Interim Report Jan-Sept 2020 | Q3

JULY-SEPT 2020 (COMPARED WITH JULY-SEPT 2019)

- Revenues totaled EUR 6.33 (4.16) million, an increase of 52%, all of which was organic growth.
- Adjusted EBITDA excluding non-recurring costs totaled EUR 3.30 (0.61) million, corresponding to an adjusted EBITDA margin of 52 (15)%
- EBITDA totaled EUR 3.31 (0.47) million, corresponding to an EBITDA margin of 52 (11)%
- Net cash generated from operating activities was EUR 3.47 (0.88) million
- New Depositing Customers (NDCs) totaled 28,108 (18,411), an increase of 53%

JAN-SEPT 2020 (COMPARED WITH JAN-SEPT 2019)

- Revenues totaled EUR 15.79 (13.83) million, an increase of 14%, all of which was organic growth.
- Adjusted EBITDA excluding non-recurring costs totaled EUR 7.29 (3.37) million, corresponding to an adjusted EBITDA margin of 46 (24)%
- EBITDA totaled EUR 7.01 (3.16) million, corresponding to an EBITDA margin of 44 (23)%
- Net cash generated from operating activities was EUR 6.45 (3.55) million
- New Depositing Customers (NDCs) totaled 69,190 (65,163), an increase of 6%

SIGNIFICANT EVENTS DURING THE THIRD QUARTER 2020

- **Launch of SlotSource.com on the US market**| Gambling.com Group launched SlotSource.com in regulated US states to empower American online slot players.
- **Sweden deposit and bonus limitations**| The Swedish government temporarily introduced deposit and bonus limitations for gambling operators from July 2 to December 31, 2020.
- **Responsible Gambling Resources**| New extensive problem gambling resources were added to Gambling.com as part of a new Responsible Gambling Center.
- **Illinois Approval** | The Group received approval from the Illinois Department of Business Services to provide marketing services to licensed gaming operators in the state.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- **EGM** | An Extraordinary General Meeting was held on October 22, 2020. Directors' remuneration and the issuance of options, warrants, and stock under the 2020 Stock Incentive Plan was approved.
- **Local Gambling regulation in Germany** | The Minister-Presidents of Germany's 16 federal states ratified the new regulatory framework for gambling due to come into force in July 2021. A transition period became effective on October 15, 2020.

CEO COMMENTS

Operational results
The Group delivered another record performance in Q3.

Quarterly revenue grew 52% year on year and 11% sequentially against Q2. Growth was entirely organic and derived exclusively from earned revenue sources. EBITDA quadrupled year on year and grew 5% against Q2.

We continued to see the fruits of our significant investments over the past several years in product and technology with improved performance across virtually every KPI.

Strategic focus
Our technology platforms that went live earlier in the year have significantly improved both commercial metrics across our sites and operational efficiencies. As a result, we are now in a position to scale investment in product and marketing with a particular focus on the fast-growing US markets and the expansion of our sports offering.

The organization has proven that it is capable of delivering outstanding results while working remotely. This gives us the confidence to increase the pace of hiring even while adhering to restrictive public health measures.

New Hires
We have increased the pace of hiring during the third quarter welcoming 17 new employees and we intend to continue scaling and strengthening the organization in the fourth quarter and throughout next year. As a result of expanding OPEX we expect to see some downward pressure on operating margins from today's exceptionally high levels.

Covid-19
Despite more normalized living conditions, such as fewer lockdowns in our main markets, we continued to deliver strong growth. We therefore conclude that we are in the midst of a secular acceleration in the adoption of online gambling, at the expense of offline, rather than a temporary demand spike. We can also point to a number of company specific initiatives which have come together at the right time to help the business take maximum advantage of the market tailwinds.

With another round of heavier Covid-19 related restrictions likely in the fourth quarter, we expect to continue to see strong casino demand as online takes additional market share from offline. Apart from managing an irregular sporting schedule, we expect to continue to see sports revenue continue to normalize even if it will take some time.

American online gambling development
The positive momentum towards regulation of online gambling in the US has continued behind the scenes but COVID-19 has restricted states' legislative calendars, undermining the ability of gambling champions to advance their bills. States will continue to regulate with increased pace in the next year as schedules normalize. The market is still in its infancy and very significant growth is expected over the coming years both from already regulated and from newly regulated states.

