 31, 2021, 50,000 Common Shares were issued upon exercise of 50,000 RSUs (year ended December 2020: nil). Upon exercise of RSUs, EUR 267 was transferred from contributed surplus to share capital in the consolidated statements of changes in equity.

11 GOODWILL

The following is a continuity of the Company's goodwill:

As at January 1, 2020 and December 31, 2020	19,938
Goodwill recognised upon acquisition of Wild Streak LLC (Note 5)	4,790
As at December 31, 2021	**24,728**

The carrying amount of goodwill is attributed to the Oryx Gaming and Wild Streak CGUs. The Company completed its annual impairment tests for goodwill as at December 31, 2021 and concluded that there was no impairment.

Key Assumptions

The recoverable amount of was determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the Board and covering a five-year period and an after-tax discount rate of 16.0% (pre-tax rate 19.7%) per annum for the Oryx Gaming CGU and an after-tax discount rate of 24.0% (pre-tax rate 30.0%) for the Wild Streak CGU. The cash flows beyond the five-year period have been extrapolated using a steady 3.0% per annum growth rate.

The cash flow projections used in estimating the recoverable amounts are generally consistent with results achieved historically adjusted for anticipated growth. The Company believes that any reasonably possible change in key assumptions on which the recoverable amounts were based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGUs.

12 DEFERRED AND CONTINGENT CONSIDERATION

The Company completed the acquisition of Oryx Gaming International LLC together with its subsidiaries on December 20, 2018. The vendor is now part of the Company's key management, though was not at the time of the acquisition. Deferred and contingent consideration on December 31, 2020, related to cash earnout payments due in relation to the Oryx acquisition.

The Company completed the acquisition of Wild Streak LLC effective on June 2, 2021. The Company agreed a cash payment of USD 75 (EUR 62) to the vendor in relation to working capital provided prior to completion to be settled on or about the sixtieth day following closing of the transaction. This amount was subsequently settled with the vendor on September 3, 2021.

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

12 DEFERRED AND CONTINGENT CONSIDERATION (CONTINUED)

The following is a continuity of the Company's deferred and contingent consideration:

Balance as at January 1, 2020	23,732
Cash paid on settlement of deferred and contingent consideration	(527)
Accretion expense	1,037
Shares to be issued	(22,000)
Loss on remeasurement of deferred and contingent consideration	9,276
Effect of movements in exchange rates	3
Balance as at December 31, 2020	11,521
Deferred consideration payable upon business combination (Note 5)	62
Cash paid on settlement of deferred and contingent consideration	(11,583)
Balance as at December 31, 2021	—

In the year ended December 31, 2021, EUR nil (year ended December 2020 EUR 9,276) of loss on remeasurement of deferred and contingent consideration and EUR nil (year ended December 31, 2020: EUR 1,037) of accretion expense was recognized in the consolidated statements of loss and comprehensive loss.

Deferred and contingent consideration is disclosed in the consolidated statements of financial position as follows:

	As at December 31, 2021	As at December 31, 2020
Deferred and Contingent Consideration	—	11,521

All contingent liabilities in relation to the acquisition of Oryx were settled in full to the Oryx vendor on January 18, 2021, following shareholder approval on November 27, 2020. On January 18, 2021, the Company satisfied its earn-out obligations to K.A.V.O. Holdings Limited via a combination of cash and Common Shares (Note 7) of the Company. Cash paid totalled EUR 11,598, of which EUR 11,521 fully settled deferred and contingent consideration payable, EUR 52 settled interest payable and EUR 25 settled legal fees.

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

13 INTANGIBLE ASSETS

	Intellectual Property	Deferred Development Costs	Customer Relationships	Brands	Other	Total
Cost						
Balance as at December 31, 2019	8,801	1,222	4,903	1,357	128	16,411
Additions	165	2,075	—	—	46	2,286
Balance as at December 31, 2020	8,966	3,297	4,903	1,357	174	18,697
Additions	237	2,889	—	—	17	3,143
Disposal	—	—	—	—	(128)	(128)
Acquired through business combination (Note 5)	5,611	—	10,857	311	—	16,779
Effect of movement in exchange rates	409	—	824	24	1	1,258
Balance as at December 31, 2021	**15,223**	**6,186**	**16,584**	**1,692**	**64**	**39,749**
Accumulated Amortization						
Balance as at December 31, 2019	1,119	76	504	140	11	1,850
Amortization	1,169	754	490	136	19	2,568
Balance as at December 31, 2020	2,288	830	994	276	30	4,418
Amortization	1,594	1,581	1,154	155	15	4,499
Disposal	—	—	—	—	(39)	(39)
Effect of movement in exchange rates	8	—	18	—	—	26
Balance as at December 31, 2021	**3,890**	**2,411**	**2,166**	**431**	**6**	**8,904**
Carrying Amount						
Balance as at December 31, 2020	6,678	2,467	3,909	1,081	144	14,279
Balance as at December 31, 2021	**11,333**	**3,775**	**14,418**	**1,261**	**58**	**30,845**

In the year ended December 31, 2021, amortization expense of EUR 4,499 was recognized within selling, general and administrative expenses (year ended December 31, 2020: EUR 2,568).

In the year ended December 31, 2021, loss on disposal or disposal of intangible assets of EUR89 was recognized in the consolidated statements of loss and comprehensive loss in relation to the disposal of a gaming licence asset (year ended December 31, 2020: nil).

14 CASH AND CASH EQUIVALENTS

As at December 31, 2021 and 2020, cash and cash equivalents consisted of cash held in banks, marketable investments with an original maturity date of 90 days or less from the date of acquisition, and prepaid credit cards.

As at December 31 2021, EUR nil (December 31, 2020: EUR 608) was held in trust on behalf of the Company for subscription receipts related to a non-brokered private placement offering that completed on January 13, 2021 (Note 7). This amount was recorded in cash and cash equivalents.

15 TRADE AND OTHER RECEIVABLES

The following is an aging of the Company's trade and other receivables:

	As at December 31, 2021	As at December 31, 2020
Less than one month	8,717	9,563
Between two and three months	747	1,193
Greater than three months	1,405	1,296
	10,869	12,052
Provision for expected credit losses	(2,415)	(1,755)
Trade and Other Receivables	**8,454**	**10,297**

The balance of accrued income is included in receivables aged less than one month as this balance will be converted to accounts receivable upon issuance of sales invoices.

The following is a continuity of the Company's provision for expected credit losses related to trade and other receivables:

Balance as at December 31, 2019	941
Bad debt written-off	(419)
Net additional provision for doubtful debts	1,076
Provision for late interest receivable	157
Balance as at December 31, 2020	1,755
Net additional provision for doubtful debts	602
Provision for late interest receivable	58
Balance as at December 31, 2021	**2,415**

16 PREPAID EXPENSES AND OTHER ASSETS

Prepaid expenses and other assets comprises:

	As at December 31, 2021	As at December 31, 2020
Prepayments	2,372	249
Deposits	50	—
Other assets	20	14
Prepaid Expenses and Other Assets	**2,442**	**263**

As at December 31, 2021 prepayments include EUR 1,187 (December 31, 2020: nil) in prepaid consideration (Note 1).

17 TRADE PAYABLES AND OTHER LIABILITIES

Trade payables and other liabilities comprises:

	As at December 31, 2021	As at December 31, 2020
Trade payables	1,464	6,406
Accrued liabilities	12,380	6,099
Sales tax payable	444	4,356
Other payables	69	107
Trade Payables and Other Liabilities	**14,357**	**16,968**

18 RELATED PARTY TRANSACTIONS

The Company's policy is to conduct all transactions and settle all balances with related parties on market terms and conditions for those in the normal course of business. Transactions between the Company and its consolidated entities have been eliminated on consolidation and are not disclosed in this note.

Key Management Personnel

The Company's key management personnel are comprised of members of the Board and the executive team which consists of the Interim Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), Chief Strategy Officer ("CSO") and Chief Technology Officer ("CTO"). Three key management employees are also shareholders in the Company. Transactions and balances between the Company and its key management personnel are as follows:

Consolidated Statements of Loss and Comprehensive Loss

- Revenues for the year ended December 31, 2021, to a shareholder of the Company totalled EUR115 (year ended December 2020: EUR 23).
- Total compensation for salaries, director fees, share-based compensation, and short-term employee benefits of key management personnel of the Company for the year ended December 31, 2021, totalled EUR 8,495 (year ended December 31, 2020: EUR 4,559).

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

18 RELATED PARTY TRANSACTIONS (CONTINUED)

Consolidated Statements of Loss and Comprehensive Loss (continued)

- Total compensation for salaries and short-term employee benefits of vendors of the sale of Wild Streak and subsequently employees of the Company for the year ended December 31, 2021, totalled EUR 331 (year ended December 31, 2020: EUR nil).
- Loss on remeasurement of deferred and contingent consideration payable to the former Managing Director of Oryx for the year ended December 31, 2021, was nil (the year ended December 31, 2020: EUR 9,276). While the key management employee is no longer Managing Director of Oryx, they remain a non-executive director of the Company.
- Interest expense on deferred and contingent consideration payable to the former Managing Director of Oryx for the year ended December 31, 2021, totalled EUR 52 (year ended December 31, 2020: EUR 266).
- During the year ended December 31, 2021, legal fees of EUR 25 payable to the former Managing Director of Oryx in relation to the Oryx earn-out was recognized in the consolidated statements of loss and comprehensive loss (year ended December 31, 2020: EUR nil).
- During the year ended December 31, 2021, professional fees of EUR 98 payable to a related businesses of a non-executive member of the Board of the Company was recognized in the consolidated statements of loss and comprehensive loss (year ended December 31, 2020: EUR nil).

Consolidated Statements of Financial Position

- As at December 31, 2021, EUR 47 of trade and other receivables was receivable from the former Managing Director of Oryx and other shareholders (December 31, 2020: EUR 4).
- As at December 31, 2021, EUR 62 of prepaid expenses and other assets was receivable from a related business of a non-executive director of the Company (December 31, 2020: EUR nil).
- As at December 31, 2021, EUR 1,924 of trade payables and other liabilities was due to the Company's key management personnel (December 31, 2020: EUR 166).
- As at December 31, 2021, EUR 62 of trade payables and other liabilities was due to the vendors of the sale of Wild Streak and subsequently employees of the Company (December 31, 2020: EUR nil).
- As at December 31, 2021, EUR nil of deferred and contingent consideration (Note 12) was payable to the former Managing Director of Oryx (December 31, 2020: EUR 11,521).

