Calamatta Cuschieri

The Directors
Together Gaming Solutions p.l.c
Mezzanine Office, The George Hotel,
Ball Street, Paceville,
St. Julian's STJ 3123,
Malta

24 June 2024

Dear Board Members,

In accordance with your instructions, and in line with the requirements of the MFSA Listing Policies, we have compiled the Financial Analysis Summary (the "**Analysis**") set out on the following pages and which is being forwarded to you together with this letter.

The purpose of the financial analysis is that of summarising key financial data appertaining to Together Gaming Solutions p.l.c. (C 72231) (the "**Issuer**" or "**TGS**"), and the related companies within the "**Group**", as explained in section 1.1 of this Analysis.

The data is derived from various sources or is based on our own computations as follows:

a) Historical financial data for the three years ending 31 December 2021, 2022 and 2023 has been extracted from the audited financial statements of the Issuer.

b) The forecast data for the current financial year ending 31 December 2024 has been provided by management.

c) Our commentary on the Issuer's results and financial position has been based on the explanations provided by management.

d) The ratios quoted in this Analysis have been computed by us applying the definitions set out in section 4 of the Analysis.

e) The principal relevant market players listed in section 3 of this Analysis have been identified by management. Relevant financial data in respect of competitors has been extracted from public sources such as the websites of the companies concerned or financial statements filed with the Registrar of Companies.

The Analysis is meant to assist investors in the Issuer's securities and potential investors by summarising the more important financial data of the Company. The Analysis does not contain all data that is relevant to investors or potential investors. The Analysis does not constitute an endorsement by our firm of any securities of the Issuer and should not be interpreted as a recommendation to invest in any of the Issuer's securities. We shall not accept any liability for any loss or damage arising out of the use of the Analysis. As with all investments, potential investors are encouraged to seek professional advice before investing in the Issuer's securities.

Yours sincerely,

Patrick Mangion
Head of Capital Markets

FINANCIAL ANALYSIS SUMMARY 2024

Together Gaming Solutions p.l.c.

24 June 2024

Prepared by Calamatta Cuschieri Investment Services Limited

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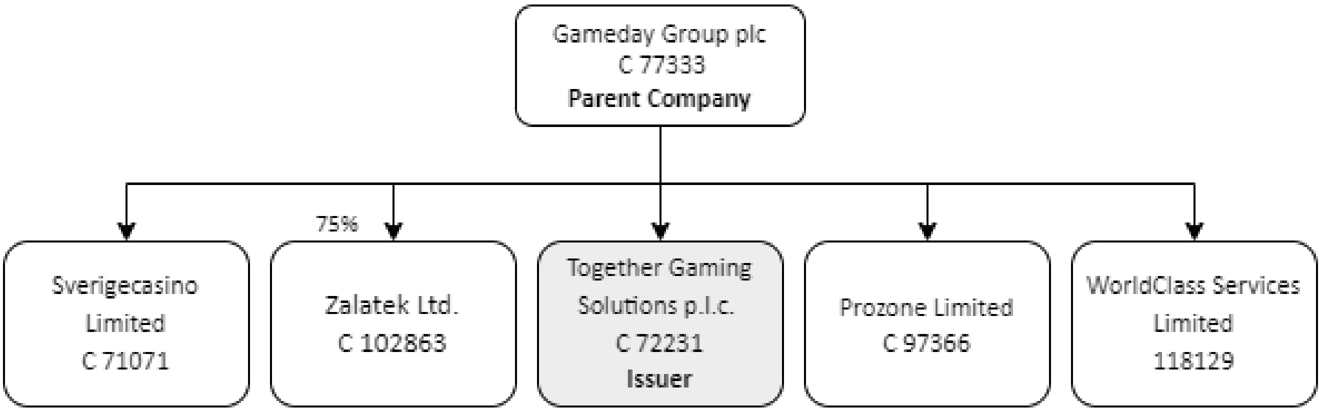
Part 1 Information about the Group

1.1 The Group's Key Activities and Structure



**100% ownership is assumed, unless indicated otherwise*

The "**Group**" of companies consists of Issuer, Gameday (C 77333) ("**Gameday**") acting as the "**Parent**" company of the Issuer and other fellow subsidiaries, namely Sverigecasino Limited, Zalatek Ltd, Prozone Limited, and WorldClass Services Limited.

The principal activity of the operation is the provision of iGaming services, including the development and establishment of arrangements with White Label Operators ("**WL Operators**"). White Label ("**WL**") iGaming services are comprehensive gaming activity services provided to third-party unlicensed operators that have a gaming brand and prefer to obtain their gambling and gaming services, such as odds feeds, payment options, through licensed operators.

The Issuer was incorporated and registered in Malta on 14 September 2015 as a private limited liability company, with registration number C 72231. It subsequently changed its status to a public limited liability company on 31 January 2019. As of the date of this Analysis, the Issuer has an authorised share capital of €30,000,000 made up of 30,000,000 ordinary shares of €1 each, and an issued share capital of €20,580,000 made up of 20,580,000 ordinary shares of €1 each, all fully paid up. The Issuer is, except for one ordinary share held by Gustaf Karl Aron Egfors, a wholly owned subsidiary of Gameday.

Gameday is a public limited liability company incorporated and registered in Malta on 22 September 2016, with company registration number C 77333. Following a merger that took place in February 2024, which is explained in further detail in section 1.4, the new parent company of Gameday is Cherry with Friends AB ("**Cherry**") (559226-3981), a prominent Swedish Group of companies which specialises in land-based gaming activities across various venues in Sweden.

TGS was originally intended to manage the Group's business-to-business ("**B2B**") operations (i.e. the offering of WL Services to third-party WL Operators for their own branded operations) but was relatively dormant before 2018, and this function was carried out by Bethard Group Limited ("**Bethard**").

Bethard was an iGaming company incorporated in Malta with company registration number C 69565. It included popular iGaming domains such as Bethard.com, Fastbet.se, and Betive.com, and used to operate an online sportsbook and casino websites providing iGaming services under its brand, the "**Bethard Brand**", to consumers in several jurisdictions, including Malta, Spain, Sweden, and Ireland, through licences held in said jurisdictions.

