UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended December 31, 2024

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: **001-39274**

GAN LIMITED
(Exact name of registrant as specified in its charter)

Bermuda	**Not Applicable**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

10845 Griffith Peak Drive, Suite 200
Las Vegas, Nevada 89135
(833) 565-0550
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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

Title of Each Class	**Trading Symbol(s)**	**Name of Each Exchange on which Registered**
Ordinary Shares, par value $0.01 per share	GAN	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 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 a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, 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. ☒

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. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the registrant's voting and non-voting ordinary shares held by non-affiliates as of June 30, 2024, based on last sale price as reported on The Nasdaq Capital Market on that date, was approximately $72.1 million.

At March 4, 2025, there were 45,796,224 ordinary shares outstanding.

Documents Incorporated by Reference:

Certain portions, as expressly described in this report of the registrant's definitive Proxy Statement for the 2025 Annual Shareholder Meeting, to be filed within 120 days of December 31, 2024, are incorporated by reference into Part III, Items 10-14 of this Annual Report on Form 10-K.

GAN LIMITED
2024 ANNUAL REPORT ON FORM 10-K
INDEX

Except as otherwise required by the context, references to "GAN," "GAN Limited," "the Company," "we," "us" and "our" are to GAN Limited, a Bermuda exempted company limited by shares, and its subsidiaries. References to "Coolbet" are to Vincent Group p.l.c., a Malta public limited company and its subsidiaries, which was acquired by GAN Limited on January 1, 2021.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains certain statements that are, or may be deemed to be, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that reflect our current expectations and views of future events. These forward-looking statements can be identified by words or phrases such as "may," "will," "expect," "should," "anticipate," "aim," "estimate," "intend," "plan," "believe," "is/are likely to" or other similar expressions. These forward-looking statements include, among other things, statements relating to our goals and strategies, our competitive strengths, our expectations and targets for our results of operations, our business prospects and our expansion strategy. We have based these forward-looking statements largely on current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. Although we believe that we have a reasonable basis for each forward-looking statement, we caution you that these statements are based on our projections of the future that are subject to known and unknown risks and uncertainties and other factors that may cause our actual results, level of activity or performance expressed or implied by these forward-looking statements, to differ.

The forward-looking statements are subject to risks, uncertainties and assumptions about our Company. Our actual results of operations may differ materially from the forward-looking statements as a result of risk factors described under "Item 1A. Risk Factors" in this Annual Report on Form 10-K, including, among other things:

- our ability to generate and sustain profitability in light of the incurrence of net losses and negative cash flows;
- our ability to successfully consummate the proposed merger with SEGA SAMMY CREATION, INC.
- our ability to successfully develop, market or sell new products or adopt new technology platforms;
- risks related to competition;
- our ability to manage the substantial variability in our business operations and forecast our financial results in light of such variability;
- risks related to our customer contracts, pursuant to which our revenues fluctuate with the use of our products or services;
- risks related to our historical reliance on a small number of customers for a substantial portion of our revenues;
- our ability to realize the anticipated benefits of our consummated acquisitions or investments in other companies, including our acquisition of Coolbet in January 2021;
- risks related to the continued uncertainty in the global financial markets and unfavorable global economic conditions:
- our ability to attract and retain qualified personnel;
- risks related to the heavily regulated online gaming industry;
- our ability to maintain good relations with our channel partners;
- risks associated with our international operations and fluctuations in currency values;
- risks related to unanticipated performance problems or bugs in our software product offerings; and
- our ability to protect our intellectual property and proprietary rights.

The foregoing factors should not be construed as an exhaustive list and should be read in conjunction with other cautionary statements that are included in this Annual Report on Form 10-K as well as the items set forth under "Item 1A. Risk Factors." If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate. Moreover, we operate in an evolving environment and new risk factors emerge from time to time. It is not possible for our management to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause our actual results to differ materially from those contained in any forward-looking statement.

You should not rely upon forward-looking statements as predictions of future events. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements. These forward-looking statements speak only as of the date on which it is made. We do not intend to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise, unless the securities laws require us to do so.

Table of Contents

SUMMARY OF THE MATERIAL RISKS ASSOCIATED WITH OUR BUSINESS

- We have incurred net losses in the past with negative cash flows and may not be able to generate and sustain profitability or sufficient liquidity.
- We operate in a rapidly evolving industry and if we fail to successfully develop, market or sell new products or adopt new technology platforms, it could materially adversely affect our results of operations and financial condition.
- The online gaming industry is highly competitive, and if we fail to compete effectively, we could experience price reductions, reduced margins or loss of market share.
- Our business operations are subject to substantial variability, which may make it more difficult for us to forecast our financial results, and may negatively impact how investors review our results or prospects.
- Under our revenue arrangements, if existing customers do not continue the use of our products or services, our results of operations could be materially adversely affected.
- We have historically relied on a small number of customers for a substantial portion of our revenues.
- A reduction in discretionary consumer spending, from an economic downturn or disruption of financial markets or other factors, could negatively impact our financial performance.
- Macroeconomic conditions can materially adversely affect the Company's business, results of operations and financial condition.
- We face the risk of fraud, theft, and cheating.
- We face cyber security risks that could result in damage to our reputation and/or subject us to fines, payment of damages, lawsuits and restrictions on our use of data.
- Systems failures and resulting interruptions in the availability of our websites, applications, products, or services could harm our business.
- We rely on relationships with third-party content providers for a significant portion of our revenue.
- If we are unable to protect our intellectual property and proprietary rights, our competitive position and our business could be materially adversely affected.
- We face the risk that third parties will claim that we infringe on their intellectual property rights, which could result in costly license fees or expensive litigation.
- We face risks related to health epidemics and other widespread outbreaks of contagious disease, which could disrupt our operations and impact our operating results.
- We are subject to risks related to corporate social responsibility, responsible gaming, reputation and ethical conduct.
- Regulatory approvals of the Merger may not be received, may take longer than expected, or may impose conditions that could allow SSC to abandon the Merger.
- The Merger Agreement between us, SSC and Merger Sub may be terminated in accordance with its terms and the Merger may not be completed.
- We may not be able to effect the Merger pursuant to the Merger Agreement, and failure to complete the Merger could negatively impact our stock price and the future business and financial results of the Company.
- The online gaming industry is heavily regulated and the Company's failure to obtain or maintain applicable licensure or approvals, or otherwise comply with applicable requirements, could be disruptive to our business and could adversely affect our operations.
- Once a gaming license is granted, or conditionally approved, violations of any gaming related requirements could result in the imposition of fines, penalties, conditions, or limitations, up to and including the revocation of a gaming license for material and/or repeated violations, all of which could adversely affect our operations and financial viability.
- The online gaming industry is rapidly expanding and evolving, which the proliferation of new and changing regulatory frameworks increases costs and the risk of non-compliance.
- Our B2C operations generate a significant portion of our revenue from "unregulated" markets and changes in regulation in those markets could result in us losing business in those markets, incurring additional expenses in order to comply with any new regulatory scheme, or potentially exiting the market.
- Our B2C operations generate a significant portion of our revenue in markets where tax regulations are evolving, and could result in additional tax liabilities that could materially affect our financial condition and results of operations.

- Compliance with evolving data privacy regulations may cause us to incur additional expenses, and any violation could result in damage to our reputation and/or subject us to fines, payment of damages, lawsuits and restrictions on our use of data.

- Any violation of the Bank Secrecy Act or other similar anti-money laundering laws and regulations could have a negative impact on us.

- We have business operations located in many countries and a significant level of operations outside of the U.S., which subjects us to additional costs and risks that could adversely affect our operating results.

- Our results of operations may be adversely affected by fluctuations in currency values.

- The expansion of our business will subject us to taxation in a number of jurisdictions and changes in, or new interpretation of, tax laws, tax rulings or their application by tax authorities could result in additional tax liabilities and could materially affect our financial condition and results of operations.

- Ownership in our ordinary shares is restricted by gaming laws and our by-laws, and persons found "unsuitable" may be required to dispose of their shares.

- We are a Bermuda company and it may be difficult for you to enforce judgments against us or certain of our officers.

- Our bye-laws restrict shareholders from bringing legal action against our officers and directors and contain provisions that may discourage a change in control.

The summary risk factors described above should be read together with the text of the full risk factors below described under "Item 1A. Risk Factors" and the other information set forth in this Annual Report on Form 10-K, including our consolidated financial statements and the related notes, as well as in other documents that we file with the SEC. If any such risks and uncertainties actually occur, our business, prospects, financial condition and results of operations could be materially and adversely affected. The risks summarized above, or described in full below, are not the only risks that we face. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial may also materially adversely affect our business, prospects, stock price, financial condition and results of operations.

PART I

ITEM 1. BUSINESS

GAN Limited is an exempted holding company organized in Bermuda and through its subsidiaries, consists of two lines of business. We are a business-to-business ("B2B") supplier of enterprise Software-as-a-Service ("SaaS") solutions for online casino gaming, commonly referred to as iGaming, and online sports betting applications. Beginning with our acquisition of Coolbet in January 2021, we are also a business-to-consumer ("B2C") developer and operator of an online sports betting and casino platform, which offers individuals located in select markets in Northern Europe, Latin America and Canada access to a digital portal for engaging in sports betting, online casino games and poker.

In our B2B segment, we feature our technology platform, which we market as the GameSTACK™ internet gaming platform ("GameSTACK"). The B2B segment develops, markets and sells instances of GameSTACK, GAN Sports, and iSight Back Office technology that incorporates comprehensive player registration, account funding and back-office accounting and management tools that enable casino operators to efficiently, confidently and effectively extend their online presence. GAN Sports, our newest product offering following the acquisition of Coolbet, launched in September 2022 and aims to provide a best-in-class B2B sports betting product in the U.S. and Canada through self-service kiosks on-premises at land-based casinos as well as mobile versions. Our GameSTACK platform and related support services are geared towards casino operators, with an emphasis on land-based commercial and tribal casinos in the United States, although we have deployed our platform in other geographies, such as Italy, Australia, and Canada. We also market our platform to gaming partners, such as online sportsbooks and gaming content developers, who provide us with an indirect channel into casino operators. This segment is primarily focused on enabling the U.S. casino industry's ongoing digital transformation, following the repeal of a federal ban on sports betting in May 2018. Our customers rely on our platform to run their online casinos and sportsbooks legally, profitably and with engaging content. GameSTACK and GAN Sports enables us to offer a turnkey technology solution for regulated real money internet gambling ("real money iGaming" or "RMiG"), online sports betting, as well as ("simulated gaming" or "SIM").

In our B2C segment, we operate a B2C casino and sports betting platform doing business as "Coolbet" that is accessible for gambling through the website www.coolbet.com in markets across Northern Europe, Latin America and Canada with over 1.9 million registered customers as of December 31, 2024. Coolbet holds, or is operating under, gambling licenses in Estonia, Malta, Sweden, Canada, and Mexico. The majority of Coolbet's website traffic comes from mobile customers and each region features customized interfaces with localized product offerings and local language support teams. In 2024, our B2C revenue was generated from online casino games, online sports betting and online peer-to-peer poker, which comprised 60.2%, 36.0% and 3.8% of total revenue, respectively. B2C revenue slightly decreased 2.3% from $86.3 million in 2023 to $84.3 million in 2024 primarily due to a decline in the number of active customers in our Latin American markets during the current period. In addition to providing complementary technology to our B2B segment, we believe our B2C segment provides diversification of revenue streams and growth opportunities in international markets.

Corporate History

We were an early pioneer of online gaming. We commenced operations in 2002 in the United Kingdom and first generated revenue in December 2002. Our initial product allowed end user residents of the United Kingdom to create an online account, deposit money into that account and to compete against each other online in competitions of skill. We offered online games of skill to residents of the United Kingdom under the operation of the United Kingdom's applicable legislation, the Lotteries & Amusements Act 1976 (s.14), which permitted competitions of skill.

Beginning in 2004, we secured our first major customers in the United Kingdom and subsequently launched our first real money casino gambling games through a license procured from the United Kingdom Gambling Commission following the passage of the Gambling Act 2005, which permitted companies in the United Kingdom to develop software intended for enabling internet gambling. In 2008 we began securing our first major customers in Italy and deployed our technology platform in Rome, Italy and served internet gaming content to several major Italian operators of regulated internet sports betting and gaming.

In 2010, we released the first version of our GameSTACK enterprise software platform for our first platform customer to launch a new internet gambling business in Europe as a complement to existing retail bingo gaming business. Following the launch of an internet casino for a casino operator customer operating on the GameSTACK platform in the State of New Jersey in 2013, we were the first technology platform provider to accept and process a deposit online in the State of New Jersey and processed the first legal online bet on our proprietary blackjack game. Our casino operators have continued to rely on GameSTACK to launch their online casinos in new and existing U.S. states that adopted applicable legislation.

In May 2020, GAN Limited completed a reorganization and share exchange pursuant to which we acquired all of the outstanding ordinary shares of GAN plc and became the parent company of GAN plc. Subsequently, GAN plc changed its name to GAN (UK) Limited. Additionally, in May 2020, we completed our U.S. initial public offering through which we sold an aggregate of 7,337,000 ordinary shares at a price per share of $8.50 and received gross proceeds of $62.4 million.

In November 2020, we entered into a share exchange agreement (the "Share Exchange Agreement"), pursuant to which we agreed to acquire all of the outstanding equity in Vincent Group p.l.c., a Malta public limited company doing business as "Coolbet" in exchange for cash and ordinary shares. In December 2020, we completed a secondary public offering, issuing 6,790,956 ordinary shares in exchange for net proceeds of $98.5 million after underwriting discounts and commissions, and other offering expenses. We used the proceeds from this offering to fund the cash portion of the purchase price payable to the former Coolbet shareholders. On January 1, 2021, we completed the acquisition of Coolbet for a total purchase price of $218.1 million, comprised of a cash payment of $111.1 million, the issuance of 5,260,516 ordinary shares (valued at $106.7 million) and the issuance of replacement equity awards (valued at $0.3 million).

In 2022, we began to expand both our B2B and B2C footprints into other countries in North America. In April 2022, we launched a B2B customer on our GameSTACK technology platform in the Ontario, Canada market and in January 2023 we launched our Coolbet B2C casino in the regulated Mexican market.

In September 2022 we launched GAN Sports, a modern sportsbook technology platform based on the award-winning Coolbet technology that has been adapted for the U.S. B2B market and have subsequently launched other jurisdictions such as Massachusetts and Nevada in 2023.

Merger Agreement

On November 7, 2023, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with SEGA SAMMY CREATION INC., a Japanese corporation ("SEGA SAMMY CREATION"), and Arc Bermuda Limited, a Bermuda exempted company limited by shares and a wholly-owned subsidiary of SEGA SAMMY CREATION ("Merger Sub"), pursuant to which, subject to the satisfaction or waiver of the conditions set forth therein, Merger Sub will be merged with and into the Company, with the Company surviving the merger as a wholly-owned subsidiary of SEGA SAMMY CREATION (the "Merger"). SEGA SAMMY CREATION and Merger Sub are affiliates of SEGA SAMMY HOLDINGS, INC.

Pursuant to the Merger Agreement, and upon the terms and subject to the conditions thereof, at the effective time of the Merger, and as a result of the Merger (and without any action on the part of SEGA SAMMY CREATION, Merger Sub, the Company or any holder thereof):

- each of the Company's ordinary shares issued immediately prior to the effective time of the Merger (other than shares held by SEGA SAMMY CREATION or Merger Sub, by the Company as a treasury share or by any person who properly asserts dissenters' rights under Bermuda law) will be converted into the right to receive an amount in cash equal to $1.97 per share, without interest and subject to any applicable tax withholding (the "Merger Consideration");

- each of the Company's outstanding restricted shares (whether vested or unvested) at the time of the Merger will become vested in full and non-forfeitable and will be converted into the right to receive the Merger Consideration;

- each of the Company's outstanding restricted share units (whether vested or unvested) at the effective time of the Merger will become vested in full and will be automatically cancelled in exchange for the right to receive a single lump sum cash payment, without interest and subject to any applicable tax withholding, equal to the product of (a) the Merger Consideration and (b) the number of Company ordinary shares subject to such restricted share unit; and

- each of the Company's outstanding options to acquire the Company ordinary shares (whether vested or unvested) at the effective time of the Merger will become vested in full and will be automatically cancelled in exchange for the right to receive a single lump sum cash payment, without interest and subject to any applicable tax withholding, equal to the product of (a) the excess, if any, of the Merger Consideration over the exercise price per share of the option and (b) the number of Company ordinary shares issuable upon the exercise in full of such option.

Consummation of the Merger is not subject to a financing condition, but is subject to customary closing conditions, including (a) approval by the Company's shareholders of the Merger Agreement, the Merger and the Statutory Merger Agreement, (b) receipt of applicable antitrust and CFIUS approvals or the expiration of applicable waiting periods, (c) absence of any order or injunction prohibiting the consummation of the Merger and (d) the accuracy of the Company's representations and warranties contained in the Merger Agreement (subject to certain customary qualifications) and compliance by the Company with its agreements and covenants contained in the Merger Agreement. The closing of the Merger is also predicated upon receipt of approval of the Merger and change in control of the Company by all relevant gaming authorities. The Company anticipates that this will take some time, and that the closing of the Merger may not occur until the second quarter of 2025.

On February 13, 2024, the Company held a special general meeting of the shareholders of the Company to consider and vote upon the Merger Agreement, at which the shareholders approved the Merger Agreement.

iGaming and Online Sportsbook Industry and Background

On May 14, 2018, the Supreme Court of the United States overturned the Professional and Amateur Sports Protection Act ("PASPA"), which since 1992 had prevented U.S. states, aside from Nevada and Delaware from engaging in the regulation and taxation of sports betting activities at the intrastate level. The ruling paved the way for U.S. states to elect individually whether to allow for regulated sports betting and, by extension, real money iGaming within their borders. Prior to the Supreme Court of the United States overturning PASPA, U.S. casino operators were largely limited to retail slot and table gaming operations and, in the online channel, to simulated gaming operations offering no prospect for real money winnings.

On June 22, 2021, the Parliament of Canada passed Bill C-218 - the Safe and Regulated Sports Betting Act, which removed the Canadian federal ban on domestic sportsbook betting in Canada, opening its provinces to allow single-game sports betting, and in April 2022 Ontario became the first province in Canada to regulate online gambling.

As of December 31, 2024, 38 U.S. states have approved legalized sports betting, along with Washington D.C., and real money iGaming is also presently legal in eight states. Each state or jurisdiction has unique regulatory and licensure requirements, and our ability to rapidly customize deployments and submit expeditiously for individual state gaming licensure has been a vital contributor to our success in the U.S. market. We enable our customers to deploy iGaming and online sportsbook offerings to their end users quickly, capturing valuable early-mover advantages in their relevant markets, such as the January 2021 launch in Michigan and the April 2022 launch in Ontario, Canada. We are presently licensed or approved to operate our RMiG platform in more than a dozen U.S. states, as well as Ontario, Canada and plan to continue to evaluate new opportunities to provide services in additional U.S. states in 2024 and beyond.

Online sports betting deployment models can vary widely due to state-specific regulatory and licensing mandates. However, licensed casino operators with land-based retail facilities tend to partner with online sportsbook operators in order to accelerate online customer acquisition. These operators generally rely on a technology platform, such as GameSTACK, for player onboarding, player account management, payment processing and various back-office tools designed to maintain regulatory compliance and real-time reporting. Additionally, our technology for online sportsbooks incorporates a sports betting engine for pricing, trade execution and risk management.

In order to monetize online and offline players in a coherent manner, casino operators pursue omnichannel marketing strategies that require deep integration of hardware and software elements, including computing infrastructure, customer relationship management, casino management system and loyalty program management. Because of the complexity in deploying and maintaining iGaming and online sports betting infrastructures, casino operators may rely on third-party service providers to operate and maintain all or part of the technology infrastructure on their behalf.

Our Operating Models

B2B

Our product strategy for GameSTACK and GAN Sports is to provide a unified, flexible and highly scalable platform that can be rapidly deployed for RMiG and online sports betting. In addition to our platform, we offer a range of development, marketing and customer support services designed to fast-track deployments and provide ongoing operational support following commercial launch.

Our GameSTACK platform and related support services are designed to help our customers rapidly launch and scale their iGaming and online sportsbook operations. Our iGaming offerings support both social, or "freemium," simulated online casino gaming in regulated and unregulated markets as well as RMiG for deployment in regulated markets. We measure the level of player engagement through key performance measures including Gross Operator Revenue, which we define as the sum of our B2B corporate customers' gross revenue from SIM, gross gaming revenue from RMiG, and gross sports wins from sportsbook offerings, which we track for both SIM and RMiG operations.

Our GameSTACK customer base in the United States includes large regional operators as well as individual tribal casino operators that operate retail casino properties, racetracks and online sportsbooks. The largest portion of our U.S. business is in real money internet gambling with operators in the U.S. states where either (or both) internet casino gaming and sports betting are permitted by regulation.

B2C

Our principal B2C offerings are real-money online sports betting, online casino and peer-to-peer poker. We offer these products directly to the end customer through our website, which is also available on tablet and mobile devices in markets predominantly across Northern Europe and Latin America. In order to attract and retain customers, we seek to provide a high-quality customer experience through a high speed mobile website, excellent customer service and attractive odds. With our own technology and sportsbook software, and in cooperation with recognized providers for odds data and game content, we strive to provide the best online sportsbook and iGaming offering available, and believe that positive word of mouth referrals allowed us to increase our revenues and acquire customers at a lower cost than our competitors.

Our Products and Service Offerings

B2B GameSTACK Platform, Development and Support Services

GameSTACK is a turnkey platform comprising proprietary enterprise software, computer hardware and specific proprietary software components such as our iSight Back Office tool ("iSight") and the iBridge Framework. GameSTACK is a comprehensive proprietary hosted software platform providing our customers with account set-up, customer services facilitation, comprehensive player marketing tools, and the ability to deliver converged gambling across land-based retail casinos and the internet. While developing GameSTACK, we remained fully committed to building an evergreen and agile software architecture forged from a single code base, ensuring that developments in game mechanics, new back-office functionalities and integrations with leading third-party software could be capitalized on by our customers across all gameplay modalities. Importantly, we developed our code to operate in multiple jurisdictions and under different regulatory requirements, giving us the ability to leverage different configurations quickly to comply with newly regulated markets.

GameSTACK serves as the technical hub of our customers' online gaming presence. The platform provides the foundational technology and back-office tools necessary for a successful consumer experience, including intuitive player account activation, sophisticated payment services, geolocation, marketing, loyalty club linking and real-time analytics and reporting. The core of the GameSTACK platform is its player account management system, in which highly sensitive consumer and player activity data is stored and processed. This information is the layer of any casino operator's online technology deployment that becomes the focal point of regulatory licensure since it is the fortified vault of player data and privacy. GameSTACK also relies on a flexible integration services layer in order to integrate easily with other essential third-party systems such as casino management systems, remote gaming servers, sports betting engines, and marketing services applications.

Real Money iGaming

Our RMiG instances of GameSTACK incorporate comprehensive player registration, account funding and back-office accounting and management tools that enable our casino operator customers to efficiently, confidently and effectively extend their presence online. For the individual players, our software enables them to create a regulatory-compliant iGaming account online, have their credentials properly validated in order to activate their account, deposit money into their account and proceed to wager that money on any content we provide on the relevant casino operator's website or mobile app. The online content may comprise a casino game such as roulette, blackjack or a casino slot machine game. Content may also comprise a myriad of sporting events on which the diverse outcomes can be wagered on.

We have optimized GameSTACK for RMiG, and in particular, U.S. internet casino gaming with geolocation tracking, Know-Your-Customer processes and a market-leading U.S. payments platform. Payment aggregation services within GameSTACK integrate with a wide range of third-party payment processors while simultaneously allowing our casino operators to accept cash deposits onsite within their retail casino properties, which are credited to the players' online account.

In the United States, real money iGaming applications must comply with the Unlawful Internet Gambling Enforcement Act of 2006 and with the federal Wire Act of 1961. Consequently, our RMiG customers must physically deploy our platform within their state's borders, typically inside their retail casino premises or approved local hosting locations, in order to comply with intrastate regulatory mandates. Our customers generally procure the computer hardware on which our software, which the Company retains all rights to, is deployed inside of our customers' data centers.

GAN Sports retail and online sportsbook

GAN Sports, our newest product offering following the acquisition of Coolbet, is offered as an online and retail solution to U.S. casino operators as a complete turnkey solution for sports betting technology. The GAN Sports retail offering allows our customers to launch and operate their sportsbooks on their properties through self-service kiosks, with the ability to add an on-premises or statewide mobile versions.

Super Remote Gaming Server

GameSTACK may also be configured as a "super" remote gaming server ("Super RGS"), otherwise known as a remote gaming server aggregator, which can be deployed on behalf of existing internet casino operators in various U.S. states that are operating on their own proprietary or third-party platform. Super RGS provides these operators with access to all of our proprietary games, our current (and all future) remote gaming server integrations, as well as our robust content library of internet casino games. Super RGS creates a technical and commercial vehicle for us to deliver our proprietary casino content and third-party game content across the entirety of the relevant U.S. intrastate markets. Our Super RGS provides for a cost and time savings for new and existing market operators to more efficiently manage their game content.

Simulated Gaming

Our SIM product is custom-designed for the U.S. casino operators seeking to bring their retail brand online and create a new internet gaming experience delivered as an amenity to their players and leveraging their on-property rewards program using the common code base shared with GameSTACK for RMiG. For SIM implementations, we design the casino operator's mobile application and website with a branded experience that is consistent with the casino operator's brand and market positioning. Our iSight technology provides management tools and streamlines player registration and account funding. We generally host our customers' SIM operations on a combination of proprietary and cloud servers.

iSight Back Office

GameSTACK provides operators with a range of day-to-day back-office management tools along with integration application program interfaces for third-party casino management systems. With the iSight management tool, our casino operators have complete control over their content selection, player communications, website layout, process automation and real-time analytics.

iBridge Framework

Our proprietary iBridge Framework is a core feature of our platform, enabling operators to engage online players with innovative loyalty offers. iBridge provides our operator customers the ability to automatically verify whether a new online player is part of an existing offline loyalty database. iBridge allows operators to unite in-casino complimentary items and services, loyalty points and other offers with online play. This enables casino operators to engage their customers online, reinforcing brand loyalty, as well as encouraging online players to visit retail properties. Our platform integrates with a variety of third-party casino management systems, eliminating the need for operators to create and maintain two disparate databases as their online businesses grows.

Development Services

We provide platform development services, which consist of initial deployment of gaming hosting facilities and ongoing development services to provide updates to the software for enhanced functionality or customization.

Customer Support Services

We provide a range of term-based operational services to support our customers' online gaming activities. Our premier offering is a full turnkey combination of marketing services and customer support services. Our managed services teams provide user acquisition, customer retention management, and customer functions for our operator customers to help them in acquiring and retaining players. These services are designed to fast-track deployments and provide ongoing operational support following commercial launch for our customers. We offer marketing and customer services to our casino operator customers to support their deployment of our RMiG and SIM solutions. Our tailored customer support services include player customer support across email, phone and live chat, marketing agency services and network management with 24/7 uptime guarantee.

Non-U.S. B2C

B2C Product Offerings

We operate the B2C gaming site www.coolbet.com outside of the U.S., which predominantly operates in select Northern Europe and Latin America markets. The site offers sports betting, poker, casino, live casino and virtual sports. Coolbet.com is built on proprietary software, including a proprietary sportsbook engine and risk management tools, enabling us to offer a highly differentiated entertainment experience when compared to other B2C gaming sites who rely on third-party technology stacks. Because we predominantly rely on in-house technology, we can rapidly enter new international markets with deeply local and tailor made content. Our B2C product offerings include:

Sports Betting

We manage an award-winning online sportsbook allowing customers to place various types of wagers on the outcome of sporting events around the world. We operate as the bookmaker and offer a large variety of betting types in a given event, including both pre-match and in-play (placed after a sports event has begun) wagers. We offer the ability to place bets on all major sports including football, basketball, baseball, American football, ice hockey and tennis, as well as emerging sports such as eSports and smaller sports. Coolbet's proprietary sportsbook features specialist odds compiled by in-house product experts, which leads to more attractive odds and offers on local sports events and a higher value proposition for customers.

Online Casino

We offer thousands of digital and live dealer casino games provided by recognized game content creators, integrated into our proprietary technology. The casino product features many proprietary features and functionalities driving customer engagement. Live Casino, through its digital online casino offering in selected markets, allows customers to place wagers and play games through a real-time streaming video solution. Coolbet.com offers customers a catalog of over 8,500 third-party iGaming titles across skill-based games such as Poker and chance-based games, such as digital slot machines and table games such as Blackjack and Roulette.

Poker

Poker allows registered customers to play poker against each other in cash games and tournaments directly on the website www.coolbet.com in real-time.

Competition

We operate in a global and dynamic market and compete with a variety of organizations that offer services similar to those that we offer. Our B2B operations face competition primarily from: (i) online casino content suppliers that provide content direct to consumers; (ii) retail casino operators that develop their own proprietary online gaming capabilities; and (iii) other similar existing or developing technology providers that develop competing platforms.

We believe the principal competitive factors in our B2B operations include rapid deployment, ease of integration with existing and future content and gaming, ease of user registration and conversion, regulatory compliance, data security, back-office management systems, reliability, and platform extensibility.

Our B2C operations compete against a variety of online sportsbook and casino operators, which range from large international organizations with greater advertising and marketing resources to local players that provide specific opportunities in local markets.

We believe the principal competitive factors in our B2C operations include the overall customer mobile and online experience, better and more reliable odds making, ease of use and our customer service.

Customers and Ecosystem

Our principal B2B customers are retail casino operators and online casino brands.

Our retail casino operator customers typically require a regulatory compliant and complete enterprise technology solution provider for setting up, launching and operating an internet gaming business to drive incremental and complementary revenues to their existing retail gaming business. When a U.S. casino looks to expand online, there is a small group of potential technology vendors available to serve their needs, and an even smaller subset of companies which are B2B-only business and fully licensed for U.S. internet gaming. We believe we are one of the few companies whose operational know-how and proven track record of excellence represent a substantial competitive advantage.

New retail and online casino operator customers who use our GAN Sports and GameSTACK enterprise solutions require a cutting-edge platform and sportsbook, often to replace their existing technology. Our full enterprise solution, including retail sports, kiosk deployment, mobile sports and platform technologies, provides our customers with flexibility to meet their specific needs, from customers that require an all-encompassing market, customer, and sports trading services solution, to those larger self-managed operator customers looking to operate on a cutting-edge technology. Beyond our GAN Sports sportsbook content, by proactively investing in development resources, we have brought together within GameSTACK a solution which offers the leading service providers spanning payment processing, pre-paid card services, age and identity verification, and geolocation, providing our customers with a best-in-class solution from end-to-end, right out of the box.

The GAN family of casino operator customers represent leading U.S. gaming groups, both retail and online. Some of our casino operator customers utilize our GameSTACK platform specifically for real money iGaming or online social casinos, while others utilize our full enterprise solution for RMiG as well as retail and mobile sportsbook. Whether these customers utilize our technology for some or all of their needs, our customers own retail operations spanning over 100 retail locations, operate tens of thousands of slot machine units on their casino gaming floors, and possess millions of dedicated loyalty club card holding players within their loyalty program databases.

For the year ended December 31, 2024, one of our customers, FanDuel, accounted for 15.3% of our total revenue. Beginning in 2013, we partnered with FanDuel's majority shareholder, Flutter Entertainment plc (formerly known as PaddyPower Betfair plc), to support FanDuel's rapid deployment of online sports betting sites in selected states that had legalized single-game sports betting. Under our current commercial agreements, we provide access to the GameSTACK platform and provide development and support services to FanDuel in the U.S. and Ontario, Canada.