Consolidated Statements of Changes in Equity

- During the year ended December 31, 2021, EUR 22,000, of share capital (the year ended December 31, 2020: EUR nil) was issued to the former Managing Director of Oryx upon completion of the earn-out (Note 12). A corresponding decrease in shares to be issued was recognized in the consolidated statements of changes in equity.
- During the year ended December 31, 2021, EUR 13,746 of shares to be issued (year ended December 31, 2020: EUR nil) to the vendors for the sale of Wild Streak (Note 5) and subsequently employees of the Company was recognized in the consolidated statements of changes in equity.
- During the year ended December 31, 2021, EUR 1,918 of additional share capital was recognized in consolidated statements of changes in equity in relation to the private placement by key management personnel of the Company (Note 7) (year ended December 31, 2020: EUR nil).

18 RELATED PARTY TRANSACTIONS (CONTINUED)

Consolidated Statements of Changes in Equity (continued)

- During the year ended December 31, 2021, EUR 410 additional share capital, was recognized in the consolidated statements of changes in equity for exercise of DSUs, RSUs and FSOs by key management personnel of the Company (Note 10) (the year ended December 31, 2020: EUR 246).

Consolidated Statements of Cash Flows

- During the year ended December 31, 2021, a total of EUR 11,521 in payments were made to the former Managing Director of Oryx for deferred consideration (year ended December 31, 2020: EUR 560).
- During the year ended December 31, 2021, a total of EUR 140 in payments were made to the former Managing Director of Oryx for interest on deferred and contingent consideration payable (year ended December 31, 2020: EUR 176).
- During the year ended December 31, 2021, a total of EUR 8,271 in cash consideration payments were made to the vendors of the sale of Wild Streak (year ended December 31, 2020: EUR nil).

19 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The financial instruments measured at amortized cost are summarised below:

Financial Assets

	Financial assets as subsequently measured at amortized cost	
	December 31, 2021	December 31, 2020
Trade and other receivables	8,454	10,297

Financial Liabilities

	Financial liabilities as subsequently measured at amortized cost	
	December 31, 2021	December 31, 2020
Trade payables	1,464	6,406
Accrued liabilities	12,380	6,099
Other liabilities	69	107
Lease obligations on right of use assets	600	726
	14,513	**13,338**

The carrying values of the financial instruments approximate their fair values.

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

19 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair Value Hierarchy

The following table presents the fair values and fair value hierarchy of the Company's financial instruments.

	December 31, 2021			December 31, 2020		
	Level 1	Level 3	Total	Level 1	Level 3	Total
Financial assets						
Fair value through profit and loss:						
Cash and cash equivalents	16,006	—	16,006	26,102	—	26,102
Consideration receivable	—	56	56	—	192	192
Financial liabilities						
Fair value through profit and loss:						
Deferred and contingent consideration	—	—	—	11,521	—	11,521
Other liabilities	—	36	36	—	—	—
Fair value through other comprehensive income:						
Other liabilities	—	148	148	—	—	—

There were no transfers between the levels of the fair value hierarchy during the periods.

During the year ended December 31, 2021, a loss of EUR nil (year ended December 31, 2020: EUR 9,276), was recognized in the consolidated statements of loss and comprehensive loss as loss on remeasurement of deferred and contingent consideration (Note 12) for financial instruments designated as FVTPL.

During the year ended December 31, 2021, a gain of EUR 44 (year ended December 31, 2020: EUR nil), was recognized in the consolidated statements of loss and comprehensive loss as remeasurement of employee obligations for financial instruments designated as FVOCI.

As a result of holding and issuing financial instruments, the Company is exposed to certain risks. The following is a description of those risks and how the exposures are managed.

Liquidity risk

Liquidity risk is the risk that the Company is unable to generate or obtain sufficient cash and cash equivalents in a cost-effective manner to fund its obligations as they come due. The Company will experience liquidity risks if it fails to maintain appropriate levels of cash and cash equivalents, is unable to access sources of funding or fails to appropriately diversify sources of funding. If any of these events were to occur, they could adversely affect the financial performance of the Company.

The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support its normal operating requirements. The Company coordinates this planning and budgeting process with its financing activities through its capital management process. The Company holds sufficient cash and cash equivalents and working capital, maintained through stringent cash flow management, to ensure sufficient liquidity is maintained. The Company is not subject to any externally imposed capital requirements.

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

19 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (continued)

The following are the undiscounted contractual maturities of significant financial liabilities and the total contractual obligations of the Company as at December 31, 2021:

	2022	2023	2024	2025	Thereafter	Total
Trade payables and other liabilities	14,357	—	—	—	—	14,357
Lease obligations on right of use assets	172	157	157	157	—	643
Other non-current liabilities	—	1	1	1	236	239
	14,529	**158**	**158**	**158**	**236**	**15,239**

Foreign currency exchange risk

The Company's financial statements are presented in EUR; however, a portion of the Company's net assets and operations are denominated in other currencies, particularly Canadian and US dollars. Such net assets are translated into EUR at the foreign currency exchange rate in effect at the reporting date, and operations at the foreign currency exchange rates that approximate the rates in effect at the dates when such items are recognized. As a result, the Company is exposed to foreign currency translation gains and losses, which are recorded in accumulated other comprehensive loss.

The Company is also exposed to risk on transaction in currencies other than its functional currency resulting in realized and unrealized foreign currency gains and loss which are recorded in other operational costs. The Company estimates that an appreciation of the EUR of 10% relative to other currencies would result in a decrease of EUR 1,637 in earnings before income taxes while a depreciating EUR will have the opposite impact.

The Company has no derivative instruments in the form of futures contracts and forward contracts to manage its current and anticipated exposure to fluctuations in EUR exchange rates.

Credit risk

The Company is exposed to credit risk resulting from the possibility that counterparties could default on their financial obligations to the Company including cash and cash equivalents, other assets and accounts receivable. Failure to manage credit risk could adversely affect the financial performance of the Company.

The risk related to cash and cash equivalents is reduced by policies and guidelines that require that the Company enters into transactions only with counterparties or issuers that have a minimum long term "BBB" credit rating from a recognized credit rating agency. The Company mitigates the risk of credit loss relating to accounts receivable by evaluating the creditworthiness of new customers and establishes a provision for expected credit losses. The Company applies the simplified approach to provide for expected credit losses as prescribed by IFRS 9, *Financial Instruments*, which permits the use of the lifetime expected loss provision for all accounts receivable. The expected credit loss provision is based on the Company's historical collections and loss experience and incorporates forward-looking factors, where appropriate.

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

19 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

The provision matrix below shows the expected credit loss rate for each aging category of accounts receivable as at December 31, 2021:

		Aging (months)			
	Note	<1	1 - 3	>3	Total
Gross accounts receivable	15	8,717	747	1,405	10,869
Expected loss rate		6.31%	71.62%	94.66%	22.22%
Expected Loss Provision	15	**550**	**535**	**1,330**	**2,415**

The provision matrix below shows the expected credit loss rate for each aging category of accounts receivable as at December 31, 2020:

		Aging (months)			
	Note	<1	1 - 3	>3	Total
Gross accounts receivable	15	9,563	1,193	1,296	12,052
Expected loss rate		4.51%	14.84%	88.50%	14.56%
Expected Loss Provision	15	431	177	1,147	1,755

Gross accounts receivable includes the balance of accrued income within the aging category of less than one month.

Concentration risk

For the year ended December 31, 2021, one customer (year ended December 31, 2020: one customer) contributed more than 10% each to the Company's revenues. Aggregate revenues from this customer totalled EUR 6,513 (year ended December 31, 2020: EUR 6,342).

As at December 31, 2021, one customer (December 31, 2020: one customer) constituted more than 10% to the Company's accounts receivable. The balance owed by this customer totalled EUR 4,305 (December 31, 2020: EUR 1,247). The Company continues to expand its customer base to reduce the concentration risk.

20 SUPPLEMENTARY CASHFLOW INFORMATION

Cash flows arising from changes in non-cash working capital are summarized below:

	Year Ended December 31,	
Cash flows arising from movement in:	2021	2020
Trade and other receivables	2,251	(4,117)
Prepaid expenses and other assets	(977)	70
Deferred revenue	(75)	102
Trade payables and other liabilities	(2,698)	8,111
Other liabilities - non-current	37	147
Changes in Non-Cash Working Capital	**(1,462)**	**4,313**

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

21 SEGMENT INFORMATION

Operating

The Company has one reportable operating segment in its continuing operations, B2B Online Gaming.

The accounting policies of the reportable operating segments are the same as those described in the Company's summary of significant accounting policies (Note 2). The Company measures each reportable operating segment's performance based on adjusted EBITDA. No reportable operating segment is reliant on any single external customer.

Intersegment charges have been eliminated on consolidation.

Geography – Revenue

Revenue for continuing operations was generated from contracted customers in the following jurisdictions:

	Year Ended December 31, 2021	2020
Malta	28,127	31,416
Curaçao	14,304	8,772
Rest of Europe	14,223	4,695
Rest of World	1,665	1,538
Revenue	**58,319**	**46,421**

This segmentation is not correlated to the geographical location of the Company's worldwide end-user base.

Geography – Non-Current Assets

Non-current assets are held in the following jurisdictions:

	As at December 31, 2021	As at December 31, 2020
United States	55,581	34,104
Other	851	1,180
Non-Current Assets	**56,432**	**35,284**

22 INCOME TAXES

The components of income taxes recognized in the consolidated statements of financial position are as follows:

	As at December 31, 2021	As at December 31, 2020
Income taxes payable	784	1,318
Deferred income tax liabilities	1,243	1,415

22 INCOME TAXES (CONTINUED)

The components of income taxes recognized in the consolidated statements of loss and comprehensive loss are as follows:

	Year Ended December 31, 2021	2020
Current period	901	1,194
Adjustment in respect of prior periods	97	127
Current Income Taxes	**998**	**1,321**
Deferred income tax recovery	(172)	(125)
Deferred Income Tax Recovery	**(172)**	**(125)**
Income Taxes	**826**	**1,196**

There is no income tax expense recognized in other comprehensive loss.