In 2021, the Group decided to dispose of the Bethard Brand, by selling it to Esports Entertainment Group ("**Esports Group**"), a U.S.-based, full-stack esports and online gambling company, maintaining offices in the U.S., the UK, and Malta. Bethard retained some business-to-customer ("**B2C**") licences for the purposes of supporting the Issuer's B2B business and WL clients. The rationale behind the disposal of the Bethard Brand was to generate capital that could be reinvested into the expansion of the company's B2B services. The execution of this capital invesetment plan experienced certain delays due to the dynamic regulatory landscape, which presented challenges in identifying suitable investment opportunities within the B2B sector.

Management responded by initiating a thorough exploration of alternative avenues for growth, recognising the importance of adapting to changing market conditions. Early in 2023, an opportunity emerged for Gameday to repurchase the Bethard Brand from Esports Group at a discounted price through the acquisition of Prozone Limited. This development was seen as a pragmatic solution to accelerate growth while still maintaining liquidity for potential future investments in the B2B market, once regulatory uncertainties subsided. Further details on this acquisition can be found in section 1.4.

Prozone Limited ("**Prozone**") was incorporated and registered in Malta on 25 November 2020 as a private limited liability company with company registration number C 97366. Prozone was acquired by Gameday through the Esports Group, explained further in section 1.4.

WorldClass Services Limited was incorporated in Gibraltar on 29 November 2018. This entity has taken over all of the marketing and business development operations for the iGaming business that it operates with Bethard. Subsequent to the agreement with Esports Group, WorldClass Services Limited remained the Group's marketing arm in 2022 and retained the development agreement it has in place with the Issuer.

Sverigecasino Limited was set up as a joint venture between Gameday and third parties. It operated its own branded gaming website in which the Gameday had a 50% holding until 2020. In 2021, the Group acquired the remaining 50% shareholding from the third parties and currently it remains non-trading until the end of 2023.

Gameday initially held full ownership of Zalatek Limited, a company established on 28 July 2022, bearing registration number C 102863, offering affiliation marketing services specifically targeting the Latin American markets. Gameday's ownership has since decreased to 76.4%, with the remaining 23.6% shares held by Didamir, Sociedad Limitada, a company registered in Spain bearing registration number B10759678.

1.2 Directors

Board of Directors - Issuer
As of the date of this Analysis, the board of directors of the Issuer is constituted of the following persons:

Name	Office Designation
Mr Erik Johan Sebastian Skarp	Executive Director and chairman
Mr Edward Licari	Executive Director
Mr Frank Heinanen	Executive Director
Mr Jonas Amnesten	Executive Director
Mr Michael Warrington	Independent, non-executive director
Dr Kari Pisani	Independent, non-executive director
Mr Andrew Zarb Mizzi	Independent, non-executive director

The business address of all the directors of the Issuer is the registered office of the Issuer.

Mr Edward Licari is the company secretary of the Issuer.

The executive directors are responsible for the executive management of the Issuer and Group and, together with other senior members of the executive team, is responsible for the Issuer's and the other Group companies' day-to-day management.

The Issuer's average number of employees during FY23 amounted to 6 (FY22: 5), while the Group had *circa* 70 employees during 2023. Despite having its own employees, the Issuer relies on certain resources made available to it by other entities within the Group. Management explained that the original intention of TGS to consolidate all local employment under the Issuer has been revised. Instead, subsequent to the re-acquisition of Prozone Limited as the B2C arm of the Group, TGS plans to migrate the B2C team from Bethard to Prozone.

1.3 Major Assets owned by the Group

Acquisition of the iGaming assets by the Issuer
The Issuer was largely dormant prior to 2018, with this business carried out by Bethard. In 2018, the Group began a restructuring process to change the Issuer's main function into the Group's B2B service provider and to establish the Issuer as the owner and licensor of the Group's key intellectual property assets (the "**iGaming Assets**").

In January 2018, the Issuer assumed all of Bethard's rights and obligations emanating from the WL agreements that the latter had previously entered into with various WL Operators at which the Issuer became responsible for providing WL services to different iGaming operators. On 29 April 2019, the Issuer was granted a B2B licence by the Malta Gaming Authority which allowed it to provide gaming supply services to iGaming operators. Following this, the Issuer was the recipient of the iGaming assets from Bethard for a purchase price of €42.3m.

TGS sold its iGaming assets in July 2021, which were re-purchased by the Group during 2023. This is further explained in section 1.4.

iGaming assets
The Group operates online casinos and sports betting through three main domains: Bethard.com, Fastebet.se, and Betive.com, and also holds licences in Sweden, Malta, and Ireland through its acquisition of Prozone. The Group also owns another Swedish licence through Sverigecasino Limited.

IP Licensing Agreement

The intellectual property ("**IP**") licensing agreement refers to a contractual arrangement where the licensor, who owns IP rights such as trademarks, patents, or copyrights, grants the licensee the right to use those IP assets for a specified period and under certain terms and conditions. IP is also considered as an intangible asset. This licence agreement allows TGS to generate revenue by licensing intangible assets to related parties, while a sub-licensing agreement permits revenue generation through sublicensing assets to third parties, particularly valuable in industries like iGaming where IP is significant.

The Issuer owned iGaming assets including an online iGaming Platform and licensed them to its subsidiary, WorldClass Services Limited, through such an agreement. In turn, WorldClass Services Limited compensated the Issuer for the use of these licensed assets which it sub-licenced to licensed operators.

When Gameday bought back Bethard through Prozone it secured all the future NGR generated by the Bethard assets for the Group. Throughout 2023, the Issuer maintained other various trading agreements with Worldclass Services Limited. The agreements encompass a business development services agreement, enabling expense recharging and likely fostering collaboration for business development, including support for WL customers.

iGaming Platform

The 'Enji' iGaming platform, formerly known as "Alleacc", is a proprietary, data-driven, full application programming interface ("**API**"), multi-currency, multi-skin, and multi-wallet software solution acquired by TGS in stages, with full ownership achieved in early 2018. Initially offered as a premium alternative to third-party sportsbook and casino operators in 2016, it has since evolved into a highly flexible module-based system catering to the dynamic needs of iGaming operators.

Installation of the iGaming platform for operators typically takes 1 to 2 months, with optimisation occurring shortly after installation, ensuring efficient integration compared to competitors. TGS has consistently invested in platform development, allocating approximately €912k in FY21 and €1.0m in 2022 and a further *circa* €1.5m in 2023. These investments primarily target system upgrades to meet operator and industry requirements, including enhancements to the dashboard and analytics features.