The Group has offices in Charlotte and Tampa and is currently authorized to do business in New Jersey, Pennsylvania, West Virginia, Indiana, Colorado and Illinois and pursues licensure or awaits imminent regulation in Michigan, Tennessee, Iowa, and Virginia.

Outlook
We have seen exceptional organic growth over the last two quarters and exited Q3 with our strongest momentum yet. I am confident our increasingly robust technical and product foundation will enable us to continue to deliver market-leading organic growth over the coming months and years.

Charles Gillespie
Chief Executive

CONSOLIDATED KEY RATIOS

	July- Sept 2020	July-Sept 2019	**Jan–Sept 2020**	Jan–Sept 2019	Jan–Dec 2019
Financial measures defined by IFRS					
Operating Revenue (EUR'000)	**6,334**	4,163	**15,791**	13,828	17,264
Operating Profit (EUR'000)	**3,223**	337	**6,706**	2,701	2,378
Operating Profit margin (%)	**51%**	8%	**42%**	20%	14%
Adjusted Operating Profit (EUR'000)	**3,211**	481	**6,983**	2,903	2,887
Adjusted Operating Profit margin (%)	**51%**	12%	**44%**	21%	17%
Alternative performance measures					
Adjusted EBITDA (EUR'000)	**3,301**	611	**7,291**	3,365	3,573
Adjusted EBITDA margin (%)	**52%**	15%	**46%**	24%	21%
EBITDA (EUR'000)	**3,313**	467	**7,014**	3,163	3,064
EBITDA margin (%)	**52%**	11%	**44%**	23%	18%
NDCs	**28,108**	18,411	**69,190**	65,163	78,781
Total assets (EUR '000)	**41,174**	33,284	**41,174**	33,284	37,533
NIBD / TTM Adjusted EBITDA	**0.3**	2.7	**0.3**	2.7	2.6
Average number of employees	**104**	120	**102**	112	115

Some financial measures presented in this interim report are not defined by IFRS. Such measures may provide valuable additional information to investors and management for evaluating the performance and position of the Group. These measures are defined on the last page of this report and may not necessarily be comparable to similarly titled measures of other companies and should not be considered substitutes to financial reporting measures prepared in accordance with IFRS.

FINANCIAL REVIEW

Revenues | Revenues in the third quarter totaled EUR 6.33 (4.16) million an increase of 52% compared to the corresponding period in the previous year. Earned revenues (from organic traffic sources) amounted to EUR 6.30 million, an increase of 56%. Paid revenues (from paid traffic sources) amounted to EUR 0.03 million in the third quarter, a decrease of 75% and comprised of legacy payments only. Paid traffic remained paused.

Cumulative revenues for the first nine months totaled EUR 15.79 (13.83) million, an increase of 14% compared to the corresponding period in the previous year. Earned revenues (from organic traffic sources) amounted to EUR 15.55 million, an increase of 22%. Paid revenues (from paid traffic sources) amounted to EUR 0.24 million, a decrease of 78%. Paid traffic was phased out during the first quarter.

Revenues derived from locally regulated markets amounted to 68% in the third quarter and 69% in the first nine months.

Expenses | Total operating expenses for the third quarter amounted to EUR 3.11 (3.83) million, a decrease of 19% compared to the corresponding period in the previous year. Cumulatively for the first nine months total operating expenses amounted to EUR 9.09 (11.13) million.

Direct costs related to paid revenue amounted to EUR nil (0.14) million in the third quarter and EUR 0.27 (1.02) million for the first nine months as paid traffic was phased out in the first quarter and remained paused up till reporting date. Gross margins were 100 (97)% for the third quarter and 98 (93)% for the first nine months.

Personnel expenses increased 1% in the third quarter and 8% in the first nine months compared to the corresponding periods of the previous year. In the first quarter the Group completed some major technology projects and re-focused on fewer initiatives that significantly improved efficiencies and enabled the Group to reduce headcount by 15% in the second quarter. In the third quarter the Group re-started hiring and filled 17 positions. The Group has continued to invest in product, technology, and marketing capabilities with a particular focus on North American markets.