	As at December 31, 2021	As at December 31, 2020
Intangible assets	1,196	1,415
Other	47	—
Deferred income tax liabilities	**1,243**	**1,415**

The effective income tax rates in the consolidated statements of loss and comprehensive loss were reported at rates different than the combined Canadian federal and provincial statutory income tax rates for the following reasons:

	Year Ended December 31, 2021 %	2020 %
Canadian statutory tax rate	26.5	26.5
Effect of tax rate in foreign jurisdictions	0.8	1.8
Impact of foreign currency translation	14.0	(3.1)
Non-deductible and non-taxable items	(18.8)	(5.6)
Remeasurement of contingent and deferred consideration	—	(18.4)
Accretion expense of contingent consideration	—	(2.1)
Share issue costs and financing costs	—	3.1
Capital losses from sale of discontinued operation	—	26.1
Change in tax benefits not recognized	(32.6)	(35.3)
Adjustments in respect of prior periods	(2.1)	0.8
Adjustment of prior year tax payable	—	1.8
Other	(0.2)	(4.6)
Effective Income Tax Rate Applicable to Loss Before Income Taxes	**(12.4)**	**(9.0)**

BRAGG GAMING GROUP INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020
PRESENTED IN EUROS (THOUSANDS, EXCEPT PER SHARE AMOUNTS)

22 INCOME TAXES (CONTINUED)

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	Year Ended December 31, 2021	2020
Income tax losses - Canada	29,647	22,609
Capital tax losses - Canada	28,479	26,323
Income tax losses - United Kingdom	2,329	1,743
Income tax losses - Malta	239	142
Property and equipment	1,565	1,660
Goodwill	2,519	—
Right-of-use assets	29	—
Share issuance costs	2,794	3,241
Total Unrecognized Deductible Temporary Differences	**67,601**	**55,718**

The portion of the income tax losses related to Canada which have a limited carry-forward period expire in the years 2026 to 2041 as follows:

2026	105
2027	982
2028	911
2029	338
2030	227
2031	1,184
2032	1,727
2033	2,470
2034	1,205
2035	3,064
2036	1,606
2037	3,102
2038	2,097
2039	2,180
2040	3,238
2041	5,211
	29,647

The United Kingdom losses are carried forward indefinitely unless subject to certain restrictions and are now classified in the current year as discontinued operations as unrecognized deferred income tax assets. The deductible temporary differences do not expire under current income tax legislation. Deferred income tax assets were not recognized in respect of these items because it is not probable that future taxable income will be available to the Company to utilize the benefits.

23 CONTINGENT LIABILITIES

In the ordinary course of business, the Company is involved in and potentially subject to, legal actions and proceedings. In addition, the Company is subject to tax audits from various tax authorities on an ongoing basis. As a result, from time to time, tax authorities may disagree with the positions and conclusions taken by the Company in its tax filings or legislation could be amended or interpretations of current legislation could change, any of which events could lead to reassessments.

The Company is not aware of any legal, administrative, or other proceedings pending, which would materially affect its financial condition.

Table of Contents

Exhibit 99.3

Bragg Gaming Group Inc.

MANAGEMENT DISCUSSION & ANALYSIS FOR THE THREE- AND TWELVE-MONTH PERIODS ENDED DECEMBER 31, 2021

TABLE OF CONTENTS

MANAGEMENT DISCUSSION & ANALYSIS FOR THE THREE- AND TWELVE-MONTH PERIODS ENDED DECEMBER 31, 2021

1. MANAGEMENT DISCUSSION & ANALYSIS 2
2. CAUTION REGARDING FORWARD-LOOKING STATEMENTS 3
3. LIMITATIONS OF KEY METRICS AND OTHER DATA 3
4. OVERVIEW OF FINANCIAL YEAR 2021 4
   - 4.1 Executive summary
5. FINANCIAL RESULTS 12
   - 5.1 Basis of financial discussion 12
   - 5.2 Selected annual information 13
   - 5.3 Other financial information 13
   - 5.4 Selected financial information 14
   - 5.5 Summary of quarterly results 15
   - 5.6 Liquidity and capital resources 16
   - 5.7 Cash flow summary 17
6. TRANSACTIONS BETWEEN RELATED PARTIES 18
7. DISCLOSURE OF OUTSTANDING SHARE DATA 20
8. SIGNIFICANT ACCOUNTING ESTIMATES 20
9. CHANGES IN ACCOUNTING POLICY 22
10 MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING 22
11. RISK FACTORS AND UNCERTAINTIES 23
12. ADDITIONAL INFORMATION 25

Table of Contents

1. MANAGEMENT DISCUSSION & ANALYSIS

This Management Discussion and Analysis (“MD&A”) provides a review of the results of operations, financial condition and cash flows for Bragg Gaming Group Inc on a consolidated basis, for the three months ("Q4 2021") and year ended December 31, 2021. References to “Bragg” or the “Corporation” in this MD&A refer to Bragg Gaming Group Inc and its subsidiaries, unless the context requires otherwise. This document should be read in conjunction with the information presented in the audited consolidated financial statements for the year ended December 31, 2021 (the “2021 Financial statements”).

For reporting purposes, the Corporation prepared the 2021 Financial statements in European Euros (“EUR”) and, unless otherwise indicated, in conformity with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). The financial information contained in this MD&A was derived from the 2021 Financial statements. Unless otherwise indicated, all references to a specific “note” refer to the notes to the 2021 Financial statements.

This MD&A references non-IFRS financial measures, including those under the headings “Selected Financial Information” and “Key Metrics” below. The Corporation believes these non-IFRS financial measures will provide investors with useful supplemental information about the financial performance of its business, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating its business and making decisions. Although management believes these financial measures are important in evaluating the Corporation, they are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with IFRS. Non-IFRS measures are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS. These measures may be different from non-IFRS financial measures used by other companies, limiting their usefulness for comparison purposes. These non-IFRS measures and metrics are used to provide investors with supplemental measures of our operating performance and liquidity and thus highlight trends in our business that may nor otherwise be apparent when relying solely on IFRS measures.

For purposes of this MD&A, the term “gaming license” refers collectively to all the different licenses, consents, permits, authorizations, and other regulatory approvals that are necessary to be obtained in order for the Corporation to lawfully conduct (or be associated with) gaming in a particular jurisdiction.

Unless otherwise stated, in preparing this MD&A the Corporation has considered information available to it up to March 10, 2022, the date the Corporation’s board of directors (the “Board”) approved this MD&A.

On April 30, 2021, the Corporation announced a one-for-ten share consolidation. At the annual and special meeting of the Corporation’s shareholders held on April 28, 2021, the Corporation’s shareholders granted the Board discretionary authority to implement a consolidation of the issued and outstanding common shares of the Corporation (“Common Shares”) on the basis of a consolidation ratio of up to fifteen (15) pre-consolidation Common Shares for one (1) post-consolidation Common Share. The Board selected a share consolidation ratio of ten (10) pre-consolidation Common Shares for one (1) post-consolidation Common Share. The Common Shares began trading on the Toronto Stock Exchange (“TSX”) on a post-consolidation basis under the Corporation’s existing trade symbol "BRAG" on May 5, 2021. In accordance with IFRS accounting principles, the change has been applied retrospectively and all balances of Common Shares, warrants and equity-based compensation such as share options, deferred share units and restricted share units have been restated after applying the consolidation ratio.

2. CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A may contain forward-looking information and statements (collectively, "forward-looking statements") within the meaning of the Canadian securities legislation and applicable securities laws, including financial and operational expectations and projections. These statements, other than statements of historical fact, are based on management's current expectations and are subject to a number of risks, uncertainties, and assumptions, including market and economic conditions, business prospects or opportunities, future plans and strategies, projections, technological developments, anticipated events and trends and regulatory changes that affect the Corporation, its subsidiaries and their respective customers and industries. Although the Corporation and management believe the expectations reflected in such forward-looking statements are appropriate and are based on reasonable assumptions and estimates as of the date hereof, there can be no assurance that these assumptions or estimates are accurate or that any of these expectations will prove accurate. Forward-looking statements are inherently subject to significant business, regulatory, economic and competitive risks, uncertainties and contingencies that could cause actual events to differ materially from those expressed or implied in such statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "would", "should", "believe", "objective", "ongoing", "imply" or the negative of these words or other variations or synonyms of these words or comparable terminology and similar expressions.

By their nature forward-looking statements are subject to known and unknown risks, uncertainties, and other factors which may cause actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such factors include, among other things, the Corporation's stage of development, long-term capital requirements and future ability to fund operations, future developments in the Corporation's markets and the markets in which it expects to compete, risks associated with its strategic alliances and the impact of entering new markets on the Corporation's operations. Each factor should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking statements. See the section, "Risk Factors and Uncertainties", below noting that these factors are not intended to represent a complete list of the factors that could affect the Corporation.

Shareholders and investors should not place undue reliance on forward-looking statements as the plans, assumptions, intentions or expectations upon which they are based might not occur. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. Unless otherwise indicated by the Corporation, forward-looking statements in this MD&A describe the Corporation's expectations as of March 10, 2022, and, accordingly, are subject to change after such date. The Corporation does not undertake to update or revise any forward-looking statements, except in accordance with applicable securities laws.

3. LIMITATIONS OF KEY METRICS AND OTHER DATA

The Corporation's key metrics are calculated using internal Corporation data. While these numbers are based on what the Corporation believes to be reasonable judgments and estimates of customer numbers for the applicable period of measurement, there are certain challenges and limitations in measuring the usage of its product offerings across its customer base. In addition, the Corporation's key metrics and related estimates may differ from estimates published by third parties or from similarly titled metrics of its competitors due to differences in methodology and access to information.

For important information on the Corporation's non-IFRS measures, see the information presented in "Key metrics" and "Selected financial information" below. The Corporation continually seeks to improve its estimates of its active customer base and the level of customer activity, and such estimates may change due to improvements or changes in the Corporation's methodology.

Bragg Gaming: Overview and Strategy

Bragg is a growing global gaming content and technology group and owner of well-known business-to-business ("B2B") gaming companies. Its suite of iGaming content and technology, commercial relationships and operational licences allows it to offer a full turnkey gaming solution in regulated online gaming markets globally. Its premium content catalogue currently includes over 13,000 casino games, including proprietary games developed by its studios, third-party games developed on its remote games server ("RGS") for exclusive distribution, and aggregated, licensed games from top studios around the world.

The Corporation's wholly owned suite of products includes a state-of-the-art player account management ("PAM") platform, which provides the tools required to operate an online gaming business, including player engagement and data analysis software. The Corporation's technology was developed on a greenfield basis and is not dependent on legacy code. The Corporation's suite of products and services offers a one-stop solution to its customers that is adaptable to various gaming markets and legislative jurisdictions, including the UK and the emerging United States and Canadian online gaming markets.

The Corporation was incorporated by Articles of Incorporation pursuant to the provisions of the Canada Business Corporations Act on March 17, 2004, and on December 20, 2018, the Corporation completed a business combination transaction to acquire Oryx Gaming International LLC ("Oryx"). The Corporation is dual-listed on the Nasdaq Global Select Market and the Toronto Stock Exchange, both under the symbol BRAG. Oryx has been in operation for over nine years as a full turnkey iGaming solutions provider to the online gaming industry, with an established customer base in Europe and Latin America.