Our U.S. commercial agreement with FanDuel provided that we were the exclusive provider of their casino gaming operations for a three year period, which exclusivity ended in January 2023. Following the exclusivity period, FanDuel has the right to use other casino gaming solutions, subject to a requirement to pay us revenue calculated as a certain percentage of their net gaming revenue from RMiG operations. Accordingly, we could experience a significant decline in our revenue now that the exclusivity period has expired. We currently support FanDuel's RMiG casino operations in the U.S. states of Connecticut, Michigan, New Jersey, Pennsylvania, and West Virginia. Our current U.S. commercial contract with FanDuel expired in January 2025.

Our B2C casino and sports betting platform is accessible for wagering through the website www.coolbet.com in markets across Northern Europe, Latin America, and Canada. Coolbet.com originally launched May 2016 and as of December 31, 2024, had over 1.9 million registered customers. The majority of website traffic comes from mobile customers and each region features customized interfaces with localized product offerings and local language support teams.

Seasonality

Our online sports betting operations experience seasonality based on the relative popularity of certain sporting events, in particular with respect to local and international football seasons and high-profile international and regional tournaments. This seasonality could be exacerbated by cancellations of sporting events in addition to off-seasons, but can also provide increased volume during high-volume events such as the World Cup and overlapping sports calendars.

Intellectual Property Rights

We rely on a combination of copyright, trademark and/or trade secret laws in the United States and other jurisdictions, as well as license agreements and other contractual protections, to protect our intellectual property. We also rely on a number of registered and unregistered trademarks to protect our brand.

As of December 31, 2024, we had two registered trademarks in the United Kingdom relating to our proprietary technology.

We seek to protect our intellectual property rights by implementing a policy that requires our employees and independent contractors involved in development of intellectual property to enter into agreements acknowledging that all intellectual property generated or conceived by them on our behalf are our property, and assigning to us any rights that they may claim or otherwise have in those works or property, to the extent allowable under applicable law. Despite our efforts to protect our technology and proprietary rights through intellectual property registrations, licenses and contractual protections, unauthorized parties may still copy or otherwise obtain and use our software and technology. We may also face allegations in the future that we have infringed the intellectual property rights of third parties, including our competitors and non-practicing entities.

Government Regulation

We are subject to various U.S. and foreign laws and regulations that affect our ability to operate in the gaming and entertainment industry, in particular in the online gaming industry. These industries are generally subject to extensive and evolving regulations that could change based on political and social norms and that could be interpreted or enforced in ways that could negatively impact our business. Regulatory agencies in each of our operating markets continue to examine a wide variety of issues impacting the iGaming and sports betting industries, and consequently the laws and regulations governing our business could be modified or could be interpreted differently in the future, or new laws and regulations could be enacted. Material changes, new laws or regulations, or material differences in interpretations by courts or governmental authorities could cause us to incur substantial additional compliance costs and adversely affect our operating results. The primary means of enforcement of such regulations is through regulatory licenses.

Our B2B operations are licensed and regulated by the United Kingdom (“U.K.”) Gambling Commission, and are certified for the Italian market by the Gaming Labs International in Italy, the Alcohol and Gaming Commission of Ontario in Canada, Agua Caliente, the Arizona Department of Gaming, the Connecticut Division of Gaming, the Gila River Indian Community, the New Jersey Division of Gaming Enforcement, the Pennsylvania Gaming Control Board, the West Virginia Lottery Commission, the Michigan Gaming Control Board, the Tennessee Education Lottery Corporation, the Colorado Department of Revenue Division of Gaming, the Arizona Department of Gaming, the Connecticut Department of Consumer Protection — Gaming Division, the Mississippi Gaming Commission, the Arkansas Racing Commission, the Massachusetts Gaming Commission, the Maryland Lottery & Gaming Control, the Virginia Lottery, the Sault Ste. Marie Tripe of Chippewa Indians Gaming Commission, Seneca Gaming Authority, and the Nevada Gaming Control Board. Entry into new geographies will require us to engage with additional regulatory authorities.

Our B2C operations are also required to hold licenses in several jurisdictions. We hold gaming licenses in Estonia, Malta, Mexico, Sweden, and Peru. Our B2C sportsbook technology and technical platform is also certified by an accredited third-party according to the licensing requirements of the applicable gaming regulatory authorities. We also have customers in jurisdictions that currently do not have a local licensing scheme but are accessible through our existing licenses. A number of these jurisdictions are evaluating the adoption of a local licensing scheme for the online sports betting and gaming operations that we currently offer. If regulations requiring licensure are adopted in those jurisdictions, we intend to apply for licensing, but we cannot be assured that we will receive licenses in each instance or that changes in regulation will not adversely impact our business.

Licensing Process

We are required to secure, and maintain, licenses to operate in each new jurisdictions where we conduct business and will need to secure additional licenses in order to expand operations to new markets. In newly regulated markets, new licensing regimes may impose licensing conditions, such as the requirement to locate significant technical infrastructure within the relevant territory or establish real-time data interfaces with the regulator that present operational challenges or may stop the licensee from being able to offer the full range of our products. Certain jurisdictions require us to hold a distributor license, while in other jurisdictions we need to qualify for a vendor license to supply our licensed customers. The licensing process can be burdensome and lengthy, depending on the local jurisdiction and their relative ability to move quickly, which is outside our control. Some jurisdictions will allow us to operate on a provisional license while the regulators process our applications. Other jurisdictions require full licensure prior to commencing operations. Accordingly, even as new regulated markets emerge, it is difficult to predict how quickly we will be able to derive revenues in such jurisdictions.

Data Protection and Privacy

As part of our operations, we establish player accounts and receive personal and financial information. Accordingly, our operations are subject to privacy and data protection regulation in the United States, the U.K., the European Union, Asia Pacific, and elsewhere. These laws are rapidly developing and changing. The European Union adopted a comprehensive General Data Protection Regulation (“GDPR”), which came into effect in May 2018, as supplemented by any national laws (such as the Data Protection Act 2018 in the U.K.) and further implemented through binding guidance from the European Data Protection Board. In the United States, several states have adopted revised legislation to expand data breach notification rules and to mirror some of the protections provided by the GDPR. Some states, including California, Colorado, Connecticut, and Nevada, have adopted data protection legislation that requires companies to make significant changes in their data processing operations.

Compliance

We have developed and implemented an internal compliance program designed to ensure that we comply with legal and regulatory requirements imposed on us in connection with our gaming operations. Our internal compliance program focuses, among other things, on ensuring we comply with applicable licensing requirements and local gaming regulations. In addition, we have a dedicated data protection officer and compliance officer to strengthen the overall compliance capabilities of the organization.

Additionally, we use various methods and tools across our operations such as geolocation blocking, which restricts access based on a user’s geographical location determined through a series of data points such as mobile devices and Wi-Fi networks; age verification to ensure our users are of a certain age to participate; routine monitoring of user activity; and risk-based user due diligence to ensure player funds are legitimately derived. We have a zero-tolerance approach to money laundering, terrorist financing, fraud and collusion. All of our games and platforms are certified and tested by various private accreditation organizations, such as the Gaming Laboratories International, which is a leading industry provider for online gaming testing and certification.

While we are firmly committed to full compliance with all applicable laws and have developed appropriate policies and procedures to comply with the requirements of the evolving regulatory regimes, we cannot provide assurance that our compliance program will prevent all violations of applicable laws or regulations, or that a violation by us or our personnel will not result in a monetary fine or suspension or revocation of one or more of our licenses.

Social Responsibility

We maintain an open, honest and responsible approach towards our stakeholders, which include our employees, suppliers, customers, investors and the wider community. As both a B2B provider of games of skill and chance in regulated intrastate internet gaming markets, we have placed our responsible gaming policies and tools at the core of our vision to provide industry-leading entertainment in a socially responsible fashion. Our GameSTACK software platform has a myriad of features for detection and prevention of problem gambling as well as offering tools to end user players to limit their gaming activities online, in compliance with the challenging technical requirements of the U.S. states we are licensed in, as well as other jurisdictions.

Our platform services enable our casino operators to offer their players an array of tools to control their spending, including deposit limits, wagering value limits, wagering frequency limits, time limits, definable self-exclusion and/or cooling-off periods. These limitations, coupled with sophisticated reporting and analytics, allows operators to identify potentially compulsive behavior and take the required action to ensure the protection of any vulnerable players in line with their operating requirements in the relevant intrastate gaming market. Our teams are extensively trained in the area of responsible gaming, to assist end user players displaying signs of gambling addiction and guide them in the correct direction to seek assistance. We also, in conjunction with our customers and third-party service partners, provide robust age verification processes to ensure that no minors can access the gaming opportunities provided on our customer's websites.

Human Capital Resources

We are committed to investing in our employees while nurturing a work environment that fosters global and cross-functional collaboration. Our leadership team actively works to attract, develop, and retain talent from a range of backgrounds and experiences.

Our Global Workforce

As of December 31, 2024, we had 626 total employees, of which 621 were full-time and 5 were part-time. Approximately 90% of these employees were located outside the United States. The majority of our employees work within the operations function, which includes the majority of the technical and product employees. The charts below show our global employee population by region and operational function.

Workforce by Region:	
Europe	511
United States	62
Latin America	31
Rest of World	22

Workforce by Function:	
Operations	87%
Non-operations	13%

As we continue to maintain our footprint across multiple countries, we have refocused efforts on building processes and systems that encourage our employees to adopt a global mindset and ways of working. This refocus means creating more efficient methods for collaborating across multiple time zones and making the time to hone communication skills to further productive and interactive working relationships. This effort also translates to offering programs and employees events at a worldwide scale where all employees are able to bond over shared interests and experiences.

Diversity and Inclusion

We are committed to a diverse global workforce and fostering a culture of inclusivity and belonging. We promote diversity and inclusion in all our policies and general business practices. We further seek to establish an environment of respect and understanding in the workplace and a culture that values and reflects the diverse components of our employees and the communities in which we operate. This is reinforced in our global employee events and training courses. As we further expand on our global footprint, we will continue to expand on these efforts.

Pay and Benefits

We continue to offer market-based, competitive wages and benefits in all markets where we compete for talent. The pay structure has evolved to be positioned around the market median within each market, with variances based on knowledge, skills, years of experience, and performance. We regularly evaluate pay equity, expanding our review to include race/ethnicity in addition to gender. We adopt a total rewards approach to our compensation philosophy – which accounts for all monetary and non-monetary elements. This includes base wages, non-cash benefit programs, which vary by country, short-term cash incentives, long-term incentives (e.g., cash and share-based awards), employee savings plans with providers for company matching, healthcare and insurance benefits (in the United States), health savings spending accounts with providers for company matching (in the United States), paid time off, leave options, and employee assistance programs. We also encourage our employees to focus on their overall wellness. We expanded our traditional monthly fitness reimbursements to include exercise equipment, wellness programs and treatments, and app subscriptions in support of nutrition, behavior based health or activities that encourage movement. We also respect our employees' needs for flexibility and balance between work and life. We support a flexible working model where employees may work from the office or from home. We also continue to offer support to employees who work from home by providing reimbursement for work related expenses.

Workforce Health and Safety

Our employees indicated a need for flexibility in where they work. In response, we moved to a model that adapted to the workplace culture and working needs per country. For example, in the United States and United Kingdom, we moved to a remote-first working structure and substantially reduced our office footprint. In Estonia and Bulgaria, employees desire in-office collaboration and are in the office several days a week based on the team's working schedule.

Employee Engagement

It's our goal to continue to provide an environment where our employees can be the best versions of themselves and have the support they need to deliver extraordinary results for themselves and our company. We expanded our employee engagement programming to accommodate local gatherings where we have a concentrated employee base. For other locales with a much more distributed workforce, virtual group and team events were offered. We also held several local events in the jurisdictions where we operate to build a sense of company community.

Information about Segment and Geographic Revenue

Our segment and geographic revenue information is described in Note 13 to the Consolidated Financial Statements in Item 8 of this report.

Available information

We make available free of charge (other than an investor's own internet access charges) through our internet website (https://www.investors.gan.com) our Annual Report on Form 10-K and other reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission ("SEC"). We are not including the information contained on our website as part of or incorporating it by reference into, this Annual Report on Form 10-K. In addition, the SEC maintains an internet site, https://www.sec.gov, that includes filings of and information about issuers that file electronically with the SEC.

ITEM 1A. RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks and information below, as well as all other information included in this Annual Report on Form 10-K, including our consolidated statements, the notes thereto and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," before you decide to purchase shares of our common stock. Below, we describe risks that we currently believe are the material risks in connection with our operations. These are not the only risks we face; we are subject to risks that are currently unknown to us, or that we may currently believe are remote or immaterial. If any of these risks or events occurs, our business prospects, financial condition, stock price, and operating results could be harmed.

Risks Related to Our Business

We have incurred net losses in the past with negative cash flows and may not be able to generate and sustain profitability or sufficient liquidity.

Since our inception, we have typically operated at a loss. At December 31, 2024 we had an accumulated deficit of $317.3 million. We incurred a net loss of $8.0 million and $34.4 million for the years ended December 31, 2024 and 2023, respectively. Additional losses would impair our liquidity and may require us to raise additional capital or to curtail certain of our operations in an effort to preserve capital. Incurring additional losses could also erode investor confidence in our ability to manage our business effectively and result in a decline in the price of our ordinary shares. See Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources" of this Report and Note 2 – Summary of Significant Accounting Policies in our consolidated financial statements for additional information regarding our liquidity position.

We operate in a rapidly evolving industry and if we fail to successfully develop, market or sell new products or adopt new technology platforms, it could materially adversely affect our results of operations and financial condition.

Our success depends in part on our ability to keep pace with continuing changes in technology. Our GameSTACK platform and other software products compete in a market characterized by rapid technological advances, evolving standards in software technology and frequent new product introductions and enhancements that may render existing products and services obsolete. Competitors and operators are continuously upgrading their product offerings with new features, functions and gaming content. In addition, we continuously refine our software and technology platform to address regulatory changes in the markets in which we operate or plan to operate. In order to remain competitive, we will need to continuously modify and enhance our technology platform and service offerings.

We cannot assure you that we will be able to respond to rapid technological changes in our industry. In addition, the introduction of new products or updated versions of existing products has inherent risks, including, but not limited to, risks concerning:

- product quality, including the possibility of software defects, which could result in claims against us or the inability to sell our software products;
- the accuracy of our estimates of customer demand, and the fit of the new products and features with customers' needs;
- the need to educate our sales, marketing and services personnel to work with the new products and features, which may strain our resources and lengthen sales cycles;
- market acceptance of initial product releases; and
- competitor product introductions, in-house customer solutions or regulatory changes that render our new products obsolete.

Because we commit substantial resources to developing new software products and services, if the markets for these new products or services do not develop as anticipated, or demand for our products and services in these markets does not materialize or materializes later than we expect, we will have expended substantial resources and capital without realizing sufficient offsetting or resulting revenue, and our business and operating results could be materially adversely affected. Developing, enhancing and localizing software is expensive, and the investment in product development may involve a long payback cycle. Our future plans include significant additional investments in development of our software and other intellectual property. We believe that we must continue to dedicate a significant amount of resources to our development efforts to maintain our competitive position. However, we may not receive significant revenue from these investments for several years, if at all. In addition, as we or our competitors introduce new or enhanced products, the demand for our products, particularly older versions of our products may decline.

The online gaming industry is highly competitive, and if we fail to compete effectively, we could experience price reductions, reduced margins or loss of market share.

The online gaming industry is highly competitive. A number of companies offer products that are similar to our products and target the same markets as we do. Certain of our current and potential competitors have longer operating histories, significantly greater financial, technical and marketing resources, greater name recognition, broader or more integrated product offerings, larger technical staffs and a larger installed customer base than we do. These competitors may be able to respond more quickly to new or emerging technologies and changes in customer requirements, develop superior products, and devote greater resources to the development, promotion and sale of their products than we can.

Because of the rapid growth of our industry, and the relatively low capital barriers to entry in the software industry, we expect additional competition from other established and emerging companies. Some of our customers are land-based casinos that use our GameSTACK platform for rapid access to the online iGaming and sports betting markets. As these customers become more experienced or successful they may look to develop their own proprietary solutions or may look more aggressively at competing platforms. Additionally, our competitors could combine or merge to become more formidable competitors or may adapt more quickly than we can to new technologies, evolving industry trends and changing customer requirements. If we fail to compete effectively, (a) we could be compelled to reduce prices in order to be competitive, which could reduce margins and profitability, or (b) we would lose market shares either of which could materially adversely affect our strategy, our business, results of operations and financial condition.

Under our revenue arrangements, if existing customers do not continue the use of our products or services, our results of operations could be materially adversely affected.

In our B2B segment, we generate revenue under contracts with casino operators that contemplate ongoing revenue arrangements that depend in part on the revenues of casino operators. The success of our business depends on our ability to retain our existing installed base of customers and to increase the scale of gaming and transactions that they run on our platform. We may experience the loss of a customer if the customer determines to close its operations, elects to develop its own online platform, or elects to contract with one of our competitors. In addition, casino operators that utilize our Super RGS platform may choose to contract directly with content providers. Such events could materially and adversely affect our revenues.

If our customers terminate their contracts with us, we will incur a reduction in revenue unless we are able to secure new customers in amounts sufficient to offset the loss. The sales cycle for our platform can be long, and there are no assurances that we will be able to rapidly replace the loss of a significant customer. A substantial portion of our expenses are fixed, and a loss of revenue would have a material adverse impact on our profitability and our financial position.

We have historically relied on a small number of customers for a substantial portion of our revenue.

For the years ended December 31, 2024 and 2023, our largest customer FanDuel accounted for 15.3% and 16.4%, respectively, of our total revenue. For the years ended December 31, 2024 and 2023, FanDuel accounted for 42.4% and 42.5%, respectively, of our total accounts receivable, net of credit losses. Customer concentration in our B2B segment will tend to be more pronounced as we expand our revenue from a smaller base.

Our business strategy encompasses securing a diverse customer base including attempting to expand the amount of business with our current customers and expand into new customer accounts as we enter new geographic markets. While our 2021 acquisition of Coolbet substantially diversified our customer base, we operate in a dynamic industry, in which regulatory restrictions and enabling technologies are changing rapidly. As such, certain of our customers may experience more rapid growth than other customers, resulting in a concentration of revenue from time to time in one or a few significant customers.

At any time that we experience significant customer concentration, the loss of a key customer, for any reason, would have a significant impact on our revenue, our ability to fund operating expenses, and our financial position. In addition, the loss of any material customer could significantly decrease our market share and harm our reputation, which could affect our ability to grow and take advantage of new markets, access resulting data from such markets, and secure funding to invest into development of new products.

Our B2C sports betting operations exposes us to losses as a result of a failure to determine accurately the odds in relation to any particular event and/or any failure of its sports risk management processes, or if outcome-driven events result in unfavorable results.

Our fixed-odds wagering contracts involve betting where winnings are paid on the basis of the amount wagered and the odds quoted. Our sports betting operation is designed to set odds at a level that will provide the bookmaker with an average return over a large number of events. However, there can be significant variation in the gross win percentage for a single event or fixed period of time.

Our systems and controls seek to reduce the risk of daily losses occurring on a gross-win basis, but there can be no assurance that these controls will be effective in all situations, and consequently we face exposure to risks relating to its failure to set accurate odds or managing its sports betting risk. We may experience significant losses with respect to individual events or betting outcomes, in particular if large individual bets are placed on an event or outcomes that create disproportionate weighting to such outcomes on the events.

Odds compilers and risk managers are capable of human error, thus even allowing for the fact that a number of betting products are subject to capped pay-outs, significant volatility can occur. Any significant losses could have a material adverse effect on our business, financial condition and results of operations.

A reduction in discretionary consumer spending, from an economic downturn or disruption of financial markets or other factors, could negatively impact our financial performance.

iGaming and sports betting that we and our customers offer represent discretionary expenditures. Players' participation in those activities may decline if discretionary consumer spending declines, including during economic downturns, when consumers generally earn less disposable income. Changes in discretionary consumer spending or consumer preferences are driven by factors beyond our control, such as:

- perceived or actual general economic conditions;
- fears of recession and changes in consumer confidence in the economy;
- high energy, fuel and other commodity costs;
- the potential for bank failures or other financial crises;
- a soft job market;
- an actual or perceived decrease in disposable consumer income and wealth;
- increases in taxes, including gaming taxes or fees; and
- terrorist attacks or other global events.

During periods of economic contraction, our revenues may decrease while most of our costs remain fixed and some costs even increase, resulting in decreased earnings.

Macroeconomic conditions can materially adversely affect the Company's business, results of operations and financial condition.

Recent adverse macroeconomic conditions, including inflation, higher interest rates, slower growth or recession, the strengthening of the U.S. dollar, and corresponding currency fluctuations can have an adverse material impact on the Company's future results of operations, cash flows, and financial condition, particularly with respect to foreign currency adjustments relating to our international operations. Such conditions may also affect consumers' willingness to make discretionary purchases, and therefore the Company, along with its casino operator customers, may experience a decline in wagering. A downturn in the economic environment can also lead to increased credit and collectability risk on the Company's trade receivables, limitations on the Company's ability to issue new debt, and reduced liquidity.

We face the risk of fraud, theft, and cheating.

We face the risk that players may attempt or commit fraud or theft or cheat in order to increase winnings. Such risks include stolen credit or charge cards and hacked or stolen customer accounts. Failure to discover such acts or schemes in a timely manner could result in losses in our operations. Negative publicity related to such acts or schemes could have an adverse effect on our reputation, potentially causing a material adverse effect on our business.

We face cyber security risks that could result in damage to our reputation and/or subject us to fines, payment of damages, lawsuits and restrictions on our use of data.

We rely extensively on computer systems to process transactions, maintain information and manage our businesses. In addition, our business involves the collection, storage, processing, and transmission of end users' personal data, including financial information and information about how they interact with our games and platform. We have built our reputation, in part, on the sophistication and security of our payment and financial processing.

Our industry is prone to cyber-attacks by third parties seeking unauthorized access to our information systems and data or to disrupt our ability to provide service. Our information systems and data, including those we maintain with our third-party service providers, may be subject to cyber security breaches in the future. Computer programmers and hackers may be able to penetrate our network security and misappropriate, copy or pirate our confidential information or that of third parties, create system disruptions or cause interruptions or shutdowns of our internal systems and services. Our website may become subject to denial of service attacks, where a website is bombarded with information requests eventually causing the website to overload, resulting in a delay or disruption of service. Computer programmers and hackers also may be able to develop and deploy viruses, worms and other malicious software programs that attack our products or otherwise exploit any security vulnerabilities of our products. Also, there is a growing trend of advanced persistent threats being launched by organized and coordinated groups against corporate networks to breach security for malicious purposes.

Disruptions in the availability of our computer systems, through cyber-attacks or otherwise, could damage our computer or telecommunications systems, impact our ability to service our customers, adversely affect our operations and the results of operations, and have an adverse effect on our reputation. The costs to us to eliminate or alleviate security problems, bugs, viruses, worms, malicious software programs and security vulnerabilities could be significant, and the efforts to address these problems could result in interruptions, delays, cessation of service and loss of existing or potential customers and may impede our sales, distribution and other critical functions. Although we plan to continuously develop systems and processes to protect our information systems and data, we cannot assure you that such measures will provide absolute security, that we will be able to react in a timely manner, or that our remediation efforts will be successful. We may also be subject to regulatory penalties and litigation by customers and other parties whose information has been compromised, all of which could have a material adverse effect on our business, reputation, results of operations and cash flows.

Systems failures and resulting interruptions in the availability of our websites, applications, products, or services could harm our business.

The full-time availability and expeditious delivery of our products and services is a critical part of our solution offering to our consumers. Our systems may experience service interruptions or degradation because of hardware and software defects or malfunctions, distributed denial-of-service and other cyberattacks, human error, earthquakes, hurricanes, floods, fires, and other natural disasters, power losses, disruptions in telecommunications services, fraud, military or political conflicts, terrorist attacks, computer viruses or other malware, or other events. Some of our systems are not fully redundant, and our disaster recovery planning may not be sufficient for all eventualities. In addition, as a provider of payments solutions, we are subject to heightened scrutiny by regulators that may require specific business continuity, resiliency and disaster recovery plans, and more rigorous testing of such plans, which may be costly and time-consuming and may divert our resources from other business priorities.

We also rely on facilities, components, and services supplied by third parties, including data center facilities and cloud storage services. If these third parties cease to provide the facilities or services, experience operational interference or disruptions, breach their agreements with us, fail to perform their obligations and meet our expectations, or experience a cybersecurity incident, our operations could be disrupted or otherwise negatively affected, which could result in customer dissatisfaction and damage to our reputation and brands, and materially and adversely affect our business. We do not carry business interruption insurance sufficient to compensate us for all losses that may result from interruptions in our service as a result of systems failures and similar events.

A prolonged interruption in the availability or reduction in the availability, speed, or functionality of our products and services will result in a loss of revenue and could materially harm our business. Frequent or persistent interruptions in our services could cause current or potential customers to believe that our systems are unreliable, leading them to switch to our competitors or to avoid or reduce the use of our products and services, and could permanently harm our reputation and brands. Moreover, if any system failure or similar event results in damages to our customers or their business partners, these customers or partners could seek significant compensation or contractual penalties from us for their losses, and those claims, even if unsuccessful, would likely be time-consuming and costly for us to address.

We have experienced significant non-cash impairment charges to our intangible assets, which may affect our results of operations in the future.

Definite-lived intangible assets are evaluated for impairment if an event or change occurs such that the carrying amount may not be recoverable. Unfavorable changes in the business climate or competitive environment, our revenue forecasts, our market capitalization, capital structure, capital expenditure levels, operating cash flows, as well as adverse legal or regulatory actions or developments could cause material impairments to the carrying value of our intangible assets or intangible assets we may obtain in future periods.

We rely on relationships with third-party content providers for a significant portion of our revenue.

We currently license gaming content from third-party software providers for inclusion in our online games and content offerings. We license these rights to provide our customers with access to online versions of popular casino-based games, reduce our development costs, to expand our content offerings and to shorten our time to market with new products and solutions. Our B2B business model is predicated on sharing revenue with our casino operators. If we were to lose access to popular game titles and content, our casino operators may experience a decline in wagering, reducing their revenue and ours. We could be compelled to pay higher prices for licenses, or incur increased expenses in an effort to develop our proprietary content, but there are no guarantees that we would be successful in either approach. The loss of compelling content could also make our solution and product offering less competitive, and our operators' customers may look for alternative vendors with access to different content.

In addition, a significant portion of customers are introduced to us by our network of content manufacturers. These content manufacturers include casino equipment manufacturers and casino gaming content designers, which do not manufacture physical gaming equipment. We may experience difficulty in maintaining or establishing third-party relationships with our content manufacturers. If we are unable to maintain good relations with our content manufacturers, our ability to organically grow our business could be harmed, which may materially adversely affect operating results and financial condition. Additionally, we are exposed to the risk that the content manufacturers through which we indirectly promote our products and services will not devote sufficient time, attention and resources to learning our products, markets and potential customers and may promote and sell competing products and services.

If we are unable to protect our intellectual property and proprietary rights, our competitive position and our business could be materially adversely affected.

The iGaming and online sports betting industries are subject to rapid technological change and we and a number of our competitors are developing technology and intellectual property that we believe is unique and provides us with a commercial advantage. We regard the protection of our developed technologies and intellectual property rights as a competitive differentiation and an important element of our business operations and crucial to our success. Unauthorized use of our intellectual property and proprietary rights may reduce our revenue, devalue our brands and property and harm our reputation.

We rely primarily on a combination of trademark laws, copyright laws, trade secrets, confidentiality procedures and contractual provisions to protect our proprietary technology. We generally require our employees, consultants and advisors to enter into invention contribution and confidentiality agreements. Our efforts to protect our proprietary rights may not be adequate to prevent misappropriation of our intellectual property. We may not be able to detect unauthorized use of, or take appropriate steps to enforce, our intellectual property rights. Further, the laws of many countries, including countries where we conduct business, do not protect our proprietary rights to as great an extent as do the laws of the United States and European countries. Our reliance upon copyright and trade secret laws to adequately protect our technology, might make it easier for our competitors to offer similar products or technologies.

We may in the future need to initiate litigation to enforce our intellectual property rights. Litigation can be expensive and time-consuming and may divert the efforts of our technical staff and managerial personnel, which could harm our business. In addition, litigation is inherently uncertain, and thus we may not be able to stop our competitors from infringing upon our intellectual property rights.

We face the risk that third parties will claim that we infringe on their intellectual property rights, which could result in costly license fees or expensive litigation.

While we respect third parties' intellectual property rights and have procedures designed to avoid the inadvertent use of third-party intellectual property, we may face claims from our competitors that the products or solutions that we develop, or those provided to us by third parties or used by our customers, infringe on third parties' intellectual property rights. Some of our competitors have substantially greater resources than we do and are able to sustain the costs of complex intellectual property litigation to a greater degree and for longer periods of time than we could. In addition, patent holding companies that focus solely on extracting royalties and settlements by enforcing patent rights may target us.

Any such claim may seek to prohibit our use of the third-party's intellectual property rights or may require us to obtain licenses from the holders of the patents or other intellectual property rights. We cannot assure you that we will be able to obtain any such licenses on commercially favorable terms, or at all. If we do not obtain such licenses, we could, for example, be required to cease or materially alter our product offerings and our business, operating results and financial condition could be materially adversely affected.

Future litigation may be necessary to defend ourselves, our customers or our partners by determining the scope, enforceability and validity of third-party proprietary rights or to establish our proprietary rights. Regardless of whether the infringement claims have any merit, defense of intellectual property litigation is time-consuming, costly to evaluate and defend, and could:

- adversely affect our relationships with our current or future customers or partners;
- cause delays or stoppages in providing new sales of our products;
- cause us to have to cease use of certain technology or products;
- require technology changes that would cause us to incur substantial cost;
- require us to enter into royalty or licensing agreements on unfavorable terms; and
- divert management's attention and resources.

In addition, many of our contracts provide our customers or partners with indemnification with respect to their use of our intellectual property. We cannot predict whether any existing or future third-party intellectual property rights would require us to alter our technologies, obtain licenses or cease certain activities.

We face risks related to health epidemics and other widespread outbreaks of contagious disease, which could disrupt our operations and impact our operating results.

Significant outbreaks of contagious diseases, and other adverse public health developments, could have a material impact on our business operations and operating results.

The impact of public health threats or outbreaks of communicable diseases is uncertain. Although our business proved resilient during the COVID-19 pandemic, it is uncertain whether this trend will continue, as the economic disruption and uncertainty caused by the COVID-19 pandemic may be repeated in the event of future severe outbreaks or variants. In the event of a public health crisis, government authorities may, from time to time, implement various mitigation measures, including travel restrictions, limitations on business operations, stay-at-home orders and social distancing protocols. Any prolonged deviations from normal daily operations could negatively impact our business. Additionally, any prolonged disruption of our content providers, customers, players or regulatory reviewers could delay regulatory approvals or conclusions related to new products or the finalization of new contracts entered into by us.

We are subject to risks related to corporate social responsibility, responsible gaming, reputation and ethical conduct.

Many factors influence our reputation and the value of our brands, including the perception held by our customers, business partners, investors, other key stakeholders and the communities in which we operate, such as our social responsibility, corporate governance and responsible gaming practices. We have faced, and will likely continue to face, increased scrutiny related to social, governance and responsible gaming activities, and our reputation and the value of our brands can be materially adversely harmed if we fail to act responsibly in a number of areas, such as diversity and inclusion, workplace conduct, responsible gaming, human rights, philanthropy and support for the local communities. Any harm to our reputation could impact employee engagement and retention, and the willingness of customers and partners to do business with us, which could have a materially adverse effect on our business, results of operations and cash flows.