Other operating expenses for the third quarter decreased 29% compared to the corresponding period in the previous year primarily as a result of the Group having gradually moved key marketing and content functions that had previously been outsourced in-house during H2 2019 and H1 2020. Cumulatively for the first nine months other operating expenses decreased 41%.

As a result of some teams having been re-structured and certain contracts terminated in the first and second quarters, the Group incurred non-recurring restructuring expenses of EUR 0.22 million for the first nine months. Other non-recurring costs related to costs incurred in connection with the equity investment the Group received in the first quarter.

Financial items for the first nine months consisted of interest expenses deriving from the 2021 Bond, deemed interest derived from long-term lease liabilities (being a result of IFRS 16 application), currency revaluations, share options transactions, gains from 2021 Bond open market repurchases, and movements in fair value of the 2021 Bond. Fair value movements are based on the directors' assessment of the probability of redemption scenarios for the Bond.

Tax charges amounted to EUR 0.33 (tax credit 0.02) million in the third quarter and EUR 0.77 (0.07) million for the first nine months, out of which deferred tax charges amounted to EUR 0.04 (0.01) million in the third quarter and EUR 0.07 (0.02) million for the first nine months. Deferred taxes relate to tax amortization of intangible assets and would only become due upon the divestment of such intangible assets.

Earnings | Adjusted EBITDA (excluding non-recurring costs) for the third quarter totaled EUR 3.30 (0.61) million, an increase of 441% compared to the corresponding period in the previous year resulting in an adjusted EBITDA margin of 52 (15)%. EBITDA (including non-recurring costs) totaled EUR 3.31 (0.47) million an increase of 609% compared to the corresponding period in the previous year resulting in an EBITDA margin of 52 (11)%.

Adjusted EBITDA (excluding non-recurring costs) for the first nine months totaled EUR 7.29 (3.37) million, an increase of 117% compared to the corresponding period in the previous year resulting in an adjusted EBITDA margin of 46 (24)%. EBITDA (including non-recurring costs) totaled EUR 7.01 (3.16) million, an increase of 122% compared to the corresponding period in the previous year resulting in an EBITDA margin of 44 (23)%.

Investments | The Group did not invest in intangible assets during the first nine months (EUR 1.33 million).

The Group made investments of EUR 0.05 (EUR 0.06) million in fixed property in the third quarter. Investments for the first nine months amounted to EUR 0.06 (0.16) million and related to office equipment and software licenses.

Funding | As at 30 September 2020 the Group was funded primarily through equity and the 2021 Bond.

As at quarter end the Bonds nominal balance amounted to EUR 11.70 million (after netting off bonds held by the Group in treasury), carried interest at 10.5% p.a. and had maturity date in October 2021. The Bond has early redemption rights embedded from April 2020 until maturity (full terms set out in the 2021 Bond prospectus). During the first nine months the Group conducted open market bond purchases with a nominal value of EUR 4.3 million. The purchased bonds are held in treasury.

As at quarter end the Bond balance exceeded the nominal value and accrued interest by EUR 0.26 million included within Borrowings; this represents the fair value as of the period end of the embedded option of early redemption of the Bond.

As at quarter end the Group had an unsecured loan balance with a nominal amount EUR 0.16 million. The loan is repayable monthly from March 2021 to May 2022 and carries interest at 1% p.a.

During the first nine months the Group received an equity investment of USD 0.5 million from a new investor and EUR 0.1 million from share options exercised by directors.

Liquidity and Cashflow | Cash and cash equivalents amounted to EUR 9.24 (1.43) million at the end of the reporting period. Liquidity is primarily deposited in accounts with European and American banks. The Group had positive cashflow and strong cash conversion from operating activities. Cashflow from operating activities before changes in working capital amounted to EUR 3.13 (0.78) million in the third quarter and EUR 7.11 (3.51) million for the first nine months.

Investing activities in the first nine months were minimal; funds were used for office equipment purchases.