In May 2021, the Corporation entered into a definitive agreement to acquire Spin Games LLC ("Spin"), a Reno, Nevada-based iGaming technology supplier and content provider licensed and active in key regulated North American jurisdictions. The acquisition of Spin is subject to customary closing conditions, including required regulatory approvals. In June 2021, the Corporation acquired Wild Streak LLC, doing business as Wild Streak Games ("Wild Streak"), a leading iGaming content studio based in Las Vegas, Nevada with a portfolio of proprietary titles distributed globally, including in regulated markets in the United States and Europe.

The Corporation continues to invest in building a strong, experienced management team to drive its strategic initiatives. During 2021, the Corporation bolstered its management team by the appointment in May of Chris Looney, formerly Commercial Director of online casino games developer Red Tiger Gaming, as Chief Commercial Officer, and in June with the appointment of Doug Fallon, founder of Wild Streak, as Managing Director of Group Content. Post year end, in January 2022, Lara Falzon, former Chief Financial Officer of online casino games developer Red Tiger Gaming, former Operational Group Chief Financial Officer of NetEnt and existing Bragg board member was appointed as a Chief Operating Officer.

With its experienced management team, differentiated content portfolio, software-as-a-service ("SaaS") technology and managed services, the Corporation aims to become a leading vertically integrated gaming content and technology provider in the iGaming industry.

4. OVERVIEW OF FINANCIAL YEAR 2021

4.1 EXECUTIVE SUMMARY

Financial performance in 2021

The Corporation is pleased to report on trading performance for the year ended December 31, 2021. The year was characterized with vast operational activity with onboarding of new customers, triggering high demand for the Corporation's products and services and supporting its underlying growth. The Group has continued to deliver against its strategic objectives, achieving growth, while remaining committed to revenue diversification and geographic expansion.

Revenue

The Corporation's revenue[1] for the year ended December 31, 2021 increased from the same period in the previous year by 25.6% to EUR 58.3m (2020: EUR 46.4m) while the underlying business revenue (excluding Wild Streak) was up 21.2% compared to the same period in the previous year, continuing a solid quarterly growth momentum since Q1 2019. Wild Streak revenue for the period was EUR 2.1m (2020: Nil). The Group's positive year-on-year revenue growth was derived mainly from organic growth from its existing customer base, the onboarding of new strategic customers in various jurisdictions and a strong revenue performance from the acquisition of Wild Streak in June 2021.

The Corporation's revenue growth was mainly derived from the games and content which accounted for 81% (2020: 89%) of total revenues, as demand for the Group's unique games and content and technology proposition continues to grow. The Corporation's growth has been underpinned by continued investment and innovation in its technology and product offering. These investments enhanced the roll out of the iGaming (PAM) services in new markets throughout the year including the launch of Oryx Hub, new data analytic tools and customer engagement platform earlier this year, demonstrating the Corporation's potential to further leverage its technology to accelerate growth.

The management is pleased that it continues to see growth in game play, unique player numbers and its overall engagements level. Total wagering generated by our customers in the year ended December 31, 2021 were up by 21.1% from the same period in the previous year to EUR 14.3 billion (2020: EUR 11.8 billion) and the number of unique players[2] using our games and content increased by 11.2% to 6.5m (2020: 5.87m). These strong numbers are a result of significant improvements to our core content offering including recent technical developments giving the group a powerful competitive advantage.

Gross profit increased compared to the same period in the previous year by 40.3% to EUR 28.3m (2020: EUR 20.2m) with gross margins increasing by 5.1% to 48.6% (2020: 43.5%). This improvement is primarily due to a higher proportion of revenue derived from our iGaming platform and managed services and increase in Wild Streak games and content revenue which has no cost of sale compared to third party games and content which have associated third party costs.

Selling, general and administrative expenses increased from the same period in the previous year by 52.6% to EUR 34.8m (2020: EUR 22.8m) amounting to 59.7% of total revenue (2020: 49.2%). The increase is in line with the Corporation's growth strategy, as the Corporation lays the foundation as a scalable and innovative vertically integrated iGaming content and technology provider in the iGaming industry. Main movements in the quarter were driven by the following:

A. **Salaries and subcontractors** increased by 64.5% to EUR 14.8m (2020: EUR 9.0m) as the Corporation continued to invest in expanding its technology and product offering by enhancing the software development and product teams. Additionally, the Corporation expanded its commercial, legal, compliance and executive teams to accelerate expansion into new markets and to adjust to new regulatory requirements. The balance includes an exceptional cost amounting to EUR 1.8m (2020: EUR 0.2m), relating to the termination of the employment contract of its prior management in June and November 2021.

B. **Share based compensation costs** increased by 57.5% to EUR 4.7m (2020: EUR 3.0m) predominantly due to vesting related to the share-based incentive plan awards granted to new directors and senior management in Q1 and Q3 2021 and composed of DSUs, RSUs and share options.

1 **Revenue** includes group share in Game and content, platform fees and management and turnkey solutions
2 **Unique players** individuals who made a real money bet at least once during the period

Total employee costs (including share-based compensation charge) increased by 62.8% to EUR 19.5m (2020: EUR 12.0m) due to increased headcount in technology, product and senior management teams, increased overhead costs and share based compensation costs.

C. **IT hosting** cost increased by 23.8% to EUR 1.7m (2020: EUR 1.4m) mainly due to increase in traffic and servers cost in line with the revenue growth.

D. **Professional fees** increased by EUR 1.5m to EUR 3.0m (2020: EUR 1.5m). This is due to an increase in audit, legal and corporate costs to comply with quarterly reviews and additional filings as well as corporate governance requirements to support the Corporation trading on TSX, amounting to EUR 2.1m (2020: EUR 1.4). In addition, an exceptional amount of EUR 0.9m (2020: EUR 0.1m) incurred in relation to legal and professional fees on the Nasdaq listing, base shelf prospectus and other non-recurring regulatory and legal matters.

E. **Corporate costs** increased by EUR 0.7m to EUR 1.4m (2020: EUR 0.7m) as a result of the Corporation's increased investment in corporate marketing and investor relation activities.

F. **Bad debt expense** decreased by EUR 0.5m to EUR 0.6m (2020: EUR 1.1m) as a result of reduction in expectancy of the risk of the aging and liquidity of trade receivables due to improvement in billing processes and collection of trade receivables.

G. **Transaction and acquisition costs** amounted to EUR 1.3m (2020: EUR 2.2m) relating to the deployment of the Corporation's M&A strategy which includes legal, financial, tax and technical processes.

H. **Other operational costs** amounted to EUR 1.8m (2020: EUR 0.7m) and relate predominantly to an increase in the premium in relation to the Corporation's directors' and officers' insurance to EUR 0.6m (2020: EUR 0.0m).

Total net loss from continuing operations for the period amounted to EUR 7.5m (2020: EUR 14.5m) a movement predominantly driven by the incremental increase in total employee costs (including share based payment) of EUR 7.5m, professional fees of EUR 1.5m other operational costs EUR 1.1m and depreciation and amortisation in the sum of EUR 1.9m, offset by increased gross profit of EUR 8.1m, reduction in remeasurement of deferred consideration payable of EUR 9.3m and reduction in accretion on liabilities expense of EUR 1.0m.

The Corporation's Adjusted EBITDA increased from the same period in the previous year by 29.8% to EUR 7.2m (2020: EUR 5.5m) with Adjusted EBITDA margins increasing by 0.4% to 12.3% (2020: 11.9%) The marginal increase achieved mainly as a result of scale and improvement in the product mix of iGaming and managed services offset by the increased salaries and subcontractors costs as part of the Corporation's strategy of investment in the expansion of its software development, product and senior management functions. A reconciliation between the current and prior year's reported figures to Adjusted EBITDA is shown in Note 5.3.

Cash flows used in operating activities for the year ended December 31, 2021, amounted to EUR 0.0m (2020: cash flows from operating activities of EUR 6.7m). The decrease was primarily due to increase in Selling, General and Administrative Expenses together with the decrease in working capital of EUR 1.5m, the latter primarily driven by settlement of sales tax liabilities of EUR 4.4m in 2021 relating to the previous year.

Cash flows used in investing amounted to EUR 23.9m (2020: EUR 2.8m) and is mainly attributable to deferred and contingent consideration payments of the Oryx cash earn-out in the value of EUR 11.5m in Q1 2021, (2020: EUR 0.5m), consideration in connection with the acquisition of Wild Streak in the value of EUR 8.3m (2020: Nil) , pre-paid consideration for the Spin Games acquisition of EUR 1.2m (2020: Nil) and additions of intangible assets in the value of EUR 3.1m (2020: EUR 2.3m).

Cash flows from financing activities amounted to a net cash inflow of EUR 12.4m (2020: EUR 22.3m) which is predominantly related to the net proceeds from exercise of warrants and broker warrants in the value of EUR 10.8m (2020: EUR 10.1m) relating to the November 2020 public offering, EUR 1.3m (2020: EUR 0.6m) relating to the private placement in which members of the Board and management participated in; and EUR 0.6m in proceeds from exercise of stock options (2020: EUR 0.0m).

Financial performance in Q4 2021

Revenues

During the three months ended December 31, 2021, the Corporation has continued to deliver against its strategic objectives by accelerating growth while remaining committed to revenue diversification and geographic expansion.

The Corporation's revenue increased from the same period in the previous year by 14.4% to EUR 15.8m (Q4 2020: EUR 13.8m) while the underlying business revenue (excluding Wild Streak) was up 7.8% compared to the same period in the previous year. Wild streak revenue for the period was EUR 0.9m (Q4 2020: EUR Nil). The Corporation's revenue was up 22.4% from the previous quarter (Q3 2021: 12.9m) mainly attributed to a stronger than expected start from launches of new customers (mainly the Netherlands) in the iGaming (PAM) and managed service segment, offsetting the new regulatory changes' impact in the German market introduced July 1, 2021.

The Corporation's revenue was mainly derived from the games and content services which accounted for 67.9% (Q4 2020: 86.0%) of total revenues with a significant shift towards iGaming platform and managed services with new customers during the quarter while demand for the Corporation's unique games and content and technology proposition continued to be strong.

While the Corporation saw a continued growth in revenue with a shift of revenue from content towards iGaming platform and managed services, the total wagering generated via games and content offered by Oryx and Wild Streak in the period was down by 2.7% from the same period in the previous year to EUR 3.1 billion (Q4 2020: EUR 3.2 billion) and the number of unique players using Oryx games and content decreased by 24.6% to 1.9m (Q4 2020: 2.5m). This trend is mainly due to the effect of the new regulated German market restrictions on game play and players.