We believe that our reputation is critical to our role as a leader in the online gaming industry and as a publicly traded company. Our Board has adopted a Code of Business Conduct as well as other related policies and procedures, and management is heavily focused on the integrity of our directors, officers, senior management, employees, other personnel and third-party suppliers and partners. Illegal, unethical or fraudulent activities perpetrated by any of such individuals, suppliers or partners for personal gain could expose us to potential reputational damage and financial loss.

Risks Related to the Merger

Regulatory approvals of the Merger may not be received, may take longer than expected, or may impose conditions that could allow SEGA SAMMY CREATION to abandon the Merger.

Before the Merger may be completed, various regulatory approvals must be obtained from a number of relevant gaming authorities. In determining whether to grant these approvals, such regulatory authorities consider a variety of factors, including the regulatory standing of each party. These approvals could be delayed or not obtained at all due to a number of factors considered by regulators when granting such approvals or the political environment generally.

The approvals that are granted may impose terms and conditions, limitations, obligations or costs, or place restrictions on the conduct of SEGA SAMMY CREATION'S or the combined company's business. There can be no assurance that regulators will not impose any such conditions, limitations, obligations or restrictions and that such conditions, limitations, obligations or restrictions will not have the effect of delaying the completion of any of the transactions contemplated by the Merger Agreement, or result in the delay or abandonment of the Merger. Additionally, the completion of the Merger is conditioned on the absence of certain orders, injunctions or decrees by any court or regulatory agency of competent jurisdiction that would prohibit or make illegal the completion of any of the transactions contemplated by the Merger Agreement.

The Merger Agreement between us, SEGA SAMMY CREATION and Merger Sub may be terminated in accordance with its terms and the Merger may not be completed.

The Merger Agreement is subject to a number of conditions which must be fulfilled in order to complete the Merger. Those conditions include, among other things: (i) approval by our shareholders of the Merger and Merger Agreement (which occurred on February 13, 2024); (ii) the receipt of applicable regulatory gaming authorities and other authorities; (iii) the absence of any order, injunction, decree or other legal restraint preventing the consummation of the Merger or any of the other transactions contemplated by the Merger Agreement or making the completion of the Merger or any of the other transactions contemplated by the Merger Agreement illegal; (iv) that Chile does not enact any law (which is not reasonably capable of being overturned or complied with) that renders our online gaming operations illegal in that country, and (v) the accuracy of the Company's representations and warranties contained in the Merger Agreement (subject to certain customary qualifications) and compliance by the Company with its agreements and covenants contained in the Merger Agreement.

These conditions to the closing may not be fulfilled in a timely manner or at all, and, accordingly, the Merger may not be completed. In addition, the parties can mutually decide to terminate the Merger Agreement at any time, before or after the requisite shareholder approvals, SEGA SAMMY CREATION'S may terminate the Merger Agreement if applicable gaming regulatory authorities impose restrictions or impositions that would have a material adverse effect on SEGA SAMMY CREATION'S or the combined company's business, or we or SEGA SAMMY CREATION may elect to terminate the Merger Agreement in certain other circumstances.

We may not be able to effect the Merger pursuant to the Merger Agreement, and failure to complete the Merger could negatively impact our stock price and the future business and financial results of the Company.

In connection with the Merger Agreement, we have incurred substantial costs planning and negotiating the transaction. These costs include, but are not limited to, costs associated with employing and retaining third-party advisors who performed the financial, auditing, and legal services required before we were able to enter into the Merger Agreement and which will continue as we seek to complete the transaction. If, for whatever reason, including those set forth above, the transactions contemplated by the Merger Agreement fail to close, we will be responsible for these costs, which could adversely affect our liquidity and financial results.

Our stock price may decline significantly if the Merger is not completed. If the Merger is not completed, our ongoing business may be adversely affected and the Company will be subject to a number of risks, including the following:

- We may be required to pay a termination fee of $6.0 million if the Merger Agreement is terminated under certain circumstances;
- We will be required to pay certain costs relating to the Merger, such as legal, accounting, financial advisor and printing fees whether or not the Merger is completed;
- Matters relating to the Merger may require substantial commitments of time and resources by our management, which could otherwise have been devoted to other opportunities that may have been beneficial to us; and

- Our customers, prospective customers, collaborators and other business partners and investors in general may view the failure to consummate the Merger as a poor reflection on our business or prospects.

Risks Related to Regulation

The online gaming industry is heavily regulated and the Company's failure to obtain or maintain applicable licensure or approvals, or otherwise comply with applicable requirements, could be disruptive to our business and could adversely affect our operations.

We and our officers, directors, major shareholders, key employees and business partners are generally subject to the laws and regulations relating to online gaming of the jurisdictions in which we conduct business, as well as the general laws and regulations that apply to all e-commerce businesses, such as those related to privacy and personal information, tax and consumer protection. With each new regulated market we enter, we are generally required to secure a gaming license. 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 our operations and financial results.

Gaming authorities have broad discretion in determining whether to grant, or not to grant, a gaming license and/or whether to impose conditions or limitations upon such gaming license. The process of submitting applications may be expensive and time-consuming and the outcome is not assured. Regulatory regimes imposed upon gaming providers vary by jurisdiction. Typically, however, most regulatory regimes include the following elements:

- the opportunity to apply for one or more gaming licenses for one or more categories of products, whether as part of a general round of license issuance (for example, Spain) or as and when the applicant chooses to apply;
- a requirement for gaming license applicants to make detailed and extensive disclosures as to their beneficial ownership, their source of funds, the probity and integrity of certain persons associated with the applicant, the applicant's management competence and structure and business plans, the applicant's proposed geographical territories of operation and the applicant's ability to operate a gaming business in a socially responsible manner in compliance with applicable laws and regulations;
- interviews and assessments by the relevant gaming authority intended to inform a regulatory determination of the suitability of applicants for gaming licenses;
- assessments by the relevant gaming authority intended to inform a regulatory determination of the continued suitability of gaming license holders;
- ongoing reporting and disclosure obligations, both on a periodic and ad hoc basis in response to material issues affecting the business;
- the testing and certification of software and systems, generally designed to confirm such things as the fairness of the gaming products offered by the business, their genuine randomness and ability accurately to generate settlement instructions and recover from outages;
- the need to account for applicable gaming duties and other taxes and levies, such as fees or contributions to bodies that organize the sports on which bets are offered, as well as contributions to the prevention and treatment of problem gaming; and
- social responsibility obligations.

If we fail to obtain the necessary gaming license in a given jurisdiction, we would likely be prohibited from distributing and providing our product offerings in that particular jurisdiction altogether. If we fail to seek, do not receive, or receive a suspension or revocation of a license in a particular jurisdiction for our product offerings (including any related technology and software) then we cannot offer the same in that jurisdiction and our gaming licenses in other jurisdictions may be impacted. Furthermore, some jurisdictions require license holders to obtain government approval before engaging in some transactions, such as business combinations, reorganizations, share offerings and repurchases. We may not be able to obtain all necessary gaming licenses in a timely manner, or at all. Delays in regulatory approvals or failure to obtain such approvals may also serve as a barrier to entry to the market for our product offerings. If we are unable to overcome the barriers to entry, it will materially affect our results of operations and future prospects.

To the extent new online gaming jurisdictions are established or expanded, we cannot guarantee we will be successful in penetrating such new jurisdictions or expanding our business or customer base in line with the growth of existing jurisdictions.

As we directly or indirectly enter into new markets, we 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 the new market opportunity. If we are unable to effectively develop and operate directly or indirectly within these new markets or if our competitors are able to successfully penetrate geographic markets that we cannot access or where we face other restrictions, then our business, operating results and financial condition could be impaired. Our failure to obtain or maintain the necessary regulatory approvals in jurisdictions, whether individually or collectively, would have a material adverse effect on our business.

Once a gaming license is granted violations of any gaming related requirements could result in the revocation of a gaming license, the imposition of fines, conditions, or limitations, all of which could adversely affect our operations and financial viability.

Once we have been granted a gaming license, we are required to comply with the applicable statutory and/or regulatory requirements, policy directives, and license conditions and/or limitations. Failure to comply with any of such, could result in a gaming regulator bringing a disciplinary action against us. We have previously been assessed fines related to failure to comply with license conditions and codes of practice. We cannot predict the outcome of any current or future regulatory review.

Disciplinary action could range from the imposition of fines, further conditions or limitations imposed upon the gaming license, to the revocation of previously granted gaming licenses. The imposition of any such disciplinary actions could adversely affect our operations in that jurisdiction and its financial viability. Further, the disciplinary action in one jurisdiction could result in separate disciplinary action being brought by another gaming regulator, which could further adversely affect our operations in those jurisdictions and its financial viability.

The online gaming industry is rapidly expanding and evolving, which the proliferation of new and changing regulatory frameworks increases costs and increases the risk of non-compliance.

The online gaming and interactive entertainment industries are relatively new and continue to evolve. As additional jurisdictions initiate regulation, legal and regulatory developments (such as passing new laws or regulations or extending existing laws or regulations to online gaming and related activities), taxation of gaming activities, data and information privacy, anti-money laundering and 'know your customer' laws and regulations, and payment processing laws and regulations, are continuing to evolve in ways we are unable to predict and which are beyond our control.

Given the dynamic evolution of these industries, it can be difficult to plan strategically, including as it relates to product launches in new or existing jurisdictions, which may be delayed or denied, and it is possible that competitors will be more successful than us at adapting to change and pursuing business opportunities. Additionally, as the online gaming industry advances, including with respect to regulation in new and existing jurisdictions, we will become subject to additional compliance-related costs, including regulatory infractions, licensing and taxes. Consequently, we cannot provide assurance that our online and interactive offerings will grow at the rates expected or be successful in the long term.

Our B2C operations generate a significant portion of its revenues from "unregulated" markets and changes in regulation in those markets could result in us losing business in those markets, incurring additional expenses in order to comply with any new regulatory scheme, or potentially exiting the market.

Our B2C operations currently generate a significant portion of its revenues in markets that currently do not have a local licensing scheme, including Latin America and Northern Europe. Certain of those markets, or other markets where we may operate in the future, are in the process of developing regulations that require registration and regulatory compliance or could do so in the near term. The adoption of regulations and licensing requirements may increase costs, reduce net gaming revenue or require us to cease operations depending on the range of unforeseen developments in proposed rules and regulations governing online gaming in the international markets in which we currently operate.

Our B2C operations generate a significant portion of our revenue in markets where tax regulations are evolving, and could result in additional tax liabilities that could materially affect our financial condition and results of operations.

Our B2C operations currently generate a significant portion of its revenues in markets that have evolving tax legislation, including Latin America and Canada. Those markets, or other markets where we may operate in the future are actively considering or could adopt regulations that adversely affect our operations. The adoption of tax regulations may increase costs, reduce net gaming revenue or require us to cease operations depending on the range of unforeseen possible changes to the statutes governing online gaming in the international markets in which we currently operate.

Compliance with evolving data privacy regulations may cause us to incur additional expenses, and any violation could result in damage to our reputation and/or subject us to fines, payment of damages, lawsuits and restrictions on our use of data.

We collect and process information relating to our employees, our customer operators, our customers' end user players, and others for various business purposes, including payment processing, marketing and promotional purposes. The collection and use of personal data are governed by privacy laws and regulations enacted by the various U.S. states, and other jurisdictions around the world. Privacy laws and regulations continue to evolve and on occasion may be inconsistent between jurisdictions. Various federal, state and foreign legislative or regulatory bodies may enact or adopt new or additional laws and regulations concerning privacy, data retention, data transfer, and data protection. For example, the European Union has adopted a data protection regulation known as the General Data Protection Regulation, or "GDPR", which became fully enforceable in May 2018, that includes operational and compliance requirements with significant penalties for non-compliance. In addition, California has enacted a new privacy law, known as the California Consumer Privacy Act of 2018, which became effective in 2020 and provides some of the strongest privacy requirements in the United States.

Compliance with applicable privacy laws and regulations may increase our operating costs and/or adversely impact our ability to provide and market our products, properties and services. In addition, non-compliance with applicable privacy laws and regulations by us (or in some circumstances non-compliance by third parties engaged by us), including accidental loss, inadvertent disclosure, unapproved dissemination or a breach of security on systems storing our data may result in damage to our reputation and/or subject us to fines, payment of damages, lawsuits or restrictions on our use or transfer of data. We rely on proprietary and commercially available systems, software, and tools to provide security for processing of customer and employee information, such as payment card and other confidential or proprietary information. Our data security measures are reviewed and evaluated regularly; however, they might not protect us against increasingly sophisticated and aggressive threats including, but not limited to, computer malware, viruses, hacking and phishing attacks by third parties.

Any violation of the Bank Secrecy Act or other similar anti-money laundering laws and regulations could have a negative impact on us.

Our operations are subject to reporting and anti-money laundering ("AML") regulations in various jurisdictions. In recent years, governmental authorities have been increasingly focused on AML policies and procedures, with a particular focus on the gaming industry. Any violation of AML laws or regulations could result in fines, administrative expenses, and have a negative effect on our business reputation, ability to secure and retain gaming licenses, and have a negative effect on our results of operations.

We have identified a material weakness in connection with our internal control over financial reporting which, if not remediated, could adversely affect our business, reputation and stock price.

As previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2022, material weaknesses were identified in the Company's internal control over financial reporting. A material weakness is a deficiency or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's interim or annual consolidated financial statements will not prevented or detected on a timely basis.

During the year, the Company's management implemented remediation plans to remove access and security admin ("super user") rights to the financial reporting systems. However, the deficiency surrounding the controls related to the segregation of duties over journal entry preparation and approval within the B2C segment remained. While the Company continues to implement controls to remediate the material weakness, the material weakness has not been resolved as of December 31, 2024. We can give no assurances that these measures will remediate the remaining material weakness in internal controls, or that additional material weaknesses or significant deficiencies in our internal control over financial reporting will not be identified in the future. Our failure to implement and maintain effective internal controls could result in errors in our financial statement that may lead to restatements of our financial statements or failure to meet reporting obligations. Any such failure could also lead to reputational damage and a decrease in the market price of our stock.

Risks Related to our International Operations

We have business operations located in many countries and a significant level of operations outside of the U.S., which subjects us to additional costs and risks that could adversely affect our operating results.

A significant portion of our customer base and operations are located outside of the United States. Compliance with international and U.S. laws and regulations that apply to our international operations increases our cost of doing business. As a result of our international operations, we are subject to a variety of risks and challenges in managing an organization operating in various countries, including those related to:

- challenges caused by distance as well as language and cultural differences;
- general economic conditions in each country or region;
- regulatory changes;
- political unrest, terrorism and the potential for other hostilities;
- public health risks, particularly in areas in which we have significant operations;
- longer payment cycles and difficulties in collecting accounts receivable;
- overlapping or changes in tax regimes;
- difficulties in transferring funds from certain countries;
- laws such as the U.K. Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act, and local laws which also prohibit corrupt payments to governmental officials; and
- reduced protection for intellectual property rights in some countries.

If we are unable to effectively staff and manage our global operations, we may not realize, in whole or in part, the anticipated benefits from our international operations which in turn could materially adversely affect our business, financial condition, and results of operations.

Our results of operations may be adversely affected by fluctuations in foreign currency values.

As a result of our global operations, we generate a portion of our revenue and incur a portion of our expenses in currencies other than the U.S. dollar. Our primary currency exposures are the British Pound, Euro, Bulgarian Lev, Israeli Shekel, Mexican Peso, Peruvian Sol, Chilean Peso, and Swedish Krona. For example, we have a significant amount of our Euro-denominated transactions associated with revenue, a devaluation of the Euro relative to the U.S. dollar would adversely affect our results of operations reported in the U.S. dollar. As our transactions in British Pounds are primarily expenses, a decline of the U.S. dollar relative to the British Pound would negatively impact our results of operations reported in the U.S. dollar. The financial condition, results of operations and cash flows of some of our operating entities are reported in currencies other than the U.S. dollar and then translated into U.S. dollars at the applicable exchange rate for inclusion in our consolidated financial statements. As a result, appreciation of the U.S. dollar against those other currencies generally will have a negative impact on our reported revenue and profits while depreciation of the U.S. dollar against other currencies will generally have positive effect on reported revenue and profits. Any significant decline in the value of these currencies as compared to the U.S. dollar would have a material adverse impact on our results of operations.

The expansion of our business will subject us to taxation in a number of jurisdictions and changes in, or new interpretation of, tax laws, tax rulings or their application by tax authorities could result in additional tax liabilities and could materially affect our financial condition and results of operations.

We pay U.S. federal, state and international taxes due to our global operations and the locations in which we operate. We are subject to taxation in a number of international jurisdictions. The tax laws applicable to our business are myriad, and are subject to interpretation, and significant judgment is required in determining our provision for income taxes. In the course of our business, there are many transactions and calculations where the ultimate tax determination is uncertain. Consequently, our results may differ from previous estimates and may materially affect our consolidated financial statements.

The gaming industry represents a significant source of tax revenue to the jurisdictions in which we will operate. Gaming companies and B2B providers in the gaming industry (directly and/or indirectly by way of their commercial relationships with operators) are currently subject to significant taxes and fees in addition to normal corporate income taxes, and those taxes and fees are subject to increase at any time. In addition, any worsening of economic conditions and the large number of jurisdictions with significant current or projected budget deficits could intensify the efforts of governments to raise revenues through increases in gaming taxes and/or other taxes. It is not possible to determine with certainty the likelihood of changes in tax laws or in the administration or interpretation or enforcement of such laws. Any material increase, or the adoption of additional taxes or fees, could have a material adverse effect on our business, financial condition, results of operations and prospects.

We are subject to periodic review and audit by U.S. and foreign tax authorities. Tax authorities may disagree with certain tax positions that we have taken or that we will take, and any adverse outcome of such a review or audit could have a negative effect on our business, financial condition and results of operations. Although we believe that our income tax provisions, positions and estimates are reasonable and appropriate, tax authorities may disagree with certain positions we have taken. In addition, economic and political pressures to increase tax revenue in various jurisdictions may make resolving tax disputes favorably more difficult.

U.S. Holders of our ordinary shares could be subject to material adverse tax consequences if we are considered a Passive Foreign Investment Company for U.S. federal income tax purposes.

There is a risk that we could be classified as a Passive Foreign Investment Company (“PFIC”), for U.S. federal income tax purposes. Our status as a PFIC could result in a reduction in the after-tax return to U.S. Holders of our ordinary shares and may cause a reduction in the value of our ordinary shares. A corporation is classified as a PFIC for any taxable year in which either (i) at least 75% of its gross income is “passive income” or (ii) at least 50% of the average quarterly value of all its assets consists of assets that produce, or are held for the production of, passive income. For this purpose, passive income generally includes among other things, dividends, interest, certain rents and royalties, annuities, certain gains from the sale of stock and securities, and certain gains from commodities transactions.

Based on the projected composition of our income and valuation of our assets, we do not believe we would have been a PFIC in any previous taxable year, and we do not expect to become a PFIC in the foreseeable future, although there can be no assurance in this regard. The U.S. Internal Revenue Service or a U.S. court could determine that we are or were a PFIC in any past, current, or future taxable years. The determination of whether we are a PFIC is a fact-intensive determination made on an annual basis applying principles and methodologies, which in some circumstances are unclear and subject to varying interpretation. If we were classified as a PFIC, U.S. Holders of our ordinary shares could be subject to greater U.S. income tax liability than might otherwise apply, imposition of U.S. income tax in advance of when tax would otherwise apply and detailed tax filing requirements that would not otherwise apply. The PFIC rules are complex and a U.S. holder of our ordinary shares is urged to consult its tax advisors regarding the possible application of the PFIC rules.

Risks Related to Corporate Governance Matters

Ownership in our ordinary shares is restricted by gaming laws and our by-laws, and persons found "unsuitable" may be required to dispose of their shares.

Gaming authorities have the right to investigate any individual or entity having a relationship to, or involvement with, our Company or any of its subsidiaries, to determine whether such individual or entity is suitable as a business associate of ours. Many jurisdictions also require any person who acquires beneficial ownership of more than a certain percentage of voting securities of a gaming company and, in some jurisdictions, non-voting securities, sometimes 5%, to report the acquisition to the gaming authorities, and the gaming authorities may require such holders to apply for qualification or a finding of suitability, subject to limited exceptions for "institutional investors" that hold a company's voting securities for investment purposes only. Subject to certain administrative proceeding requirements, gaming authorities have broad discretion to deny any application or limit, condition, restrict, revoke or suspend any license, registration, finding of suitability or approval, or fine any person licensed, registered or found suitable or approved, for any cause deemed reasonable by the gaming authorities.

Any person found unsuitable by a gaming authority may not hold directly or indirectly ownership of any voting security or the beneficial or record ownership of any nonvoting security or any debt security of any public corporation which is registered with the relevant gaming authority beyond the time prescribed by the relevant gaming authority. Our by-laws include certain provisions to ensure that we comply with applicable gaming laws. These provisions provide, among other things, that GAN Limited is prohibited from carrying on Gaming or Gaming Activities (as defined therein) itself and that our Board of Directors has the right to cause a forced sale of the ordinary shares held by an unsuitable person. Any such forced sale may negatively affect the trading price of our ordinary shares and may negatively affect the liquidity of our ordinary shares.

We are a Bermuda company and it may be difficult for you to enforce judgments against us or certain of our officers.

We are a Bermuda exempted company. As a result, the rights of holders of our ordinary shares will be governed by Bermuda law and our memorandum of association and by-laws. The rights of shareholders under Bermuda law may differ from the rights of shareholders of companies incorporated in other jurisdictions. Bermuda legislation regarding companies is largely based on English corporate law principles. However, there can be no assurance that Bermuda law will not change in the future or that it will serve to protect investors in a similar fashion afforded under corporate law principles in the United States, which could adversely affect the rights of investors. A substantial portion of our assets are located outside the United States. As a result, it may be difficult for investors to enforce, in the United States, judgments obtained in U.S. courts against us based on the civil liability provisions of the U.S. federal securities laws. We have been advised by our special Bermuda counsel that uncertainty exists as to whether courts in Bermuda will enforce judgments obtained in other jurisdictions, including the United States, or entertain action in Bermuda against us or our directors or officers.

Furthermore, we have been advised by our special Bermuda counsel that Bermuda courts will not recognize or give effect to U.S. federal securities laws that such Bermuda courts consider to be procedural in nature, are revenue or penal laws or the application of which would be inconsistent with public policy in Bermuda. Certain remedies available under the laws of U.S. jurisdictions, including certain remedies under U.S. federal securities laws, will not be recognized or given effect to in any action brought before a court of competent jurisdiction in Bermuda where the application of such remedies would be inconsistent with public policy in Bermuda. Further, no claim may be brought in Bermuda against us or our directors and officers in the first instance for violations of U.S. federal securities laws because those laws do not have the force of law in Bermuda. A Bermuda court may, however, impose civil liability on us or our directors and officers if the facts alleged in a complaint constitute or give rise to a cause of action under Bermuda law.

Shareholders of a Bermuda company may have a cause of action against us or our directors for breach of any duty in the by-laws or any shareholders' agreement owed personally by us to the shareholder. Directors of a Bermuda company may be liable to the company for breach of their duties as directors to the company under the Bermuda Companies Act, and under common law. Such actions must, as a general rule, be brought by the company. Where the directors have carried on an act which is ultra vires or illegal, then the shareholder has the right, with leave of the court, to bring a derivative action to sue the directors on behalf of the company with any damages awarded going to the company itself. Shareholders are also able to take action against a company if the affairs of the company are being conducted in a manner which is oppressive or unfairly prejudicial to the shareholders or some number of them, and to seek either a winding-up order or an alternative remedy if a winding-up order would be unfairly prejudicial to them.

Our by-laws restrict shareholders from bringing legal action against our officers and directors.

Our by-laws contain a broad waiver by our shareholders of any claim or right of action, both individually and on our behalf, against any of our officers or directors. The waiver applies to any action taken by an officer or director, or the failure of an officer or director to take any action, in the performance of his or her duties, except with respect to any matter involving any fraud or dishonesty on the part of the officer or director or any claims of violations of the Securities Act of 1933 or the Securities Exchange Act of 1934 the waiver of which would be prohibited by Section 14 of the Securities Act and Section 29(a) of the Exchange Act. This waiver limits the right of shareholders to assert claims against our officers and directors unless the act or failure to act involves fraud or dishonesty.

We have provisions in our by-laws that may discourage a change of control.

Our by-laws contain provisions that could make it more difficult for a third-party to acquire us without the consent of our Board of Directors. These provisions include, among others:

- restrictions on the time period in which directors may be nominated;
- the prohibition of cumulative voting in the election of directors;
- the requirement for shareholders wishing to propose a person for election as a director (other than persons proposed by our Board of Directors) to give advance written notice of nominations for the election of directors; and
- certain provisions to ensure that we comply with applicable gaming laws, which provide, among other things, that our Board of Directors has the right to cause a forced sale of the ordinary shares held by an "unsuitable" person (see the risk factor above entitled "Ownership in our ordinary shares is restricted by gaming laws and our by-laws, and persons found "unsuitable" may be required to dispose of their shares").

These provisions could make it more difficult for a third-party to acquire us, even if the third-party's offer may be considered beneficial by many shareholders. As a result, shareholders may be limited in their ability to obtain a premium for their shares.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

In the ordinary course of our business, we collect, process, store, and transmit players' data, including confidential, sensitive, proprietary, and personal information. Maintaining the confidentiality, integrity and availability of our information technology systems and data, as well as appropriate limitations on access to such information, is important to our operations and business strategy. To this end, we have implemented various Information Security programs aligned to ISO and NIST cyber security frameworks with functions incorporating the "Identify", "Protect", "Detect", "Respond", and "Recover" concepts. They are designed to assess, identify, and manage risks from potential unauthorized occurrences on or through our information technology systems that may result in adverse effects on the confidentiality, integrity, and availability of these systems and the data residing in them.

The security program is managed and monitored by a dedicated Information Security team, which is led by our Vice President of Global Information Security, the Company's designated Chief Information Security Officer ("CISO"), and includes mechanisms, controls, technologies, systems, policies and other processes designed to prevent, detect, respond, and recover from data loss, theft, misuse, or other security incidents or vulnerabilities affecting the systems and data residing in them. For example, we have adopted a risk-based approach to security which includes continuous risk assessments, vulnerability scans and periodic penetration and testing. We perform due diligence on our key technology vendors and other contractors and suppliers. We also conduct employee training on cyber and information security, among other topics. Our security program is subjected to independent external audits annually to evaluate the effectiveness of our security program and identify areas for continuous improvement.

Our CISO, who reports directly to the Chief Technology Officer, is a Certified Information Systems Security Professional with over 20 years of experience managing information technology and cybersecurity matters, including more than five years in gaming and three years at GAN Limited. Members of the information security team who support the security program hold relevant educational and professional credentials with experience in similar roles from other technology companies. The CISO and Information Security team, together with our Privacy and Data Protection Team, led by a dedicated Data Protection Officer are responsible for assessing and managing cybersecurity risks. We consider cybersecurity, along with other significant risks that we face, within our overall enterprise risk management framework. In the last fiscal year, we have not identified any prior cybersecurity incidents that have materially affected us, but we face certain ongoing risks from cybersecurity threats that, if realized, are reasonably likely to materially affect us. Additional information on cybersecurity risks we face is discussed in Part I, Item 1A, "Risk Factors".

The Board of Directors, as a whole and at the committee level, has oversight for the most significant risks facing us and for our processes to identify, prioritize, assess, manage, and mitigate those risks. The Board of Directors receive updates on cybersecurity and information technology matters and related risk exposures from our CISO and CTO as well as other members of the senior leadership team.

ITEM 2. PROPERTIES

Our corporate headquarters is located at 10845 Griffith Peak, Suite 200, Las Vegas, Nevada 89135. In addition to our corporate headquarters, we have regional offices in Bulgaria, Israel, and Estonia. We lease our corporate headquarters and each of our regional offices. Our B2C segment operates out of our European regional offices, and our B2B segment operates out of our corporate headquarters in Las Vegas. We believe that our current facilities are adequate to meet our needs for the near future and that suitable additional or alternative space will be available on commercially reasonable terms to accommodate our foreseeable future operations.

ITEM 3. LEGAL PROCEEDINGS

The Company may be subject to legal actions and claims arising from contracts or other matters from time to time in the ordinary course of business. Management is not aware of any pending or threatened litigation, which are considered other than routine legal proceedings. The Company believes the ultimate disposition or resolution of its routine legal proceedings will not have a material adverse effect on its financial position, results of operations or liquidity.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our ordinary shares have been listed on The Nasdaq Capital Market under the symbol "GAN" since May 7, 2020. Prior to that date, our predecessor entity, GAN plc, was a public limited company incorporated under the laws of England and Wales. Since 2013 through the date of our initial public offering, the ordinary shares of GAN plc traded on AIM, a market operated by the London Stock Exchange under the symbol "GAN."

On May 5, 2020, we affected a reorganization and share exchange in which 21,593,910 ordinary shares of GAN Limited, together with cash consideration in the aggregate amount of £2.0 million, were issued to the shareholders of GAN plc in exchange for all outstanding ordinary shares of GAN plc, after which time GAN plc became a wholly-owned subsidiary of GAN Limited.

On March 22, 2023, we had 118 holders of record of our ordinary shares. A substantially greater number of holders are beneficial owners whose shares are held of record banks, brokers and other nominees. The transfer agent and registrar for our ordinary shares is Continental Stock Transfer and Trust Company.

Dividends

We have never declared or paid any cash dividends on our ordinary shares. We currently intend to retain our future earnings, if any, to finance the operation and expansion of our business. We do not expect to pay cash dividends on our ordinary shares in the foreseeable future. Our payment of dividends in the future, if any, will be determined by our Board of Directors and will be paid out of funds legally available for that purpose.

Issuer Purchases of Equity Securities

During the quarter ended December 31, 2024, the Company had no share repurchases.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with the Company's consolidated financial statements and the related notes thereto. Some of the information contained in this discussion and analysis or set forth elsewhere, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. You should review the "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" sections for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

GAN Limited is an exempted holding company organized in Bermuda exempted holding company and through its subsidiaries, consisting of two lines of business. We are a business-to-business ("B2B") supplier of enterprise Software-as-a-Service ("SaaS") solutions for online casino gaming, commonly referred to as iGaming, and online sports betting applications. Beginning with our January 2021 acquisition of Vincent Group p.l.c., a Malta public limited company ("Coolbet"), we are also a business-to-consumer ("B2C") developer and operator of an online sports betting and casino platform, which offers consumers in select markets in Northern Europe, Latin America, and Canada access to a digital portal for engaging in sports betting, online casino games, and poker. These two lines of business are also the Company's reportable segments.

The B2B segment develops, markets and sells instances of and GameSTACK technology, GAN Sports, and iSight Back Office that incorporates comprehensive player registration, account funding and back-office accounting and management tools that enable casino operators to efficiently, confidently and effectively extend their online presence.

The B2C segment includes the operations of Coolbet. Coolbet develops and operates an online sports betting and casino platform that is accessible through its website in markets across Northern Europe, Latin America, and Canada.

To meet demand and serve our growing number of U.S. casino operator clients, we continue to invest in our software engineering capabilities and expand our operational support. The most significant component of our operating costs generally relate to our employee salary costs and benefits. Also, operating costs include technology and corporate infrastructure related-costs, as well as marketing expenditures with a focus on increasing and retaining B2C end-users.

Our net loss was $8.0 million and $34.4 million for the years ended December 31, 2024 and 2023, respectively.

We believe that our current technology is highly scalable and can support the launch of our product offerings for new customers and in new jurisdictions. We expect to improve our profitability through increased revenues from:

- organic growth of our existing casino operators,
- expansion into newly regulated jurisdictions with existing and new customers,
- margin expansion driven by the integration of Coolbet's sports betting technology in our B2B product offerings,
- strategically reducing our existing worldwide global workforce to simplify and streamline our organization and strengthen the overall competitiveness of our B2B segment
- revenue expansion from the roll-out of our Super RGS content offering to B2C operators who are not already clients, and
- organic growth of our B2C business in existing and new jurisdictions.