Cashflow used in financing activities in the first nine months related to open market purchases of 2021 Bonds, scheduled interest payments, share options settlements, proceeds from new equity issued and loan received. Cashflow from financing activities for the comparative period comprised of settlements made on behalf of 2019 Noteholders, scheduled interest payments, and proceeds received from sale of treasury bonds. Rent payments for long term leases are presented as a part of financing cashflows as a result of changes in IFRS requirements as at 1 January 2019.

OTHER

Employees | The average number of employees in the Group amounted to 104 (120) in the third quarter and 102 (112) in the first nine months. The number of employees at the end of the third quarter amounted to 102 (120) and the total full-time workforce (including consultants) was 112 (127).

Parent company | The ultimate parent company is Gambling.com Group Plc (the "Company") incorporated in Malta for the purpose of managing investments in subsidiaries, obtaining financing from third parties on behalf of the Group and coordinating financing amongst its subsidiaries. During the first nine months no dividends were received from subsidiaries.

Share capital | As of September 30th , 2020, the share capital of the Company amounted to EUR 55,118 divided into 27,570,812 ordinary shares including shares paid for but not yet issued. The shares are not publicly traded.

Share options | The Company did not issue share options in the first nine months (0.10 million) to management and directors of the Group. During the first nine months share options granted to directors were partly exercised by the holders and the Company re-purchased options from management and directors related to 0.14 million shares. Maximum dilution from total issued share options is approximately 7% of share capital.

Essential risks and uncertainty factors | The Group's primary operational risks are its reliance on search engine rankings to maintain and improve its traffic acquisition abilities. It is possible that search engines including Google, and Bing could adopt strategies that could negatively impact the Group's traffic acquisition. The Group has adopted a conservative and long-term approach to search engine optimization based on best practice.

The Group is also subject to compliance risks in the form of changes to, or introduction of, new or updated regulatory frameworks for its clients (operators). Regulation of a market could present both risks and opportunities and the Group has a positive general view on regulation. The vast majority of the Group's revenue is derived from locally regulated markets.

Other essential business risks consist of the ability to retain customers and employees, the general macro environment, strategic, operational and financial risks. For more detailed information about essential risks and risk management, please refer to the annual report for 2019 (Note 2) and the 2021 Bond prospectus (Paragraph 1).

COVID-19 | The COVID-19 pandemic adversely impacts the global economy and is likely to lead to a global recession. The online gambling industry which the Group services is affected by externalities such as the COVID-19 pandemic both directly in terms of disruptions to revenue generating activities and indirectly as a result of effects to the general economy and financial markets. It remains difficult to ascertain and quantitatively assess the impact of COVID-19 to the Group.

As a result of most major sports events having been postponed or cancelled from the second half of March 2020 until the beginning of June 2020 the Group's revenue from sport betting marketing for the respective period was directly and significantly affected. Revenue from sports betting marketing grew significantly in the third quarter compared to the second quarter, after some restriction measures were lifted. Revenue from casino or other non-sports betting gambling marketing also continued to grow in the third quarter compared to the second quarter despite lockdowns being lifted.

Although the Group has seen very strong trading over the last two quarters, it is possible that the impact from COVID-19 on the general economy could have longer term negative effects on the demand for the Groups services as a result of changes in buying behavior and disposable income of its site users. In the event that the Group's assets would be negatively affected by reduced earnings in a significant way, impairment needs could materialize. Should credit quality deteriorate for the Group's debtors or bankers, a need for increased loss provisions could materialize. Based on currently available information the Group does not expect a significant negative long-term impact on its business. The Group and its client's online business models benefit from an accelerated structural change from offline to online.

Whereas the Group had very strong cash-generation in the second and third quarters, and debt capital markets have recovered, it is possible that direct and indirect COVID-19 effects could also impact the Group's future re-financing activities which are affected by market sentiment. The 2021 Bond matures in October 2021. As per quarter end net interest bearing debt amounted to EUR 2.63 million. The Group remains confident in its ability to refinance and therefore prepares financial statements on a going concern basis.

Changes in Legislation | In the US the Group is authorized to operate in New Jersey, Pennsylvania, West Virginia, Indiana, Colorado and Illinois and pursues licensure in Michigan, Tennessee, Iowa and Virginia. The Group expects the Michigan market to be viable in the first half of 2021, and Iowa and Illinois in the second half of 2021. Tennessee launched sports betting on November 1st, 2020. In New Jersey, Pennsylvania, West Virginia and Michigan both casino and sports betting are offered. In Colorado, Iowa, and Illinois sports betting will be offered. The Group retains a positive outlook on continuous US state regulation of online betting and gambling in the coming years and expects the US market to eventually grow into the largest online gambling market in the world.