Expenses

Cost of revenue amounted to EUR 7.7m (Q4 2020: EUR 7.7m) a decrease of 0.3% from the same period in the previous year representing 49.0% of Corporation's revenue, a decrease of 7.2% (Q4 2020: 56.2%) mainly attributable to the shift in proportion of revenue from third party games and content to owned games and content and iGaming and turnkey services, the latter of which have lower associated cost of sales.

Selling, general and administrative expenses amounted to EUR 9.9m, a decrease of EUR 0.5m from the same period in the previous year (Q4 2020: EUR 10.4m) mainly related to a reduction of EUR 1.7m in transaction and acquisition costs, a reduction of total employee costs of EUR 0.2m (as a result of a reduction in share based compensation from previous year) offset by the increase of depreciation and amortization cost of EUR 0.9m and increase of bad debt of EUR 0.3m.

Profitability

Adjusted EBITDA amounted to EUR 1.5m (Q4 2020: EUR 1.3m) an increase of EUR 0.2m for the period with margins increasing by 0.7% to 9.8% (Q4 2020: 9.1%).

Operating loss amounted to EUR 1.9m (Q4 2020: EUR 5.3m) a decrease of EUR 3.4m mainly as a result of nil expenses relating to loss of remeasurement of deferred and contingent consideration (Q4 2020: EUR 0.9m), a decrease of selling general and administrative expenses by EUR 0.5m, and an increase of the total gross profit for the period of EUR 2.0m.

Cash flow used in operating activities for the three months ended December 31, 2021, amounted to EUR 2.2m (Q4 2020: cash flow from operating activities of EUR 0.0m). The decrease was primarily due to the payment of trade payables and other liabilities of EUR 2.1m in the period.

Cash flow used in investing amounted to EUR 2.2m (Q4 2020: EUR 1.0m) and is mainly attributable to prepaid consideration of EUR 1.2m (Q4 2020: Nil) relating to the acquisition of Spin Games, and additions to intangible assets of EUR 1.1m (Q4 2020: EUR 0.6m). Cash flow used in financing activities amounted to EUR 0.1m (Q4 2020: cash flow from financing activities of EUR 22.5m).

Financial position

Cash and cash equivalents as of December 31, 2021, amounted to EUR 16.0m (December 31, 2020: EUR 26.1m), a decrease of EUR 10.1m, and decreased by EUR 4.3m in the three months to December 31, 2021. The primary reason for the decrease in cash position from December 31, 2020, was EUR 11.5m settlement of deferred and contingent consideration in January 2021, EUR 8.3m cash consideration for the acquisition of Wild Streak that completed in June 2021, and movement in working capital relating to sales tax in the value of EUR 4.0m offset by proceeds from the exercise of warrants and broker warrants of EUR 10.8m and prepaid consideration as part of the Spin Games acquisition of EUR 1.2m.

Trade and other receivables as of December 31, 2021, totalled EUR 8.5m (December 31, 2020: EUR 10.3m), a reduction of EUR 1.8m due to improvements in cash collection.

Prepaid expenses and other assets as of December 31, 2021, increased by EUR 2.1m to EUR 2.4m (December 31, 2020: EUR 0.3m) predominantly due to prepaid consideration as part of the Spin Games acquisition of EUR 1.2m, EUR 0.4m in royalty advances and EUR 0.2m in relation to directors and officers' insurance.

Trade payables and other liabilities as of December 31, 2021, decreased by EUR 2.6m to EUR 14.4m (December 31, 2020: EUR 17.0m) as result of a EUR 1.3m increase in trade payables and accrued liabilities to EUR 13.8m (December 31, 2020: EUR 12.5m) offset by a decrease in sales tax payable of EUR 4.0m to EUR 0.4m (December 31, 2020: EUR 4.4m).

Deferred and contingent consideration as of December 31, 2021, was EUR Nil (December 31, 2020: EUR 11.5m) due to the full settlement of the Oryx earn-out on January 18, 2021. Upon extinguishment of the Oryx earn-out liability the Corporation is no longer exposed, with the exception of lease commitments and employee obligations, to any long-term cash debts.

Nasdaq listing

On August 27, 2021, the Corporation began trading on Nasdaq under the symbol "BRAG". The Corporation's shares also continue to trade on the Toronto Stock Exchange.

Other

(1) Share Capital: As at December 31, 2021, the number of issued and outstanding shares was 19,956,034 (December 31, 2020: 13,111,248), the number of outstanding awards from equity incentive plans was 2,298,247 (December 31, 2020: 1,558,410), and the number of outstanding warrants was 16,886 (December 31, 2020: 1,655,946).

(2) Employees: as at December 31, 2021, the Corporation employed 286 employees (December 31, 2020: 241) across Slovenia, UK, Malta, USA and Canada.

Strategic progress

The Corporation's vision is to become a leading vertically integrated gaming content and technology provider in the iGaming industry. It aims to achieve this as an iGaming platform and full turnkey solution provider and distributor and provider of online casino games via its in-house studios and via third party content providers, capturing an increasing proportion of the online gaming value chain. It plans to meet these objectives through the following:

1. Focus on Core Business Growth:

The Corporation intends to continue growing its core business by both adding new customers and expanding within its existing customer base alongside its customers as they increase their player base through organic growth and entering new jurisdictions.

The Corporation aims to gain new customers and support existing customers by continuing to innovate and allocating resources to drive superior player engagement to provide its customers a competitive advantage. This involves developing and securing exclusive premium content coupled with a focus on developing its platform, data analytics and player engagement tools designed to increase return on investment for Bragg's customers**.**

The Corporation's modern and proprietary technology was developed in-house, with the goal of enhancing the player experience, quickly and seamlessly integrating with customer operations to give immediate access to products and collecting and responding to real time data. The Corporation's player engagement and data analytics tools are provided alongside its Oryx Hub distribution platform, and work across titles from any game supplier, whether the content is proprietary, exclusive, or licensed and aggregated from third parties.

During the fourth quarter of 2021, the Corporation launched its products and services in new markets and with new customers. In October 2021 it launched its platform and content with BetCity.nl in the newly regulated iGaming market in the Netherlands. It subsequently launched its platform and content with JACKS.NL, and its content with Holland Casino and Toto also in the Dutch market. In December the Corporation rolled launched its content in the United Kingdom with tier 1 operator 888casino.com. During the quarter, the Corporation also announced it had launched its content with the Playtech and White Hat Gaming platforms in multiple jurisdictions, and with its third Swiss customer, Grand Casino Baden. In November 2021, the Corporation announced a deal to license its platform to industry giant Merkur in the Czech Republic.

During the fourth quarter the Corporation further improved its services by launching a new version of its client area, a web portal for its customers which contains all the technical, compliance and marketing materials required to successfully launch its content.

For the three months ended December 31, 2021, customer concentration from the top 10 customers was 68.3% of total revenues, up by 2.1% compared to 66.2% of total revenues for the same period in the previous year. As of December 31, 2021, the Corporation's total customer base was 146 customers (Q4 2020: 101), where a customer is a company or group of companies with one or more online casino operating licenses and one or more active online casino brands.

2. Develop Games through Owned Studios:

The Corporation intends to develop and produce more proprietary casino content, which the Corporation believes offers significant Adjusted EBITDA margin expansion opportunities by capturing a greater share of revenue generated from games. The Corporation aims to capture between 90% and 100% of the revenue from proprietary games, compared to historically capturing approximately only 30%-35% of revenue from the distribution of exclusive and non-exclusive third-party games.

Leveraging its many years of experience in game development and its proprietary player engagement tools, the Corporation plans to design its games to produce an enhanced player experience and increase the life-time-value of players.

The Corporation's access to data through in-game performance monitoring features also allows it to create and adjust products to better serve players' continuously shifting preferences. The Corporation is then able to distribute new and improved content to all operators on its network. The recent acquisition of Wild Streak added over 40 premium proprietary casino games to the Corporation's portfolio, as well as the ideas, designs and skills of Doug Fallon and his experienced studio team.

During the fourth quarter, the Corporation founded a new proprietary content studio, Atomic Slot Lab, under the leadership of Managing Director of Group Content, Doug Fallon. The studio developed its first slot title, Egyptian Magic, during the fourth quarter of 2021 and it was successfully released in January 2022. In addition, during the fourth quarter the Corporation launched its fifth slot title of 2021 from its Oryx Gaming studio, marking significant progress in its aim to release more games from owned studios.

3. Focus on M&A and Other Strategic Transactions:

The Corporation also intends to continue to grow through non-core business initiatives including through M&A and other strategic transactions. The Corporation will continue to explore and consider various strategic acquisitions, investments, joint ventures, partnerships, and other commercial initiatives. It is expected that as part of the consideration for any such transactions, the Corporation may, subject to any customary approvals, issue additional shares or other securities in the capital of the Corporation.

4. Expand to New Markets:

The Corporation has an established presence in many jurisdictions in the European market, and in Q4 further expanded its regulated market reach by obtaining a license to supply its games and technology in Netherland and the United Kingdom. In addition, the Corporation continues to lay the groundwork for entry into the newly regulated Ontario, Canada market by certifying its iGaming platform, remote games server (RGS) and an initial batch of online casino games in the territory.

As other geographies continue to adopt regulations in favour of online gaming, the Corporation believes it is well-positioned to expand into new markets. Bragg's geographic growth strategy is driven by regulatory approvals and the subsequent creation of a new market. Markets where growth opportunities have been identified include the United States, Canada, Italy and Latin America. Within Europe, the Corporation's goal is to further diversify across the region and increase market share through strategic partnerships with suppliers and operators and through acquisitions.

5. Expanding offering by introducing exclusive content:

The Corporation expects to expand its offering of premium exclusive third-party content. Through new investments and partnerships with more studios, it intends to increase distribution of premium and localized content. It anticipates that these exclusive deals as well as original content will allow the Corporation to create bespoke content adjustable to the markets in which it currently operates or plans to enter.

The Corporation released seven new exclusive games during the fourth quarter of 2021, including one from its proprietary Oryx Gaming studio and six from third-party studios. During the fourth quarter, the Corporation announced an exclusive, global five-year content licensing deal with Las Vegas-based casino content studio Bluberi, further expanding its exclusive content portfolio.

6. Diversify Product Offering:

To enhance its value proposition to existing customers as well as attract new customers, the Corporation actively seeks to diversify its suite of product offerings. This entails enhancing its content base through continued partnerships with leading studios, and continuous development of its proprietary iGaming platform, remote games server, data platform and Fuze™ player engagement technologies. As the product suite continues to evolve and expand based on demand, the Corporation intends to continue investing in its technology stack.