During 2022, TGS encountered a dispute with developers claiming copyright over the platform's development, leading to a legal claim filed in Sweden. Despite challenges, significant progress has been made in Enji, with TGS investing over €7.0m in maintenance and development since acquisition. Notable recent investments include the establishment of a dedicated development team in Serbia in 2022, as part of a cost reduction strategy, and the settlement of a copyright dispute with Swedish developers in 2023.

To further enhance efficiency, the platform undergoes regular audits and certifications by Gaming Labs International, a testing and certification company that provides services to the gaming industry worldwide, ensuring compliance with regulatory licences in Malta and Sweden. Plans to transition to cloud-based data storage and integrate artificial intelligence ("**AI**") into testing procedures demonstrate a commitment to technological advancement and operational excellence.

1.4 Operational Developments

Buyback of Bethard Brand

To facilitate the re-acquisition of Bethard, Gameday secured partial financing from TGS in the form of a €1.8m loan, along with an extra 12% of the future net gaming revenues generated from the Bethard Brand and a deferred payment component of €7.6m, enabling the completion of the transaction in the first quarter of 2023.

The transaction involved acquiring Prozone, a key part of the Bethard business, for approximately €9.5m. This acquisition included settling Prozone's debts of about €1.2m and receiving €6.5m owed by Esports Group as per the original share purchase agreement dated 2021, while €1.7m was paid in cash. To safeguard against potential liabilities, Gameday retained *circa* €150k in cash, which it released within 3 months from acquisition once Gameday was reassured that there were no further pending liabilities than stated at date of acquisition.

Management clarified that the Bethard Brand was acquired through Prozone Limited in a churning state and, since the acquisition, the Group has implemented several product improvement initiatives to stimulate growth, restored assets, and re-engaged existing customers. Additionally, Bethard Group Limited was placed into liquidation on 11 September 2023.

Merger with Cherry with Friends AB

A merger agreement with Cherry was finalised on 12 January 2024. The merger was driven by the mutual recognition of synergies between the two entities, as well as the shared goal of expanding their presence in the rapidly evolving online gaming sector.

On 13 March 2024, TGS provided a loan of €5.0m to Cherry to refinance existing higher interest debt and to proceed with immediate investments in B2C ventures. This loan is secured through a pledge of shares of Cherry's land-based subsidiary, with a fixed interest rate of 6% per annum, maturing on 30 April 2026.

1.5 External impacts on the Group's operational and financial performance

The Group faces the challenge of regulatory risk, particularly in Sweden, where the anticipated regulations have not provided the desired visibility or long-term operating framework, for instance, proposed tax increases, which pose financial challenges. Historical adaptability has demonstrated the Group's ability to navigate regulatory changes effectively, remaining agile to evolving circumstances.

Regulatory changes also present opportunities. Increased taxation and poor channelisation have driven some operators out of the market, creating opportunities for competitors to gain market share. Moreover, the relinquishment of the land-based monopoly in Sweden opens space for alternative ventures, like urban casino outlets, which the Group can explore.

The Group leverages the advantages of the omni-channel approach, enabling it to attract new players and capitalise on low-cost conversion opportunities for the online business. While increasing investments carry financial risks, the Group anticipates sufficient EBITDA to offset these risks, ensuring a balanced approach to growth and financial stability.

Management does not anticipate any conflicts during the year and have proactively implemented measures to mitigate potential risks associated with global economic uncertainties stemming from conflicts.

The Group has diversified its operations, ensuring that there is no concentration or significant exposure to regions directly affected by conflicts. This strategic decision minimises the impact of geopolitical tensions on day-to-day operations and financial performance. Management has remained vigilant and responsive to any additional external conflicts that may arise throughout the year. By closely monitoring global events and assessing their potential implications, the Group can promptly adapt its strategies and mitigate any adverse effects on its business activities.

Part 2 Historical Performance and Forecasts

The Issuer's historical financial information for the years ended 31 December 2021 to 31 December 2023, in addition to the financial forecast for the year ending 31 December 2024, are set out below in sections 2.1 to 2.3 of this Analysis. Historical information is based on audited financial statements, while the forecast data for FY24 has been provided by management.

2.1 Issuer's Income Statement

Income Statement for the year ended 31 December	2021A	2022A	2023A	2024F
	€000s	€000s	€000s	€000s
Revenue	3,811	2,053	1,839	3,555
Cost of sales	(2,578)	(745)	(996)	(852)
Gross profit	**1,233**	**1,308**	**843**	**2,703**
Administrative expenses	(917)	(822)	(889)	(505)
Net impairment loss on financial and contract assets	46	(254)	42	30
EBITDA	**362**	**232**	**(4)**	**2,229**
Depreciation and amortisation	(2,496)	(2,581)	(2,663)	(2,825)
EBIT	**(2,134)**	**(2,349)**	**(2,667)**	**(596)**
Finance costs	(970)	(954)	(949)	(870)
Finance income	-	-	208	519
Lease interest expense	-	-	-	(11)
Other income	-	368	402	-
Profit / (loss) before tax	**(3,104)**	**(2,935)**	**(3,006)**	**(959)**
Taxation	(1,040)	-	6	(3)
Profit / (loss) tax	**(4,144)**	**(2,935)**	**(3,000)**	**(962)**

Ratio Analysis[1]	2021A	2022A	2023F	2024F
Profitability				
Growth in Revenue (YoY Revenue Growth)	(58.2)%	(46.1)%	(10.4)%	93.3%
Gross Profit Margin (Gross Profit / Revenue)	32.4%	63.7%	45.8%	76.0%
EBITDA Margin (EBITDA / Revenue)	9.5%	11.3%	(0.2)%	62.7%
EBIT Margin (EBIT / Revenue)	(56.0)%	(114.4)%	(145.0)%	(16.8)%
Net Margin (Profit for the year / Revenue)	(108.7)%	(143.0)%	(163.1)%	(27.0)%
Return on Common Equity (Net Income / Total Equity)	(25.0)%	(22.5)%	(29.8)%	(11.9)%
Return on Assets (Net Income / Total Assets)	(9.9%	(9.0)%	(10.0)%	(3.8)%