The UK Gambling Commission has confirmed it is evaluating the introduction of online stake limitations and has implemented a ban on credit card transactions (this does not exclude the use of other card payments such as debit cards). The Group anticipates that stake limitations would, if implemented, have a detrimental effect on the regulated industry including for performance marketers whilst the ban on credit cards is having only a limited negative impact. In the absence of detrimental regulatory changes, the Group expects the UK market to remain the most important regulated online gambling market in the world until eventually being overtaken by the US market.

The UK Gambling Commission has been very active in enforcing marketing regulations with hefty penalties having been levied on operators for non-compliance. Some of the non-compliant activities related to marketing have been linked to affiliates and, as a result, many UK-facing operators have reviewed their marketing partnerships. The Group looks favorably on the increased compliance focus, has not been involved in such non-compliant activities, and retains strong long-term relationships with the major UK operators.

The Swedish government temporarily introduced deposit and bonus limitations for gambling operators from July 2 to December 31, 2020. After the reporting period the Swedish government has been proposed to extend the measures until June 30, 2021. The Group anticipates that such limitations will negatively affect player values in the Swedish regulated industry that the Group services and will lead to unregulated operators increasing their share of Swedish gamblers.

In Germany, the State Treaty on Gambling 2021 was ratified. The treaty introduces local regulation of online poker, virtual slots and online casino games and extend sports betting and lottery regulation from July 1, 2021. Licensees will be subject to detailed restrictions including to game types and functionality, deposit limits, and marketing restrictions and the enforcement of non-licensed gambling will be strengthened. A transitional regime was implemented as of October 15, 2020. The Group has a positive view on local regulation but anticipates that the limitations will negatively affect player values for regulated operators and will lead to a lower channelization of players to regulated operators than would otherwise be the case.

Auditors review | This interim report has not been reviewed by the Group's auditors.

The Board of Directors and the CEO affirm that this interim report provides an accurate overview of the operations, financial position, and performance of the Group and the Company, and describes the significant risks and uncertainties faced by the companies in the Group.

November 19th, 2020

Charles Gillespie
On behalf of the board of directors

UPCOMING DATES

- **26 February 2021 |** 2020 Year End Report

ABOUT GAMBLING.COM GROUP PLC

Gambling.com Group Plc ("the Group") is a multi-award-winning provider of digital marketing services to the global online gaming industry. Founded in 2006, the Group has a workforce of above 100 and operates from offices in Malta, Dublin, Charlotte, and Tampa.

The Group publishes information portals that offer comparisons and reviews of regulated online gambling websites around the world. Players use these resources to select which online gambling operators they should trust to offer a safe and honest online gambling experience. The Group's publishing assets include the leading gambling industry portal, Gambling.com® as well as Bookies.com and the CasinoSource℠ series of portals, among many others.

STATEMENT OF COMPREHENSIVE INCOME – GROUP

	July- Sept 2020	July-Sept 2019	Jan-Sept 2020	Jan-Sept 2019	Jan-Dec 2019
Revenues	6,334	4,163	15,791	13,828	17,264
Total revenue	**6,334**	4,163	**15,791**	13,828	17,264
Direct costs related to paid revenue	–	(141)	(265)	(1,024)	(1,374)
Personnel expenses	(2,082)	(2,062)	(5,926)	(5,503)	(7,401)
Depreciation and amortization	(90)	(130)	(308)	(461)	(686)
Non-recurring costs related to financing and investing	12	(144)	(53)	(202)	(289)
Non-recurring costs related to restructuring	–	--	(224)	--	(220)
Other operating expenses	(951)	(1,349)	(2,309)	(3,937)	(4,916)
Operating profit, EBIT	**3,223**	337	**6,706**	2,701	2,378
Interest payable on borrowings	(308)	(420)	(1,035)	(1,361)	(1,794)
Other (losses) gains on financial liability at fair value through profit and loss	261	—	2,057	(50)	(50)
Finance income	106	45	404	92	125
Finance costs	(162)	(41)	(520)	(209)	(296)
Profit (loss) before tax, EBT	**3,120**	(79)	**7,612**	1,173	363
Income tax charge	(283)	27	(698)	(48)	(273)
Deferred tax charge	(44)	(5)	(68)	(21)	(670)
Total tax charge (credit)	(327)	22	(766)	(69)	(943)
Total comprehensive profit (loss) for the period	**2,793**	(57)	**6,846**	1,104	(580)