Critical Accounting Policies and Estimates

Our accounting policies are more fully described in Note 2 – Summary of Significant Accounting Policies of our Notes to Consolidated Financial Statements included in this report. As disclosed in Note 2, the preparation of financial statements in accordance with accounting principles generally accepted in the United States requires the use of judgments and estimates. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under current circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates. We consider the following to be our most critical accounting estimates that involve significant judgment:

Revenue Recognition

Our revenue recognition policies described in Note 2 – Summary of Significant Accounting Policies, require us to make significant judgments and estimates. Accounting Standards Codification ("ASC") 606 requires that we apply judgments or estimates to determine the performance obligations, the stand-alone selling prices of our performance obligations to customers, allocation of the transaction price, and the timing of transfer of control of the respective performance obligations. The evaluation of each of these criteria requires consideration of contract specific facts and circumstances is naturally judgmental, but certain judgments could significantly affect the amount or timing of revenue recognized if we were to reach a different conclusion. The critical judgments we are required to make in our assessment of contracts with customers that could significantly affect the timing or amount of revenue recognized are:

Stand-Alone Selling Price and Allocation of Transaction Price. ASC 606 requires that we determine the stand-alone selling price for our goods and services as a basis for allocating the transaction price to the identified distinct performance obligations in our contracts with customers. Because we often bundle the selling price for hardware or services or we may license systems for which the solutions we provide are highly customized and therefore the prices vary, the determination of a stand-alone selling price requires significant judgment.

For performance obligations that involve multiple products or services, we allocate the transaction price to be applied to each performance obligation based on an estimation of the stand-alone selling price. We typically determine the stand-alone selling price based on the amounts that we charge when sold separately in similar circumstances to similar customers. In instances where the stand-alone selling price cannot be determined using an adjusted market assessment approach, we have used other allocation methods in accordance with ASC 606, including a residual approach to allocate a stand-alone selling price.

Business Combinations

We account for business combinations in accordance with ASC 805, Business Combinations. This standard requires the acquiring entity in a business combination to recognize all (and only) the assets acquired and liabilities assumed in the transaction and establishes the acquisition-date fair value as the measurement objective for all assets acquired and liabilities assumed in a business combination.

Determining the fair value of assets acquired and liabilities assumed requires management judgment and often involves the use of significant estimates and assumptions with respect to the timing and amounts of future cash inflows and outflows, discount rates, market prices and asset lives, among other items. These estimates are based on information obtained from management of the acquired company and historical experience and are generally made with the assistance of an independent valuation firm. These estimates can include, but are not limited to, the cash flows that an asset is expected to generate in the future, and the cost savings expected to be derived from acquiring an asset. Any changes in the underlying assumptions can impact the estimates of fair value by material amounts, which can in turn materially impact our results of operations. These estimates are inherently uncertain and unpredictable, and, if different estimates were used, the purchase price for the acquisition could be allocated to the acquired assets and liabilities differently from the allocation that we have made. In addition, unanticipated events and circumstances may occur which affect the accuracy or validity of such estimates, and, if such events occur, we may be required to record a charge against the value ascribed to an acquired asset or an increase in the amounts recorded for assumed liabilities.

If the subsequent actual results and updated projections of the underlying business activity change compared with the assumptions and projections used to develop these fair values, we may have to record impairment charges in the future. In addition, we have estimated the useful lives of certain acquired assets, and these lives are used to compute depreciation and amortization expense. If our estimates of the useful lives change, depreciation and amortization expense may be required to be accelerated or decelerated.

Share-Based Compensation

Management measures equity-classified share-based awards at fair value at the date of grant and expenses the cost on a straight-line basis over the requisite service period of the entire award, generally defined as the vesting period, along with a corresponding increase in equity. Forfeitures are recorded in the period in which they occur with the impact, if any, recognized in the consolidated statements of operation with a corresponding adjustment to equity.

The fair value of share options is determined using a Black-Scholes model, taking into consideration management's best estimate of the expected life of the option and the estimated number of shares that will eventually vest. Application of the option-pricing model involves the use of estimates, judgment and assumptions that are highly complex and subjective and are outlined below as they pertain to grants subsequent to our initial public offering.

Expected Term – represents the period of time that awards granted are expected to be outstanding. In determining the expected term of the award, future exercise and forfeiture patterns are estimated from historical employee exercise behavior. These patterns are also affected by the vesting conditions of the award. Changes in the future exercise behavior of employees or in the vesting period of the award could result in a change in the expected term. An increase in the expected term would result in an increase to our expense.

Volatility – a measure of the amount by which the price of our ordinary shares is expected to fluctuate each year during the expected term of the award. Our expected volatility is determined by reference to volatility of certain identified peer groups, share trading information and share prices on the Nasdaq. The implied volatilities from traded options are impacted by changes in market conditions. An increase in the volatility would result in an increase in our expense.

Expected Dividend Yield – is based on our historical dividend yield, which is zero – as we have not historically paid dividends. If we were to begin paying dividends, the dividend yield would increase and result in a decrease in our expense.

Risk-Free Interest Rate – is based on the U.S. Treasury yield curve in effect at time of grant. As the risk-free interest rate increases, the expected term increases, resulting in an increase in our expense.

Capitalization and Impairment of Internally Generated Intangible Assets

Management reviews expenditures, including wages and benefits for employees, incurred on development activities and, based on their judgment of the costs incurred, assesses whether the expenditure meets the capitalization criteria set out in ASC 350 and the intangible assets accounting policy within the notes to our consolidated financial statements. Management specifically considers if additional expenditure on projects relates to maintenance or new development projects. In addition, the useful life of capitalized development costs is determined by management at the time the software is brought into use and is regularly reviewed for appropriateness. For unique software products we control and develop, the life is based on historical experience with similar products as well as anticipation of future events, which may impact their useful economic life, such as changes in technology.

Management reviews intangible assets at each reporting period to determine potential impairment whenever events or changes in circumstances indicate that the carrying amount of an intangible asset may not be fully recoverable. Recoverability is measured by comparing the carrying amount of the intangible asset with the future undiscounted cash flows the asset is expected to generate. Management must make estimates related to future cash flows and discount rates that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If such assets are considered impaired, an impairment loss would be measured by comparing the amount by which the carrying value exceeds the fair value of the intangible asset.

Income Taxes

We operate in a number of jurisdictions and our effective tax rate is based on our income, statutory tax rates, tax planning opportunities and transfer pricing policies in the various jurisdictions in which we operate. Judgment is required in respect of the interpretation of state, federal and international tax law and practice as e-commerce and tax continues to evolve. Our income tax rate is significantly affected by the tax rates that apply to our foreign earnings.

Deferred tax assets represent amounts available to reduce income taxes payable in future years. Such assets arise from temporary differences between the financial reporting and tax basis of assets and liabilities, as well as from net operating losses and tax credit carryforwards. Deferred tax assets are recognized to the extent that it is probable future taxable profits will be available against which the temporary differences can be utilized. This assessment of future taxable profits relies heavily on estimates that are based on a number of factors, including historical results and future business forecasts. To the extent deferred tax assets are not expected to be realized, we record a valuation allowance.

Research and development tax relief is recognized as an asset once there is sufficient evidence that any amount we may claim will be received. A key judgement arises with respect to the likelihood of a claim being successful when a claim has been quantified but has not been received. In making this judgement, we consider the nature of the claim and in particular the track record of success of previous claims.

We are subject to income taxes in numerous jurisdictions and there are transactions for which the ultimate tax determination cannot be assessed with certainty in the ordinary course of business. We recognize a provision for situations that might arise in the foreseeable future based on an assessment of the probabilities as to whether additional taxes will be due. An uncertain tax position is recognized as a benefit only if it is “more likely than not” that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the “more likely than not” test, no tax benefit is recorded. Penalties and interest incurred related to underpayment of income tax are classified as income tax expense in the period incurred.

Consolidated Results of Operations

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

The following table sets forth our consolidated results of operations for the periods indicated:

	Year Ended December 31,		Change	
	2024	2023	Amount	Percent
(dollars in thousands)				
Revenue	$ 134,998	$ 129,419	$ 5,579	4.3%
Operating costs and expenses				
Cost of revenue [1]	40,431	38,700	1,731	4.5%
Sales and marketing	25,303	28,972	(3,669)	(12.7)%
Product and technology	34,246	38,243	(3,997)	(10.5)%
General and administrative [1]	30,984	36,657	(5,673)	(15.5)%
Depreciation and amortization	7,634	17,161	(9,527)	(55.5)%
Total operating costs and expenses	138,598	159,733	(21,135)	(13.2)%
Operating loss	(3,600)	(30,314)	26,714	(88.1)%
Other loss, net	4,634	3,992	642	16.1%
Loss before income taxes	(8,234)	(34,306)	26,072	(76.0)%
Income tax (benefit) expense	(275)	138	(413)	n.m.
Net loss	$ (7,959)	$ (34,444)	$ 26,485	(76.9)%

[1] Excludes depreciation and amortization expense
n.m. = not meaningful

Geographic Information

The following table sets forth our consolidated revenue by geographic region, for the periods indicated:

	Year Ended December 31,		Percentage of Revenue		Change	
	2024	2023	2024	2023	Amount	Percent
(dollars in thousands)						
United States	$ 42,277	$ 31,758	31.3%	24.5%	$ 10,519	33.1%
Europe[1][2]	52,324	47,788	38.8%	36.9%	4,536	9.5%
Latin America[3]	31,467	39,935	23.3%	30.9%	(8,468)	(21.2)%
Rest of the world[4]	8,930	9,938	6.6%	7.7%	(1,008)	(10.1)%
Total revenue	$ 134,998	$ 129,419	100.0%	100.0%	$ 5,579	4.3%

[1] Finland revenue was $17.9 million and $16.7 million for the years ended December 31, 2024 and 2023, respectively.
[2] Norway revenue was $19.5 million and $16.0 million for the years ended December 31, 2024 and 2023, respectively.
[3] Chile revenue was $29.6 million and $36.4 million for the years ended December 31, 2024 and 2023, respectively.
[4] Canada revenue was $8.9 million and $9.9 million for the years ended December 31, 2024 and 2023, respectively.

Revenue

Revenue was $135.0 million for the year ended December 31, 2024, an increase of $5.6 million from the comparable period in 2023. The increase was primarily attributable to an increase in the United States resulting from the expansion of our B2B operations in Nevada and recognition of revenue related to migration services connected to a B2B partner exit in Michigan. Growth in Europe was driven by increased player activity and higher margins resulting from favorable sporting event outcomes within the B2C operations. These increases were partially offset by declines in the B2C operations in Latin America driven by reduced player activity and unfavorable exchange rates.

Cost of Revenue

Cost of revenue was $40.4 million for the year ended December 31, 2024, an increase of $1.7 million from the comparable period in 2023. This increase was due to increased gaming taxes in our B2C operations in Latin America driven by the implementation of recent tax legislation and the expansion of our B2B offerings in Nevada.

Sales and Marketing

Sales and marketing expense was $25.3 million for the year ended December 31, 2024, a decrease of $3.7 million from the comparable period in 2023. The decrease was primarily attributable to the Company's deployment of an affiliate marketing strategy in the Latin America region that reduces the up-front marketing costs required for customer acquisition.

Product and Technology

Product and technology expense was $34.3 million for the year ended December 31, 2024, a decrease of $4.0 million from the comparable period in 2023. This decrease is due primarily to overall reduction of compensation costs and reduced headcount realized as part of ongoing cost saving initiatives.

General and Administrative

General and administrative expense was $31.0 million for the year ended December 31, 2024, a decrease of $5.7 million from the comparable period in 2023. This decrease is due primarily to overall reduction of compensation costs and reduced headcount realized as part of ongoing cost saving initiatives.

Depreciation and Amortization

Depreciation and amortization expense was $7.6 million for the year ended December 31, 2024, a decrease of $9.5 million from the comparable period in 2023. The decrease was primarily due to the reduction of depreciable assets that were fully amortized compared to the prior period.

Income Tax Expense

We recorded income tax benefit of $0.3 million for the year ended December 31, 2024, reflecting an effective tax rate of 3.3%, compared to income tax expense of $0.1 million for the year ended December 31, 2023, reflecting an effective tax rate of (0.4)%. Our country of domicile is Bermuda, which effectively has a 0% statutory tax rate as it does not impose taxes on profits, income, dividends, or capital gains. The difference between this 0% tax rate and the effective income tax rate for the years ended December 31, 2024 and 2023 was due primarily to a mix of earnings in foreign jurisdictions that are subject to current and deferred tax and loss carryforwards in certain jurisdictions that are not expected to be realized.

Segment Operating Results

We report our operating results by segment in accordance with the "management approach." The management approach designates the internal reporting used by our Chief Operating Decision Maker ("CODM"), who is our Chief Executive Officer, for making decisions and assessing performance of our reportable segments.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

The following table sets forth our segment results for the periods indicated:

	Year Ended December 31,		Percentage of Segment Revenue		Change	
	2024	2023	2024	2023	Amount	Percent
(dollars in thousands)						
B2B						
Revenue	$ 50,716	$ 43,154	100.0%	100.0%	$ 7,562	17.5%
Cost of revenue [1]	9,459	8,424	18.7%	19.5%	1,035	12.3%
B2B segment contribution	$ 41,257	$ 34,730	81.3%	80.5%	$ 6,527	18.8%
B2C						
Revenue	$ 84,282	$ 86,265	100.0%	100.0%	$ (1,983)	(2.3)%
Cost of revenue [1]	30,972	30,276	36.7%	35.1%	696	2.3%
B2C segment contribution	$ 53,310	$ 55,989	63.3%	64.9%	$ (2,679)	(4.8)%

[1] Excludes depreciation and amortization expense

B2B Segment

B2B revenue increased $7.6 million primarily due to an expansion of our B2B offerings in the state of Nevada and the recognition of migration service revenue and termination fees in the states of Michigan and New York, respectively.

B2B cost of revenue increased $1.0 million primarily due to an expansion of our B2B offerings in Nevada.

B2C Segment

B2C revenue decreased $2.0 million primarily due to reduced player activity and unfavorable exchange rates in Latin America partially offset by growth in Europe.

B2C cost of revenue was relatively consistent with the prior year period.

Non-GAAP Financial Measures

Adjusted EBITDA

Management uses the non-GAAP measure of Adjusted EBITDA to measure its financial performance. Specifically, it uses Adjusted EBITDA (i) as a measure to compare our operating performance from period to period, as it removes the effect of items not directly resulting from our core operations, and (ii) as a means of assessing our core business performance against others in the industry, because it eliminates some of the effects that are generated by differences in capital structure, depreciation, tax effects and unusual and infrequent events.

We define Adjusted EBITDA as net loss before interest expense (income), net, income tax expense (benefit), depreciation and amortization, impairments, share-based compensation expense and related expense, restructuring costs, and other items which our Board of Directors considers to be infrequent or unusual in nature. The presentation of Adjusted EBITDA is not intended to be used in isolation or as a substitute for any measure prepared in accordance with U.S. GAAP and Adjusted EBITDA may exclude financial information that some investors may consider important in evaluating our performance. Because Adjusted EBITDA is not a U.S. GAAP measure, the way we define Adjusted EBITDA may not be comparable to similarly titled measures used by other companies in the industry.

Below is a reconciliation of Adjusted EBITDA to net loss, the most comparable U.S. GAAP measure, as presented in the consolidated statements of operations for the years specified:

	Year Ended December 31,	
	2024	2023
(in thousands)		
Net loss	$ (7,959)	$ (34,444)
Income tax expense (benefit)	(275)	138
Interest expense	4,607	5,003
Gain on amendment of Content Licensing Agreement	—	(9,718)
Loss on debt extinguishment	—	8,784
Contingent liability and related revaluation [(1)]	—	(830)
Depreciation and amortization	7,634	17,161
Share-based compensation and related expense [(2)]	3,688	5,511
Transaction related expenses	888	—
Adjusted EBITDA	$ 8,583	$ (8,395)

[(1)] Includes a $0.8 million release of the contingent liability that was initially recognized upon execution of the amendment to an agreement with a content provider for the year ended December 31, 2023. See Note 3 – Acquisition in the accompanying consolidation financial statements for further details.

[(2)] Includes $3.6 million and $5.4 million in equity-classified expense for the years ended December 31, 2024 and 2023, respectively, $0.0 million and $0.1 million in liability-classified expense, for the years ended December 31, 2024 and 2023, respectively. Such amounts excluded capitalized amounts. Refer to Note 9 – Share-based Compensation in the accompanying consolidated financial statements for further details.

Key Performance Indicators

Our management uses the following key performance indicators ("KPIs") as indicators of trends and results of the business. These KPIs give our management an indication of the level of engagement between the player and the Company's platforms. No estimation is necessary in quantifying these KPIs, nor do they represent U.S. GAAP based measurements. These KPIs are subject to various risks such as customer concentration, competition, licensing and regulation, and macroeconomic conditions. Refer to "Item 1A. Risk Factors" for further risks associated with our business which would affect these KPIs.

	Year Ended December 31,		Change	
	2024	2023	Amount	Percent
B2B Gross Operator Revenue (in millions)	$ 2,514.6	$ 1,657.8	$ 856.8	51.7%
B2B Take Rate	2.0%	2.6%	(0.6)%	(22.5)%
B2C Active Customers (in thousands)	436	500	(64)	(12.8)%
B2C Marketing Spend Ratio	21.7%	23.6%	(1.9)%	(8.1)%
B2C Sports Margin	7.5%	7.0%	0.5%	6.9%

B2B Gross Operator Revenue

We define B2B Gross Operator Revenue as the sum of our B2B corporate customers' gross revenue from SIM, gross gaming revenue from RMiG, and gross sports wins from sportsbook offerings. B2B Gross Operator Revenue, which is not comparable to financial information presented in conformity with U.S. GAAP, gives management and users of our financial statements an indication of the extent of transactions processed through our B2B corporate customers' platforms and allows management to understand the extent of activity that our platform is processing.

The increase in Gross Operator Revenue for the year ended December 31, 2024, as compared to the year ended December 31, 2023, was driven primarily by organic growth in Pennsylvania, Michigan, New Jersey, Connecticut and Ontario.

B2B Take Rate

We define B2B Take Rate as a quotient of B2B segment revenue retained by the Company over the total Gross Operator Revenue generated by our B2B corporate customers. B2B Take Rate gives management and users of our financial statements an indication of the impact of the statutory terms and the efficiency of the commercial terms on the business.

The decrease in B2B Take Rate for the year ended December 31, 2024, as compared to the year ended December 31, 2023, was primarily driven by a decrease in our contractual revenue rates related to the expiration of an exclusivity period with a B2B customer in 2023.

B2C Active Customers

We define B2C Active Customers as a user that places a wager during the period. This metric allows management to monitor the customer segmentation, growth drivers, and ultimately creates opportunities to identify and add value to the user experience. This metric allows management and users of the financial statements to measure the platform traffic and track related trends.

The decrease in B2C Active Customers for the year ended December 31, 2024, as compared to the year ended December 31, 2023, was primarily driven by reduced customer acquisition in Latin America.

B2C Marketing Spend Ratio

We define B2C Marketing Spend Ratio as the total B2C direct marketing expense for the period divided by the total B2C revenues. This metric allows management to measure the success of marketing costs during a given period. Additionally, this metric allows management to compare across jurisdictions and other subsets, as an additional indication of return on marketing investment.

The decrease in B2C Marketing Spend Ratio for the year ended December 31, 2024, as compared to the year ended December 31, 2023, was primarily driven by the deployment of affiliate marketing strategies primarily in Latin America.

B2C Sports Margin

We define B2C Sports Margin as the ratio of wagers minus winnings to total amount wagered, adjusted for open wagers at period end. Sports betting involves a user placing a bet on the outcome of a sporting event with the chance to win a pre-determined amount, often referred to as fixed odds. Our B2C sportsbook revenue is generated by setting odds that are intended to provide a built-in theoretical margin in each sports bet offered to our users. This metric allows management to measure sportsbook performance against its expected outcome.

The increase in B2C Sports Margin for the year ended December 31, 2024, as compared to the year ended December 31, 2023, was primarily attributable to the outcomes of individual sports events.

Liquidity and Capital Resources

Sources of Liquidity

As of December 31, 2024, we had an accumulated deficit of $317.3 million. During the year ended December 31, 2024, we incurred a net loss of $8.0 million. We generated $5.8 million of cash in operations during the year ended December 31, 2024. Cash on hand totaled $38.7 million as of December 31, 2024 and liabilities to users totaled $9.9 million as of December 31, 2024.

Since our inception, we have primarily funded our operations through cash generated from operations, cash generated from financing activities including our U.S. initial public offering and term credit facility, and cash on hand. In May 2020, we completed our U.S. initial public offering under which we sold an aggregate of 7,337,000 ordinary shares for net proceeds of $57.4 million and in December 2020, we conducted a follow-on offering under which we sold 6,790,956 ordinary shares for net proceeds of $98.5 million. In January 2021, we completed the acquisition of Coolbet for a purchase price of $218.1 million, including the issuance of 5,260,516 ordinary shares, replacement equity-based awards valued at $0.3 million and cash of $111.1 million, which was funded from the follow-on offering proceeds and available cash on hand. During the year ended December 31, 2022, we repurchased $1.0 million of our own shares as we believed our share price was undervalued and did not reflect the long-term opportunities ahead of us.

On April 13, 2023, a subsidiary of the Company executed agreements to amend its existing credit facility to waive all events of default, amend certain financial covenants, assign the rights to the credit facility from its existing lender to a third party, and increase the principal balance from $30.0 million to $42.0 million with accrued paid in-kind ("PIK") interest of 8.0% per year (together, forming the "Amended Credit Facility"). The Amended Credit Facility became effective upon cash settlement of payments completed on April 14, 2023 and represented a cure of any events of default under the Credit Facility and thereby prevented any amounts from becoming due and payable under the Credit Facility's subjective acceleration clause. The Amended Credit Facility contains a financial covenant, among other covenants, requiring minimum liquidity of $10.0 million. Refer to Note 7 – Debt for further detail.

In accordance with Accounting Standards Codification ("ASC"), 205-40, Going Concern, the Company has evaluated whether there are condition and events considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year of the date the accompanying consolidated financials are issued. The Company's current financial condition, liquidity resources, and planned near-term cash flows from operations have been and will be negatively affected by the expiration of the Company's U.S., commercial contract with FanDuel in January of 2025. The expiration of the contract with FanDuel will negatively impact the Company's revenue and is an indicator that raises uncertainty related to the ability of the Company to meet its current obligations as they come due. However, the Company has prepared mitigation plans including deferral of hiring, exiting certain negative margin geographies of operations, and reducing headcount to achieve cash flow targets. The Company's cash flows from operations and cost mitigation plans alleviate the uncertainty through March 14, 2026, one year from the issuance of accompanying consolidated financial statements.

In addition, the Company's Amended Credit Facility with SEGA SAMMY HOLDINGS, INC., which is an affiliate entity of SEGA SAMMY CREATION, the announced acquirer of the Company, will mature on April 14, 2026. In the event the merger does not close, an uncertainty will exist related to the Company's ability to settle the credit facility at maturity based on the forecasted cash flows of the Company. In such a scenario, the Company will seek out additional financing. Failure to obtain additional funding in such circumstances may require the Company to significantly curtail its operations and/or dispose of certain operations or assets. However, no assurance can be provided that additional funding will be available at terms acceptable to the Company, if at all.

The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Accordingly, the consolidated financial statements have been prepared on a basis that assumes the Company will continue as a going concern and which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

To the extent that our current resources, including our ability to generate operating cash flows, are insufficient to satisfy our cash requirements, we may seek additional equity or debt financing. Our ability to do so depends on prevailing economic conditions and other factors, many of which are beyond our control. We do not currently have any such credit facilities or similar debt arrangements in place, outside of the Amended Credit Facility as described above, and cannot provide any assurance as to the availability or terms of any additional future financing that we may require to support our operations. If the needed financing is not available, or if the terms of financing are less desirable than we expect, we may be forced to decrease our level of investment in new products and technologies, discontinue further expansion of our business, or scale back our existing operations, any of which could have an adverse impact on our business and financial prospects.

Material Cash Commitments

Our primary uses of cash include funding our ongoing working capital needs, content licensing discussed below, and developing and maintaining our proprietary software platforms. Such capital allocations are contemplated while considering other opportunities we may have to deploy our capital.

During the year ended December 31, 2021, we entered into a Content Licensing Agreement with a third-party gambling content provider (the "Content Provider") specializing in development and licensing interactive games, (as amended in April 2022 and March 2023 the "Content Licensing Agreement"). The Content Licensing Agreement grants us exclusive right to use and distribute the online gaming content in North America. The Content Provider was previously required to develop a minimum number of games for our exclusive use over the five-year term, subject to extensions. In exchange, we were required to pay fixed fees, over the initial five-year term, and additional payments if annual and cumulative thresholds were not met. In March 2023 the Company amended and restated the Content Licensing Agreement with the Content Provider which resulted in a reduced contract term and a reduction in the fixed fees payable under the arrangement. As of December 31, 2023, the remaining fixed fees payable under the arrangement was $2.2 million, recorded in other current liabilities within the consolidated balance sheets, and the remaining liability was settled in March 2024 with the conclusion of the contract term.

The execution of our growth strategy will require continued significant capital expenditures, and we expect to continue investing in our products and technologies as we seek to scale our business. Specifically, the key elements of our growth strategy include, but are not limited to, our continued rollout of GAN Sports with existing and new customers in regulated U.S. states, expansion of our international B2C operations, and the launch of regulated gaming in new U.S. states.

We utilized cash in investing activities of $3.1 million and $6.8 million for the years ended December 31, 2024 and 2023, respectively. Expenditures related to internally developed capitalized software represented $2.3 million and $3.3 million, respectively, purchases of gaming licenses represented $0.3 million and $0.4 million, respectively, and property and equipment (including licenses for internal use software) represented $0.5 million and $3.1 million, respectively.

Cash Flow Analysis

A summary of our operating, investing and financing activities is shown in the following table:

	Year Ended December 31,		Change	
(dollars in thousands)	2024	2023	Amount	Percent
Net cash provided by (used in) operating activities	$ 5,813	$ (3,565)	$ 9,378	n.m.
Net cash used in investing activities	(3,130)	(6,815)	3,685	(54.1)%
Net cash provided by financing activities	2	1,347	(1,345)	(99.9)%
Effect of foreign exchange rates on cash	(2,521)	1,691	(4,212)	n.m.
Net increase (decrease) in cash	$ 164	$ (7,342)	$ 7,506	n.m.

n.m. = not meaningful

Operating Activities

Net cash provided by (used in) operating activities increased by $9.4 million primarily resulting from a decrease in net loss after adjustments to reconcile net loss to cash flows from operations of $18.1 million, offset by a fluctuation in working capital of $(8.8) million. Net loss after adjustments to reconcile net loss to cash flows from operations decreased due to overall decreased costs that contributed to a decrease in loss from operations.

Investing Activities

Net cash used in investing activities decreased by $3.7 million primarily due to a reduction of costs eligible for capitalization of $0.9 million primarily related to the B2B segment and a decrease in purchase of property and equipment of $2.6 million related to the Company's new facilities in Europe incurred in the prior year.

Financing Activities

Net cash provided by financing activities decreased by $1.4 million primarily due to the Company's amendment of its credit facility in the prior year.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

As a smaller reporting company as defined by Item 10 of Regulation S-K, the Company is not required to provide the information required by this Item.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
GAN Limited
Las Vegas, Nevada

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of GAN Limited (a Bermuda corporation) and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive loss, changes in shareholders' equity (deficit), and cash flows for each of the two years in the period ended December 31, 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2021.

Los Angeles, California
March 14, 2025

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

GAN LIMITED
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)

	December 31,	
	2024	**2023**
ASSETS		
Current assets		
Cash and cash equivalents	$ 38,742	$ 38,578
Accounts receivable, net of credit losses of $186 and $244 at December 31, 2024 and December 31, 2023, respectively	7,043	11,417
Prepaid expenses	3,165	3,344
Other current assets	3,879	3,202
Total current assets	52,829	56,541
Capitalized software development costs, net	7,430	8,370
Intangible assets, net	8,825	12,358
Operating lease right-of-use assets, net	3,417	4,340
Other assets	4,645	5,895
Total assets	$ 77,146	$ 87,504
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current liabilities		
Accounts payable	$ 5,615	$ 6,971
Accrued compensation and benefits	6,680	7,849
Accrued content license fees	1,757	4,024
Liabilities to users	9,853	10,185
Current operating lease liabilities	912	804
Other current liabilities	6,351	6,891
Total current liabilities	31,168	36,724
Deferred income taxes	3,169	3,793
Long-term debt	46,875	42,189
Non-current operating lease liabilities	2,528	3,577
Other liabilities	4,547	5,825
Total liabilities	88,287	92,108
Commitments and contingencies (Note 16)		
Shareholders' equity (deficit)		
Ordinary shares, $0.01 par value, 100,000,000 shares authorized, 45,701,556 and 45,071,578 shares issued and outstanding at December 31, 2024 and December 31, 2023, respectively	457	451
Additional paid-in capital	339,720	336,552
Accumulated deficit	(317,264)	(309,305)
Accumulated other comprehensive loss	(34,054)	(32,302)
Total shareholders' equity (deficit)	(11,141)	(4,604)
Total liabilities and shareholders' equity (deficit)	$ 77,146	$ 87,504

The accompanying notes are an integral part of these consolidated financial statements.

GAN LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)

	Year Ended December 31,	
	2024	**2023**
Revenue	$ 134,998	$ 129,419
Operating costs and expenses		
Cost of revenue [1]	40,431	38,700
Sales and marketing	25,303	28,972
Product and technology	34,246	38,243
General and administrative [1]	30,984	36,657
Depreciation and amortization	7,634	17,161
Total operating costs and expenses	138,598	159,733
Operating loss	(3,600)	(30,314)
Other loss, net	4,634	3,992
Loss before income taxes	(8,234)	(34,306)
Income tax (benefit) expense	(275)	138
Net loss	$ (7,959)	$ (34,444)
Loss per share, basic and diluted	$ (0.18)	$ (0.78)
Weighted average ordinary shares outstanding, basic and diluted	45,403,847	44,180,600

(1) Excludes depreciation and amortization expense

The accompanying notes are an integral part of these consolidated financial statements.

GAN LIMITED
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(in thousands)

	Year Ended December 31,	
	2024	**2023**
Net loss	$ (7,959)	$ (34,444)
Other comprehensive loss, net of tax		
Foreign currency translation adjustments	(1,752)	1,496
Comprehensive loss	$ (9,711)	$ (32,948)

The accompanying notes are an integral part of these consolidated financial statements.

GAN LIMITED
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)
(in thousands, except share amounts)

	Ordinary Shares		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Shareholders' Equity (Deficit)
	Shares	Amount				
Balance at January 1, 2023	42,894,211	$ 429	$ 328,998	$ (274,861)	$ (33,798)	$ 20,768
Net loss	—	—	—	(34,444)	—	(34,444)
Foreign currency translation adjustments	—	—	—	—	1,496	1,496
Share-based compensation	—	—	5,246	—	—	5,246
Restricted share activity	829,895	8	306	—	—	314
Repurchase of restricted shares to pay tax liability	(142,004)	(1)	(212)	—	—	(213)
Issuance of ordinary shares upon exercise of share options	181,516	1	201	—	—	202
Issuance of ordinary shares upon ESPP purchases	57,960	1	63	—	—	64
Issuance of ordinary shares in connection with Content Provider Agreement	1,250,000	13	1,950	—	—	1,963
Balance at December 31, 2023	45,071,578	$ 451	$ 336,552	$ (309,305)	$ (32,302)	$ (4,604)
Net loss	—	—	—	(7,959)	—	(7,959)
Foreign currency translation adjustments	—	—	—	—	(1,752)	(1,752)
Share-based compensation	—	—	3,554	—	—	3,554
Restricted share activity	753,781	8	(7)	—	—	1
Repurchase of restricted shares to pay tax liability (Note 9)	(261,390)	(3)	(380)	—	—	(383)
Issuance of ordinary shares upon exercise of share options	137,587	1	—	—	—	1
Balance at December 31, 2024	45,701,556	$ 457	$ 339,720	$ (317,264)	$ (34,054)	$ (11,141)

The accompanying notes are an integral part of these consolidated financial statements.