Updates in various local markets

The Netherlands

The Corporation certified its iGaming platform, Remote games server (RGS) and an initial batch of games with the Dutch regulators for the market launch in October 2021. The Corporation launched with several customers during the fourth quarter including supplying its platform and content to BetCity.nl, the online brand of established Dutch land-based operator Casino City. It also launched its platform and content with the JACKS.NL brand from JVH, the land based market-leading casino operator in the Netherlands, with 85 properties in the country, and launched content with state-owned operators Holland Casino and Toto (Nederlandse Loterij).

The United Kingdom

The Corporation was granted a game supply and hosting license from the United Kingdom Gambling Commission in November 2021, enabling it to extend its offer to the UK market. In December 2021 the Corporation launched its content in the United Kingdom with tier 1 operator 888casino.com, with further launches following in early 2022.

Germany

The Corporation had an exposure to revenues derived from customers who have predominantly German end-users. The Corporation was prepared for the new regulatory regime which was introduced to the German market effective July 1, 2021, certifying its random number generator (RNG) and ensuring its games and technology were compliant with the new regulations. Since July 1, 2021, operators in the German market are required to be compliant with the new regulations, but as at the date of the publication of this report, no iGaming operating licences have yet been issued by the German regulator. The impact of the new German regulations on revenue were anticipated and are in line with management expectations.

Czech Republic

In February 2022, the Company announced its market entry to the Czech Republic, taking its content live with the SYNOT Group in the territory.

Italy

The Corporation is in the process of certifying content which will allow it to supply customers in the Italian market.

The United States

The Corporation has applied for a gaming supplier license in New Jersey, Pennsylvania, and Michigan.

Canada

In March 2022, the Company received a Gaming-Related Supplier license from the AGCO, the regulatory body in Ontario, Canada. The license enables the Company to supply its platform, content and services in the territory when the market opens, currently expected on April 4, 2022

The Bahamas

In February 2022, the Company announced it had obtained a license to supply its technology, content and services in the Bahamas.

Other

The Corporation has applied for a supplier license in Belgium.

Outlook

The Corporation continues to invest in new and proprietary content, invest in its leading technology and grow and diversify its global footprint by entering into new markets in Europe and in North America and by winning new customers in new jurisdictions. Reflecting the continued progress being achieved with these and other strategic initiatives, the Corporation expects to be able to grow its Total Addressable Market ("TAM") of approximately USD $13.5 billion in Q1 2022 to a TAM of approximately USD $21.5 billion by the end of 2022.

The Corporation also expects to increase its output of games designed and produced by its in-house studios. In early 2022 it launched its first title from its brand-new Atomic Slot Lab studio, and it will continue to release games from this studio throughout the year. It will also further increase its output of slots titles from its Oryx Gaming studio during 2022, will continue to release titles with Wild Streak Gaming and during the year it expects to close the transaction for Spin Games, bringing an expected total of four in-house gaming studios under the Corporation's ownership. The increased proportion of in-house games released is expected to benefit the Corporation's gross profit margin profile. The Corporation also expects to expand its portfolio of exclusive games built by third-party studios, signing licensing deals with Las Vegas-based Bluberi in November 2021 and with Malta-based Blue Guru in early 2022.

The Corporation's North American (U.S. and Canada) market expansion is progressing according to plan and in August 2021, the Corporation listed its shares on the Nasdaq. The global outbreak of COVID-19, has had, and continues to have, a significant impact on the global economy. The Corporation derives the majority of its revenue from online casino gaming. This sector has largely benefited from the various international "lock downs", requiring people to stay at home. As a result, such forms of entertainment have prevailed in a similar fashion to the various streaming businesses such as Netflix have. Management continues to monitor the effects COVID-19 on the Corporation's performance and will amend its outlook as, and if, it deems necessary.

5. FINANCIAL RESULTS

5.1 BASIS OF FINANCIAL DISCUSSION

The financial information presented below has been prepared to examine the results of operations from continuing activities. During the year ended December 31, 2019, the Corporation decided to discontinue its online media business unit. As such, the performance of the online media division has been excluded.

The presentation currency of the Corporation is the Euro, while the functional currencies of its subsidiaries are Euro, Canadian dollar, United States dollar, and British pound sterling due to primary location of individual entities within our corporate group. The presentation currency of the Euro has been selected as it best represents the majority of the Corporation's economic inflows, outflows as well as its assets and liabilities.

5.2 SELECTED ANNUAL INFORMATION

EUR 000	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2019
Revenue	58,319	46,421	26,592
Net Loss from continuing operations	(7,512)	(14,476)	(10,376)
EBITDA	(1,705)	(9,023)	(6,001)
Adjusted EBITDA	7,198	5,546	1,041
Basic and diluted loss per share			
- continuing operations	(0.39)	(1.69)	(1.42)

	As at December 31, 2021	As at December 31, 2020	As at December 31, 2019
Total assets	83,390	72,094	43,880
Total non-current financial liabilities	635	740	14,924
Dividends paid	nil	nil	nil

Non-current financial liabilities predominantly consisted of deferred and contingent consideration payable of EUR 14.3m as at December 31, 2019. All deferred and contingent consideration was settled in full on January 18, 2021. As at December 31, 2021 and 2020, non-current financial liabilities consist of lease obligations on right of use assets in relation to office leases and long-term employee benefits.

With the exception of EBITDA and Adjusted EBITDA, the financial data has been prepared to conform with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These accounting principles have been applied consistently across for all reporting periods presented.

5.3 OTHER FINANCIAL INFORMATION

To supplement its 2021 financial statements presented in accordance with IFRS, the Corporation considers certain financial measures that are not prepared in accordance with IFRS. The Corporation uses such non-IFRS financial measures in evaluating its operating results and for financial and operational decision-making purposes. The Corporation believes that such measures help identify underlying trends in its business that could otherwise be masked by the effect of the expenses that it excludes in such measures.

The Corporation also believes that such measures provide useful information about its operating results, enhance the overall understanding of its past performance and future prospects and allow for greater transparency with respect to key metrics used by management in its financial and operational decision-making. However, these measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with IFRS. There are a number of limitations related to the use of such non-IFRS measures as opposed to their nearest IFRS equivalents.

A reconciliation of operating loss to EBITDA and Adjusted EBITDA is as follows:

EUR 000	Year Ended December 31, 2021	2020
Operating loss	(6,502)	(11,896)
Depreciation and amortization	4,797	2,873
EBITDA	(1,705)	(9,023)
Depreciation of right-of-use assets	(155)	(191)
Lease interest expense	(20)	(23)
Share based compensation	4,667	2,963
Transaction and acquisition costs	1,349	2,212
Exceptional costs	2,973	332
Loss on disposal of intangible assets	89	—
Loss on remeasurement of contingent consideration	—	9,276
Adjusted EBITDA	**7,198**	**5,546**

Exceptional costs in the year ended December 31, 2021 include one-time costs for the Corporation, of which EUR 1.1m is in relation to legal and professional fees on the Nasdaq listing, base shelf prospectus and other non-recurring regulatory and legal matters (2020: Nil) and EUR 1.8m (2020: EUR 0.3m) is relating to the termination of the employment contracts of senior executives.

5.4 SELECTED FINANCIAL INFORMATION

Selected financial information is as follows:

EUR 000	Year Ended December 31, 2021	2020
Revenue	58,319	46,421
Operating loss	(6,502)	(11,896)
EBITDA	(1,705)	(9,023)
Adjusted EBITDA	7,198	5,546

	As at December 31, 2021	As at December 31, 2020
Total assets	83,390	72,094
Total liabilities	17,195	32,197

TRADE AND OTHER RECEIVABLES

EUR 000	As at December 31, 2021	As at December 31, 2020
Less than one month	8,717	9,563
Between two and three months	747	1,193
Greater than three months	1,405	1,296
	10,869	12,052
Provision for expected credit losses	(2,415)	(1,755)
Trade and other receivables	**8,454**	**10,297**

TRADE PAYABLES AND OTHER LIABILITIES

	As at December 31, 2021	As at December 31, 2020
Trade payables	1,464	6,406
Accrued liabilities	12,380	6,099
Sales tax payable	444	4,356
Other payables	69	107
Trade Payables and Other Liabilities	**14,357**	**16,968**

5.5 SUMMARY OF QUARTERLY RESULTS

The following table presents the selected financial data for continuing operations for each of the past eight quarters of the Corporation.

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
	2020				2021			
EUR 000	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	8,784	12,145	11,714	13,778	14,196	15,491	12,874	15,758
Operating income (loss)	(5,080)	762	(2,282)	(5,296)	(499)	(1,825)	(2,276)	(1,902)
EBITDA	(4,296)	1,429	(1,533)	(4,623)	337	(774)	(943)	(325)
Adjusted EBITDA Loss per share (EUR)	702	1,751	1,834	1,259	2,342	1,900	(1,418)	1,538
- Basic and diluted	(0.67)	(0.08)	(0.39)	(0.52)	(0.06)	(0.12)	(0.12)	(0.08)

5.6 LIQUIDITY AND CAPITAL RESOURCES

The Corporation's principal source of liquidity is its cash generated from operations. Currently available funds consist primarily of cash on deposit with banks. The Corporation calculates its working capital requirements from continuing operations as follows:

EUR 000	As at December 31, 2021	As at December 31, 2020
Cash and cash equivalents	16,006	26,102
Trade and other receivables	8,454	10,297
Prepaid expenses and other assets	2,442	263
Consideration receivable	56	148
Current liabilities excluding deferred and contingent consideration	(15,317)	(18,521)
Net working capital	11,641	18,289
Deferred and contingent consideration	—	(11,521)
Net current assets from continuing operations	**11,641**	**6,768**

All contingent liabilities in relation to the Oryx earn-out were settled in full to the Oryx vendor on January 18, 2021, following shareholder approval on November 27, 2020. On January 18, 2021, the Corporation satisfied its earn-out obligations to K.A.V.O. Holdings Limited via a combination of cash and Common Shares. Cash paid totaled EUR 11.6m, of which EUR 11.5m fully settled deferred and contingent consideration payable and EUR 0.1m settled interest payable and legal fees.

The undiscounted contractual maturities of significant financial liabilities and the total contractual obligations of the Corporation as at December 31, 2021 are below:

	2022	2023	2024	2025	Thereafter	Total
Trade payables and other liabilities	14,357	—	—	—	—	14,357
Lease obligations on right of use assets	172	157	157	157	—	643
Other non-current liabilities	—	1	1	1	236	239
	14,529	**158**	**158**	**158**	**236**	**15,239**

MARKET RISK

The Corporation is exposed to market risks, including changes to foreign currency exchange rates and interest rates.

FOREIGN CURRENCY EXCHANGE RISK

The Corporation is exposed to foreign currency risk, which includes risks related to its revenue and operating expenses denominated in currencies other than EUR, which is both the reporting currency and primary contracting currency of the Corporation's customers. Accordingly, changes in exchange rates may in the future reduce the purchasing power of the Corporation's customers thereby potentially negatively affecting the Corporation's revenue and other operating results.