All amounts are presented in EUR '000 unless stated otherwise

STATEMENT OF FINANCIAL POSITION – GROUP

	Sept 30 2020	June 30 2020	Dec 31 2019
ASSETS			
Non-current assets			
Intangible assets	**27,011**	27,011	27,061
Property and equipment	**458**	444	490
Right-to-use asset	**1,587**	1,642	1,751
Total non-current assets	**29,056**	28,097	27,302
Current assets			
Trade and other receivables	**2,882**	2,835	1,993
Cash and cash equivalents	**9,236**	6,033	6,238
Total current assets	**12,118**	8,868	8,231
TOTAL ASSETS	**41,174**	37,965	37,533
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	**55**	55	55
Capital reserve	**15,391**	15,391	14,817
Share option reserve	**126**	127	129
Translation reserve	**(59)**	--	--
Retained earnings	**8,457**	5,664	1,611
Total equity attributable to the equity holders of the parent	**23,970**	21,237	16,612
Non-current liabilities			
Borrowings	**12,051**	12,336	16,951
Lease liability	**1,383**	1,423	1,503
Deferred tax liability	**608**	564	540
Total non-current liabilities	**14,042**	14,323	18,994
Current liabilities			
Trade and other payables	**1,464**	1,116	1,005
Borrowings and accrued interest	**628**	304	352
Lease liability	**316**	316	316
Current tax liability	**754**	669	254
Total current liabilities	**3,162**	2,405	1,927
TOTAL LIABILITIES	**17,204**	16,728	20,921
TOTAL EQUITY AND LIABILITIES	**41,174**	37,965	37,533

All amounts are presented in EUR '000 unless stated otherwise

STATEMENT OF CHANGES IN EQUITY – GROUP

	July-Sept 2020	July-Sept 2019	Jan-Sept 2020	Jan-Sept 2019	Jan– Dec 2019
Balance at beginning of period	**21,237**	12,105	**16,612**	10,927	10,927
Comprehensive income					
Profit (Loss) for the period	**2,793**	(57)	**6,846**	1,104	(580)
Transactions with owners					
Movements in share options' reserve	**(1)**	—	**(3)**	17	17
Movements in other reserves	**(59)**	—	**515**	—	6,248
Balance at the end of the period	**23,970**	12,048	**23,970**	12,048	16,612

All amounts are presented in EUR '000 unless stated otherwise

STATEMENT OF CASH FLOWS – GROUP

	July-Sept 2020	July-Sept 2019	Jan-Sept 2020	Jan-Sept 2019	Jan– Dec 2019
Cash flows from operating activities					
Operating profit	**3,223**	337	**6,706**	2,701	2,378
Transaction costs related to financing activities	**—**	145	**72**	145	289
Adjustments for non-cash items:					
Depreciation and amortization	**90**	130	**308**	461	686
Movements in impairment allowance	**14**	182	**222**	267	262
Income tax paid	**(198)**	(12)	**(198)**	(63)	(83)
Cash-flows from operating activities before changes in working capital	**3,129**	782	**7,110**	3,511	3,532
Changes in working capital					
Trade and other receivables	**(80)**	198	**(1,179)**	292	459
Trade and other payables	**417**	(103)	**514**	(257)	(246)
Net cash generated from operating activities	**3,466**	877	**6,445**	3,546	3,745
Investing activities					
Acquisition of property, plant and equipment	**(52)**	(59)	**(62)**	(159)	(209)
Acquisition of intangible assets	**—**	(1,332)	**—**	(1,332)	(1,332)
Cash-flows used in investing activities	**(52)**	(1,391)	**(62)**	(1,491)	(1,541)
Financing activities					
Issue of share capital	**—**	—	**563**	—	6,248
Proceeds from issuance of financing instruments	**—**	—	**162**	500	500
Repayment of promissory notes	**—**	—	**(3,123)**	(3,505)	(4,005)
Interest paid	**—**	—	**(614)**	(1,167)	(2,006)
Interest received	**—**	21	**—**	21	21
Options settled	**—**	---	**(116)**	---	---
Payment of lease	**(81)**	(79)	**(243)**	(238)	(316)
Transaction costs paid on financing raised	**—**	(145)	**(72)**	(145)	(289)
Cash-flow (used in) generated from financing activities	**(81)**	(203)	**(3,443)**	(4,534)	153
Net cash-flows for the period	**3,333**	(717)	**2,940**	(2,479)	2,357
Cash and cash equivalents at the beginning of the period	**6,033**	2,148	**6,238**	3,881	3,881
Bank revaluation	**(130)**	2	**58**	31	—
Cash and cash equivalents at the end of the period	**9,236**	1,433	**9,236**	1,433	6,238