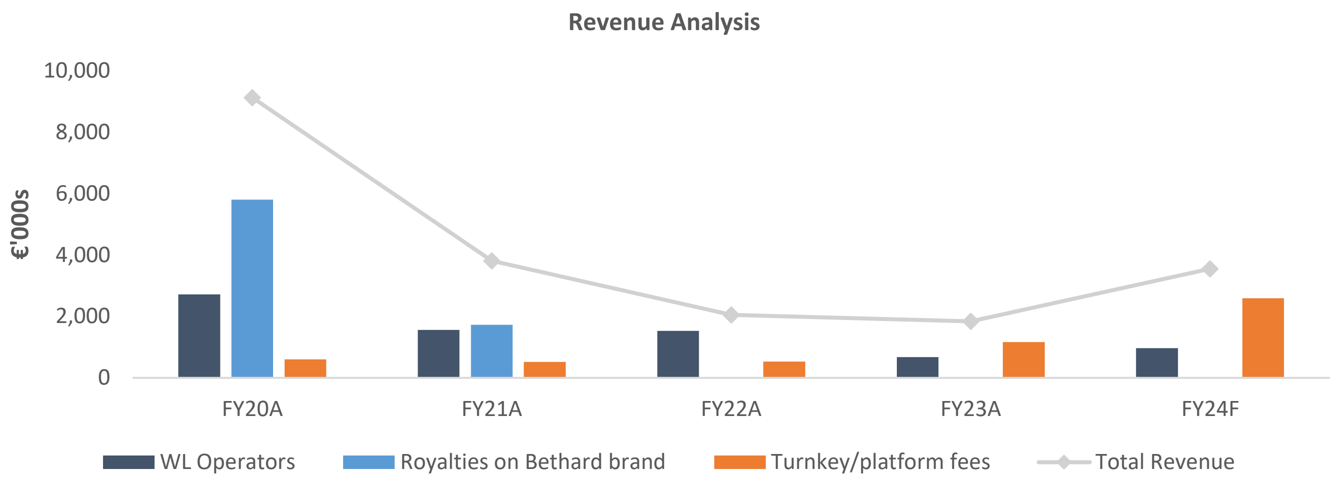
During FY23, revenue was mainly generated from two different streams, leasing of the platform (turnkey services) amounting of €1.2m and WL services amounting to €674k. In early 2023, as mentioned in section 1.4 of this analysis, the Group reacquired the Brand, thereby reintroducing opportunities for indirect turnkey revenue generation for the Issuer. Despite this, TGS persisted in facing familiar challenges within the B2B sector, leading to the departure of a number of white-label partners and a turnkey operator throughout the year.

During the year under review, gross revenue totalled €3.2m (2022: €4.5m). Net of directly attributable costs, the revenue of the Issuer, as disclosed in the audited financial statements dated 26 April 2024, amounted to €1.8m (2022: €2.1m), corresponding to a year-on-year decrease of 10.4%.

The decline in revenue was primarily attributed to the decrease in the number of white-label partners and the closing down of a turnkey operator throughout the year. This reduction, coupled with lower gross revenues for the existing white-label partners, consequently resulted in diminished revenues for TGS in the form of reduced mark-ups and operating fees.

Management expects revenue to increase by 93.3% in FY24. The main reason for this is the merger with cherry which will generate material new fees that have already been contracted for.

[1] Ratio Analysis may not agree to prior FASs, due to a change in the calculation methodology or due to rounding differences variance



Cost of sales amounted to €996k and mainly consisted of other direct costs (including platform costs) of €986k. Gross profit decreased to €843k from €1.3m. With the higher revenue anticipated and stable cost of sales, the gross profit is expected to increase to €2.7m with a margin of 76.0%.

Administrative expenses amounted to €889k and is projected to decrease by *circa* €350k, to €505k in FY24. According to management the decrease is related to a one-off legal fee related to a dispute which occurred in FY23. Depreciation and amortisation amounted to €2.7m and is in line with previous years. This is expected to increase slightly in FY24.

Net finance costs amounted to €741k, and mainly relates to the 5.9% annual interest on the bonds issued by the Issuer in July 2019 net of €208k interest income. The decrease in finance costs compared to 2022 was attributed to TGS capitalizing on the rise in interest rates and earning interest on the €1.8m loan to Gameday. By investing its liquidity in short-term instruments, coupled with the interest earned on the loan, TGS generated positive interest, thereby reducing the interest expenses incurred.

Finance income is expected to increase due to the interest on the €5.0m loan mentioned in section 1.4 of this Analysis which has taken place after reporting period. Inter alia a condition set by the loan is that Group cashflows will be made available to meet bond obligations.

TGS reported a loss in FY23 totalling €3.0m primarily attributed to challenges faced by its B2B segment due to regulatory changes and intensified competition. As a result, TGS remained constrained in identifying significant opportunities for advantageous investments in marketing initiatives to drive B2B sector growth.

Consequently, TGS temporarily halted investment activities and retained its cash reserves until more favorable prospects emerged within the B2B domain. Meanwhile, the Group actively explored strategic alternatives to counteract the downward trend, with a focus on enhancing revenue generation such as the re-acquisition of the Bethard brand and the merger with Cherry.

The acquisition of the Bethard Brand provides TGS with immediate access to revenues from newly acquired B2C assets, facilitated through its platform services. Additionally, the merger aims to capitalize on synergies and stimulate growth within the B2C online gaming sector, ultimately boosting TGS's revenue. This was achieved through turnkey fees generated from the provision of platform services to various entities within the newly formed Group.

2.1.1 Issuer's Variance Analysis

Income Statement	2023F	2023A	Variance
	€000s	€000s	€000s
Revenue	2,824	1,839	(985)
Cost of sales	(2,387)	(996)	1,391
Gross profit	**437**	**843**	**406**
Administrative expenses	(1,143)	(889)	254
Net impairment loss on financial and contract assets	-	42	42
EBITDA	**(706)**	**(4)**	**702**
Depreciation and amortisation	(2,582)	(2,663)	(81)
EBIT	**(3,288)**	**(2,667)**	**621**
Finance costs	(868)	(949)	(81)
Finance income	139	208	69
Lease interest expense	(16)	-	16
Other income	-	402	402
Profit / (loss) before tax	**(4,033)**	**(3,006)**	**1,027**
Taxation	-	6	6
Profit / (loss) tax	**(4,033)**	**(3,000)**	**1,033**

Actual revenue fell short of forecasts by €985k. Operating fees decreased due to the termination of Turnkey premium services provided to a Curacao licenced operator, resulting in lower revenues for seven months compared to projections.