GAN LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,	
	2024	**2023**
Cash Flows From Operating Activities		
Net loss	$ (7,959)	$ (34,444)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of software and intangible assets	6,099	15,513
Depreciation on property and equipment	1,535	1,648
Non-cash interest and amortization of debt discount and debt issuance costs	4,686	3,978
Share-based compensation expense	3,572	5,397
Gain on extinguishment of content liability	—	(9,717)
Loss on extinguishment of debt	—	8,784
Change in fair value of synthetic equity	—	(830)
Deferred income tax	(418)	(568)
Other	287	(100)
Changes in operating assets and liabilities, net of acquisition:		
Accounts receivable	2,666	2,619
Prepaid expenses	102	1,593
Other current assets	(894)	741
Other assets	767	(473)
Accounts payable	(1,222)	382
Accrued compensation and benefits	(838)	(1,140)
Accrued content license fees	(566)	(464)
Liabilities to users	275	(861)
Other current liabilities	(283)	2,612
Other liabilities	(1,996)	1,765
Net cash provided by (used in) operating activities	5,813	(3,565)
Cash Flows From Investing Activities		
Expenditures for capitalized software development costs	(2,315)	(3,309)
Purchases of gaming licenses	(279)	(411)
Purchases of property and equipment	(536)	(3,095)
Net cash used in investing activities	(3,130)	(6,815)
Cash Flows From Financing Activities		
Proceeds from issuance of long-term debt	—	42,000
Paydown of debt principle	—	(30,000)
Payment of premiums on debt extinguishment	—	(7,267)
Payment of debt issuance costs	—	(3,137)
Proceeds from exercise of share options	2	202
Proceeds from issuance of ordinary shares upon ESPP purchase	—	66
Repurchase of restricted shares to pay tax liability	—	(517)
Net cash provided by financing activities	2	1,347
Effect of foreign exchange rates on cash	(2,521)	1,691
Net increase (decrease) in cash	164	(7,342)
Cash and cash equivalents, beginning of period	38,578	45,920
Cash and cash equivalents, end of period	$ 38,742	$ 38,578
Supplemental Cash Flow Information		
Cash paid for:		
Interest	$ 2	$ 1,068
Income taxes	438	331
Right-of-use asset obtained in exchange for new operating lease liabilities	—	4,718
Contract asset and contingent liability related to synthetic equity	—	1,143

The accompanying notes are an integral part of these consolidated financial statements.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

NOTE 1 – NATURE OF OPERATIONS

GAN Limited (the "Parent," and with its subsidiaries, collectively the "Company") is an exempted company limited by shares, incorporated and registered in Bermuda.

The Company is a business-to-business ("B2B") supplier of a proprietary gaming system, GameSTACK™ ("GameSTACK"), which is used predominately by the U.S. land-based casino industry. For its B2B customers, GameSTACK is a turnkey technology solution for regulated real money internet gambling ("real money iGaming" or "RMiG"), online sports gaming, and virtual simulated gaming ("SIM"). In addition, the Company's B2B segment offers GAN Sports, an in-house online and retail sports betting technology platform, through internet connected self-service kiosks deployed at casino properties and mobile solutions. The Company is also a business-to-consumer ("B2C") developer and operator of an online sports betting and casino platform under its "Coolbet" brand, providing international users with access through www.coolbet.com to its sportsbook, casino games and poker products. The Company operates its B2C segment in markets across Northern Europe, Latin America, and Canada.

On November 7, 2023, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with SEGA SAMMY CREATION INC., a Japanese corporation ("SEGA SAMMY CREATION"), and Arc Bermuda Limited, a Bermuda exempted company limited by shares and a wholly-owned subsidiary of SEGA SAMMY CREATION ("Merger Sub"), pursuant to which, subject to the satisfaction or waiver of the conditions set forth therein, Merger Sub will be merged with and into the Company, with the Company surviving the merger as a wholly-owned subsidiary of SEGA SAMMY CREATION (the "Merger"). SEGA SAMMY CREATION and Merger Sub are affiliates of SEGA SAMMY HOLDINGS, INC.

Pursuant to the Merger Agreement, and upon the terms and subject to the conditions thereof, at the effective time of the Merger, and as a result of the Merger (and without any action on the part of SEGA SAMMY CREATION, Merger Sub, the Company or any holder thereof):

- each of the Company's ordinary shares issued immediately prior to the effective time of the Merger (other than shares held by SEGA SAMMY CREATION or Merger Sub, by the Company as a treasury share or by any person who properly asserts dissenters' rights under Bermuda law) will be converted into the right to receive an amount in cash equal to $1.97 per share, without interest and subject to any applicable tax withholding (the "Merger Consideration");

- each of the Company's outstanding restricted shares (whether vested or unvested) at the time of the Merger will become vested in full and non-forfeitable and will be converted into the right to receive the Merger Consideration;

- each of the Company's outstanding restricted share units (whether vested or unvested) at the effective time of the Merger will become vested in full and will be automatically cancelled in exchange for the right to receive a single lump sum cash payment, without interest and subject to any applicable tax withholding, equal to the product of (a) the Merger Consideration and (b) the number of Company ordinary shares subject to such restricted share unit; and

- each of the Company's outstanding options to acquire the Company ordinary shares (whether vested or unvested) at the effective time of the Merger will become vested in full and will be automatically cancelled in exchange for the right to receive a single lump sum cash payment, without interest and subject to any applicable tax withholding, equal to the product of (a) the excess, if any, of the Merger Consideration over the exercise price per share of the option and (b) the number of Company ordinary shares issuable upon the exercise in full of such option.

Consummation of the Merger is not subject to a financing condition, but is subject to customary closing conditions, including (a) approval by the Company's shareholders of the Merger Agreement, the Merger and the Statutory Merger Agreement, (b) receipt of applicable antitrust and CFIUS approvals or the expiration of applicable waiting periods, (c) absence of any order or injunction prohibiting the consummation of the Merger and (d) the accuracy of the Company's representations and warranties contained in the Merger Agreement (subject to certain customary qualifications) and compliance by the Company with its agreements and covenants contained in the Merger Agreement. The closing of the Merger is also predicated upon receipt of approval of the Merger and change in control of the Company by all relevant gaming authorities. The Company anticipates that this will take some time, and that the closing of the Merger may not occur until the second quarter of 2025.

On February 13, 2024, the Company held a special general meeting of the shareholders of the Company to consider and vote upon the Merger Agreement, at which the shareholders approved the Merger Agreement.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and include the results of the Parent and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Liquidity

The accompanying consolidated financial statements have been prepared on the going concern basis. As of December 31, 2024, the Company had an accumulated deficit of $317.3 million, with cash of $38.7 million and liabilities to users of $9.9 million. During the year ended December 31, 2024, the Company incurred a net loss of $8.0 million. The Company generated $5.8 million of cash from operations during the year ended December 31, 2024.

Additionally, the Company's current financial condition, liquidity resources and planned near-term cash flows from operations are sensitive to changes in macro-economic conditions and the substantial variability inherent in the Company's wager-based revenues streams. These factors along with the potential covenant breaches indicate uncertainty related to the ability of the Company to meet its current obligations as they come due.

On April 13, 2023, a subsidiary of the Company executed agreements to amend the Credit Facility to waive events of default, amend certain financial covenants, assign the rights to the Credit Facility from its existing lender to a third party, and increase the principal balance from $30.0 million to $42.0 million with accrued paid in-kind ("PIK") interest of 8.0% per year (together, forming the "Amended Credit Facility"). The Amended Credit Facility became effective upon cash settlement of payments completed on April 14, 2023, and represented a cure of any events of default under the Credit Facility and thereby prevented any amounts from becoming due and payable under the Credit Facility's subjective acceleration clause. The Amended Credit Facility contains a financial covenant, among other covenants, requiring minimum liquidity of $10.0 million. The Company was in compliance with all financial covenants associated with its Credit Facility as of December 31, 2024.

In accordance with Accounting Standards Codification ("ASC"), 205-40, Going Concern, the Company has evaluated whether there are condition and events considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year of the date the accompanying consolidated financials are issued. The Company's current financial condition, liquidity resources, and planned near-term cash flows from operations have been and will be negatively affected by the expiration of the Company's U.S., commercial contract with FanDuel in January of 2025. The expiration of the contract with FanDuel will negatively impact the Company's revenue and is an indicator that raises uncertainty related to the ability of the Company to meet its current obligations as they come due. However, the Company has prepared mitigation plans including deferral of hiring, exiting certain negative margin geographies of operations, and reducing headcount to achieve cash flow targets. The Company's cash flows from operations and cost mitigation plans alleviate the uncertainty through March 14, 2026, one year from the issuance of accompanying consolidated financial statements.

In addition, the Company's Amended Credit Facility with SEGA SAMMY HOLDINGS, INC., which is an affiliate entity of SEGA SAMMY CREATION, the announced acquirer of the Company, will mature on April 14, 2026. In the event the merger does not close, an uncertainty will exist related to the Company's ability to settle the credit facility at maturity based on the forecasted cash flows of the Company. In such a scenario, the Company will seek out additional financing. Failure to obtain additional funding in such circumstances may require the Company to significantly curtail its operations and/or dispose of certain operations or assets. However, no assurance can be provided that additional funding will be available at terms acceptable to the Company, if at all.

The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Accordingly, the consolidated financial statements have been prepared on a basis that assumes the Company will continue as a going concern and which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

To the extent that the Company's current resources, including its ability to generate operating cash flows, are insufficient to satisfy its cash requirements, the Company may seek additional equity or debt financing. The Company's ability to do so depends on prevailing economic conditions and other factors, many of which are beyond management's control. The Company does not currently have any such credit facilities or similar debt arrangements in place, outside of the Amended Credit Facility as described above, and cannot provide any assurance as to the availability or terms of any additional future financing that it may require to support its operations. If the needed financing is not available, or if the terms of financing are less desirable than expected, the Company may be forced to decrease its level of investment in new products and technologies, discontinue further expansion of the business, or scale back its existing operations, any of which could have an adverse impact on the Company and its financial prospects.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Due to the inherent uncertainties involved in making estimates, actual results could differ from the original estimates and may require significant adjustments to these reported balances in future periods.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

Foreign Currency Translation and Transactions

The Company's reporting currency is the U.S. Dollar while the Company's foreign subsidiaries use their local currencies as their functional currencies. The assets and liabilities of foreign subsidiaries are translated to U.S. Dollars based on the current exchange rate prevailing at each reporting period. Revenue and expenses are translated into U.S. Dollars using the average exchange rates prevailing for each period presented. Translation adjustments that arise from translating a foreign subsidiary's financial statements from their functional currency to U.S. Dollars are reported as a separate component of accumulated other comprehensive loss in shareholders' equity (deficit).

Gains and losses arising from transactions denominated in a currency other than the functional currency are included in general and administrative expense in the consolidated statements of operations as incurred. Foreign currency transaction and remeasurement gains and losses were a net loss of $1,822 and $2,104 for the years ended December 31, 2024 and 2023, respectively.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of its cash and trade receivables. The Company holds cash deposits in foreign countries, primarily in Northern Europe and Latin America, of approximately $29.5 million, which are subject to local banking laws and may bear higher or lower risk than cash deposited in the United States. Cash held in the United States is maintained in a major financial institution in excess of federally insured limits. As part of our cash management processes, the Company performs periodic evaluations of the credit standing of the financial institutions and we have not sustained any credit losses from instruments held at these financial institutions. Additionally, the Company maintains an allowance for potential credit losses but historically has not experienced any significant losses related to individual customers or groups of customers in any particular geographic area. For the years ended December 31, 2024 and 2023, FanDuel accounted for 42.4% and 42.5%, respectively, of our total accounts receivable, net of credit losses.

Risks and Uncertainties

Macroeconomic conditions can materially adversely affect the Company's business, results of operations and financial condition. Recent adverse macroeconomic conditions, including inflation, higher interest rates, slower growth or recession, the strengthening of the U.S. dollar, and corresponding currency fluctuations can have an adverse material impact on the Company's future results of operations, cash flows, and financial condition, particularly with respect to foreign currency adjustments relating to our international operations. Such conditions may also affect consumers' willingness to make discretionary purchases, and therefore the Company, along with its casino operator customers, may experience a decline in wagering. A downturn in the economic environment can also lead to increased credit and collectability risk on the Company's trade receivables, limitations on the Company's ability to issue new debt, and reduced liquidity.

Revenue Recognition

Revenue from B2B Operations

The Company's revenue from its B2B operations are primarily from its internet gaming Software-as-a-Service ("SaaS") platform, GameSTACK, that its customers use to provide real money internet gambling ("RMiG"), online sports gaming and simulated internet gaming ("SIM") to its end users. The Company enters into contracts with its customers that generally range from three to five years and include renewal provisions. These contracts generally include provision of the internet gaming platform, content consisting of proprietary and third-party games, development services and support and marketing services. In certain cases, the contract may include computer hardware to be procured on behalf of the customer. The customers cannot take possession of the hosted GameSTACK software and the Company does not sell or license the GameSTACK software.

The Company charges fees as consideration for use of its internet gaming system, game content, support and marketing services based on a fixed percentage of the casino operator's net gaming revenue or net sportsbook win, at the time of settlement of an event for RMiG contracts, considered usage-based fees, or at the time of purchase for in-game virtual credit for SIM contracts. The determination of the fee charged to its customers is negotiated and varies significantly. Certain of these RMiG contracts provide the Company with a minimum monthly revenue guarantee in relation to the Company's share of the casino operator's net gaming revenue or net sportsbook win. At December 31, 2024, the remaining unsatisfied performance obligations related to fixed minimum guaranteed revenue totaled $43.5 million which the Company expects to satisfy $29.5 million within the next five-year period, and the remaining over a ten-year period.

The Company's promise to provide the RMiG SaaS platform and content licensing services on the hosted software is a single performance obligation. This performance obligation is recognized over time, as the Company provides services to its customers in its delivery of services to the player end user. The Company's customers simultaneously receive and consume the benefits provided by the Company as it delivers services to its customers. Usage based fees are considered variable consideration as the service is to provide unlimited continuous access to its hosted application and usage of the hosted system is primarily controlled by the player end user. The transaction price includes fixed and variable consideration and is billed monthly with the amount due generally thirty days from the date of the invoice. Variable consideration is allocated entirely to the period in which consideration is earned as the variable amounts relate specifically to the customer's usage of the platform that day and allocating the usage-based fees to each day is consistent with the allocation objective, primarily that the change in amounts reflect the changing value to the customer. The Company's internet gaming system, game content, support and marketing services are provided equally throughout the term of the contract. These services are made up of a daily requirement to provide access and use of the internet gaming system and optional support and marketing services to the customer over the same period of time. The series of distinct services represents a single performance obligation that is satisfied over time.

Purchases of virtual credits within a transaction period on the SIM platform, generally a monthly convention, are earned over time, and are typically billed monthly upon the close of the respective period as the credit has no monetary value, cannot be redeemed, exchanged, transferred or withdrawn, represents solely a device for tracking game play during the month, does not obligate the Company to provide future services and the arrangements with the customer and player end user have no substantive termination penalty. In certain service agreements with its SIM customers, the fees collected by the Company from third-party payment processors for the purchases of in-game virtual credits made by end-users include the SIM customer's portion. The Company records the SIM customer's portion as a liability as cash is collected and remits payment to the SIM customer for their share of the SIM revenues monthly. At December 31, 2024 and 2023, the Company recorded a liability due to its customers for their share of the fees of $2,854 and $1,994 , respectively, within other current liabilities in the consolidated balance sheets.

The Company uses third-party content providers in supplying game content in its performance of providing game content on its platform to its customers. A customer has access to the Company's propriety and licensed game content and additionally, the customer can direct the Company to procure third-party game content on its behalf. The Company has determined it acts as the principal for providing the game content when the Company controls the game content and therefore presents the revenue on a gross basis in the consolidated statements of operations. When the customer directs the Company to procure third-party game content the Company determined it is deemed an agent for providing such game content, and therefore, records the revenue, net of the costs of content license fees, in the consolidated statements of operations.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

The Company also provides ongoing development services involving updates to the RMiG platforms for enhanced functionality or customization. Ongoing development services are typically billed monthly, at a daily rate, for services performed. Revenue from RMiG platform development services that are identified as distinct performance obligations and enhance or create an asset the customer controls as the Company performs the services are recognized over time as services are performed. This revenue is measured using an input method based on effort expended, which uses direct labor hours incurred. These services have primarily related to post-launch development of third-party application integration software in the customer's environment. Separately, the revenue generated from customers for development services that are distinct performance obligations and the customer benefits from the integrated SaaS offering are deferred over the license service term. These services have primarily related to enhancements to the Company's platforms that do not enhance or create an asset the customer controls. In customer contracts that require a portion of the consideration to be received in advance, or at the commencement of the contract, such amounts are recorded as a contract liability.

Other services include the resale of a third-party computer hardware, such as servers and other related hardware devices, upon which the GameSTACK software is installed for its customers. These products are not required to be purchased in order to access the GameSTACK platform but are sold as a convenience to the customer. The Company procures the computer hardware on the customer's behalf for a fee determined based on cost of the computer hardware plus a markup. The Company charges a hardware deployment fee which is a one-time fee for installation, testing and certification of the computer hardware at the gaming hosting facility. Revenue is recognized at the point in time when control of the hardware transfers to the customer. Control is transferred after the hardware has been procured, delivered, installed at the customer's premises and configured to allow for remote access.

The Company has determined that it is acting as the principal in providing computer hardware and related services as it assumes responsibility for procuring, delivering, installing and configuring the hardware at the customer's location and takes control of the hardware, prior to transfer. Revenue is presented at the gross amount of consideration to which it is entitled from the customer in exchange for the computer hardware and related services.

Contracts with Multiple Performance Obligations

For customer contracts that have more than one performance obligation, the transaction price is allocated to the performance obligations in an amount that depicts the relative stand-alone selling prices of each performance obligation. Judgment is required in determining the stand-alone selling price for each performance obligation. In determining the allocation of the transaction price, an entity is required to maximize the use of observable inputs. When the stand-alone selling price of a good or service is not directly observable, an entity is required to estimate the stand-alone selling price. Contracts with its customers may include platform and licensing of game content services, as well as development services and computer hardware services. The variable consideration generated from the platform and the licensing of game content is allocated entirely to the performance obligations for platform and licensing of game content services and the remaining fixed fees for development services and computer hardware would be allocated to each of the remaining performance obligation based on their relative stand-alone selling prices. The variable consideration relates entirely to the effort to satisfy the platform and licensing game content services and the fixed consideration relates to the remaining performance obligations which is consistent with the allocation objective.

Revenue from B2C Gaming Operations

The Company operates the B2C gaming site www.coolbet.com outside of the U.S., which contains proprietary software and includes the following product offerings: sportsbook, poker, casino, live casino and virtual sports.

The Company manages an online sportsbook allowing users to place various types of wagers on the outcome of sporting events conducted around the world. The Company operates as the bookmaker and offers fixed odds wagering on such events. When a user's wager wins, the Company pays the user a pre-determined amount known as fixed odds. Revenue from online sportsbook is reported net after deduction of player winnings and bonuses. Revenue from wagers is recognized when the outcome of the event is known.

The Company offers live casino through its digital online casino offering in select markets, allowing users to place a wager and play games virtually at retail casinos. The Company offers users a catalog of over 6,000 third-party iGaming products such as digital slot machines and table games such as blackjack and roulette. Revenue from casino games is reported net after deduction of winnings, jackpot contribution and customer bonuses.

Peer-to-peer poker offerings allow users to play poker against one another on the Company's online poker platform for prize money. Revenue is recognized as a percentage of the reported rake. Additionally, the Company offers tournament poker which allows users to buy-in for a fixed price for prize money. For tournament play, revenue is recognized for the difference between the entry fees collected and the amounts paid out to users as prizes and winnings.

In each of the online gaming products, a single performance obligation exists at the time a wager is made to operate the games and award prizes or payouts to users based on a particular outcome. Revenue is recognized at the conclusion of each contest, wager, or wagering game hand. Additionally, certain incentives given to users, for example, that allow the user to make an additional wager at a reduced price, may provide the user with a material right which gives rise to a separate performance obligation.

The Company allocates a portion of the user's wager to incentives that create material rights that are redeemed or expired in the future. The allocated revenue for gaming wagers is primarily recognized when the wagers occur because all such wagers settle immediately.

The Company applies a practical expedient by accounting for revenue from gaming on a portfolio basis because such wagers have similar characteristics, and the Company reasonably expects the effects on the financial statements of applying the revenue recognition guidance to the portfolio to not differ materially from that which would result if applying the guidance to an individual wagering contract.

Cost of Revenue

Cost of revenue consists primarily of variable costs. These include mainly (i) content license fees, (ii) payment processing fees and chargebacks, (iii) platform technology, software, and connectivity costs directly associated with revenue generating activities, (iv) gaming duties, and (v) sportsbook feed / provider services. The Company incurs payment processing fees on B2C user deposits, withdrawals, and deposit reversals from payment processors. Cost of revenue excludes depreciation of the servers on which the Company's gaming platforms reside as well as amortization of intangible assets including internally developed software.

Sales and Marketing

Sales and marketing expense primarily consists of general marketing and advertising costs, B2C user acquisition expenses and personnel costs within our sales and marketing functions. Sales and marketing costs are expensed as incurred.

Product and Technology

Product and technology expenses consist primarily of personnel costs associated with development and maintenance activities that are not capitalized. These costs primarily represent employee expenses (including but not limited to, salaries, bonus, employee benefits, employer tax expenses, and stock-based compensation) for personnel and contractors involved in the design, development, and project management of our proprietary technologies as well as developed and licensed content.

General and Administrative

General and administrative expenses consist of costs, including gaming operations costs, not related to sales and marketing, product and technology or revenue. General and administrative costs include professional services (including legal, regulatory and compliance, audit, and consulting expenses), rent, contingencies, insurance, allowance for credit losses, foreign currency transaction gains and losses, and costs related to the compensation of executive and non-executive personnel, including stock-based compensation.

Content Licensing Fees

Content licensing fees are paid to third parties for gaming content which are expensed as incurred. Content licensing fees are calculated as a percentage of net gaming revenues in respect of the third-party games, as stipulated in the third-party agreements.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

Share-based Compensation

Share-based compensation expense is recognized for share options and restricted shares issued to employees and non-employee members of the Company's Board of Directors. The Company's issued share options and restricted shares, which are primarily considered equity awards and include only service conditions, are valued based on the fair value of these awards on the date of grant. The fair value of the share options is estimated using a Black-Scholes option pricing model and the fair value of the restricted shares (restricted share awards and restricted share units) is based on the market price of the Company's shares on the date of grant.

Certain restricted share units awards issued to non-employee members of the Company's Board of Directors permit shares upon vesting to be withheld, as a means of meeting the non-employee director's tax withholding requirements, and paid in cash to the non-employee director. The Company additionally incurs share-based compensation expense under compensation arrangements with certain of its employees under which the Company will settle bonuses for a fixed dollar amount by issuing a variable number of shares based on the Company's stock price on the settlement date. These awards are classified as liability-based awards which are measured based on the fair value of the award at the end of each reporting period until settled. Related compensation expense is recognized based on changes to the fair value over the applicable service period.

Share-based compensation is recorded over the requisite service period, generally defined as the vesting period. For awards with graded vesting and only service conditions, compensation cost is recorded on a straight-line basis over the requisite service period of the entire award. Forfeitures are recorded in the period in which they occur.

Loss Per Share, Basic and Diluted

Basic loss per share is calculated by dividing the net loss by the weighted average number of ordinary shares outstanding during the year. In periods of loss, basic and diluted per share information are the same.

Cash and cash equivalents

Cash and cash equivalents is comprised of cash held at the bank and third-party service providers ("PSPs"). At December 31, 2024 and 2023, cash held with banks was $21.1 million and $22.2 million, respectively, and cash held with PSPs was $17.4 million and $16.4 million, respectively. Certain PSPs require rolling reserves on daily cash deposits that have varying short term durations, not exceeding six months, which are generally available to satisfy potential chargebacks. These balances are included within cash and cash equivalents on the accompanying consolidated balance sheets. The rolling reserve balances were $4.2 million and $4.0 million at December 31, 2024 and 2023, respectively.

The Company is required to maintain compensating cash balances to satisfy its liabilities to users. Such balances are included within cash in the consolidated balance sheets and are not subject to creditor claims. At December 31, 2024 and 2023, the related liabilities to users were $9.9 million and $10.2 million, respectively.

Accounts Receivable, net

Accounts receivable are stated at invoiced amounts and are unsecured, non-interest bearing and generally have 30-day payment terms.

The Company maintains an allowance for credit losses that reduces receivables to amounts expected to be collected. Management estimates the allowance for credit losses by assessing the probability of non-payment of the receivable. On confirmation that the account receivable will not be collected, the gross carrying value of the asset is written off against the related allowance for credit losses. Due to the nature of our customer population, the provision for credit losses has primarily been based on specific identification and has not been significant historically. The provision for credit losses on accounts receivable is recorded in general and administrative expense in the accompanying consolidated statements of operations.

The activity in the allowance for credit losses was as follows:

	Year Ended December 31,	
	2024	**2023**
Beginning balance	$ 244	$ 250
Provision for expected credit losses	(58)	(6)
Ending balance	$ 186	$ 244

Capitalized Software Development Costs, net

The Company capitalizes certain development costs related to its internet gaming platforms during the application development stage. Costs associated with preliminary project activities, training, maintenance and all other post implementation stage activities are expensed as incurred. Software development costs are capitalized when application development begins, it is probable that the project will be completed, and the software will be used as intended. The Company capitalizes certain costs related to specific upgrades and enhancements when it is probable that expenditures will result in additional functionality of the platform to its customers. The capitalization policy provides for the capitalization of certain payroll and payroll related costs for employees who spent time directly associated with development and enhancements of the platform.

Capitalized software development costs are amortized on a straight-line basis over their estimated useful lives, which generally ranges from three to five years, and are included within depreciation and amortization expense in the accompanying consolidated statements of operations.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

Long-lived Assets

Long-lived assets, consist of property and equipment, and finite lived acquired intangible assets, such as developed software, gaming licenses, trademarks, trade names and customer relationships. Intangible assets are amortized on a straight-line basis over their estimated useful lives. The Company considers the period of expected cash flows and underlying data used to measure the fair value of the intangible assets when selecting the estimated useful lives.

Gaming licenses include license applications fees and market access payments in connection with agreements that the Company enters into with strategic partners. The market access arrangements authorize the Company to offer online gaming and online sports betting in certain regulated markets. These costs are capitalized and amortized on a straight-line basis over their estimated useful lives, beginning with the commencement of operations.

The fair value of the acquired intangible assets is primarily determined using the income approach. In performing these valuations, the Company's key underlying assumptions used in the discounted cash flows were projected revenue, gross margin expectations and operating cost estimates. There are inherent uncertainties and management judgment is required in these valuations.

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or asset group to be tested for possible impairment, the Company compares the undiscounted cash flows expected to be generated by that asset or asset group to their carrying amount. If the carrying amount of the long-lived asset or asset group are not recoverable on an undiscounted cash flow basis, an impairment charge is recognized to the extent that the carrying amount exceeds fair value. Fair value is determined through various techniques, such as discounted cash flow models using probability weighted estimated future cash flows and the use of valuation specialists.

Liabilities to Users

The Company records liabilities for user account balances. User account balances consist of user deposits, promotional awards and user winnings less user withdrawals and user losses.

Legal Contingencies and Litigation Accruals

On a quarterly basis, the Company assesses potential losses in relation to pending or threatened legal matters. If a loss is considered probable and the amount can be reasonably estimated, the Company recognizes an expense for the estimated loss. Estimates of any such loss are subjective in nature and require the evaluation of numerous facts and assumptions as to future events, including the application of legal precedent which may be conflicting. To the extent these estimates are more or less than the actual liability resulting from the resolution of these matters, the Company's financial results will increase or decrease accordingly. Legal costs associated with loss contingencies are expensed as incurred.

Debt

Debt issuance costs incurred in connection with the issuance of new debt are recorded as a reduction to the long-term debt balance on the consolidated balance sheets and amortized over the term of the loan commitment as interest expense in the accompanying consolidated statements of operations. The Company calculates amortization expense on capitalized debt issuance costs using the effective interest method in accordance with Accounting Standards Codification ("ASC") 470, Debt.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

Fair Value of Financial Instruments

The Company applies the provisions of ASC 820, Fair Value Measurements and Disclosures, which provides a single authoritative definition of fair value, sets out a framework for measuring fair value and expands on required disclosures about fair value measurement. Fair value represents the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company uses the following hierarchy in measuring the fair value of the Company's assets and liabilities, focusing on the most observable inputs when available:

- Level 1 Quoted prices in active markets for identical assets or liabilities.

- Level 2 Observable inputs other than Level 1 quoted prices, such as quoted prices for similar assets and liabilities in active markets, quoted prices in markets that are not active for identical or similar assets and liabilities, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

- Level 3 Valuations are based on the inputs that are unobservable and significant to the overall fair value measurement of the assets or liabilities. Inputs reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs.

The Company does not hold any significant Level 2 financial instruments. Level 3 financial instruments held by the Company include synthetic equity liability due to a customer. See Note 16 – Commitments and Contingencies for further detail. The instrument includes Level 3 inputs related to the contractual forecasts, in addition to observable inputs such as the stock volatility of the company, which are utilized in the Company's Monte Carlo valuation. The valuation is not sensitive to significant movements in the forecast.

Income Taxes

The Company is subject to income taxes in the United States, U.K., Bulgaria, Israel, Canada, Malta, Mexico, and Peru. The Company records an income tax expense for the anticipated tax consequences of the reported results of operations using the asset and liability method. Under this method, deferred income tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, as well as for loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using the tax rates that are expected to apply to taxable income for the years in which those tax assets and liabilities are expected to be realized or settled. The effect on deferred income tax of a change in tax rates are recorded in the period of the enactment. Deferred tax assets are reduced, through a valuation allowance, if necessary, by the amount of such benefits that are not expected to be realized based on current available evidence. In evaluating the Company's ability to recover deferred tax assets in the jurisdiction from which they arise, all available positive and negative evidence is considered, including results of recent operations, scheduled reversals of deferred tax liabilities, projected future taxable income, and tax-planning strategies. The Company records a valuation allowance to reduce its deferred tax assets to the net amount that it believes is more likely than not to be realized.

The Company recognizes tax benefits from uncertain tax positions only if management believes that it is more likely than not that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. Although the Company believes that it has adequately provided for uncertain tax positions, no assurance can be given that the final tax outcome of these matters would not be materially different. Adjustments are made when facts and circumstances change, such as the closing of a tax audit or the refinement of an estimate. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences would affect the provision for income taxes in the period in which such determination is made and could have a material impact on the Company's financial condition and operating results. The Company recognizes penalties and interest related to income tax matters in income tax expense. For the years ended December 31, 2024 and 2023, we recognized a net (benefit) expense of $(155) and $76, respectively, in our income tax provision related to interest and penalties.

