



Together Gaming solutions plc
The Burlington Business Complex
Level 1, Dragonara Road
St. Julians, STJ 3141
Malta

COMPANY ANNOUNCEMENT

Reference: (10/2021)

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The following is a company announcement issued by Together Gaming Solutions p.l.c. (C 72231) (the "Company") pursuant to Capital Markets Rule 5.16.18 of the Capital Markets Rules issued by the Malta Financial Services Authority.

Quote

MARKET UPDATE ON FINANCIAL POSITION

The Company wishes to update the market on its financial position following the completion of the sale by the Company's group of companies (the "Group") of its B2C business to Esports Entertainment Group (Esports) as previously announced on the 25 May 2021 (the "Sale"), which sale followed a strategic decision by the Group to focus on its B2B business, with the Company at the forefront of this new strategy.

In this regard, the Group has now received the initial consideration due to it in respect of the Sale, which has in turn been paid to the Company as part of the consideration due to it in respect of its contribution of the 'Bethard' brand asset towards the Sale. The Group currently continues to assist Esports (in accordance with the terms of the Sale) with the operations and management of the B2C business sold until a full handover is concluded in due course. The Group will also be paid additional variable consideration (based on net gaming revenues generated by the B2C business) for the Sale, which is expected to generate revenue for the Group (and in turn the Company) until H2 2023.

The Group is now directing its efforts to its B2B activities to increase Group revenues following the divestment of its B2C revenues as a result of the Sale. Indeed, the Company's management team expects that there will be a short-term mismatch between Company revenues and operational costs because of the sale of the 'Bethard' brand (which previously generated significant revenue for the Company), which is in turn expected to result in short-term negative EBITDA for H2 2021 and H1 2022. The Company expects that during H2 2022 revenues from its new B2B initiatives should reach sustainable levels and will begin to steadily outweigh operational costs and is confident that it will achieve positive EBITDA levels shortly thereafter.

Nevertheless, the Company presently has the liquidity and resources to meet all its obligations including those to bondholders and to finance its future growth.

Unquote

By order of the Board.

Edward Licari
Company Secretary
22nd November 2021