Additionally, Turnkey Premium fees were impacted by the termination of services in May 2023, resulting in a shortfall of forecasted revenues for the remaining months. Markups on white labels in Curacao were also below expectations due to service terminations with EEG in February 2023, leading to ten months of reduced revenues. Markups on WL's were slightly lower than forecasted, attributed indirectly to lower gaming revenues generated by WL Operators beyond TGS's control.

Revenues from Intragroup Turnkey services charged on newly acquired assets were slightly lower than forecasted due to lower-than-expected revenues generated from the existing churned database at the time of acquisition.

Forecasted cost of sales included approximately €1.8m in WL Operator profits, which should not have been offset against the recharge of WL fees excluded from forecasted revenue in 2023. Moreover, platform costs for the year exceeded expectations due to overlapping developer fees resulting from the takeover of Serbia from the Sweden Tech team and prolonged termination of the Swedish Tech team.

Due to the inclusion of WL results rather than deducting them immediately from revenue the gross profit was €406k higher than what was anticipated.

The administrative expenses included a waiver of roughly €400k owed to Bethard Group which was not anticipated. This value does not deviate substantially from the forecast, except for higher legal costs incurred due to a legal dispute. The lease interest expense is included with the administrative expenses instead of an individual line item basis.

The depreciation and amortisation include a higher amortisation resulting from increased development that included the capitalisation of the settlement fee relation to the dispute settlement mentioned in section 1.3. Regardless of this it was in line with expectations. This is also the case for finance cost and finance income which did not deviate drastically.

The actual loss incurred was materially lower than that projected for the year mainly due to higher gross profit reported despite a negative variance in revenue.

2.2 Issuer's Statement of Financial Position

Statement of Financial Position as at 31 December	2021A	2022A	2023A	2024F
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Intangible assets	10,885	9,386	7,565	5,231
Right-of-use of assets	265	223	170	120
Property, plant and equipment	8	5	2	-
Loan receivable	-	-	1,800	7,004
Deferred tax asset	-	-	65	42
Total non-current assets	**11,158**	**9,614**	**9,602**	**12,397**
Current assets				
Trade and other receivables	9,921	4,291	5,152	5,020
Cash and cash equivalents	15,605	14,971	9,634	6,014
Total current assets	**25,526**	**19,262**	**14,786**	**11,034**
Total assets	**36,684**	**28,876**	**24,388**	**23,431**
Equity and liabilities				
Capital and reserves				
Share capital	20,580	20,580	20,580	20,580
Accumulated losses	(6,091)	(9,026)	(12,025)	(12,988)
Total equity	**14,489**	**11,554**	**8,555**	**7,592**
Non-current liabilities				
Borrowings	19,843	14,658	14,724	14,794
Deferred tax liability	-	-	59	47
Lease liabilities	141	187	135	90
Total non-current liabilities	**19,984**	**14,846**	**14,918**	**14,931**
Current liabilities				
Trade and other payables	2,079	2,428	863	863
Lease liabilities	132	48	52	45
Total current liabilities	**2,211**	**2,476**	915	908
Total liabilities	**22,195**	**17,322**	**15,833**	**15,839**
Total equity and liabilities	**36,684**	**28,876**	**24,388**	**23,431**

Ratio Analysis[2]	2021A	2022A	2023A	2024F
Financial Strength				
Gearing 1 (Net Debt / Net Debt and Total Equity)	23.7%	(0.7)%	38.2%	54.0%
Gearing 2 (Total Liabilities / Total Assets)	60.5%	60.0%	64.9%	67.6%
Net Debt / EBITDA	12.5x	(0.3)x	(1,319.3)x	4.0x
Current Ratio (Current Assets / Current Liabilities)	11.5x	7.8x	16.2x	12.1x
Interest Coverage (EBITDA / Cash interest paid)	0.4x	0.2x	(0.0)x	2.6x

The Issuers total assets in FY23 amounted to €24.4m with current assets comprising 61%. This encompasses a €9.6m cash balance, as well as €5.2m trade and other receivables of which €4.9m are related party receivables. While the trade and other receivables are not expected to change drastically due to being made up of intragroup transactions, the cash position is expected to decrease because of the €5.0m loan mentioned in section 1.4 provided to Cherry.

Additionally, non-current assets are made up of 31% intangible assets which is the iGaming Asset owned by the Issuer with a net book value of €7.6m following the €2.6m amortisation charge and €785k investment. This is expected to decrease by €2.3m due to development costs less

[2] Ratio Analysis may not agree to prior FASs, due to a change in the calculation methodology or due to rounding differences variance

amortisation. The rest of the non-current assets are the right-of use assets, property plant and equipment, loan receivable and a deferred tax asset, all of which make up 8% of the total assets. The biggest contributor of this is the loans receivable of €1.8m related to the loan extended by the Issuer to Gameday to be able to partially finance the repurchase of the Bethard Brand.

The equity base for TGS trended downwards in line with the accumulated losses whilst the share capital remained stable. This trend is expected to continue in FY24.

The issuers total liabilities amounted to €15.8m during FY23 with the main liabilities being the bonds issued to the public in 2019. The rest of the liabilities are the lease liability amounting to €135k, and trade and other payables amounting to €863k. The trade and other payables decreased substantially by €1.6m which is the main reason for the decrease in total liabilities during the year. The amounts owed to related parties, which is included in the trade and other payables, decreased entirely during the year which also contributed to this decrease.

The Issuers current assets cover the current liabilities by 16.2x in FY23 and is expected to decrease to 12.1x in FY24 which is a very healthy short-term liquidity position for TGS. Furthermore, the gearing level during the year amounted to 38.2%, showcasing adequate leverage management. Although this is projected to increase to 54.0%, it remains within acceptable boundaries.