Segments

The Company operates in two operating segments, B2B and B2C. Operating segments are defined as components of an enterprise where separate financial information is evaluated regularly by the chief operating decision maker ("CODM") in deciding how to allocate resources and assess the Company's performance. The Company's CODM is the Chief Executive Officer. The CODM allocates resources and assesses performance based upon discrete financial information at the operating segment level.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

Recently Issued Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures.* The amendments in this update expand disclosures about a public entity's reportable segments and require more enhanced information about a reportable segment's significant expenses, interim segment profit or loss, and a description of how a public entity's chief operating decision marker uses reported segment profit or loss information in assessing segment performance and allocated resources. The amendments clarify that a single reportable segment entity must apply ASC 280 in its entirety. The update will be effective for the annual periods beginning after December 15, 2023, or interim periods within fiscal years beginning after December 15, 2024. This ASU is applicable to our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, and subsequent interim periods, with early application permitted. The Company applied the amended guidance within and have included the effects in Note 13 – Segment Reporting.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvement to Income Tax Disclosures*. The amendments in this update expand disclosures in an entity's income tax rate reconciliation table and regarding cash taxes paid information. The update will be effective for annual periods beginning after December 15, 2024 and is applicable to our Annual Report on Form 10-K for the fiscal year December 31, 2025, with early application permitted. We are currently assessing the effect of this update on our consolidated financial statements and disclosures.

NOTE 3 – ACQUISITION

Content licensing agreement with Ainsworth Game Technology

In the second quarter of 2021, the Company entered into a Content Licensing Agreement (the "Agreement") with Ainsworth Game Technology, a third-party gaming content provider (the "Content Provider") specializing in developing and licensing interactive games. The Agreement grants the Company exclusive rights to use and distribute the online gaming content in North America, and the Content Provider is committed to developing a minimum number of games for the Company's exclusive use over a five-year term, subject to extensions.

On April 5, 2022, the Company amended and restated the Agreement. In accordance with the restated arrangement, the Company amended certain commercial terms, which included obtaining the contractual right to lease the remote gaming servers, taking possession of the related software, and obtaining a service contract from the Content Provider for the duration of the arrangement. The total fixed fees remaining under the amended arrangement totaled $25.0 million, of which $10.0 million was due during the year ended December 31, 2022 with $5.0 million due in each of the years 2023 through 2025. Fixed fee payments are presented in the accompanying consolidated statements of cash flows as payments for content licensing arrangements within cash flows from investing activities. Additional payments could be required if the Company's total revenue generated from the arrangement exceed certain stipulated annual and cumulative thresholds during the contract term.

The amended and restated Agreement is accounted for as a business combination as the assets acquired and the liabilities assumed under the arrangement constitute a business in accordance with ASC 805, Business Combinations. Consideration transferred is comprised of the present value of the Company's total expected fixed payments under the Agreement, the net assets recognized under the original agreement, as well as a contingent consideration. The total consideration transferred was $24.9 million.

In December 2022, the Company identified indicators of impairment associated with the identified intangible assets recorded as part of the business combination. The Company recognized an impairment of $19.1 million associated with the content licensing arrangement. As of December 31, 2023, the value of intangible assets associated with the business combination was $1.1 million, and amortization recognized for the year ended December 31, 2023 was $0.5 million.

On March 29, 2023, the Company amended and restated its Content Licensing agreement (the "Amended Agreement") with the Content Provider which resulted in a reduced contract term ending March 31, 2024 and a reduction in the fixed fees payable under the arrangement by $15.0 million. Under the Amended Agreement, the fixed fee payment schedule was adjusted such that the remaining $4.0 million payable is due in equal installments of $0.2 million per calendar month, with the first installment due April 2023. The remaining $1.5 million outstanding at the expiration of the Amended Agreement will be reconciled against amounts payable by the Content Provider to the Company for revenue generated from the Company's distribution of content. In consideration for the execution of the Amended Agreement, in March 2023 the Company entered into a Subscription Agreement with the Content Provider, under which the Content Provider subscribed to 1,250,000 of the Company's ordinary shares.

As of December 31, 2023, the remaining liability was $2.2 million recorded in other current liabilities within the consolidated balance sheets, and the remaining liability was settled in March 2024 with the conclusion of the contract term.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

NOTE 4 – PROPERTY AND EQUIPMENT, NET

Property and equipment, net is recorded in other assets in the consolidated balance sheets at December 31, 2024 and 2023 and consisted of the following:

	Estimated Useful Life (in years)	December 31, 2024	December 31, 2023
Fixtures, fittings and equipment	3 - 5	$ 4,323	$ 5,052
Platform hardware	5	1,817	2,251
Total property and equipment, cost		6,140	7,303
Less: accumulated depreciation		(3,111)	(3,144)
Total		$ 3,029	$ 4,159

Depreciation expense related to property and equipment was $1,535 and $1,648 for the years ended December 31, 2024 and 2023, respectively.

NOTE 5 – CAPITALIZED SOFTWARE DEVELOPMENT COSTS, NET

Capitalized software development costs, net at December 31, 2024 and 2023 consisted of the following:

	December 31, 2024	December 31, 2023
Capitalized software development costs	$ 12,456	$ 10,759
Development in progress	357	494
Total capitalized software development, cost	12,813	11,253
Less: accumulated amortization	(5,383)	(2,883)
Total	$ 7,430	$ 8,370

At December 31, 2024, development in progress primarily represents costs associated with GAN Sports, costs associated with its newer GameSTACK technology, and enhancements to the Company's proprietary B2C software platform.

Amortization expense related to capitalized software development costs was $2,785 and $1,972 for the years ended December 31, 2024 and 2023, respectively.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

NOTE 6 – INTANGIBLE ASSETS

Intangible Assets

Definite-lived intangible assets, net consisted of the following:

	Weighted Average Amortization Period (in years)	December 31, 2024 Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Developed technology	5.0	$ 32,605	$ (28,497)	$ 4,108
Customer relationships	3.3	6,659	(6,025)	634
Trade names and trademarks	10.0	5,233	(2,438)	2,795
Gaming licenses	5.5	3,758	(2,470)	1,288
		$ 48,255	$ (39,430)	$ 8,825

	Weighted Average Amortization Period (in years)	December 31, 2023 Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Developed technology	5.0	$ 34,669	$ (28,711)	$ 5,958
Customer relationships	3.3	6,977	(5,835)	1,142
Trade names and trademarks	10.0	5,549	(1,889)	3,660
Gaming licenses	5.4	3,617	(2,019)	1,598
		$ 50,812	$ (38,454)	$ 12,358

Amortization expense related to intangible assets was $3,315 and $13,543 for the years ended December 31, 2024 and 2023, respectively.

Estimated amortization expense for the next five years is as follows:

	Amount
2025	$ 3,114
2026	2,666
2027	2,094
2028	932
2029	19
Total	$ 8,825

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

NOTE 7 – DEBT

On April 26, 2022, a subsidiary of the Company entered into the Credit Facility which provided for $30.0 million in aggregate principal amount of secured term loans with a floating interest rate of 3-month SOFR (subject to a 1% floor) + 9.5%. The Credit Facility had a maturity date of October 26, 2026 and was fully guaranteed by the Company. There were no scheduled principal payments due under the Credit Facility until maturity. Interest payments were payable in arrears on the last business day of each calendar quarter and at the maturity date.

The Company incurred $2.4 million in debt issuance costs during the year ended December 31, 2023 in connection with the Credit Facility, which have been recorded as a direct reduction against the debt and amortized over the life of the associated debt as a component of interest expense using the effective interest method. The net funds received from the Credit Facility, after deducting debt issuance costs, was $27.6 million.

Subsequent Amendments

On April 13, 2023, a subsidiary of the Company executed agreements to amend the Credit Facility to waive all events of default, amend certain financial covenants, assign the rights to the Credit Facility from its existing lender to a third party, and increase the principal balance from $30.0 million to $42.0 million with accrued paid in-kind ("PIK") interest of 8.0% per year (together, forming the "Amended Credit Facility"). The Amended Credit Facility became effective upon cash settlement of payments completed on April 14, 2023, and represented a cure of any events of default under the Credit Facility and thereby prevented any amounts from becoming due and payable under the Credit Facility's subjective acceleration clause.

The Amended Credit Facility matures on the third anniversary of its effective date and is fully guaranteed by the Company. There are no scheduled principal payments due under the Amended Credit Facility until maturity. The principal balance, accrued PIK interest, and an exit fee of 2.5% are due at maturity. The Amended Credit Facility stipulates that outstanding amounts will mature and be due and payable on the third anniversary of its effective date, or in the event of a change in control transaction. The Company incurred $7.3 million in prepayment premiums as part of the settlement of the Credit Facility, and an additional $3.1 million in debt issuance costs in connection with the Amended Credit Facility. The Amended Credit Facility contains customary negative covenants, a financial covenant requiring minimum liquidity of $10.0 million, as well as other financial covenants to be tested solely in the event the Company raises junior debt during the term of the Amended Credit Facility.

Debt Covenants

The Credit Facility contained affirmative and negative covenants, including certain financial covenants associated with the Company's financial results. The negative covenants included restrictions regarding the incurrence of liens and indebtedness, certain merger and acquisition transactions, asset sales and other dispositions, other investments, dividends, share purchases and payments affecting subsidiaries, changes in nature of business, fiscal year or organizational documents, transactions with affiliates, and other matters.

The Credit Facility contained customary events of default, including, among others: non-payments of principal and interest; breach of representations and warranties; covenant defaults; the existence of bankruptcy or insolvency proceedings; certain events under ERISA; gaming license revocations in material jurisdictions; material judgments; and a change of control. If an event of default occurred and was not cured within any applicable grace period or was not waived, the administrative agent and the lender were entitled to take various actions, including, without limitation, the acceleration of all amounts due and the termination of commitments under the Credit Facility.

The carrying values of the Company's long-term debt consist of the following:

	Effective Interest Rate	As of December 31, 2024
Credit Facility		
Principal	10.22%	$ 48,305
Less unamortized debt issuance costs		(1,430)
Long-term debt, net		$ 46,875

During the years ended December 31, 2024 and 2023, the Company incurred interest expense of $4,686 and $4,720, respectively, of which $1,023 and $1,010 relates to the amortization of debt issuance costs, and are recorded within other losses on the consolidated statements of operations.

NOTE 8 – SHAREHOLDERS' EQUITY

Ordinary Shares

GAN Limited's authorized share capital consists of 100 million ordinary shares, par value $0.01 per share. Holders of ordinary shares are entitled to one vote per share on all matters submitted to a vote of holders of ordinary shares. In addition, the ordinary shares have no right to redemption, conversion or sinking fund rights. Each ordinary share is entitled to dividends if, as and when dividends are declared by the Board of Directors and subject to a resolution of members, subject to the rights of any other class of shares (if any) and to the provisions of the Bermuda Companies Act. In the event of liquidation, dissolution or winding up, the holders of ordinary shares are entitled to share equally and ratably in the assets, if any, remaining after the payment of debt and liabilities.

During the years ended December 31, 2024 and 2023, the Company issued an aggregate of 137,587 and 181,516 ordinary shares for the exercise of share

options for gross proceeds of $2 and $202 , respectively.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

NOTE 9 – SHARE-BASED COMPENSATION

In April 2020, the Board of Directors established the GAN Limited 2020 Equity Incentive Plan ("2020 Plan") which has been approved by the Company's shareholders. The 2020 Plan initially provides for grants of up to 4,400,000 ordinary shares, which then increases through 2029, by the lesser of 4% of the previous year's total outstanding ordinary shares on December 31st or as determined by the Board of Directors, for ordinary shares, incentive share options, nonqualified share options, share appreciation rights, restricted share grants, share units, and other equity awards for issuance to employees, consultants or non-employee directors. At December 31, 2024, the 2020 Plan provided for grants of up to 11,075,190 ordinary shares and there were 2,872,772 ordinary shares available for future issuance under the 2020 Plan.

Share Options

A summary of the share option activity as of and for the year ended December 31, 2024 is as follows:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Contractual Term	Aggregate Intrinsic Value
Outstanding at December 31, 2023	2,680,190	$ 5.69	6.43	$ 1,877
Granted	134,533	0.01		
Exercised	(137,587)	0.01		
Forfeited/expired or cancelled	(359,575)	6.36		
Outstanding at December 31, 2024	2,317,561	$ 5.60	5.80	$ 2,125
Options exercisable at December 31, 2024	1,752,575	$ 7.06	5.05	$ 1,158

The Company recorded share-based compensation expense related to share options of $1,633 and $2,538 for the years ended December 31, 2024 and 2023, respectively. Such share-based compensation expense for the years ended December 31, 2024 and 2023 was recorded net of capitalized software development costs of $38 and $195 , respectively. At December 31, 2024, there was total unrecognized compensation cost of $2,899 related to nonvested share options. The unrecognized compensation cost is expected to be recognized over a weighted-average period of 1.0 year.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

During the years ended December 31, 2024 and 2023, the Company received proceeds from the exercise of stock options of $2 and $202 , respectively, and the aggregate intrinsic value of those stock options exercised was $1,158 and $620 , respectively.

Share option awards generally vest 25% after one year and then monthly over the next 36 months thereafter and have a maximum term of ten years. During the year ended December 31, 2024, the Board of Directors approved the issuance of options to purchase 134,533 ordinary shares to employees under the 2020 Plan, including 134,533 share options granted with an exercise price of $0.01 per share to certain European-based employees in lieu of restricted share units. The value of these options are based on the market value of the Company's ordinary shares at the date of the grant. The weighted average grant date fair value of options granted was $1.52 and $1.76 for the years ended December 31, 2024 and 2023, respectively. The grant date fair value of each share option grant was determined using the following weighted average assumptions:

	Year Ended December 31,	
	2024	**2023**
Expected share price volatility	n.m.	n.m.
Expected term (in years)	n.m.	n.m.
Risk-free interest rate	n.m.	n.m.
Dividend yield	0%	0%

For options granted during the year ended December 31, 2024, the fair value of each share option award is estimated on the date of grant using the Black-Scholes option pricing model that uses the assumptions noted above. Estimating the grant date fair values for employee share options requires management to make assumptions regarding expected volatility of the value of those underlying shares, the risk-free rate of the expected life of the share options and the date on which share-based compensation is expected to be settled.

Expected volatility is determined by reference to volatility of certain identified peer group share trading information and share prices on the Nasdaq stock exchange. The risk-free interest rate for the expected term of the option is based on the U.S. Treasury yield curve in effect at the time of grant. The expected term of the options is based on historical data and represents the period of time that options granted are expected to be outstanding. In the current year, volatility, term, and risk-free interest rate were not meaningful inputs as all options were $0.01, and therefore the value of the options were equal to the underlying value of the shares for the Company's European based employees.

Restricted Share Units

Restricted share units are issued to non-employee directors and employees. For equity-classified restricted share units, the fair value of restricted share units is valued based on fair market value of the Company's ordinary shares on the date of grant and is amortized on a straight-line basis over the vesting period.

During the first and second quarter of 2024, there were no issuances of restricted share units to its non-employee directors or employees.

During the third quarter of 2024, the Board of Directors approved the issuance of 557,614 restricted share units to its employees. The restricted share units vest over four years from the date of grant. The terms of the awards stipulate that vesting of any outstanding restricted share units will be pro-rated for employees if their employment terminates after the first anniversary of the grant date.

During the fourth quarter of 2024, there were no issuances of restricted share units to its non-employee directors or employees.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

The Company withholds a portion of the restricted share units granted to its officers and non-employee directors upon vesting in order to remit a cash payment to the officers and directors equal to their tax expense. The liabilities are recorded in accrued compensation and benefits in the consolidated balance sheets. During the year ended December 31, 2024, 289,974 restricted stock units held by the Company's officers and non-employee directors vested and the Company repurchased 105,663 of the shares to cover the tax expense incurred by the officers and non-employee directors.

The Company recorded share-based compensation expense related to restricted share units of $1,939 and $2,678 for the years ended December 31, 2024 and 2023, respectively. At December 31, 2024, there was total unrecognized compensation cost of $1,372 related to nonvested restricted share units. The unrecognized compensation cost is expected to be recognized over a weighted-average period of 2.12 years.

A summary of the restricted share unit activity as of and for the year ended December 31, 2024 is as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2023	2,212,244	$ 2.49
Granted	557,614	1.51
Vested	(753,781)	2.57
Forfeited/expired or cancelled	(138,968)	2.53
Outstanding at December 31, 2024	1,877,109	$ 2.16

Restricted Share Awards

In December 2021, the Company issued 51,654 restricted ordinary shares to the selling shareholders of Silverback Gaming. The restricted share awards vest one-third on the acquisition date and one-third on each of the first and second anniversary dates. The restricted share awards were issued with a grant date fair value of $9.68 per share.

The Company recorded share-based compensation expense related to the restricted share awards of $152 for the year ended December 31, 2023. There was no share-based compensation expense related to restricted share awards in the current year. As of December 31, 2023, all awards were vested and there were no additional issuances in the current year.

2020 Employee Stock Purchase Plan

The Board of Directors established the 2020 Employee Stock Purchase Plan, or the ESPP, which was approved by the Company's shareholders in July 2021. The ESPP is intended to qualify under Section 423 of the U.S. Internal Revenue Service Code of 1986, as amended. The ESPP provides initially for 300,000 ordinary shares to be sold and increases on February 1, 2022 and on each subsequent February 1 through and including February 1, 2030, equal to the lesser of (i) 0.25 percent of the number of ordinary shares issued and outstanding on the immediately preceding December 31, (ii) 100,000 ordinary shares, or (iii) such number of ordinary shares as determined by the Board of Directors.

The ESPP is designed to allow eligible employees to purchase ordinary shares, at quarterly intervals, with their accumulated payroll deductions. The participants are offered the option to purchase ordinary shares at a discount during a series of successive offering periods. The option purchase price may be the lower of 85% of the closing trading price per share of the Company's ordinary shares on the first trading date of an offering period in which a participant is enrolled or 85% of the closing trading price per share on the purchase date, which will occur on the last trading day of each offering period. An offering period is defined as a three-month duration commencing on or about March, June, September and December of each year, and one purchase period is included within each offering period. The Company's first offering period commenced on June 1, 2022. The Company suspended its ESPP in February 2023. The Company issued 57,960 shares under the ESPP during the year ended December 31, 2023. During the year ended December 31, 2023, the Company recognized share-based compensation expense of $18 related to the ESPP.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

NOTE 10 – DEFINED BENEFIT CONTRIBUTION PLANS

U.S. employees and non-U.S. employees are eligible to participate in defined contribution plans by contributing a portion of their compensation, which provides for certain matching contributions by the Company. Matching contributions for the U.S. defined contribution plan are 50% of up to 4% of an employee's salary contribution. Most often, non-U.S. matching contributions are statutory amounts required by law. The Company's contributions to the retirement plans were $613 and $729 for the years ended December 31, 2024 and 2023, respectively.

NOTE 11 – LOSS PER SHARE

Loss per ordinary share, basic and diluted, are computed by dividing net loss by the weighted average number of ordinary shares outstanding during the period. Potentially dilutive securities consisting of certain share options, nonvested restricted shares and restricted share units were excluded from the computation of diluted weighted average ordinary shares outstanding as inclusion would be anti-dilutive, are summarized as follows:

	Year Ended December 31,	
	2024	**2023**
Share options	2,317,561	2,680,190
Restricted share units	1,877,109	2,212,244
Total	4,194,670	4,892,434

NOTE 12 – REVENUE

The following table reflects revenue recognized for the years ended December 31, 2024 and 2023 in line with the timing of transfer of services:

	Year Ended December 31,	
	2024	**2023**
Revenue from services delivered at a point in time	$ 84,402	$ 86,386
Revenue from services delivered over time	50,596	43,033
Total	$ 134,998	$ 129,419

Contract Assets

The Company has a contract asset related to its synthetic equity arrangement with a customer that was executed on March 30, 2023. The balance of $1,133 is recorded within other assets on the consolidated balance sheets and is amortized as contra-revenue over the life of the customer contract of 10 years.

Contract and Contract-Related Liabilities

The Company has four types of liabilities related to contracts with customers: (i) cash consideration received in advance from customers related to development services not yet performed or hardware deliveries not yet completed, (ii) incentive program obligations, which represents the deferred allocation of revenue relating to incentives in the online gaming operations, (iii) user balances, which are funds deposited by customers before gaming play occurs and (iv) unpaid winnings and wagers contributed to jackpots. Contract related liabilities are expected to be recognized as revenue within one year of being purchased, earned or deposited. Such liabilities are recorded in liabilities to users and other current liabilities in the consolidated balance sheets.

In August 2023, WSI US, LLC ("WynnBet") notified the Company of its intent to modify its multi-state revenue contract with the Company and, in November 2023, the Company completed its negotiations with WynnBet (the "WynnBet modification"). The results of renegotiations were primarily to amend performance obligations such that (i) obligations in certain states that had not launched at the modification date were formally terminated, (ii) obligations in certain states that launched prior to the modification date had the term reduced, and (iii) obligations in certain states such as Nevada, Massachusetts and New York would continue under more favorable commercial terms. The total consideration allocated to these modifications was $5.0 million, which was paid in November 2023.

The Company determined that the remaining performance obligations related to each state that either already launched or would launch under the modified agreement and allocated the $5.0 million consideration based on the estimated value attributable to each remaining performance obligation to be recognized over the remaining term.

WynnBet further agreed to terms for the state of Michigan governed by a separate revenue arrangement that provided WynnBet with optional performance obligations for either migrations services or termination rights, at their choosing, of $5.0 million. Additional consideration was provided related to the Company's right of first refusal ("ROFR") to obtain WynnBet's operation in the state of Michigan amounting to $1.8 million. WynnBet exercised this option in the quarter ended March 31, 2024.

In June 2024, WynnBet completed the sale of its Michigan business to Caesars Entertainment, Inc. ("Caesars"), and the Company entered into an agreement with Caesars to perform the migration services and added on performance obligations for the duration of the migration period, which concluded in October 2024. The Company recognized $5.0 million of revenue related to the migration services, and $1.8 million related to the ROFR during the migration

period from June to October 2024.

In August 2024, WynnBet terminated its operations in the state of New York. The Company received and recognized $0.5 million in consideration for the termination and recognized an additional $0.3 million related to the allocation of the $5.0 million consideration received in November 2023.

The following table reflects contract liabilities arising from cash consideration received in advance from customers for the periods presented:

	Year Ended December 31,	
	2024	2023
Contract liabilities from advance customer payments, beginning of the period	$ 7,873	$ 2,117
Contract liabilities from advance customer payments, end of the period [1]	5,044	7,873
Revenue recognized from amounts included in contract liabilities from advance customer payments at the beginning of the period	2,587	932

(1) Contract liabilities from advance customer payments, end of period consisted of $1,904 and $3,490 recorded in other current liabilities in the consolidated balance sheets at December 31, 2024 and 2023, respectively and $3,140 and $4,383 recorded in other liabilities in the consolidated balance sheet at December 31, 2024 and 2023, respectively.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

NOTE 13 – SEGMENT REPORTING

The Company's reportable segments are B2B and B2C. The B2B segment develops, markets and sells instances of GameSTACK, GAN Sports, and iSight Back Office technology that incorporates comprehensive player registration, account funding and back-office accounting and management tools that enable the casino operators to efficiently, confidently and effectively extend their presence online in places that have permitted online real money gaming. The B2C segment, which includes the operations of Coolbet, develops and operates a B2C online sports betting and casino platform that is accessible through its website in markets across Northern Europe, Latin America and Canada.

Information reported to the Company's Chief Executive Officer, the CODM, for the purpose of resource allocation and assessment of the Company's segmental performance is primarily focused on the origination of the revenue streams. The CODM evaluates performance and allocates resources based on the segment's revenue and contribution. Segment contribution represents the amounts earned by each segment without allocation of each segment's share of depreciation and amortization expense, sales and marketing expense, product and technology expense, general and administrative expense, interest costs and income taxes.

Summarized financial information by reportable segments for the years ended December 31, 2024 and 2023 is as follows:

	Year Ended December 31,					
	2024			2023		
	B2B	B2C	Total	B2B	B2C	Total
Revenue	$ 50,716	$ 84,282	$ 134,998	$ 43,154	$ 86,265	$ 129,419
Cost of revenue [1]	9,459	30,972	40,431	8,424	30,276	38,700
Segment contribution	$ 41,257	$ 53,310	$ 94,567	$ 34,730	$ 55,989	$ 90,719

(1) Excludes depreciation and amortization expense

During the years ended December 31, 2024 and 2023, one customer in the B2B segment individually accounted for 15.3% and 16.4% of total revenue, respectively.

The following table presents a reconciliation of segment contribution to the consolidated loss before income taxes for the years ended December 31, 2024 and 2023:

	Year Ended December 31,	
	2024	2023
Segment contribution [1]	$ 94,567	$ 90,719
Sales and marketing	25,303	28,972
Product and technology	34,246	38,243
General and administrative [1]	30,984	36,657
Depreciation and amortization	7,634	17,161
Other loss, net	4,634	3,992
Loss before income taxes	$ (8,234)	$ (34,306)

(1) Excludes depreciation and amortization expense

Assets and liabilities are not separately analyzed or reported to the CODM and are not used to assist in decisions surrounding resource allocation and assessment of segment performance. As such, an analysis of segment assets and liabilities has not been included in this financial information.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

The following table disaggregates total revenue by product and services for each segment:

	Year Ended December 31,	
	2024	**2023**
B2B:		
Platform and content license fees	$ 34,294	$ 31,466
Development services and other	16,422	11,688
Total B2B revenue	50,716	43,154
B2C:		
Sportsbook	30,383	33,315
Casino	50,712	50,035
Poker	3,187	2,915
Total B2C revenue	84,282	86,265
Total revenue	$ 134,998	$ 129,419

Revenue by location of the customer for the years ended December 31, 2024 and 2023 was as follows:

	Year Ended December 31,	
	2024	**2023**
United States	$ 42,277	$ 31,758
Europe[1][2]	52,324	47,788
Latin America[3]	31,467	39,935
Rest of the world[4]	8,930	9,938
Total revenue	$ 134,998	$ 129,419

(1) Finland revenue was $17,899 and $16,743 for the years ended December 31, 2024 and 2023, respectively.
(2) Norway revenue was $19,453 and $15,965 for the years ended December 31, 2024 and 2023, respectively.
(3) Chile revenue was $29,583 and $36,417 for the years ended December 31, 2024 and 2023, respectively.
(4) Canada revenue was $8,918 and $9,896 for the years ended December 31, 2024 and 2023, respectively.

NOTE 14 – INCOME TAXES

GAN Limited was incorporated in Bermuda solely for the purpose of acting as the new group parent company and public vehicle for investors. Bermuda, the Company's country of domicile, imposes no taxes on profits, income, dividends, or capital gains.

The Company's loss before income taxes for the years ended December 31, 2024 and 2023 consisted of the following:

	Year Ended December 31,	
	2024	**2023**
Domestic	$ 4,078	$ 5,897
Foreign	4,156	28,409
Loss before income taxes	$ 8,234	$ 34,306

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

The components of income tax expense (benefit) for the years ended December 31, 2024 and 2023 consisted of the following:

	Year Ended December 31,	
	2024	**2023**
Current:		
Domestic	$ —	$ —
U.S. Federal and State	(503)	66
Foreign	580	1,089
Total current expense	77	1,155
Deferred:		
Domestic	—	—
U.S. Federal and State	—	—
Foreign	(352)	(1,017)
Total deferred benefit	(352)	(1,017)
Total income tax (benefit) expense	$ (275)	$ 138

The following is a reconciliation of income taxes computed at the statutory income tax rate to the Company's income tax expense (benefit) for the years ended December 31, 2024 and 2023:

	Year Ended December 31,	
	2024	**2023**
Income (loss) before income taxes multiplied by the statutory tax rate of 0%	$ —	$ —
Effects of tax rates in foreign jurisdictions	(515)	(5,445)
Share-based compensation	356	1,154
Valuation allowance	441	3,430
Unrecognized tax benefit	(551)	193
Change in tax rates	—	300
Foreign withholding taxes	25	192
Return to provision	(282)	(647)
Tax on unremitted earnings	(2)	(6)
Foreign Tax Credit	47	(84)
Other	206	1,051
Total income tax (benefit) expense	$ (275)	$ 138

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the net deferred taxes at December 31, 2024 and 2023 are as follows:

	December 31,	
	2024	2023
Deferred tax assets:		
Net operating loss carryforwards	$ 18,630	$ 20,199
Share-based compensation	943	971
Fixed assets and intangibles	2,839	2,608
Accruals and allowances	350	276
Deferred revenue	1,212	—
Interest	5,149	4,487
Other	101	88
Total deferred tax assets	29,224	28,629
Valuation allowance	(28,489)	(28,244)
Total deferred tax assets, net of valuation allowance	735	385
Deferred tax liabilities:		
Fixed assets and intangibles	(353)	(479)
Prepayments	(71)	(57)
Tax on unremitted earnings	(3,260)	(3,431)
Other	(46)	(57)
Total deferred tax liabilities	(3,730)	(4,024)
Net deferred tax liabilities	$ (2,995)	$ (3,639)

The net deferred tax liability of $2,995 agrees to the balance sheet when considering the noncurrent deferred tax liability presented of $3,169 and the noncurrent deferred tax asset of $174 presented in other assets on the consolidated balance sheets.

At December 31, 2024 and 2023, the Company's valuation allowance was $28,489 and $28,244, respectively. A valuation allowance is recognized if, based on the weight of available evidence, it is more-likely-than-not that some portion, or all, of the deferred tax asset will not be realized. Management must analyze all available positive and negative evidence regarding realization of the deferred tax assets, such as cumulative income and losses from prior years, and make an assessment of the likelihood of sufficient future taxable income. The Company has provided a valuation allowance on the U.S. and foreign deferred tax assets that were not deemed realizable based upon the weight of the objectively verifiable negative evidence of cumulative losses over the recent three-year period.

During 2024, we increased our valuation allowance by $245 to $28,489. The amount of the deferred tax assets considered realizable, however, could be adjusted if estimates of future taxable income during the carryforward period are reduced or increased or if objective negative evidence in the form of cumulative losses is no longer present and additional weight is given to subjective evidence, such as the Company's forecast for growth.

At December 31, 2024, the Company had federal, state, and foreign cumulative net operating loss carryforwards generated of $16,831, $18,935 and $54,168, respectively, on a gross basis. The federal net operating loss carryforwards do not expire. The state net operating loss carryforwards will begin to expire in 2027 if not utilized. The majority of the foreign net operating loss carryforwards do not expire. At December 31, 2024, the Company had federal and state U.S. interest limitation carryforwards of $20,268 and $14,931, respectively, on a gross basis. The federal and state U.S. interest limitation carryforwards do not expire.

As of December 31, 2024, the Company has accrued $3,260 of deferred foreign taxes related to the expected impact of its unremitted foreign earnings. This amount is mainly related to its earnings in Estonia where taxation is postponed until the profits are distributed as dividends.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	Year Ended December 31,	
	2024	**2023**
Unrecognized tax benefits — January 1	$ 1,350	$ 766
Additions for tax positions taken in a prior year	119	395
Additions for tax positions taken in current year	478	197
Reductions for tax positions taken in the prior year due to statutes lapsing	(388)	(7)
Other reductions for tax positions taken in the prior year	(11)	(1)
Unrecognized tax benefits — December 31	$ 1,548	$ 1,350

The liability for unrecognized tax benefits, including potential interest and penalties, were recorded within other liabilities in the consolidated balance sheets. As of December 31, 2024 and 2023, we had accrued interest and penalty expense related to uncertain tax positions of $149 and $253, respectively, net of income tax benefits. The provision for income taxes for December 31, 2024 and 2023 included interest and penalty (benefit) expense related to uncertain tax positions of $(105) and $76, respectively net of income tax benefits.