All amounts are presented in EUR '000 unless stated otherwise

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Note 1 Accounting policies and disclosures

The Group's interim report is prepared in accordance with IAS 34 Interim Reporting and, for the Parent Company, RFR 2. In all other respects, the accounting policies applied correspond with that stated in the annual report for 2019. Disclosures pursuant to Paragraph 16A of IAS 34 appear in the financial statements and their accompanying notes, and in other parts of this interim report.

The Group's directors assessed new standards, amendments and interpretations that became effective for the periods starting 1 January 2020 and are of the opinion that there are no requirements that have a possible significant impact on these interim Group's financial statements.

For a complete account of the important estimates and assessments affecting the Group, refer to the 2019 Annual report according to IFRS.

Note 2 Related party transactions

All companies forming part of Gambling.com Group Plc, the shareholders and other companies controlled or significantly influenced by the shareholders are considered by the directors to be related parties. As at 30 September 2020, Gambling.com Group Plc had no ultimate controlling party.

Remuneration paid to related parties amounted to EUR 129 (123) in the third quarter, and EUR 370 (368) for the first nine months.

Note 3 Segment

Gambling.com Group's operations and management is organized by one business segment, gambling affiliation.

Note 4 Intangible Assets

In the normal course of the business, the Group's acquisitions comprise of domains, websites, and player databases. The consideration paid for player databases is determined by reference to the historical average revenue per active player for the portfolio of acquired players over the expected player life. The residual value is allocated to domains and websites. Player databases are amortized over the average expected player life of the portfolio of players. Domains and websites are attributed an indefinite useful life and are therefore not amortized but tested for impairment annually.

The Group did not purchase any intangible assets during the first nine months 2020.

Note 5 Borrowings

As at 30 September 2020 the borrowings' balance of the Group was represented by the 2021 Bond and an unsecured bank loan.

The 2021 Bond is a senior secured fixed rate bond listed on Nasdaq Stockholm with and aggregate net nominal balance of EUR 11,700 (after netting EUR 4,300 held in treasury) carrying interest at 10.5% p.a. due for payment semi-annually. The bond is due for repayment on the earlier of either October 22, 2021, a default event, or a change in control event. The bond has an embedded option for early redemption between April 2020 and maturity (full terms set out in the 2021 Bond prospectus). In the first quarter 2020 the Group conducted open market purchases of the 2021 Bond with nominal value of EUR 4,300.

The 2021 Bond is carried at fair value based on an event probability basis. The significant inputs are the values associated with each of the potential redemption scenarios and the probability associated with each scenario. Included in the valuation are significant unobservable estimates that have been used to derive the fair value. The directors' assessment as at the reporting date of the probability of each such scenarios results in the movement in fair value.

The unsecured bank loan of EUR 160 was received in the second quarter. The loan is unsecured, repayable in monthly installments from March 2021 to May 2022, and bears interest at 1% p.a.

All amounts are presented in EUR '000 unless stated otherwise

Note 6 Leases

In the third quarter the Group settled EUR 81 (79) of lease payments out of which EUR 38 (41) was finance lease interest for the period while EUR 43 (38) offset finance lease liability balance. Amortization charge for the third quarter amounted to EUR 55 (55).