2.3 Issuer's Statement of Cash Flows

Statement of Cash Flows for the year ended 31 December	2021A	2022A	2023A	2024F
	€000s	€000s	€000s	€000s
Cash flows from operating activities				
Operating profit / (loss) before working capital changes	362	591	(4)	2,736
Working capital movements	1,224	211	(1,526)	(407)
Interest paid	(871)	(871)	(871)	(871)
Net cash flows generated from / (used in) operating activities	**715**	**(69)**	**(2,401)**	**1,459**
Cash flows from investing activities				
Additions on intangible asset	15,552	-	-	-
Loan to related company	-	-	(1,800)	-
Movement in related party balances	-	-	(470)	-
Interest income on loan to related company	-	-	96	113
Interest income from treasury bills	-	-	96	177
Loans to related parties	-	-	-	41
Payments for the acquisition of intangible assets	(913)	(1,001)	(785)	(5,000)
Payments for additions to property, plant and equipment	-	-	-	(366)
Net cash flows generated from / (used in) investing activities	**14,639**	**(1,001)**	**(2,863)**	**(5,036)**
Cash flows from financing activities				
Principal elements of lease payments	(144)	(81)	(61)	-
Movement in related parties' balances	-	438	(64)	(63)
Movement in shareholder balances	-	72	-	-
Net cash flows generated from / (used in) financing activities	**(144)**	**429**	**(125)**	**(63)**
Movement in cash and cash equivalents	**15,210**	**(641)**	**(5,389)**	**(3,640)**
Cash and cash equivalents at start of year	536	15,605	14,972	9,634
Loss allowance on cash and cash equivalents	(141)	8	51	21
Cash and cash equivalents at end of year	**15,605**	**14,972**	**9,634**	**6,015**

Ratio Analysis[3]	2021A	2022A	2023A	2024F
Cash Flow	**000s**	**000s**	**000s**	**000s**
Free Cash Flow (Net cash from operations + interest - Capex)	€673	€(199)	€(2,315)	€(3,027)

In FY23, the Issuer used €4k in cash from operating activities before adjustments for working capital, mainly due to the lower revenue. Working capital shifts resulted in an outflow of €1.5m, attributable to the higher payables and lower receivables. The bond interest payments did not fluctuate and are not expected to change in FY24. The net cash flows used in operating activities during FY23 amounted to €2.4m however, with a higher operating profit and lower outflow of working capital movement, TGS is expected to generate €1.5m from operating activities.

The net cash flows used in investing activities amounted to €2.9m mainly due to the €1.8m loan mentioned in section 1.4 and the €785k additions to the Issuers intangible assets. The Issuer is expected to use €5.0m in investing activities during FY24, with this figure mainly representing the loan provided to Cherry by TGS mentioned in section 1.4.

TGS incurred €61k in lease payments and €64k for shareholder loan settlements, totalling to €125k used in financing activities during the year. Management expects to use €63k in financing activities during FY24, being the amount used in related parties' balance.

Overall during the year TGS have a negative cash movement of €5.4m however ended the year with a positive cash balance of €9.6m, after adding the allowance on the cash and cash equivalents. In FY24 the cash movement is expected to amount to an outflow of €3.6m.

[3] Ratio Analysis may not agree to prior FASs, due to a change in the calculation methodology or due to rounding differences variance

Part 3 Key Market and Competitor Data

3.1 General Market Conditions[4]

The gaming industry is in general divided into two main categories, namely the land-based gaming and the online gaming (also referred to as the iGaming) sectors.

The global gambling market in 2023 showcased significant growth, with a total gross win of approximately USD $536 billion, representing a year-on-year increase of 13.1% in headline terms and 6.4% when adjusted for inflation. The online sector experienced a robust increase of 12.8% in headline terms and 6.0% in real terms, reaching a record gross win of around $132 billion, maintaining its share of the total market at 24.6%.

Meanwhile, land-based gambling gross win increased by 13.3% in headline terms and 6.5% in real terms, reaching an expected record of approximately $404 billion. However, when adjusted for inflation, this growth translates to a real terms decrease of 16.8% over the past four years compared to pre-pandemic levels.

Looking ahead to 2024, H2 anticipates a slower overall growth rate of around 7.0%, outpacing inflation by approximately 1.8%, resulting in a total gross win of about $573 billion for the global gambling industry. Despite expectations for the online market's share to decline slightly to around 23.8%, it continued to outperform predictions in the first year following the reopening of land-based operations. The online sector has seen remarkable growth since 2020, doubling in size in headline terms and increasing by nearly 60% in real terms, even after accounting for inflation.

In terms of data dissemination and updates, H2 provided a total of 4,873 updates in their subscriber area in 2023, a significant increase of 45.7% compared to 2022. Going forward, they aim to continue updating their models in response to new data and relevant news flow, with documentation provided in their weekly newsletter, monthly industry comment reports, and through various market datasets. H2 plans to exceed 5,000 updates in the coming year, enhance their Plus Reports Tier, and improve user accessibility to their data offerings.

The European iGaming Market[5]

The Europe Online Gambling Market size is estimated to be USD $46 billion in 2024 and is expected to reach USD $58 billion by 2029, growing at a CAGR of 4.43% during the forecast period (2024-2029). The Europe online gambling and betting market is poised for significant growth in the near future, thanks to various key opportunities:

The rise in Internet usage across Europe is enabling more people to access online gambling and betting services. The widespread availability of smartphones and mobile devices has further fuelled this trend, allowing users to conveniently engage in gambling activities anytime, anywhere.

Many European countries have established favourable regulatory frameworks for online gambling, creating a secure and legally compliant environment for operators and players. These regulations have boosted consumer confidence and attracted international operators looking to expand their market presence.

The proliferation of smartphones and mobile devices has revolutionized the online gambling landscape. Mobile gaming has become increasingly popular, with the availability of user-friendly mobile apps and optimized websites making it easier for users to place bets on the go.

Ongoing technological advancements, such as live dealer games, virtual reality (VR), and augmented reality (AR), have enhanced the online gambling experience, attracting a wider audience and driving market growth.

Online gambling and betting are becoming more socially accepted and mainstream, leading to a growing popularity of sports betting, fantasy sports, and online casinos.

Online gambling operators are implementing effective marketing and advertising strategies to increase brand visibility, attract new players, and foster customer loyalty. Targeted campaigns, attractive promotions, and sponsorships are driving market expansion.

Multi-Licensing for Online Gambling in Europe[6]

A new analysis by the European Gaming and Betting Association (EGBA) concludes that 27 out of 31 European countries employ some form of multi-licensing for online gambling, with an overwhelming majority implementing a full multi-licensing approach.

In recent years, Europe has experienced a remarkable transformation in online gambling regulation. Just fifteen years ago, the landscape was vastly different. Most European countries lacked dedicated regulations for online gambling or operated under exclusive rights models where only state-owned entities had a monopoly on offering online gambling services.