The Company, including its subsidiaries, files tax returns with U.S. and foreign jurisdictions. The Company is subject to U.K. examinations by tax authorities for the 2021 to 2023 tax years, although the Company has loss carryforwards from prior years that may still be adjusted. The Company is subject to U.S. examinations by federal tax authorities for years 2021 to 2023 and by state tax authorities for years 2020 to 2023. The tax returns in Canada, Malta, Israel, Bulgaria, and Mexico are still within the examination window of the local tax authorities. Based on the information currently available, we do not anticipate a significant increase or decrease to our unrecognized tax benefits within the next 12 months. Audit outcomes and the timing of audit settlements are subject to significant uncertainty. Although the Company believes that adequate provision has been made for such issues, there is the possibility that the ultimate resolution of such issues could have an adverse effect on the Company’s earnings. If recognized, the total amount of unrecognized tax benefits would impact the effective tax rate for calendar years 2024 and 2023 by $705 and $894, respectively.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

NOTE 15 – LEASES

The company determines if an arrangement is a lease and classified as operating or finance lease commencement date. A lease is defined as a contract, or part of contract, that conveys the right to control the use of an asset for a time period in exchange for consideration. At December 31, 2024, the Company's lease portfolio consists of operating leases related to office facilities in Estonia and Bulgaria. The lease terms for both leases are five years. Options to extend or terminate a lease are included in the lease term when it is reasonably certain that the Company will exercise such options. In some jurisdictions it is customary for lease contracts to provide for payments to increase each year by inflation, or to be reset periodically to market rental rates or the periodic rent is fixed over the lease term. Lease payments for operating leases, consisting of fixed payments for base rent, is recognized on a straight-line basis over the lease term. The Company elected to record short-term lease costs on a straight-line basis over the term of the leases related to its shared work space facilities primarily in the United States and London, and incurred $309 and $547 for the years ended December 31, 2024 and 2023, respectively, and are recorded within operating activities on the statement of cash flow.

		As of	
		December 31, 2024	December 31, 2023
Leases	Classification		
Assets			
Total operating leased assets, net	Operating lease right-of-use assets[(1)]	$ 3,417	$ 4,340
Liabilities			
Current	Operating lease liabilities	$ 912	$ 804
Non-current	Operating lease liabilities – non-current	2,528	3,577
Total lease liabilities		$ 3,440	$ 4,381

(1) Operating lease right-of-use assets are recorded, net of accumulated amortization of $1,128 and $378, at December 31, 2024 and 2023, respectively.

The Company uses its incremental borrowing rate at lease commencement to calculate the present value of lease payments when the rate implicit in a lease is not known. The incremental borrowing rate is based on the Company's credit rating based on its market valuation metrics and corporate yield curves observed for public companies with similar credit ratings.

Operating lease costs were $1,146 and $805 for the years ended December 31, 2024 and 2023, respectively.

Maturities of lease liabilities, including reconciliation to the lease liabilities, based on required contractual payments, are as follows:

	Operating Leases
2025	$ 1,133
2026	1,133
2027	1,133
2028	637
Total lease payments	4,036
Less: future interest costs	596
Present value of lease liabilities	$ 3,440

Other information related to leases as of and for the years end December 31, 2024 and 2023 was as follows:

	Year Ended December 31,	
	2024	2023
Operating lease weighted-average remaining lease term (years)	3.5	4.5
Operating lease weighted-average discount rate	9.0%	9.0%
Cash paid for the amounts included in the measurement of operating lease liabilities	$ 1,162	$ 726

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

NOTE 16 – COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company may be subject to legal actions and claims arising from contracts or other matters from time to time in the ordinary course of business. Management is not aware of any pending or threatened litigation, other than those considered routine legal proceedings. The Company believes the ultimate disposition or resolution of its routine legal proceedings will not have a material adverse effect on its financial position, results of operations or liquidity.

Content Licensing Agreements

In the second quarter of 2021, the Company entered into Content Licensing Agreements (the "Agreements") with two third-party gaming content providers ("Content Providers") specializing in developing and licensing interactive games. The Agreements grant the Company exclusive rights to use and distribute the online gaming content in North America. Each of the Content Providers was committed to developing a minimum number of games for the Company's exclusive use over the five-year term, subject to extensions, of the respective Agreement. In exchange, the Company was required to pay fixed fees, totaling $48.5 million, of which $8.5 million were due upon execution of the Agreements, and the remaining fixed fees were to be paid systematically over the initial five-year terms. Additional payments could be required if the Company's total revenue generated from the licensed content exceed certain stipulated annual and cumulative thresholds during the contract term. Under the terms of the Agreements, the Content Providers were required to remit the cash flows from the online gaming content with its existing customers to the Company during the exclusivity period.

On January 27, 2022, the Company served a termination notice, for cause, to a Content Provider as certain conditions precedent associated with the completion of contractual obligations had not been satisfied by the agreed upon period in 2021. In accordance with the agreement, termination for cause results in a return of the initial payment of $3.5 million. In response to the Company's termination notice, the Content Provider responded by alleging the Content Provider had met its contractual obligations, thereby obligating the Company to make the next, scheduled $3.0 million payment. In March, the Content Provider served the Company a notice of default letter notifying the Company of its alleged material breach of the agreement, and disputing the validity of the termination. On April 25, 2022, the Content Provider attempted to serve formal notice of termination of the agreement, reaffirming the $3.0 million obligation. The Company continues to assert that all contractual obligations to the Content Provider have been relieved as a result of the Company's initial termination notice and will vigorously defend any claims made by the Content Provider.

On March 29, 2023, the Company amended and restated its Content Licensing Agreement with the other Content Provider which resulted in a reduced contract term ending March 31, 2024 and a reduction in the fixed fees payable under the arrangement. At December 31, 2024, the present value of the remaining fixed fee payments remaining under the agreement of $2.2 million is recorded in accrued content license fees in the consolidated balance sheet.

Chile Operations

Coolbet's B2C casino and sports-betting platform is accessible in Chile. Since June 1, 2020, foreign digital service suppliers that provide services to individuals in Chile have been required to register for value-added tax ("VAT") purposes. On September 20, 2021, the Company submitted an inquiry to the Chilean Internal Revenue Service ("SII") for clarification on the basis to apply VAT. In December 2021, the SII issued a general resolution as a response to another iGaming platform operator stating the Tax Administration's position that fees paid by users for entertainment services provided through online gaming and betting platforms are subject to VAT in Chile. The SII clarified its interpretation that the VAT tax rate of 19% shall be applied to "fees paid by the users", specifically gross customer deposits on the iGaming platform. This was further reiterated by the SII in June 2022 through a public response to an unnamed ruling request on the matter.

On May 13, 2022, the SII issued a resolution stating that unregistered foreign digital service providers will be subject to 19% withholding on payments through enforcement to issuers of credit cards, debit cards, and other forms of payment, effective August 1, 2022. The SII issued this noncompliant list of unregistered foreign digital service providers to enact enforcement of this withholding on a quarterly basis, with the most recent list issued on December 28, 2022. As of December 31, 2024, and through the date of filing, the Company has not registered for the Chilean VAT but has not been listed on the SII's list for which this withholding should be applied, and the Company has not received formal notification of any VAT liability due to the SII.

On March 14, 2023, the SII issued a resolution stating that, although the SII lacks the power to qualify an activity as legal or illegal (which had been noted in previous SII resolutions), the SII is not empowered to register taxpayers for the simplified VAT regime who carry out activities that have been declared illegal by other State authorities that do have the power to qualify an activity as legal or illegal. It then notes that the SII has been informed by the Superintendency of Gambling Casinos that the offering of games of chance is only expressly authorized in certain instances under Chilean law, and thus taxpayers without domicile or residence in Chile that offer them are doing so illegally. As a result, the SII has excluded these taxpayers from the simplified VAT regime, effectively contradicting past guidance that stated the digital VAT law must be applied to online gaming and betting platforms.

GAN LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

On September 12, 2023, the Supreme Court of Chile issued a ruling requiring one telecommunication company to block 23 iGaming websites. The ruling relates specifically to one local internet service provided ("ISP") and a state-owned land-based casino which holds the rights to offer online sports betting (the "Local Provider"). The order to block the websites only applied to the 23 specific URL addresses mentioned in the legal action. The Local Provider's legal action was based on a "protection recourse" filing, and assert that the Local Provider's constitutional right to maintain a legal monopoly over sports betting was infringed upon. The Supreme Court of Chile's ruling only affected the named parties of the case, and did not establish legal precedent. In response to the ruling, the Company modified the URL and resumed operations.

On December 12, 2023, the Chamber of Deputies Hall held a legislative discussion on a bill that regulates the development of online betting platforms in Chile. The bill was approved by the Chamber and will proceed to the second constitutional process in the Senate.

The Company does not believe its activities in Chile are illegal based on external legal opinions obtained in previous years, and updated external legal opinions supporting the Company's assertions. The Company had previously not registered for the Chilean VAT on digital service providers as the Company believed the application of VAT on gross customer deposits, as previously clarified by the SII, prior to the March 2023 resolution, did not represent a reasonable application of the law to the economic substance of the Company's services; this previous application would have resulted in a material loss to the Company. The Company believes that Chilean tax laws and regulations support that only the fees directly charged by the Company's platform, primarily poker fees, should be the taxable base for the Chilean digital VAT and has obtained an external legal opinion supporting this position, the application of which would not have a material impact to the Company's financial statements. However, as a result of the SII excluding the Company's activities from the digital VAT registration, we no longer believe a liability is probable for the past activities as of December 31, 2022 as the Company is now effectively prevented from complying with the digital VAT law. However, there is uncertainty as to the regulated environment, what amounts may be ultimately due on our previous activities and the ability to operate in this jurisdiction until the SII resolves the position. Resolution of this matter may result in fines, penalties, additional expenses or require us to exit the market. Revenues from Chile represented 21.9% and 28.0% of total consolidated revenue for the years ended December 31, 2024 and 2023, respectively.

Ecuador Operations

Coolbet's B2C casino and sports-betting platform is accessible in Ecuador. On June 28, 2024, Ecuador published Executive Decree No. 313 which imposed tax obligations in relation to sportsbook operations in Ecuador requiring operators to pay a tax on 15% of income earned, as well as applying a 15% withholding tax to each winning bet, effective July 1, 2024. As a result of this legislation, and as the Company has not been able to deploy any technological enhancements to withhold from its customers, the Company has accrued an estimated total tax liability of approximately $0.6 million related to the Company's operations as from July 1, 2024 in other current liabilities in the consolidated balance sheet.

Synthetic Equity

Pursuant to the binding term sheet previously entered into with Red Rock Resorts, Inc., the Company entered into the Master Gaming Services Agreement with Station Casinos LLC ("Stations") on March 30, 2023, to launch GameSTACK and GAN Sports RMiG and sportsbook solutions at its properties through self-service kiosks as well as through on-premises and statewide mobile versions in Nevada, subject to applicable licensure. As an additional incentive for Station to support the commercial success of the launch in Nevada, the Master Gaming Services Agreement includes a Synthetic Equity Addendum which would require that the Company make a payment to Station in the event of a change of control in the Company (the "Change of Control Payment"), subject to certain conditions outlined in the Synthetic Equity Addendum. The Change of Control Payment is payable only in the event that a change of control occurs during the period as specified by the Synthetic Equity Addendum and that the Company's market capitalization has increased during that time, calculated as proscribed by the Synthetic Equity Addendum, which the amount of such payment ranging from 2.5% to 5% of such increase in market capitalization over approximately $2.00 per share, depending on whether certain minimum revenue conditions are met over the next five years. The payment represents an equity-linked financial instrument containing service, performance and market conditions and is measure and classified in accordance with stock-based compensation guidance. The initial grant-date fair value represents an upfront payment to a customer for the maximum tranche which will be attributed as contra revenue over the estimated initial contract term as revenue is earned under the arrangement such that the recognition of the constraints is not probable to result in a material reversal of revenue.

The initial value of the grant date liability and corresponding contract asset was valued utilizing a Monte Carlo simulation, which includes numerous scenarios including assumptions of probability weighted likelihood of different outcomes. As facts and circumstances become known or knowable at each reporting period, the probability of certain scenarios will change which will increase or decrease the value, and also the classification of the liability on the consolidated balance sheets. For this reason, the value and classification were reassessed based on when a change of control event would become probable. The valuation utilizing the Monte Carlo simulation on March 30, 2023 was determined to be approximately $1.1 million at grant-date and recorded within other assets and other liabilities in the consolidated balance sheet.

On November 7, 2023, the Company entered into the Merger Agreement at a share price of $1.97. The closing of the Merger is also predicated upon receipt of approval of the Merger and change in control of the Company by all relevant gaming authorities. The Company anticipates that securing such regulatory approvals will take some time, and that the closing of the Merger may not occur until late 2024 or early 2025. Refer to Note 1. Based on the Company's anticipated timing of the change in control, the revenue conditions in the Synthetic Equity Addendum would not be met, the share price would be less than the $2.00 per share threshold, and no value would be assessed to the liability. As such, a 75% probability was applied to the sale scenario of $0 value and 25% to the year-end Monte Carlo value which assumes a sale in the future with potential revenue thresholds being met. As of December 31, 2023, the fair value was determined to be approximately $0.3 million. The change in value was charged as a reduction to general and administrative expense. As of December 31, 2023, the underlying revenue arrangement had commenced, and the asset is probable of recovery. The fair value is not sensitive to significant changes in inputs, and further, no material changes were identified to such inputs in the current year ended December 31, 2024.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to management, including our chief executive officer and chief financial officer (together, the "Certifying Officers"), as appropriate to allow for timely decisions regarding required disclosure.

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance, not absolute assurance, of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements will not occur or that all control issues, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. The design of any system of controls is based, in part, upon certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

As required by SEC Rule 13a-15(b), we carried out an evaluation, under the supervision and with the participation of our management, including the Certifying Officers, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on the foregoing, the Certifying Officers concluded that our disclosure controls and procedures were not effective at the reasonable assurance level as of December 31, 2024. The Certifying Officers based their conclusion on the fact that the Company has identified a material weakness in controls over financial reporting, detailed below. In light of this fact, our management has performed additional analyses, reconciliations, and other procedures and have concluded that, notwithstanding the material weakness in our internal control over financial reporting, the consolidated financial statements for the periods covered by and included in this Form 10-K fairly present, in all material respects, our financial position, results of operation and cash flows for the periods presented in conformity with GAAP.

Material Weakness in Internal Control Over Financial Reporting

The Company's management and audit committee of the board of directors also previously concluded that the fact that the Company did not design appropriate controls to evaluate risks to the entity from improper segregation of duties and maintain manual controls at a level of precision to mitigate potential misstatements that could be present through the lack of segregation of journal entry preparation and approval within certain financial reporting systems constituted a material weakness.

Remediation Plans

We continue to evaluate measures to remediate the identified material weakness. These measures include implementing appropriate controls to segregate journal entry preparation and formal, documented approvals at a sufficient level of precision.

We intend to continue to take steps to remediate the material weakness described above and further enhance our accounting processes, controls, and reviews. The Company plans to continue to assess its internal controls and procedures and intends to take further action as necessary or appropriate to address any other matters it identifies or are brought to its attention. We will not be able to fully remediate this material weakness until these steps have been completed and have been operating effectively for a sufficient period of time.

The actions that we are taking are subject to ongoing senior management review, as well as audit committee oversight. We will not be able to conclude whether the steps we are taking will fully remediate the material weakness in our internal control over financial reporting until we have completed our remediation efforts and subsequent evaluation of their effectiveness. We may also conclude that additional measures may be required to remediate the material weakness in our internal control over financial reporting, which may necessitate further action.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) for the Company. Our management, under the supervision and with the participation of the Certifying Officers, assessed the effectiveness of the design and operation of our internal controls over financial reporting as of December 31, 2024, based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control – Integrated Framework (2013). Based on this assessment and because of the material weakness identified above, management concluded that the Company's internal control over financial reporting was not effective as of December 31, 2024.

This Annual Report on Form 10-K does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our independent registered public accounting firm pursuant to rules of the SEC that permit us to provide only management's report in this Annual Report on Form 10-K.

Changes in Internal Controls Over Financial Reporting

Except for the remediation measures discussed above, there were no changes in our internal control over financial reporting during the quarter ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

During the year ended December 31, 2024, none of our directors or executive officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act or any "non-Rule 10b5-1 trading arrangements" as defined in Item 408(c) of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this item is set forth under the following captions in our proxy statement to be filed with respect to our 2025 Annual Meeting of Shareholders (the "proxy statement"), all of which is incorporated by reference: "Directors;" "Executive Officers;" "Corporate Governance;" "Insider Trading and Hedging Policy;" "Delinquent Section 16(a) Reports;" "The Proxy Process and the Annual Meeting - Director Nominations and Shareholder Proposals for Inclusion in GAN Limited's 2026 Proxy Materials," and "Proposals - Proposal No. 1 - Election of Directors."

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is set forth under the following captions in our proxy statement, all of which is incorporated by reference: "Executive Officers - Summary Compensation Table for Fiscal Years 2024 and 2023, Narrative Disclosure to Summary Compensation Table, Outstanding Equity Awards at Fiscal and Year End 2024;" Directors - Director Compensation in 2024."

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item is set forth under the following captions in our proxy statement, all of which is incorporated by reference: "Other Information - Equity Compensation Plan Information, Security Ownership of Certain Beneficial Owners and Management."

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is set forth under the following captions in our proxy statement, all of which is incorporated by reference: "Corporate Governance - Review and Approval of Related Party Transactions," - "Director Independence."

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item is set forth under the following captions in our proxy statement, all of which is incorporated by reference: "Proposals - Proposal No. 2 - Appointment of Independent Registered Public Accounting Firm."

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) 1. Financial Statements

The following consolidated financial statements of GAN Limited are included in Item 8 of this report:

2. Financial Statement Schedules

All financial statement schedules are omitted as they are not required.

3. Exhibits

The exhibits required by Item 601 of Regulation S-K are included under Item 15(b) below.

(b) Exhibits

		Incorporation by Reference			
Exhibit Number	**Description of Document**	**Filed Herewith**	**Form**	**Exhibit Number**	**Date Filed**
2.1	Scheme of Arrangement of GAN plc		F-1	2.1	April 17, 2020
2.2	Share Exchange Agreement, dated November 15, 2020, among GAN Limited and Vincent Group p.l.c.		6-K	99.1	November 16, 2020
2.3*	Agreement and Plan of Merger dated November 7, 2023 among SEGA SAMMY CREATION INC., Inc., Arc Bermuda Limited and the Company.		8-K	2.1	November 8, 2023
2.4	Amendment to Agreement and Plan of Merger dated December 15, 2023 among SEGA SAMMY CREATION INC., Inc., Arc Bermuda Limited and the Company		8-K	2.1	December 15, 2023
2.5	Second Amendment to Agreement and Plan of Merger dated February 7, 2025 among SEGA SAMMY CREATION INC., Arc Bermuda Limited and the Company		8-K	2.1	February 7, 2025
3.1	Memorandum of Association of GAN Limited		F-1	3.1	April 17, 2020
3.2	By-Laws of GAN Limited		F-1	3.2	April 27, 2020
4.1	Specimen certificate evidencing ordinary shares		F-1	4.1	April 27, 2020
4.2	Description of Securities		10-K	4.3	April 25, 2022
10.1+	2020 Equity Incentive Plan of GAN Limited, as amended		F-1	10.1	December 7, 2020
10.1.1+	2020 Equity Incentive Plan – Form of Restricted Stock Grant Agreement		F-1	10.2.1	April 27, 2020
10.1.2+	2020 Equity Incentive Plan – Form of Nonstatutory Stock Option Agreement		F-1	10.2.2	April 27, 2020
10.1.3+	2020 Equity Incentive Plan – Form of Incentive Stock Option Agreement		F-1	10.2.3	April 27, 2020
10.1.4+	2020 Equity Incentive Plan – Form of Restricted Stock Unit Agreement		F-1	10.2.4	April 27, 2020
10.2+	Form of Indemnification Agreement for Directors and Officers		F-1	10.3	April 17, 2020

10.3+	Form of Director Services Agreement		F-1	10.4	April 17, 2020
10.4+	2020 Equity Incentive Plan U.K. Sub-Plan - Company Share Option Plan		S-8	4.3.5	February 12, 2021
10.5.1+	2020 Equity Incentive Plan U.K. Sub-Plan - Company Share Plan Option Agreement		S-8	4.3.6	February 12, 2021
10.5.2+	2020 Equity Incentive Plan U.K. Sub-Plan - Enterprise Management Incentive Plan Option Agreement		S-8	4.3.7	February 12, 2021
10.5.3+	2020 Equity Incentive Plan U.K. Sub-Plan - Enterprise Management Incentive Plan (EMI)		S-8	4.3.8	February 12, 2021
10.6+	GAN Limited Employee Stock Purchase Plan		DEF 14A	Exhibit A	June 10, 2021
10.7+	Executive Employment Agreement, between the Company and Sylvia Tiscareño, dated December 19, 2021		8-K	10.2	December 22, 2021
10.8+	Employment Contract, between the Company and Jan Roos, dated as of January 13, 2022		10-K	10.14	April 15, 2022
10.9	Credit Agreement, by and among the Company, BPC Lending I, LLC and Alter Domus (US) LLC as agent dated April 25, 2022		10-Q	10.11	August 15, 2022
10.10+	Amended and Restated Employment Agreement, between the Company and Brian Chang, dated December 30, 2022		10-K	10.13	April 14, 2023
10.11	First Amendment to Credit Agreement, date as of April 13, 2023, between the registrant and BPC Lending I, LLC		8-K	10.1	April 19, 2023
10.12	Second Amendment to Credit Agreement, dated as of April 13, 2023, between the registrant and Sega Sammy Holdings Inc		8-K	10.2	April 19, 2023
10.13	Subscription Agreement, dated March 29, 2023, between the Company and Ainsworth Game Technology, Inc.		S-1/A	10.14	May 30, 2023
10.14+	A&R Employment Agreement, dated March 9, 2023, between the Company and Giuseppe Gardali		10-K	10.18	March 13, 2024
10.15+	Employment Agreement, dated October 5, 2023, between the Company and Seamus McGill		10-K	10.19	March 13, 2024
19.1	Insider Trading Policy	X			
21.1	List of Subsidiaries	X			
23.1	Consent of Grant Thornton LLP, Independent Registered Public Accounting Firm	X			
24.1	Powers of Attorney (included on signature page)	X			
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	X			
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	X			
32.1**	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	X			
32.2**	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	X			
97.1	GAN Limited Clawback Policy		10-K	97.1	March 13, 2024
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document	X			
101.SCH	Inline XBRL Taxonomy Extension Schema Document	X			
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	X			
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.	X			
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	X			
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	X			
104	Cover page Interactive Data File (formatted Inline XBRL and contained in Exhibit 101)	X			

+ Indicates management contract or compensatory plan or arrangement.

* Schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to furnish copies of any of the omitted schedules and exhibits upon request by the SEC.

** Furnished herewith. This certification is being furnished solely to accompany this report pursuant to 18 U.S.C. 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: March 14, 2025

GAN LIMITED
(Registrant)

By: */s/ SEAMUS MCGILL*
Seamus McGill
Chief Executive Officer
(Principal Executive Officer)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each individual whose signature appears below constitutes and appoints each of Seamus McGill and Brian Chang as his or her true and lawful attorney and agent, with full power of substitution and re-substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2024, and to file the same with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney and agent may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signatures	Title	Date
/s/ SEAMUS MCGILL Seamus McGill	Chief Executive Officer (*Principal Executive Officer*)	March 14, 2025
/s/ BRIAN CHANG Brian Chang	Interim Chief Financial Officer (*Principal Financial and Accounting Officer*)	March 14, 2025
/s/ DAVID GOLDBERG David Goldberg	Director	March 14, 2025
/s/ DAVID ROSS David Ross	Director	March 14, 2025
/s/ SUSAN BRACEY Susan Bracey	Director	March 14, 2025
/s/ ERIC GREEN Eric Green	Director	March 14, 2025

Exhibit 19.1

POLICY ON INSIDER TRADING
AND COMMUNICATIONS WITH THE PUBLIC

Adopted January 29, 2021
(last revised January 14, 2025)

"Covered Persons" (as defined below) must comply with sections 1-6 and 9-11 of this Policy "Designated Insiders" (as defined below) must comply with Sections 1-11 of this Policy

1. THE NEED FOR A POLICY (Applicable to "Covered Persons" and "Designated Insiders")

This Policy on Insider Trading and Communications with the Public (the "**Policy**") applies to insider and other trading, which is covered by the federal securities laws and includes: (a) the contemplated purchase or sale of securities in GAN Limited, a Bermuda exempted company limited by shares and all subsidiaries (collectively, the "**Company**") by directors, officers, employees and consultants of the Company and their immediate family members; (b) the disclosure of material nonpublic information ("**MNPI**") or confidential information about the Company to others who then trade in Company securities; and (c) trading in the securities of other companies or entities with which the Company has conducted, is conducting, or intends to conduct, business, or sharing with anyone outside the Company any MNPI about these other companies or entities.

a) This Policy applies to:

   (i) directors, officers and other employees of the Company;

   (ii) certain key employees designated by the Company (the persons in (a)(i) and (a)(ii) are referred to as "**Company Personnel**");

   (iii) agents and consultants who have access to or receive MNPI; and

   (iv) members of the immediate family and household of the forgoing.

b) Company Personnel are obligated to inform their immediate family members and anyone in their house- hold of the requirements of this Policy. The term "**Covered Persons**" shall mean all of the forgoing.

c) This Policy has been adopted to promote compliance with the federal securities laws and to help Covered Persons avoid the severe consequences associated with violations of federal securities laws. This Policy is also intended to prevent even the appearance of improper conduct by Covered Persons.

2. WHAT IS INSIDER TRADING? (Applicable to "Covered Persons" and "Designated Insiders")

Insider trading occurs when a person uses MNPI obtained through involvement with the Company to make decisions to purchase, sell, give away or otherwise trade the Company's securities, or to provide that information to others outside the Company. A director, officer or other employee, agent, consultant, or any other advisor owing a duty of trust and confidence to the Company, such as accountants or outside attorneys, also may violate the insider trading laws if he or she communicates or "tips" MNPI to another person or entity without authorization by the Company, which person or entity in turn trades on the basis of this information.

a) **Definition of "Designated Insider."** A "Designated Insider" shall mean:

   a. All Non-Executive Directors of the Board

   b. All Executive Directors of the Board

c. The President

d. All Executive Officers

e. All Section 16 Officers

f. All members of the Legal Department

g. All members of the Finance Department (including Investor Relations)

h. All members of the Compliance Department

i. Certain members of Human Resources

j. Certain members of Coolbet Group of Companies

k. All Individuals designated by the Chief Legal Officer from time to time

b) **Definition of "Material."** The materiality of a fact depends upon the circumstances. A fact is considered "material" if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell or hold a security or where the fact is likely to have significant effect on the market price of the security. Material information can be positive or negative and can relate to virtually any aspect of the Company's business or to any type of security, debt or equity.

c) **Examples of Material Information**. Although it is not possible to list all information that might be deemed material under particular circumstances, information concerning the following subjects is often found to be material: (i) projections of future earnings or losses, or other earnings guidance; (ii) earnings that are inconsistent with the consensus expectations of the investment community; (iii) significant changes in the Company's prospects; (iv) securing or losing a gaming license to operate in a jurisdiction; (v) significant write-downs in assets; (vi) developments regarding significant litigation or government agency investigations; (vii) major changes in management or the board of directors; (viii) significant financings; (ix) major changes in accounting methods or policies; (x) award or loss of a significant contract; (xi) cybersecurity incidents; and (xii) proposals, plans or agreements, even if preliminary in nature, involving mergers, acquisitions, divestitures, recapitalizations, strategic alliances, licensing arrangements, or purchases or sales of substantial assets.

d) **Definition of "Nonpublic."** Information is "nonpublic" if it has not been made available to investors generally, and the investors must be given the opportunity to absorb the information. Even after wide disclosure of nonpublic information about the Company, it is not considered to be public information until **2 full trading days** after the information was publicly disclosed.

e) **Examples of Nonpublic Information**. Some examples of nonpublic information includes (i) information available to a select group of analysts or brokers or institutional investors; (ii) undisclosed facts that are the subject of rumors, even if the rumors are widely circulated; and (iii) information that has been entrusted to the Company on a confidential basis until a public announcement of the information has been made and enough time has elapsed (two full trading days) for the market to absorb such information.

f) **Types of Securities**. The insider trading prohibitions (including tipping) are not limited to common stock of the Company. Under federal securities laws, insider trading in any security of the Company, such as debt or preferred stock, is illegal. This Policy also applies to trading in the common stock or securities of other companies that the Company has conducted, currently conducts, or intends to conduct, business, such as customers and suppliers.

When in doubt about whether certain nonpublic information is material, you should (a) assume that the information is material or (b) consult the Company's Chief Legal Officer before making any decision to disclose such information or trade securities.

3. PENALTIES FOR INSIDER TRADING (Applicable to "Covered Persons" and "Designated Insiders")

Penalties for trading on or communicating MNPI can be severe, both for individuals involved in such unlawful conduct and their employers and supervisors, and may include jail terms, criminal fines, civil penalties and civil enforcement injunctions. Given the severity of the potential penalties, compliance with this Policy is mandatory.

a) **Criminal Legal Penalties**. A person who violates insider trading laws by engaging in transactions in a company's securities when he or she has MNPI can be sentenced to a substantial jail term and required to pay a criminal penalty of several times the amount of profits gained or losses avoided. In addition, a person who tips others may also be liable for transactions by the tippees to whom he or she has disclosed MNPI. Tippers can be subject to the same penalties and sanctions as the tippees, and the US Securities and Exchange Commission ("**SEC**") has imposed large penalties even when the tipper lost money.

b) **Civil Legal Penalties**. The SEC can also seek substantial civil penalties from any person who, at the time of an insider trading violation, "directly or indirectly controlled the person who committed such violation," which would apply to management and supervisory personnel. These control persons may be held liable for up to the greater of $1 million or three times the amount of the profits gained or losses avoided. Even for violations that result in a small or no profit, the SEC can seek penalties from a company and/or its management and supervisory personnel as control persons.

c) **Company-Imposed Penalties**. Covered Persons who violate this Policy may be subject to disciplinary action by the Company, including dismissal for cause. Any exceptions to the Policy, if permitted, may only be granted by the Chief Legal Officer and must be provided in advance.

4. TRADING POLICY (Applicable to "Covered Persons" and "Designated Insiders")

a) No Covered Persons may purchase or sell, or offer to purchase or sell, any Company security, whether or not issued by the Company, while in possession of MNPI about the Company.

b) No Covered Person with MNPI may communicate that information ("**tip**") to any other person, including family members and friends, or otherwise disclose such information without the Company's authorization.

c) No Covered Person may purchase or sell any security of any other company, whether or not issued by the Company, while in possession of MNPI about that company which was obtained in the course of their involvement with the Company. The prohibition against tipping also applies to this situation.

d) Covered Persons should never trade, tip or otherwise cause the purchase or sale of securities while in possession of information that you have reason to believe is MNPI.

e) Designated Insiders must "pre-clear" trading in Company securities in accordance with the procedures set forth in this Policy.

f) This Policy continues to apply to transactions by Covered Persons in Company securities even after termination of employment or service. If the Covered Person is in possession of MNPI when employment or service is terminated, such Covered Person may not trade in Company securities until that information has become public or is no longer material.

g) The trading prohibitions and restrictions in this Policy will be superseded by any greater prohibitions or restrictions prescribed by federal or state securities laws and regulations. Questions about whether other prohibitions or restrictions apply to Covered Persons should be directed to the Company's Chief Legal Officer.

Transactions that may seem necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure) are not excepted from this Policy. The securities laws do not recognize such mitigating circumstances and, in any event, even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct. Any scrutiny of transactions will be done so after the fact, with the benefit of hindsight. As a practical matter, before engaging in any transaction, any Covered Persons should carefully consider how enforcement authorities and others might view the transaction in hindsight.