For the first nine month the Group settled EUR 243 (238) of lease payments out of which EUR 116 (126) was finance lease interest for the period while EUR 127 (112) offset finance lease liability balance. Amortization charge for the first nine months amounted to EUR 165 (164).

The Group recognized expenses of EUR 72 (144) on low-value and/or short-term rent for the third quarter, and EUR 319 (417) for the first nine months.

STATEMENT OF COMPREHENSIVE INCOME – COMPANY

	July- Sept 2020	July–Sept 2019	Jan-Sept 2020	Jan-Sept 2019	Jan-Dec 2019
Revenues	–	–	–	–	–
Total revenue	–	–	–	–	–
Direct costs related to paid revenue	–	–	–	–	–
Depreciation and amortization	–	–	–	–	(2)
Non-recurring costs related to financing and investing	12	(84)	(53)	(93)	(179)
Other operating expenses	(352)	(81)	(491)	(207)	(279)
Operating loss, EBIT	(340)	(165)	(544)	(300)	(460)
Interest payable on borrowings	(308)	(413)	(1,035)	(1,352)	(1,794)
Other (losses)/gains on financial liability at fair value through profit and loss	261	–	2,057	(50)	(50)
Finance income	324	524	1,378	1,596	1,705
Finance costs	–	–	(117)	(11)	(59)
(Loss) Profit before tax, EBT	(63)	(54)	1,739	(117)	(658)
Income tax charge	–	–	–	–	–
Deferred tax charge	–	–	–	–	–
Total tax expense	–	–	–	–	–
Total comprehensive (loss) income for the period	(63)	(54)	1,739	(117)	(658)

All amounts are presented in EUR '000 unless stated otherwise

STATEMENT OF FINANCIAL POSITION – COMPANY

	Sept 30 2020	June 30 2020	Dec 31 2019
ASSETS			
Non-current assets			
Investment in subsidiaries	13,967	13,967	9,133
Other receivables	–	2,300	5,800
Total non-current assets	13,967	16,267	14,933
Current assets			
Trade and other receivables	12,301	9,856	9,355
Cash and cash equivalents	734	626	5,676
Total current assets	13,035	10,482	15,031
TOTAL ASSETS	27,002	26,749	29,964
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	55	55	55
Capital reserve	11,565	11,565	10,969
Share option reserve	126	127	129
Retained earnings	2,309	2,372	570
Total equity attributable to the shareholders	14,055	14,119	11,723
Non-current liabilities			
Borrowings	11,962	12,223	16,951
Current liabilities			
Trade and other payables	421	150	938
Borrowings and accrued interest	564	257	352
Total current liabilities	985	407	1,290
TOTAL LIABILITIES	12,947	12,630	18,241
TOTAL EQUITY AND LIABILITIES	27,002	26,749	29,964

All amounts are presented in EUR '000 unless stated otherwise

Definition and purpose of alternative performance measure | In this interim report, we are using the following alternative key figures, as we believe they are relevant in follow-up of our strategy and financial goals.

Alternative performance measure	Definition	Purpose
Adjusted Operating Profit	Operating profit adjusted for non-recurring expenses	Monitors normalized operating profit.
Adjusted Operating Profit Margin	Adjusted operating profit as a percentage of revenue	Monitors normalized operating profitability.
EBITDA	Operating result before depreciation and amortization.	Monitors operating profit and cash-flow.
EBITDA Margin	EBITDA as a percentage of Revenue	Monitors operational profitability.
Adjusted EBITDA	EBITDA adjusted for non-recurring expenses.	Monitors normalized operating profit and cash- flow.
Adjusted EBITDA Margin	Adjusted EBITDA as a percentage of revenue.	Monitors normalized operational profitability
NDC (New Depositing Customers)	A new customer placing a first deposit on a client's website.	The Group reports these key figures as they are key drivers for organic growth and revenues.
NIBD / TTM Adjusted EBITDA	Interest bearing debt adjusted for fair value movements, cash, and treasury bonds divided by trailing twelve months EBITDA adjusted for fair value movements and non-recurring expenses	Monitors leverage as defined in the Bond prospectus