[4] H2 Gambling Capital - Global Gambling Industry Generates $536bn in 2023 with H2 Expecting 7% Growth Expected in 2024

[5] Awisee iGaming Market Europe

[6] EGBA - Europe Is Well On Its Way Towards Full Multi-Licensing For Online Gambling

Fast forward to today, and the situation has evolved significantly. A new analysis by the EGBA concludes that the multi-licensing model has become the predominant regulatory approach in Europe. Under this model, multiple companies are permitted to offer online gambling services within a country, provided they comply with strict regulatory obligations.

Four countries currently do not have any form of multi-licensing. Finland, Iceland, and Norway maintain exclusive rights models, granting state-owned entities a monopoly over all online gambling services, while Luxembourg lacks dedicated regulations for online gambling.

Four countries have a mixed model with partial multi-licensing. Slovenia and Switzerland each have a monopoly for online sports betting, while Austria and Poland each have a monopoly for online casino gaming and poker, with multi-licensing for all other online gambling products.

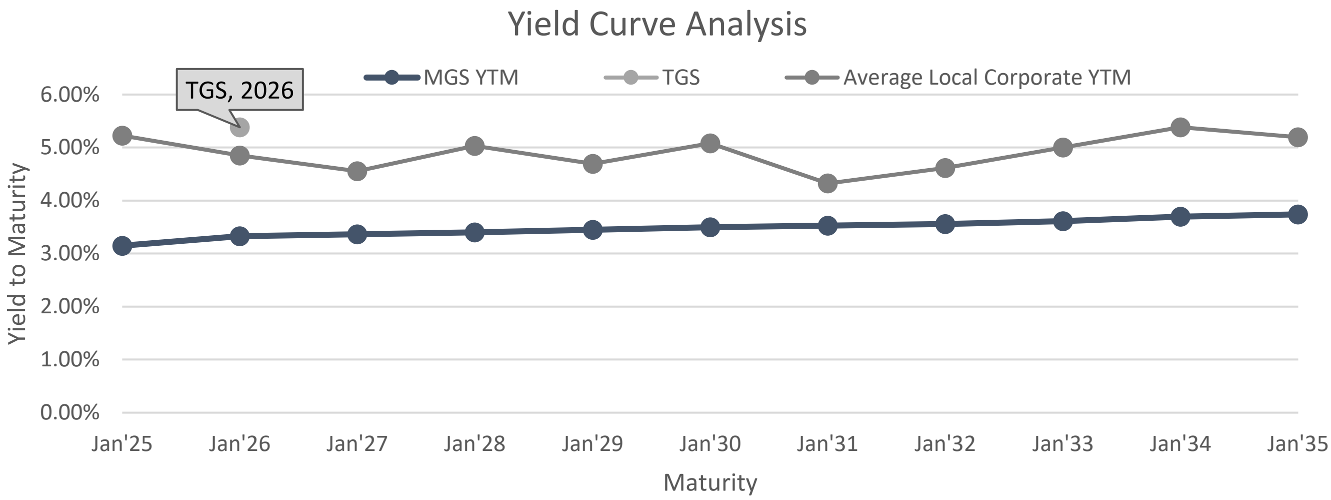
Cyprus (casino gaming and poker) and France (casino gaming) each impose product-specific prohibitions but both have multi-licensing for all other regulated online gambling products. Finland is currently undergoing legislative reforms, and is expected to establish a multi-licensing framework for online gambling in 2026.

3.1 Comparative analysis

The purpose of the table below compares the debt issuance of the Issuer to other debt instruments. Additionally, we believe that there is no direct comparable company related to the Issuer and as such we included a variety of issuers with different maturities. More importantly, we have included different issuers with similar maturity to the Issuer. One must note that given the material differences in profiles and industries, the risks associated with the Group’s business and that of other issuers is therefore different.

Security	Nom Value	Yield to Maturity	Interest coverage (EBITDA)	Total Assets	Total Equity	Total Liabilities / Total Assets	Net Debt / Net Debt and Total Equity	Net Debt / EBITDA	Current Ratio	Return on Common Equity	Net Margin	Revenue Growth (YoY)
	€000's	(%)	(times)	(€'millions)	(€'millions)	(%)	(%)	(times)	(times)	(%)	(%)	(%)
5.75% International Hotel Investments plc Unsecured € 2025	45,000	4.63%	1.7x	1,768.3	836.3	52.7%	42.1%	9.5x	1.0x	(1.4)%	(3.9)%	20.8%
5.1% 6PM Holdings plc Unsecured € 2025	13,000	6.93%	0.1x	0.0	(20.9)	N/a	35.0%	(172.5)x	(0.0)x	4.3%	0.0%	0.0%
4.5% Hili Properties plc Unsecured € 2025	37,000	4.10%	1.8x	255.6	127.1	50.3%	46.2%	9.0x	1.4x	5.1%	39.5%	32.8%
5.25% Central Business Centres plc Unsecured € 2025 S2T1	2,974	5.25%	1.1x	65.7	23.8	63.7%	59.2%	24.9x	0.7x	0.2%	2.2%	(1.8)%
4.5% MedservRegis plc Unsecured € 2026	21,982	5.13%	4.5x	145.2	58.1	60.0%	48.4%	3.1x	2.4x	3.4%	1.8%	10.4%
5.75% MedservRegis plc Unsecured USD 2026	9,148	9.06%	4.5x	145.2	58.1	60.0%	48.4%	3.1x	2.4x	3.4%	1.8%	10.4%
4.35% Hudson Malta plc Unsecured € 2026	12,000	4.63%	7.7x	78.3	12.9	83.6%	76.4%	8.1x	1.2x	0.9%	0.2%	8.9%
4.25% CPHCL Finance plc Unsecured € 2026	40,000	4.24%	1.6x	1,913.3	891.9	53.4%	42.3%	10.1x	1.1x	(1.3)%	(3.4%	20.9%
5.9% Together Gaming Solutions plc Unsec Call Bds €2024-2026	14,762	5.38%	(0.0)x	24.4	8.6	64.9%	38.2%	(1,119.3)x	16.2x	(29.8)%	(163.1)%	(10.4)%
4% MIDI plc Secured € 2026	50,000	4.24%	(0.5)x	236.3	74.7	68.4%	40.8%	(46.9)x	3.2x	(1.7)%	(37.3)%	19.2%
4% International Hotel Investments plc Secured € 2026	55,000	3.99%	1.7x	1,768.3	836.3	52.7%	42.1%	9.5x	1.0x	(1.4)%	(3.9)%	20.8%
3.9% Plaza Centres plc Unsecured € 2026	5,150	4.64%	7.2x	37.0	27.2	26.4%	14.6%	2.2x	1.2x	4.1%	35.9%	7.7%
4.8% Mediterranean Maritime Hub Finance plc Unsecured € 2026	15,000	4.79%	2.1x	40.6	2.0	95.2%	90.9%	8.2x	0.6x	(15.1)%	(1.6)%	18.5%
3.75% Premier Capital plc Unsecured € 2026	65,000	3.98%	20.4x	425.1	103.0	75.8%	65.1%	2.3x	0.8x	40.0%	6.3)%	21.0%
4% International Hotel Investments plc Unsecured € 2026	60,000	4.84%	1.7x	1,768.3	836.3	52.7%	42.1%	9.5x	1.0x	(1.4)%	(3.9)%	20.8%
3.25% AX Group plc Unsec Bds 2026 Series I	15,000	3.45%	1.8x	474.0	243.5	48.6%	39.4%	20.9x	0.9x	(1.6)%	(7.7)%	30.3%
3.9% Gap Group plc Secured € 2024-2026	16,702	3.89%	36.6x	98.6	36.1	63.4%	54.8%	3.4x	2.3x	31.1%	22.7%	45.0%
	Average	4.86%										