The Corporation has experienced and will continue to experience fluctuations in its net income (loss) as a result of translation gains or losses related to revaluing certain current asset and current liability balances that are denominated in currencies other than the functional currency of the entities in which they are recorded.

LIQUIDITY RISK

The Corporation is also exposed to liquidity risk with respect to its contractual obligations and financial liabilities. The Corporation manages liquidity risk by continuously monitoring its forecasted and actual cash flows, and matching maturity profiles of financial assets and liabilities.

5.7 CASH FLOW SUMMARY

The cash flow from continuing operations may be summarized as follows:

EUR 000	Year Ended December 31, 2021	2020
Operating activities	(41)	6,729
Investing activities	(23,883)	(2,777)
Financing activities	12,408	22,263
Effect of foreign exchange	1,420	(307)
Net cash flow (used in) from continuing operations	**(10,096)**	**25,908**

Cash flows used in investing activities is primarily due to final settlement of the Oryx earn out on January 18, 2021, of EUR 11.5m (year ended December 31, 2020: EUR 0.5m), cash consideration paid in relation to acquisition of Wild Streak of EUR 8.3m (year ended December 31, 2020: Nil), additions to intangible assets of EUR 3.1m (year ended December 31, 2020: EUR 2.3m), and prepaid consideration in relation to the acquisition of Spin of EUR 1.2m (year ended December 31, 2020: Nil):

EUR 000	Year Ended December 31, 2021	2020
Purchases of property and equipment	(123)	(223)
Additions in intangible assets	(3,143)	(2,286)
Proceeds from sale of discontinued operations	235	259
Consideration paid upon business combination	(8,268)	—
Cash acquired from business combination	124	—
Prepaid consideration	(1,187)	—
Deferred and contingent consideration payments	(11,521)	(527)
Cash flows used in investing activities	**(23,883)**	**(2,777)**

Cash flows from financing activities comprise EUR 10.8m of net proceeds from the exercise of warrants and broker warrants issued as part of the November 2020 equity raise, EUR 1.3m of net proceeds from shares issued to directors and officers of the Corporation in connection with a private placement (year ended December 31, 2020: EUR 0.6m) and EUR 0.6m of proceeds from exercise of stock options (year ended December 31, 2020: EUR 0.0m):

EUR 000	Year Ended December 31, 2021	2020
Proceeds from issuance of common shares and warrants	—	12,127
Proceeds from exercise of warrants and broker warrants	10,817	10,069
Proceeds from exercise of stock options	636	18
Proceeds from shares to be issued upon private placement	—	608
Proceeds from shares issued upon private placement, net of issuance costs	1,310	—
Repayment of lease liability	(171)	(212)
Interest income	61	6
Interest and financing fees	(245)	(353)
Cash flows from financing activities	**12,408**	**22,263**

6 TRANSACTIONS BETWEEN RELATED PARTIES

The Corporation's policy is to conduct all transactions and settle all balances with related parties on market terms and conditions for those in the normal course of business. Transactions between the Corporation and its consolidated entities have been eliminated on consolidation and are not disclosed in this note.

Key Management Personnel

The Corporation's key management personnel are comprised of members of the Board and the executive team which consists of the Interim Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), Chief Strategy Officer ("CSO") and Chief Technology Officer ("CTO"). Three key management employees are also shareholders in the Corporation. Transactions and balances between the Corporation and its key management personnel are as follows:

Consolidated Statements of Loss and Comprehensive Loss

- Revenues for the year ended December 31, 2021, to a shareholder of the Corporation totalled EUR 115 (year ended December 2020: EUR 23).
- Total compensation for salaries, director fees, share-based compensation, and short-term employee benefits of key management personnel of the Corporation for the year ended December 31, 2021, totalled EUR 8,495 (year ended December 31, 2020: EUR 4,559).
- Total compensation for salaries and short-term employee benefits of vendors of the sale of Wild Streak and subsequently employees of the Corporation for the year ended December 31, 2021, totalled EUR 331 (year ended December 31, 2020: EUR nil).
- Loss on remeasurement of deferred and contingent consideration payable to the former Managing Director of Oryx for the year ended December 31, 2021, was nil (the year ended December 31, 2020: EUR 9,276). While the key management employee is no longer Managing Director of Oryx, they remain a non-executive director of the Corporation.
- Interest expense on deferred and contingent consideration payable to the former Managing Director of Oryx for the year ended December 31, 2021, totalled EUR 52 (year ended December 31, 2020: EUR 266).

- During the year ended December 31, 2021, legal fees of EUR 25 payable to the former Managing Director of Oryx in relation to the Oryx earn-out was recognized in the consolidated statements of loss and comprehensive loss (year ended December 31, 2020: EUR nil).
- During the year ended December 31, 2021, professional fees of EUR 98 payable to a related businesses of a non-executive member of the Board of the Corporation was recognized in the consolidated statements of loss and comprehensive loss (year ended December 31, 2020: EUR nil).

Consolidated Statements of Financial Position

- As at December 31, 2021, EUR 47 of trade and other receivables was receivable from the former Managing Director of Oryx and other shareholders (December 31, 2020: EUR 4).
- As at December 31, 2021, EUR 62 of prepaid expenses and other assets was receivable from a related business of a non-executive director of the Corporation (December 31, 2020: EUR nil).
- As at December 31, 2021, EUR 1,924 of trade payables and other liabilities was due to the Corporation 's key management personnel (December 31, 2020: EUR 166).
- As at December 31, 2021, EUR 62 of trade payables and other liabilities was due to the vendors of the sale of Wild Streak and subsequently employees of the Corporation (December 31, 2020: EUR nil).
- As at December 31, 2021, EUR nil of deferred and contingent consideration was payable to the former Managing Director of Oryx (December 31, 2020: EUR 11,521).

Consolidated Statements of Changes in Equity

- During the year ended December 31, 2021, EUR 22,000, of share capital (the year ended December 31, 2020: EUR nil) was issued to the former Managing Director of Oryx upon completion of the earn-out. A corresponding decrease in shares to be issued was recognized in the consolidated statements of changes in equity.
- During the year ended December 31, 2021, EUR 13,746 of shares to be issued (year ended December 31, 2020: EUR nil) to the vendors for the sale of Wild Streak and subsequently employees of the Corporation was recognized in the consolidated statements of changes in equity.
- During the year ended December 31, 2021, EUR 1,918 of additional share capital was recognized in consolidated statements of changes in equity in relation to the private placement by key management personnel of the Corporation (year ended December 31, 2020: EUR nil).
- During the year ended December 31, 2021, EUR 410 additional share capital, was recognized in the consolidated statements of changes in equity for exercise of DSUs, RSUs and FSOs by key management personnel of the Corporation (the year ended December 31, 2020: EUR 246).

Consolidated Statements of Cash Flows

- During the year ended December 31, 2021, a total of EUR 11,521 in payments were made to the former Managing Director of Oryx for deferred consideration (year ended December 31, 2020: EUR 560).
- During the year ended December 31, 2021, a total of EUR 140 in payments were made to the former Managing Director of Oryx for interest on deferred and contingent consideration payable (year ended December 31, 2020: EUR 176).
- During the year ended December 31, 2021, a total of EUR 8,271 in cash consideration payments were made to the vendors of the sale of Wild Streak (year ended December 31, 2020: EUR nil).

7 DISCLOSURE OF OUTSTANDING SHARE DATA

The number of equity-based instruments granted or issued may be summarized as follows:

	December 31, 2021	March 10, 2022
Common Shares	19,956,034	19,973,462
Broker Warrants	16,886	16,886
Fixed Stock Options	1,816,302	1,816,302
Restricted Share Units	235,000	197,500
Deferred Share Units	246,945	246,945
	22,271,167	**22,251,095**

The increase of 17,428 in Common Shares between the reporting date and the date of this MD&A is due to exercise of restricted share units and has resulted in a corresponding decrease in restricted share units in the same period. In addition, 20,072 of restricted share units were cancelled between the reporting data and date of this MD&A.

8 SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements requires management to make estimates and judgments in applying the Corporation's accounting policies that affect the reported amounts and disclosures made in the consolidated financial statements and accompanying notes.

Within the context of the consolidated financial statements, a judgment is a decision made by management in respect of the application of an accounting policy, a recognized or unrecognized financial statement amount and/or note disclosure, following an analysis of relevant information that may include estimates and assumptions. Estimates and assumptions are used mainly in determining the measurement of balances recognized or disclosed in the consolidated financial statements and are based on a set of underlying data that may include management's historical experience, knowledge of current events and conditions and other factors that are believed to be reasonable under the circumstances.

Management continually evaluates the estimates and judgments it uses.

The following are the accounting policies subject to judgments and key sources of estimation uncertainty that the Corporation believes could have the most significant impact on the amounts recognized in the consolidated financial statements.

Impairment of non-financial assets (property and equipment, right-of-use assets, intangible assets and goodwill)

- **Judgments made in relation to accounting policies applied**

Management is required to use judgment in determining the grouping of assets to identify their CGUs for the purposes of testing property and equipment, intangible assets and right-of-use assets for impairment. Judgment is further required to determine appropriate groupings of CGUs for the level at which goodwill and intangible assets are tested for impairment.

The Corporation has determined that Oryx Gaming and Wild Streak are two separate CGUs for the purposes of property and equipment, intangible assets and right-of-use asset impairment testing. For the purpose of goodwill impairment testing, CGUs are grouped at the lowest level at which goodwill is monitored for internal management purposes. In addition, judgment is used to determine whether a triggering event has occurred requiring an impairment test to be completed.

- **Key sources of estimation**

In determining the recoverable amount of a CGU or a group of CGUs, various estimates are employed. The Corporation determines fair value less costs to sell using such estimates as market rental rates for comparable properties, recoverable operating costs for leases with tenants, non-recoverable operating costs, discount rates, capitalization rates and terminal capitalization rates. The Corporation determines value in use by using estimates including projected future revenues, earnings and capital investment consistent with strategic plans presented to the Board. Discount rates are consistent with external industry information reflecting the risk associated with the specific cash flows.

Impairment of accounts receivable

In each stage of the expected credit loss ("ECL") impairment model, impairment is determined based on the probability of default, loss given default, and expected exposures at default. The application of the ECL model requires management to apply the following significant judgments, assumptions, and estimations:

- movement of impairment measurement between the three stages of the ECL model, based on the assessment of the increase in credit risks on accounts receivables. The assessment of changes in credit risks includes qualitative and quantitative factors of the accounts, such as historical credit loss experience and external credit scores;

- thresholds for significant increase in credit risks based on changes in probability of default over the expected life of the instrument relative to initial recognition; and

- forecasts of future economic conditions.