5. EXCEPTIONS TO THE TRADING POLICY (Applicable to "Covered Persons" and "Designated Insiders")

This Policy does not apply to the exercise of a stock option granted under the Company's 2020 Equity Incentive Plan (or similar plan adopted subsequently) for cash or the delivery of previously owned Company stock. However, the sale of any shares issued on the exercise of stock options and any cashless exercise of stock options are subject to trading restrictions under this Policy.

6. ENFORCEMENT OF TRADING POLICY (Applicable to "Covered Persons" and "Designated Insiders")

The Company has appointed the Chief Legal Officer to oversee this Policy including, but not limited to, the following: (i) assisting with administration, implementation, enforcement of this Policy; (ii) circulating or publishing this Policy to all directors, officers and other employees and collecting written acknowledgements from certain Covered Persons in the form attached to this Policy; (iii) ensuring that this Policy is amended as necessary to remain up-to-date with insider trading laws; and (iv) pre-clearing all trading in securities of the Company by Designated Insiders in accordance with the procedures set forth below.

7. BLACKOUT PERIODS (Applicable to "Designated Insiders")

A "Blackout Period" is a period during which a Designated Insider may not execute transactions in Company securities (other than as specified by this Policy). Please bear in mind that even if a Blackout Period is not in effect, at no time may anyone trade in Company securities if they are aware of any MNPI.

a) **Quarterly Earnings Blackout Period**: This applies to all Designated Insiders. This blackout period is keyed to the Company's earnings releases.

(i) No Designated Insider may trade in the Company's securities during the period beginning at the close of market **fifteen (15) full calendar days** before the end of each fiscal quarter and ending **two (2) full trading days** after the date that the Company's financial results are publicly disclosed.

(ii) In other words, Designated Insiders may only conduct transactions in Company securities during the "**Open Window Period**" beginning on the third trading day following the public disclosure of the Company's quarterly financial results and ending at the close of the market fifteen (15) full calendar days before the end of the next fiscal quarter.

This table shows the quarterly Blackout Periods:

Quarterly Earnings Blackout Period		
Begins on December 16th	Through	2nd trading day after earnings public release
Begins on March 16th	Through	2nd trading day after earnings public release
Begins on June 15th	Through	2nd trading day after earnings public release
Begins on September 15th	Through	2nd trading day after earnings public release

b) **Exception to Blackout Periods**: These restrictions on trading do not apply to transactions made under a prior approved Rule 10b5-1 trading plan, provided that (i) such plan was entered into at a time when the Designated Insider did not possess any MNPI and was not during any company blackout period; (ii) such plan is still valid and in effect; and (iii) such plan meets all of the requirements of this Policy (an "**Approved 10b5-1 Plan**").

Note: regardless of any blackout period or open window, any Covered Person possessing MNPI must not engage in any transactions in Company securities until such information has been known publicly for at least two full trading days. Each person is individually responsible at all times for compliance with the prohibitions on insider trading. Trading in Company securities outside the blackout periods should not be considered a "safe harbor," and Covered Persons should use good judgment at all times.

Event-Specific Blackout Periods. The Company reserves the right to impose other trading blackout periods from time to time, when, in the judgment of the Company, a blackout period is warranted: A blackout period may be imposed for any reason, including the Company's involvement in a material transaction, the dissemination of MNPI to employees, the anticipated issuance of interim earnings guidance or other material public announcements. The existence of an event-specific blackout period may not be announced or may be announced only to those who are aware of the transaction or event giving rise to the blackout period. An event-specific blackout period may only apply to certain Covered Persons only. If an employee is made aware of the existence of an event-specific blackout period, he should not disclose the existence of such blackout period to any other person. Individuals that are subject to event-specific blackout periods will be contacted by the Chief Legal Officer when these periods are instituted from time to time.

c) Additional Prohibited Transactions. The Company considers it improper and inappropriate for any Covered Persons to engage in short-term or speculative transactions in the Company's securities. It therefore is the Company's policy that Designated Insiders may not engage in any of the following transactions:

(i) ***Short-term Trading.*** Any short-term trading by Designated Insiders of Company securities may be distracting and may unduly focus on the Company's short-term stock market performance instead of the Company's long-term business objectives. For these reasons, if any Designated Insiders purchase Company securities in the open market, they generally may not sell or buy any Company securities during the six months following the respective purchase or sale. Further, a violation of this provision by Directors, executive officers and persons holding 10% or more of the Company's voting securities will create a 6 month "short swing" profit issue, resulting in significant liability to the Insider. Note that shares purchased through the Employee Stock Purchase Plan ("**ESPP**") or awards granted under the Company's 2020 Equity Incentive Plan are not subject to this restriction.

(ii) ***Short Sales.*** Short sales of the Company's securities evidence an expectation on the part of the seller that the securities will decline in value, and therefore signal to the market that the seller has no confidence in the Company or its short-term prospects. In addition, short sales may reduce the seller's incentive to improve the Company's performance. For these reasons, short sales of the Company's securities are prohibited by this Policy and by the federal securities laws with respect to certain persons.

(iii) ***Publicly Traded Options.*** A transaction in options is, in effect, a bet on the short-term movement of the Company's stock and therefore creates the appearance that trading is based on inside information. Transactions in options also may focus attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in puts, calls or other derivative securities, on an exchange or in any other organized market, are prohibited by this Policy.

(iv) ***Hedging Transactions.*** Certain forms of hedging or monetization transactions, such as zero- cost collars and forward sale contracts, allow a person to lock in much of the value of his or her stock holdings, often in exchange for all or part of the potential for upside appreciation in the stock. These transactions allow the holder to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, any Designated Insiders may no longer have the same objectives as the Company's shareholders. Therefore, the Company prohibits any Designated Insiders from engaging in such transactions.

Margin Accounts and Pledges. Securities held in a margin account or pledged as collateral for a loan may be sold by the broker if a person fails to meet a margin call or by the lender in foreclosure if you default on the loan. A Designated Insider may not have control over these transactions as the securities may be sold at certain times without your consent. A margin or foreclosure sale that occurs when a Designated Insider is aware of any MNPI may, under some circumstances, result in unlawful insider trading. Because of this danger, Designated Insiders are prohibited from holding Company securities in a margin account or pledging Company securities as collateral for a loan without the prior written approval of the Chief Legal Officer.

(v) ***Standing Orders.*** Standing and limit orders (except standing and limit orders under an Approved 10b5-1 Plan) create heightened risks for insider trading violations similar to the use of margin accounts. There is no control over the timing of purchases or sales that result from standing instructions to a broker, and as a result the broker could execute a transaction when a director, officer or other employee is in possession of MNPI. The Company therefore discourages placing standing or limit orders on Company securities. If a Designated Insider determines that they must use a standing order or limit order, the order should be limited to short duration and must otherwise be pre-cleared at least one week prior to placing such orders.

8. PRE-CLEARANCE OF SECURITIES TRADES (Applicable to "Designated Insiders")

The Company has established procedures in order to assist the Company in the administration of this Policy, to facilitate compliance with laws prohibiting insider trading and this Policy, and to avoid the appearance of impropriety. All Designated Insiders must receive pre-clearance prior to trading in Company securities. Pre- clearance procedures do not apply if the proposed trade is pursuant to an Approved 10b5-1 Plan.

a) **Pre-Clearance Procedures.**

(i) Use the Pre-Clearance Form. Designated Insiders must request pre-clearance using the "**Designated Insider Pre-Clearance Request Form**" attached to this Policy. In deciding whether to approve a transaction, the Chief Legal Officer may consult internally as necessary, including with the Chief Executive Officer, the Chief Financial Officer and outside legal counsel.

(ii) Make Requests 2 Days in Advance. Requests shall be **submitted at least 2 business days** in advance of the proposed securities transaction. When submitting a request for pre- clearance, the requestor should carefully consider whether he or she may be aware of MNPI about the Company and shall disclose fully those circumstances.

(iii) Submit Your Request via Email. Requests for pre-clearance should be directed to the Chief Legal Officer and sent via e-mail to TradeRequest@gan.com. Verbal requests will only be considered in extraordinary circumstances.

(iv) Approvals Valid for 5 Days. Unless revoked, a pre-clearance request that is approved will normally remain valid until the close of trading 5 trading days following the day on which it was approved. If the transaction does not occur during that period, pre-clearance of the transaction must be requested and approved again.

(v) Submit Trade Information. If indicated on the Designated Insider Pre-Clearance Request Form, you must disclose all trade information to the Chief Legal Officer immediately after the transaction.

(vi) Request Denials. If a Designated Insider is denied, they shall refrain from transacting in Company securities and shall not inform any other person of the denial of pre-clearance.

(vii) Chief Legal Officer. The Chief Legal Officer may not trade in Company securities unless the trade has been approved by the Chief Financial Officer, who may consult internally as necessary, including with the Chief Executive Officer, or with outside legal counsel.

The ultimate responsibility for determining whether an individual possesses MNPI rests with that individual. Therefore, the Company's approval of any transaction under this pre-clearance procedure does not insulate anyone from liability under securities laws. Under no circumstance may a person effect a transaction while in possession of MNPI, even if pre-cleared.

Please refer any questions about trading rules or procedures to: legal@gan.com

Please refer any trade requests to: TradeRequest@gan.com

b) **Rule 144/Section 16(a) – Additional Procedures for Directors and Executive Officers**.

The U.S. securities laws impose additional requirements on certain transactions by certain Insiders. For example, sales by directors, officers, Company affiliates and any persons directed or controlled by any of the foregoing, could be subject to Rule 144 requirements under the Securities Act of 1933, as amended, including volume limitations, holding periods, "manner of sale" conditions, and reporting with the SEC. The legal obligation to file reports and comply with the various rules rests on the individual. Brokers or financial advisors generally will assist such persons in the preparation and filing of a Form 144 with the SEC. Further, the determination of whether a person is an affiliate or a person directed or controlled by a director, officer or affiliate, person, and therefore would need to obtain the above pre-clearance, is one on which each person must make his own determination. Additionally, Section 16(a) of the Securities Exchange Act requires reporting with the SEC of transactions by directors and officers. Transactions by these persons are also subject to the short swing profit recapture provisions of Section 16(b) of the Securities Exchange Act. For any transactions by directors and officers, the Chief Legal Officer or outside counsel will assist in the preparation and filing of Section 16 reports.

c) **Beneficial Ownership Forms Required by the SEC**. The Company is subject to Section 16 of the Exchange Act and the SEC's rules thereunder require all of the executive officers, directors and greater than 10% stockholders of domestic public reporting companies to report their initial beneficial ownership of equity securities of the Company and any subsequent changes in that ownership as described below.

(i) Form 3 must be filed within 10 days of (a) the Company becoming subject and to domestic reporting rules under Section 16, and (b) thereafter for each person upon becoming an executive officer or director or 10% stockholder of the Company. This report discloses the reporting person's beneficial interest in Company securities and must be filed even if such person does not own any Company securities.

(ii) Form 4 must be filed to report acquisitions and dispositions of Company securities, including

(a) any open market sale or purchase of Company securities, (b) any grant, exercise or conversion of Company restricted stock or derivative securities (e.g., stock options), (c) any transfers to or from indirect forms of ownership, such as transfers to trusts and (d) any intra- plan transfers involving Company securities held under pension or retirement plans. A Form 4 must generally be filed within two business days of the date of execution of the transaction (not the settlement date or subsequent closing or delivery date). The SEC rules provide for a limited exception to the two-business day filing requirement in the case of prearranged trading programs and any intra-plan transfers involving Company securities held under the Company's pension or retirement plans, in each case for which the officer or director does not select the date of execution. In those cases, a Form 4 must be filed with the SEC within two business days following the date on which the officer or director is notified of the transaction. However, if the officer or director does not receive notification by the third business day following the actual trade date, then the third business day is deemed to be the date of execution. Consequently, it is important that officers and directors ensure that their brokers and the plan administrator notify them promptly of any transaction. A Form 4 must also be filed after a person ceases to be an officer or director of the Company if there is a non-exempt, "opposite-way" transaction within six months of such person's last transaction while an officer or director (e.g., an open market sale within six months of a purchase).

(iii) Form 5 must be filed within 45 days after the Company's fiscal year-end by every person who was an executive officer or director at any time during the fiscal year to report (a) certain small acquisitions of Company securities, (b) certain miscellaneous transactions, such as gifts or inheritances and (c) any transaction during the last fiscal year that was required to be reported on a Form 3 or Form 4 but was not reported. The regulations provide that, at the discretion of the officer or director involved, transactions normally reported at fiscal year-end on a Form 5 may be reported earlier on a Form 4. If there are no reportable transactions, or if all reportable transactions have already been reported on a Form 3 or Form 4, a Form 5 is not required. The Company encourages the use of the Form 4 early reporting option to help prevent transactions from going unreported at fiscal year-end and to help eliminate the need to file a Form 5.

(iv) Section 16 reports must be filed electronically with the SEC via EDGAR and promptly posted to the Company's website. Under SEC rules, the preparation and filing of Section 16 reports is the sole responsibility of the reporting person. However, the Company has established a program to assist executive officers and directors in preparing and filing these forms. The Company can only facilitate compliance by executive officers and directors to the extent they provide the Company with the information required by the program. The Company does not assume any legal responsibility in this regard. **Please contact the Chief Legal Officer or Chief Financial Officer for more information.**

(v) Note that the beneficial ownership reporting requirements do not apply to all senior personnel of the Company. These requirements, as well as the "short-swing" profit disgorgement provisions, apply only to beneficial owners of more than 10% of any class of equity of the Company, executive officers and directors of the Company. The term "officer" is specifically defined for Section 16 purposes, and includes the principal officers of the Company and may include officers of subsidiaries. Senior personnel with questions about their status for Section 16 reporting purposes should consult with the Chief Legal Officer.

9. RULE 10b5-1 TRADING PLANS (Applicable to "Covered Persons" and "Designated Insiders")

Rule 10b5-l under the Securities Exchange Act of 1934 provides an affirmative defense with respect to insider trading liability. Such 10b5-1 Trading Plans ("Trading Plans") are designed to provide appropriate flexibility to individuals who wish to plan securities transactions in advance at a time when they are not aware of MNPI, and then carry out those transactions at a later time, even if they later become aware of MNPI. To comply with this Policy, a Trading Plan must be an Approved 10b5-1 Plan, meaning that, prior to the Trading Plan becoming effective, it must meet the requirements of Rule 10b5-1 and be approved by the Chief Legal Officer. Trading Plans may be entered into with a broker chosen by the Covered Person, subject to reasonable approval by the Chief Legal Officer, of the broker's Trading Plan document. Trading Plans and modifications to Trading Plans will not be approved unless they satisfy the specific requirements of Rule 10b5-1 including the following:

a) The Trading Plan must be entered into in good faith and without any intent to evade the federal securities laws.

b) The Trading Plans shall only be entered into during a time when (i) no blackout periods are in effect and (ii) the Covered Person confirms that he or she is not aware of MNPI regarding the Company.

c) The Trading Plan must be written and signed by the Covered Person seeking to adopt the Trading Plan. The Company will not be a party to such plan (other than in respect of limited certifications related to the exercise of options). The Covered Person must provide the Company with a fully executed a copy of each Trading Plan.

d) The Trading Plan must specify or set a formula for (i) the amount and type of Company securities to be purchased or sold (and, if applicable, the number of stock options to be exercised), (ii) the dates on which Company securities are to be purchased or sold (and, if applicable, the number of stock options to be exercised), and (iii) the price or prices at which the securities are to be purchased or sold.

e) The Trading Plan cannot permit the Covered Person to exercise any subsequent influence over how, when or whether to effect purchases or sales of Company securities.

f) The first purchase or sale under the Trading Plan shall not occur until after fourteen (14) days from the Plan's full execution.

g) Trading Plans should be at least six (6) months and no longer than two (2) years in duration.

h) The Covered Person may not have multiple overlapping Trading Plans in place at any given time.

i) Occasional modifications to Trading Plans may only be made during open trading windows, and, for all other purposes of this Policy, the modified Trading Plan shall be deemed to be a new Trading Plan.

j) The Company reserves the right to reject any Trading Plan which, in its judgment, does not comply with this Policy.

k) Trading Plans may only be terminated (as opposed to expiration on their own terms) during open trading windows, and an individual who terminates a Trading Plan (prior to its expiration) is not permitted to enter into a new Trading Plan for at least one hundred eighty (180) days.

l) Trading Plans entered into by directors and executive officers (as well as modifications or the early termination of such Trading Plans) should be disclosed when trades are made on Section 16 Reports filed with the SEC.

m) With respect to any purchase or sale under an Approved 10b5-1 Plan, the third-party effecting transactions on behalf of the Company Insider should be instructed to send duplicate confirmations of all such transactions to the Chief Legal Officer.

n) Trading Plans entered into by the Chief Legal Officer shall be approved by the Chief Executive Officer and the Chairman of the Audit Committee of the Board of Directors. The CEO and Chairman shall seek outside legal counsel with respect to approving such plans.

10. POST-TERMINATION TRANSACTIONS

This Policy continues to apply to any and all transactions in the Company's securities following termination of your employment or other services to the Company. If you are in possession of material nonpublic information when you are terminated, you may not trade in the Company's securities until that information has become public or is no longer material. The preclearance procedures specified above, however, will cease to apply to transactions in the Company's securities upon the expiration of any blackout period applicable at the time of the termination of service.

11. COMMUNICATIONS WITH SECURITIES PROFESSIONALS (Applicable to "Covered Persons" and "Designated Insiders")

The Company is engaged in continual communications with investors, securities analysts and the financial press. It is against the law, specifically Regulation FD adopted by the SEC, as well as a violation of this Policy, for any person acting on behalf of the Company to disclose MNPI to anyone, including but not limited to analysts, securities professionals and institutional investors, outside the Company, especially under circumstances where it is reasonably foreseeable that the recipient may trade on the basis of such information.

Only the Chief Financial Officer (in consultation with the Chief Executive Officer) is authorized to speak on behalf of the Company. Anyone who communicates without proper authorization will not only violate this Policy but may also violate the anti-tipping provisions of the insider trading laws.

Please refer any outside requests for comments to:

Brian Chang, CFO, Tel.: +1 (714) 397-4981; Email: bchang@gan.com

12. REGULATION FD – COMMUNICATIONS WITH THE PUBLIC (Applicable to "Covered Persons" and "Designated Insiders")

a) **Selective Disclosure Prohibited**. Contacts with investors and analysts are important; they affect the views and attitudes of key market participants toward the Company. If improperly conducted, those contacts might expose the Company to liability for material misstatements. The Company is required under Regulation FD of the federal securities laws to avoid the selective disclosure of MNPI. Company Personnel may not, therefore, disclose information to anyone outside the Company, including analysts, shareholders, journalists or any media outlet, family members and friends, other than in accordance with this Policy. Company Personnel also may not discuss the Company in a blog, internet "chat room," networking website or similar internet-based forum.

b) **Procedures for the Release of Material Information**. The Company has established procedures for releasing material information in a manner that is designed to achieve broad public dissemination of the information immediately upon its release. Senior officials of the Company, or any other director, officer, employee or agent of the Company who regularly communicates with investors and/or securities professionals, may be deemed to be persons "acting on behalf of" the Company for purposes of Regulation FD. Company Personnel may therefore subject the Company to possible SEC enforcement action for violation of Regulation FD if Company Personnel orally, or in writing, communicate MNPI to market professionals and investors in situations where the Company has not either previously, or simultaneously, released that information to the public pursuant to one or more of the following methods:

(i) Form 8-K or other document filed with the SEC;

(ii) A press release;

(iii) Disclosure on the Company website, where such disclosure meets the requirements of Regulation FD; or

(iv) A conference call or webcast of such call that is open to the public at large (albeit solely on a "listen-only" basis where an authorized spokesperson deems it appropriate), and has been the subject of adequate advance notice within the meaning of Regulation FD.

c) **Authorized Spokespersons**. The Company limits the number of spokespersons authorized to communicate on behalf of the Company with any person or entity outside the Company, both to ensure compliance with Regulation FD and otherwise to protect the confidentiality of sensitive business or financial information regarding the Company. Accordingly, the Company has designated the **Chief Executive Officer** and **Chief Financial Officer** (the "**Authorized Spokespersons**"), as the sole authorized spokespersons for the Company. These officers typically lead or participate in the presentations at the Company's quarterly earnings or other conference calls. In the first instance, inquiries from securities analysts, investors and financial reporters should be referred to the **Head of**

Investor Relations or to one of the Authorized Spokespersons. From time to time, other employees or members of the Company's board of directors may be designated by authorized spokespersons to respond to specific inquiries or to make specific presentations to the investment community as necessary or appropriate, in which case they too shall be deemed "Authorized Spokespersons" for purposes of this Policy. For the avoidance of doubt, all inquiries regarding the Company or its securities made by any person or entity outside the Company, including but not limited to securities analysts, members of the media, existing shareholders and/or debtholders and potential investors (except in the context of planned and authorized presentations) with regard to the Company's business operations or prospects as well as the Company's financial condition, results of operations, or any development or plan affecting the Company, should be referred immediately and exclusively to the Head of Investor Relations or an Authorized Spokesperson.

Head of Investor Relations:

Robert Shore, IR, Tel.: +1 (610) 812-3519; Email: rshore@gan.com

d) **Inadvertent Disclosure**. Should Company Personnel become aware of facts suggesting that MNPI may have been communicated in violation of this Policy to a securities professional, an investor or potential investor, or the press - regardless of whether the source or means (oral, written or electronic such as e-mail, blog, etc.), such Company Personnel must notify the Chief Legal Officer immediately. In certain circumstances, steps can be taken promptly upon discovery of the selective disclosure to protect both the Company and the person responsible for that communication. Regulation FD, for example, gives a brief period, generally 24 hours, after discovery of a careless or inadvertent selective disclosure to avoid potential SEC enforcement action by fully disclosing the information in question to the public.

e) **Investor and Analyst Conferences**. The Company encourages investor and analyst conferences in which Company Personnel participate to be open to the public and simultaneously webcast. If not expressly authorized by this Policy, Company Personnel must obtain authorization to participate in that presentation from the Authorized Spokespersons.

f) **Advance Review of Speeches and Presentations**. Any planned or pre-scripted portions of any conference presentation to be given regarding the Company should be reviewed in advance by the Company's Chief Legal Officer or his designee, and outside counsel when appropriate. If the conference is not open to the public, consideration should be given to appropriate public dissemination of the material to be presented. Special care should be taken in the case of statements made in the context of informal or one-on-one meetings with analysts or investors to avoid the inadvertent disclosure of MNPI.

g) **Coordination with Gaming Regulators**. The Company holds privileged gaming licenses that are issued by foreign or domestic federal, state, local and tribal governments in order to conduct its business within the gaming industry ("**Gaming Licenses**"). The Company's gaming regulators frequently require advanced notice of certain types of information before it is disseminated publicly, including without limitation, the categories of information below. As such, Authorized Spokespersons and the Head of Investor Relations shall ensure that all public disclosures are coordinated sufficiently in advance with the Company's most senior compliance and licensing executive.

   a. Executive-level promotions or the addition of new key roles;

   b. Entry into new jurisdictions;

   c. New customers or new business; and

   d. New business activities outside the USA.

Authorized Spokespersons and the Head of Investor Relations shall ensure the public disclosure of any information is coordinated in advance with Compliance, to accomplish the forgoing advanced disclosures to the Company's gaming regulators.

Gaming Compliance and Licensing:

Gaming Compliance, Email: compliance@gan.com

h) **Responding to Rumors**. Rumors and media reports concerning the business and affairs of the Company may circulate from time to time. It is the Company's general policy not to comment upon such rumors and/or to publish corrections about inaccurate or incomplete media statements. Company Personnel should not comment upon or respond to such rumors and/or media reports. Requests for comments or responses should be referred to the **Chief Executive Officer** or **Chief Financial Officer** in consultation with the **Head of Investor Relations**.

i) **Violation of Regulation FD**. Communications in violation of Regulation FD may expose the Company to liability for material misstatements. Additionally, any Covered Person who makes an unauthorized selective disclosure of MNPI to an analyst, investor or other person outside the Company could potentially be held liable for illegal tipping if the recipient of the information trades in Company securities. In addition, if the SEC views a violation of this Policy as causing the Company to violate Regulation FD, the Company may be subject to an SEC enforcement action. This could occur if the Company is unable to persuade the SEC that the communication was unauthorized and/or otherwise contrary to this Policy. In addition, the person making the communication might be sued directly by the SEC as a "cause" of the Company's Regulation FD violation.

j) **Broad, Public Dissemination**. It is the Company's policy to disseminate material information broadly throughout the marketplace. In disclosing material information, the Company follows a regimen intended to disseminate the news broadly. Specifically, the Company has a policy of disclosing information to the public pursuant to any or all of the means described above. Material information should not be disclosed initially in investor forums to which access may be limited (such as investor conferences and "one-on-one" meetings with investors or analysts). Such limited disclosure can create an unfair advantage for such persons. For purposes of these discussions, the key litmus test is that material information must be disseminated broadly before or as it is discussed with any investor or analyst. In the event information is not disclosed in a broad, public form, the actions described in "Inadvertent Disclosure" above should be initiated.

[End of Policy – Acknowledgement and Pre-Clearance Request Form Follows]

ACKNOWLEDGEMENT TO POLICY ON INSIDER TRADING/PUBLIC COMMUNICATIONS

I, the undersigned Covered Person and/or Designated Insider, acknowledge and certify that I have read and understand the GAN Limited Policy on Insider Trading and Communications with the Public, and I agree to be governed by such Policy at all times in connection with MNPI, the purchase and sale of securities and communications with the public.

Signed: _____

Print Name: _____

Date:

NOTE: Any disclosures are to be done in coordination with Compliance at compliance@gan.com with a copy to the Legal Dept. at legal@gan.com

Please return this form to the Legal & Compliance Department by emailing your signed and dated form to: TradeRequest@gan.com.

For purposes of (i) this Acknowledgment and (ii) those required to abide by the Pre-Clearance Provisions in this Policy, "Designated Insider" means:

- *All Non-Executive Directors of the Board of Directors*
- *All Executive Directors of the Board of Directors*
- *The President*
- *All Executive Vice Presidents*
- *All Section 16 Officers*
- *All members of the Legal Department*
- *All members of the Finance Department (including Investor Relations)*
- *All members of the Compliance Department*
- *Certain members of Human Resources*
- *Certain members of the Coolbet Group of Companies*
- *All Individuals designated by the Chief Legal Officer from time to time*

DESIGNATED INSIDER PRE-CLEARANCE REQUEST FORM

(Only Designated Insiders are required to submit this form)

The term "**Designated Insiders**" is defined in the "Policy on Insider Trading and Communications with the Public" (the "**Policy**"). Please refer to the Policy to determine if you are a Designated Insider.

Designated Insiders may transact in Company securities only if pre-approved by the Chief Legal Officer using this Form or under an Approved 10b5-1 Plan and must comply with the Policy. All pre-cleared transactions must be effected within **5 trading days** following approval or an additional pre-clearance approval must be obtained.

TRANSACTION INFORMATION
(all boxes must be filled in)

Date Submitted (Please submit this Form via email only toTradeRequest@GAN.com).

Transaction Dates (You may select up to 5 consecutivetrading days, subject to modification by the CLO)

Type of Transaction (i.e., Sale, Purchase, Option Exercise,Transfer to trust, or Other)

Type of Security (i.e., Stock, Options, Restricted Stock Unit,or Other (if "other" indicate type of security)

Number of Shares in Transaction (indicate the number youintend to sell, purchase, exercise, etc.)

Strike Price (list the strike price if exercise of options,otherwise write "NA")

Your Broker Information

By executing this Insider Transaction Pre-Clearance Request, the undersigned hereby certifies that (i) he or she has read, understands, and is in compliance with the Policy, (ii) is not in possession of any material nonpublic information concerning the Company and (iii) the proposed trade(s) do not violate the trading restrictions of Section 16 of the Securities Exchange Act of 1934 or Rule 144 of the Securities Act of 1933.

☐ **IF THIS BOX IS CHECKED, YOU MUST DIRECT YOUR BROKER TO DISCLOSE THE FOLLOWING INFORMATION TO THE CHIEF LEGAL OFFICER* IMMEDIATELY AFTER TRADING: (1) DATE(S) OF TRADE, (2) TYPE OF TRADE (ACQUIRED OR DISPOSED), (3) NUMBER OF SHARES, (4) PRICE FOR EACH TRANSACTION, AND (5) ANY OTHER INFORMATION REQUESTED TO FILE A FORM 4 OR FORM 144 WITH THE SEC.**

Designated Insider Sign: _____Print Name (Legibly):

APPROVED (IF SIGNED):

By: _____
Sylvia Tiscareño, Chief Legal Officer

Date: _____

*please copy Jeffrey Kuras (JKuras@honigman.com) with trade information.

Exhibit 21.1

Subsidiary	Place of Incorporation
GAN (UK) Limited	England and Wales
GAN Nevada, Inc.	United States
GAN Software Services BG Ltd	Bulgaria
Lockbox Games Limited	England and Wales
GAN Digital Ltd	Israel
GAN Services Limited	England and Wales
Vincent Group Ltd	Malta
StayCool OÜ	Estonia
Polar Ltd	Malta
DoubleSpin Ltd	Guernsey
VG Estonia OÜ	Estonia
CheckBox Limited	Malta
SureWin Limited	Malta
PayFlow Limited	Malta
GAN Ontario Inc.	Canada
Coolbear Ontario Limited	Malta
GAN Chile SpA	Chile
Big Blind Limited	Isle of Man
Isle of Bear Limited	Isle of Man
Oso Plateado S. de R.L. de C.V.	Mexico
OsoCity S. de R.L. de C.V.	Mexico
Juegos a Distancia S.A.C.	Peru
GAN Social LLC	United States

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

GAN Limited
Las Vegas, Nevada

We have issued our report dated March 14, 2025, with respect to the consolidated financial statements included in the Annual Report of GAN Limited on Form 10-K for the year ended December 31, 2024. We consent to the incorporation by reference of said report in the Registration Statements of GAN Limited on Form S-3 (File No. 333-258987) and on Forms S-8 (File Nos. 333-278530, 333-258989, 333–253102, and 333-238017).

/s/ GRANT THORNTON LLP

Los Angeles, California
March 14, 2025

Exhibit 31.1

CHIEF EXECUTIVE OFFICER'S FORM OF 302 CERTIFICATION

I, Seamus McGill, certify that:

1. I have reviewed this Annual Report on Form 10-K of GAN Limited for the year ended December 31, 2024;

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 registrant as of, and for, the periods presented in this report;

4. The registrant'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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant 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 registrant's, 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant'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

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant'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 registrant'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 registrant's internal control over financial reporting.

Date: March 14, 2025

/s/ SEAMUS MCGILL
Seamus McGill
Chief Executive Officer
(principal executive officer)

Exhibit 31.2

CHIEF FINANCIAL OFFICER'S FORM OF 302 CERTIFICATION

I, Brian Chang, certify that:

1. I have reviewed this Annual Report on Form 10-K of GAN Limited for the year ended December 31, 2024;

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 **registrant** as of, and for, the periods presented in this report;

4. The **registrant**'**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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the **registrant** 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 **registrant,** 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the **registrant**'**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

   (d) Disclosed in this report any change in the **registrant**'**s** internal control over financial reporting that occurred during the **registrant**'**s** most recent fiscal quarter (the **registrant**'**s** fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The **registrant**'**s** other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant'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 **registrant**'**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 **registrant**'**s** internal control over financial reporting.

Date: March 14, 2025

/s/ BRIAN CHANG
Brian Chang
Interim Chief Financial Officer
(principal financial officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of GAN Limited (the "Company") for the year ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Seamus McGill, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 14, 2025

/s/ SEAMUS MCGILL
Seamus McGill
Chief Executive Officer
(principal executive officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of GAN Limited (the "Company") for the year ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brian Chang, Interim Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 14, 2025

/s/ BRIAN CHANG
Brian Chang
Interim Chief Financial Officer
(principal financial officer)