Source: Latest available audited financial statements.
Last price as at 31/06/2024
**Average figures do not capture the financial analysis of the Issuer*



The above graph illustrates the average yearly yield of all local issuers as well as the corresponding yield of MGSs (Y-axis) vs the maturity of both the Issuer and MGSs (X-axis), in their respective maturity bucket, to which the spread premiums can be noted. The graph illustrates on a stand-alone basis, the Issuer's existing yields of its outstanding bonds.

As of 31 May 2024, the average spread over the Malta Government Stocks (MGS) for corporates with a maturity range of 1 and 2 (2025-2026) years was 158 basis points. The 5.9% TGS Finance PLC Bonds 2026 are currently trading at a YTM of 538 basis points, meaning a spread of 205 basis points over the equivalent MGS. This represents a premium of 47 basis points in comparison to the market.

Part 4 Glossary and Definitions

Income Statement	
Revenue	Total revenue generated by the Group/Company from its principal business activities during the financial year.
Costs	Costs are expenses incurred by the Group/Company in the production of its revenue.
EBITDA	EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortisation. It reflects the Group's/Company's earnings purely from operations.
EBIT (Operating Profit)	EBIT is an abbreviation for earnings before interest and tax.
Depreciation and Amortisation	An accounting charge to compensate for the decrease in the monetary value of an asset over time and the eventual cost to replace the asset once fully depreciated.
Net Finance Costs	The interest accrued on debt obligations less any interest earned on cash bank balances and from intra-group companies on any loan advances.
Profit After Taxation	The profit made by the Group/Company during the financial year net of any income taxes incurred.

Profitability Ratios	
Growth in Revenue (YoY)	This represents the growth in revenue when compared with previous financial year.
Gross Profit Margin	Gross profit as a percentage of total revenue.
EBITDA Margin	EBITDA as a percentage of total revenue.
Operating (EBIT) Margin	Operating margin is the EBIT as a percentage of total revenue.
Net Margin	Net income expressed as a percentage of total revenue.
Return on Common Equity	Return on common equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing the net income by the average common equity (average equity of two years financial performance).
Return on Assets	Return on assets (ROA) is computed by dividing net income by average total assets (average assets of two years financial performance).

Cash Flow Statement	
Cash Flow from Operating Activities (CFO)	Cash generated from the principal revenue producing activities of the Group/Company less any interest incurred on debt.
Cash Flow from Investing Activities	Cash generated from the activities dealing with the acquisition and disposal of long-term assets and other investments of the Group/Company.
Cash Flow from Financing Activities	Cash generated from the activities that result in change in share capital and borrowings of the Group/Company.
Capex	Represents the capital expenditure incurred by the Group/Company in a financial year.
Free Cash Flows (FCF)	The amount of cash the Group/Company has after it has met its financial obligations. It is calculated by taking Cash Flow from Operating Activities less the Capex of the same financial year.

Balance Sheet	
Total Assets	What the Group/Company owns which can de further classified into Non-Current Assets and Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within the forthcoming accounting year
Current Assets	Assets which are realisable within one year from the statement of financial position date.
Inventory	Inventory is the term for the goods available for sale and raw materials used to produce goods available for sale.

Cash and Cash Equivalents	Cash and cash equivalents are Group/Company assets that are either cash or can be converted into cash immediately.
Total Equity	Total Equity is calculated as total assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves.
Total Liabilities	What the Group/Company owes which can de further classified into Non-Current Liabilities and Current Liabilities.
Non-Current Liabilities	Obligations which are due after more than one financial year.
Current Liabilities	Obligations which are due within one financial year.
Total Debt	All interest-bearing debt obligations inclusive of long and short-term debt.
Net Debt	Total debt of a Group/Company less any cash and cash equivalents.

Financial Strength Ratios	
Current Ratio	The Current ratio (also known as the Liquidity Ratio) is a financial ratio that measures whether or not a company has enough resources to pay its debts over the next 12 months. It compares current assets to current liabilities.
Quick Ratio (Acid Test Ratio)	The quick ratio measures a Group's/Company's ability to meet its short-term obligations with its most liquid assets. It compares current assets (less inventory) to current liabilities.
Interest Coverage Ratio	The interest coverage ratio is calculated by dividing EBITDA of one period by cash interest paid of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt used to finance total assets.
Gearing Ratio Level 1	Is calculated by dividing Net Debt by Net Debt and Total Equity.
Gearing Ratio Level 2	Is calculated by dividing Total Liabilities by Total Assets.
Gearing Ratio Level 3	Is calculated by dividing Net Debt by Total Equity.
Net Debt / EBITDA	The Net Debt / EBITDA ratio measures the ability of the Group/Company to refinance its debt by looking at the EBITDA.

Other Definitions	
Yield to Maturity (YTM)	YTM is the rate of return expected on a bond which is held till maturity. It is essentially the internal rate of return on a bond and it equates the present value of bond future cash flows to its current market price.

Calamatta Cuschieri

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