Leases

- **Judgments made in relation to accounting policies applied**

Management exercises judgment in determining the appropriate lease term on a lease-by-lease basis. Management considers all facts and circumstances that create an economic incentive to exercise a renewal option or to not exercise a termination option including investments in major leaseholds and past business practice and the length of time remaining before the option is exercisable. The periods covered by renewal options are only included in the lease term if management is reasonably certain to renew. Management considers reasonably certain to be a high threshold. Changes in the economic environment or changes in the office rental industry may impact management's assessment of lease term, and any changes in management's estimate of lease terms may have a material impact on the Corporation's consolidated statements of financial position and consolidated statements of loss and comprehensive loss.

- **Key sources of estimation**

In determining the carrying amount of right-of-use assets and lease liabilities, the Corporation is required to estimate the incremental borrowing rate specific to each leased asset or portfolio of leased assets if the interest rate implicit in the lease is not readily determined. Management determines the incremental borrowing rate using a base risk-free interest rate estimated by reference to the bond yield with an adjustment that reflects the Corporation's credit rating, the security, lease term and value of the underlying leased asset, and the economic environment in which the leased asset operates. The incremental borrowing rates are subject to change due to changes in the business and macroeconomic environment.

Warrants and share options

- **Judgments made in relation to accounting policies applied**

Management exercises judgment in determining the model used and the inputs therein to valuate the value of share option grants and issued warrants. Management considers all facts and circumstances for each grant issuance on an individual basis.

- **Key sources of estimation**

In determining the fair value of warrants and share options, the Corporation is required to estimate the future volatility of the market value of the Corporation's shares by reference to its historical volatility or comparable companies over the previous years, a risk-free interest rate estimated by reference to the Government of Canada bond yield, and a dividend yield of nil.

Long-term employee benefits obligations

- **Judgments made in relation to accounting policies applied**

Management exercises judgment in determining the appropriate fair value of severance pay upon retirement and awards for years of service that certain employees have earned in return for their service. A calculation is made for each employee taking into account the cost of severance pay upon retirement due under the contract of employment and the cost of all expected awards for years of service with the Corporation until retirement.

- **Key sources of estimation**

In determining the present value of liabilities to certain employees, the Corporation performs actuarial calculations in accordance with IAS 19 Employee Benefits applying the Projected Unit Credit Method to measure obligations and costs. Various assumptions are applied including retirement age, mortality, average salary of an individual and growth in income in future years.

9 CHANGES IN ACCOUNTING POLICY

There have been no changes in the Corporation's accounting policies in any of the reporting periods discussed in this MD&A.

10 MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with IFRS. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Based on a review of the Corporation's internal control procedures, the Corporation's Interim Chief Executive Officer and Chief Financial Officer believe its internal controls and procedures are appropriately designed as at the date of this MD&A.

There have been no material changes in the Corporation's internal control over financial reporting during the year ended December 31, 2021, that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

DISCLOSURE CONTROLS AND PROCEDURES

Management is also responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that material information related to the Corporation, including its consolidated subsidiaries, which is required to be disclosed by the Corporation in its filings or required to be submitted by the Corporation under securities legislation is recorded, processed and summarized and reported within specified time periods. The Corporation's Interim Chief Executive Officer and Chief Financial Officer have each evaluated the design of the Company's disclosure controls and procedures as at the date of this MD&A, and have concluded that these controls and procedures were appropriately designed.

11 RISK FACTORS AND UNCERTAINTIES

Certain factors, listed below, may have a material adverse effect on the Corporation's business, financial condition, and results of operations. Current and prospective investors should carefully consider the risks and uncertainties and other information contained in this MD&A and the corresponding financial statements.

The risks and uncertainties described herein and therein are not the only ones the Corporation may face. Additional risks and uncertainties that the Corporation is unaware of, or that the Corporation currently believes are not material, may also become important factors that could adversely affect the Corporation's business. If any of such risks actually occur, the Corporation's business, financial condition, results of operations, and future prospects could be materially and adversely affected.

LIMITED OPERATING HISTORY

The Corporation has a limited operational history. The Corporation has never paid dividends and has no present intention to pay dividends. The Corporation is subject to risks including uncertainty of revenues, markets and profitability and the need to obtain additional funding. The Corporation will be committing, and for the foreseeable future will continue to commit, significant financial resources to marketing, product development and research. The Corporation's business and prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stage of development. Such risks include the evolving and unpredictable nature of the Corporation's business, the Corporation's ability to anticipate and adapt to a developing market and the ability to identify, attract and retain qualified personnel. There can be no assurance that the Corporation will be successful in doing what is necessary to address these risks.

KEY PERSONNEL

The success of the Corporation may be dependent on the services of its senior management and consultants. The experience of these individuals may be a factor contributing to the Corporation's continued success and growth. The loss of one or more of its key employees or consultants could have a material adverse effect on the Corporation's operations and business prospects. In addition, the Corporation's future success will depend in large part on its ability to attract and retain additional highly skilled technical, management, sales and marketing personnel. There can be no assurance that the Corporation will be successful in attracting and retaining such personnel and the failure to do so could have a material adverse effect on the Corporation's business, operating results, and financial condition.

ADDITIONAL FINANCING REQUIREMENTS

In order to accelerate the Corporation's ability to meet its growth objectives, it may need to raise additional funds from lenders and equity markets in the future. There can be no assurance that the Corporation will be able to raise additional capital on commercially reasonable terms to finance its growth objectives. The ability of the Corporation to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Corporation. There can be no assurance that the Corporation will be successful in its efforts to arrange additional financing on terms satisfactory to the Corporation. If additional financing is raised by the issuance of Common Shares from the treasury of the Corporation, control of the Corporation may change, and shareholders may suffer additional dilution to current levels as a result of shares under option and broker warrants.

COMPETITION

The Corporation may not be able to compete successfully against current and future competitors, and the competitive pressures the Corporation faces could harm its business and prospects. Broadly speaking, the market for gambling businesses and media companies is highly competitive. The level of competition is likely to increase as current competitors improve their product offerings and as new participants enter the market. Some of the Corporation's current and potential competitors have longer operating histories, larger customer bases, greater name and brand recognition and significantly greater financial, sales, marketing, technical and other resources than the Corporation. Additionally, these competitors have research and development capabilities that may allow them to develop new or improved products that may compete with products the Corporation markets and distributes.

New technologies and the expansion of existing technologies may also increase competitive pressures on the Corporation. Increased competition may result in reduced operating margins as well as loss of market share.

MANAGEMENT OF GROWTH

The Corporation may be subject to growth-related risks including capacity constraints and pressure on its operating systems and systems of internal controls. The Corporation's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base.

The inability of the Corporation to deal with this growth could have a material adverse impact on its business, operations, and prospects. While management believes that it will have made the necessary investments in infrastructure to process anticipated volume increases in the short term, the Corporation may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for the Corporation's personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Corporation will also need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate, manage and retain its employees. There can be no assurance that the Corporation will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support the Corporation's operations or that the Corporation will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

ABSENCE OF PROFITS

The Corporation has not earned any profits to date and there is no assurance that it will earn any profits in the future, or that profitability, if achieved, will be sustained. A significant portion of the Corporation's financial resources will continue to be directed to the development of its products and to marketing activities. The success of the Corporation will ultimately depend on its ability to generate revenues such that the business development and marketing activities may be financed by revenues from operations instead of external financing. There is no assurance that future revenues will be sufficient to generate the required funds to continue such business development and marketing activities.

CONFLICTS OF INTEREST

Certain proposed directors and officers of the Corporation may become associated with other reporting issuers or other Companies which may give rise to conflicts of interest. In accordance with the Canada Business Corporations Act, directors who have a material interest or any person who is a party to a material contract or a proposed material contract with the Corporation are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors are required to act honestly and in good faith with a view to the best interests of the Corporation, as the case may be. Certain of the directors have either other employment or other business or time restrictions placed on them and accordingly, these directors will only be able to devote part of their time to the affairs of the Corporation.

12 ADDITIONAL INFORMATION

Additional information relating to the Corporation, including the Corporation's annual information form, quarterly and annual reports and supplementary information is available on SEDAR at www.sedar.com.

Press releases and other information are also available in the Investor section of the Corporation's website at www.bragg.games.

Exhibit 99.4

CERTIFICATION

I, Paul Godfrey, certify that:

1. I have reviewed this annual report on Form 40-F of Bragg Gaming Group Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the issuer and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditor and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 10, 2022

By: /s/ PAUL GODFREY
Paul Godfrey
Interim Chief Executive Officer
(Principal Executive Officer)

Exhibit 99.5

CERTIFICATION

I, Ronen Kannor, certify that:

1. I have reviewed this annual report on Form 40-F of Bragg Gaming Group Inc.:

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the issuer and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditor and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 10, 2022

By: /s/ RONEN KANNOR
Ronen Kannor
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 99.6

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Bragg Gaming Group Inc. (the "Company") on Form 40-F for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Paul Godfrey, Interim Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 10, 2022

/s/ PAUL GODFREY
Paul Godfrey
Interim Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to Bragg Gaming Group Inc. and will be retained by Bragg Gaming Group Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99.7

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Bragg Gaming Group Inc. (the "Company") on Form 40-F for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ronen Kannor, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 10, 2022

/s/ RONEN KANNOR
Ronen Kannor
Chief Financial Officer
(Principal Financial and Accounting Officer)

A signed original of this written statement required by Section 906 has been provided to Bragg Gaming Group Inc. and will be retained by Bragg Gaming Group Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99.8

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent the use of our auditor's report dated March 10, 2022, with respect to the consolidated financial statements of Bragg Gaming Group Inc. and its subsidiaries as at December 31, 2021 and for each of the years in the two year period ended December 31, 2021 included in the Annual Report on Form 40-F of Bragg Gaming Group Inc. for the year ended December 31, 2021, as filed with the United States Securities Exchange Commission ("SEC").

We also consent to the incorporation by reference in the Registration Statement No. 333-259004 on Form F-10, of our auditor's report dated March 10, 2022, with respect to the consolidated financial statements of Bragg Gaming Group Inc. and its subsidiaries as at December 31, 2021 and for each of years in the two year period ended December 31, 2021, as included in the Annual Report on Form 40-F for the year ended December 31, 2021 as filed with the SEC.

We also consent to the reference to our firm under the heading"Interest of Experts" in the Registration Statement.

/s/ MNP LLP

Chartered Professional Accountants
Licensed Public Accountants
March 10, 2022
Toronto, Canada