11 September 2024

Gaming Realms plc

(the "Company" or the "Group")

Interim Results

Core content licensing revenue growth of 28%

£5.8m Adjusted EBITDA[1] (46% growth excluding brand licensing) and a 51% increase in profit before tax to £3.5m

Gaming Realms plc (AIM: GMR), the developer and licensor of mobile focused gaming content, is pleased to announce its interim results for the six months to 30 June 2024 (the "Period" or "H1'24").

Financial highlights:

	H1'24	H1'23	Change
	£m	£m	%
Revenue (Content licensing)	11.2	8.8	+28%
Revenue (Brand licensing)	0.3	1.0	-67%
Revenue (Social)	2.1	1.8	+17%
Total revenue	**13.6**	**11.5**	**+18%**
Adjusted EBITDA	5.8	4.8	+21%
Profit before tax	3.5	2.4	+51%

- Total revenue grew 18% to £13.6m in H1'24 (H1'23: £11.5m)
- Group Adjusted EBITDA grew 21% to £5.8m (H1'23: £4.8m), representing a 43% Adjusted EBITDA margin (H1'23: 41%)
- Excluding brand licensing, the Group delivered adjusted EBITDA growth of 46% as operational leverage comes through
- Total licensing revenues grew 18% to £11.5m (H1'23: £9.8m):
    - Content licensing revenue increased 28% to £11.2m (H1'23: £8.8m) with an EBITDA margin of 55% (H1'23: 54%)
    - Brand licensing revenue reduced 67% to £0.3m (H1'23: £1.0m) due to two brand deals completed in the same period of the previous year
- Profit before tax increased 51% to £3.5m (H1'23: £2.4m)
- Net cash at period end up 28% to £9.6m (Dec'23: £7.5m) with continued strong cash generation

Operational highlights:

- Launched with 22 new partners globally:
    - In North America with FanDuel in Pennsylvania and Connecticut, Fanatics in New Jersey, Michigan and Pennsylvania and Atlantic Lottery Corporation (Canadian Maritime Provincial Lottery)
    - In Europe with Solverde in Portugal, DAZN in the UK and Livescore in the Netherlands
- Granted full iGaming Supplier License in West Virginia
- Signed distribution agreement with Playtech which will lead to opportunities in Switzerland and the U.S. as well as other key partners in regulated markets
- Released 7 new games into the market, including *Slingo Capital Gains* and *Slingo Gold Cash*. The Group now has 82 games in its portfolio (Dec'23: 75 games, Jun'23: 70 games)
- Increased unique players in the content licensing business by 24% to 3.5m (H1'23: 2.8m)
- Continued to grow the distribution business and launched content with ReelPlay, a second third-party slot studio

Post period-end:

- Licensing revenue increased 33% in the two months post period-end compared to the same period in 2023
- Launched content in West Virginia, the fifth regulated U.S. state to which the Group supplies its content
- Granted iGaming Supplier License in British Columbia
- Launched Slingo Originals content with Danske Spil in Denmark, Betclic in Italy, Bet365 in Pennsylvania and Virgin Bet in the U.K.
- Released *Slingo Press Your Luck* as well as *Slingo Phillies* in partnership with BetMGM

[1] EBITDA is profit before interest, tax, depreciation and amortisation expenses and is a non-GAAP measure. The Group uses EBITDA and Adjusted EBITDA to comment on its financial performance. Adjusted EBITDA is EBITDA excluding share option and related charges.

Summary:

Gaming Realms has continued its growth through the first half of 2024, as the Company continues to execute on its core strategy of developing and licensing games globally to market-leading brands and operators delivering high-margin revenues.

The first half of 2024 has seen the Group deliver another record performance in revenue and EBITDA, with core content licensing business revenues increasing 28% over the previous period, driven by 46% growth in revenues from North America.

In total, we launched with 22 new partners and 7 new games in H1 2024, including premium game titles *Slingo Capital Gains* and *Slingo Gold Cash*.

Excluding brand licensing revenues, where there were two brand deals completed in the prior period, Group Adjusted EBITDA increased 46% to £5.4m (H1'23: £3.7m), demonstrating the growth within our core business.

Outlook for FY24:

Looking ahead, the Group is well placed to capitalise on this momentum and deliver further growth in new and existing markets.

Our focus for the remainder of the year is to further expand our international presence in new markets, while continuing to grow in existing markets with our partners.

In August we launched our content in West Virginia, the fifth regulated iGaming state the Group's content is distributed in. After the period end, the Group was also granted an iGaming supplier license in British Columbia, where we expect to launch our content shortly.

These market expansions will be supplemented by premium game launches in the second half of 2024 including *Slingo Fowl Play* and *Slingo Press Your Luck*.

The Board remains optimistic around FY24 financial performance.

Commenting on the first half performance, Mark Segal, Chief Executive Officer, said:

"We are delighted with our strong performance in the first half of 2024, with total revenue increasing by 18% to £13.6 million. Our focus on expanding our content licensing business has led to a 28% revenue growth and the successful launch of seven new games. These results reflect our commitment to innovation and solidify our position in the gaming industry.

"The achievements of the first half demonstrate the dedication of our team and the appeal of our unique gaming offerings. We are poised for further growth as we continue to expand into new markets, launch with new partners and strengthen our existing partnerships."

An analyst briefing will be held virtually at 10.00am today. To attend, please contact Yellow Jersey at gamingrealms@yellowjerseypr.com.

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About Gaming Realms

Gaming Realms creates and licenses innovative games for mobile, with operations in the U.K., U.S., Canada and Malta. Through its unique IP and brands, Gaming Realms is bringing together media, entertainment and gaming assets in new game formats. As the creator of a variety of SlingoTM, bingo, slots and other games, we use our proprietary data platform to build and engage global audiences. The Gaming Realms management team includes accomplished entrepreneurs and experienced executives from a wide range of leading gaming and media companies.

Business review

Gaming Realms had another strong period in the first half of 2024, continuing to deliver on the Group's core strategy of growing its content licensing business.

The Group delivered another period of record revenue, EBITDA and profit generation.

Total Group revenue grew 18% to £13.6m (H1'23: £11.5m), driven by the Group's core content licensing business and supplemented by strong performance in the social publishing business.

The Group generated EBITDA of £5.5m (H1'23: £4.5m) and £5.8m before share option and related charges (H1'23: £4.8m). The Adjusted EBITDA margin increased to 43% (H1'23: 41%), demonstrating the operational leverage the Group can deliver.

The £1.0m increase in EBITDA generated compared with the prior period has seen the Group record a profit before tax of £3.5m (H1'23: £2.4m), an increase of £1.1m on the prior period.

Licensing

Licensing segment revenues increased 18% to £11.5m (H1'23: £9.8m), which is broken down as:

- Content licensing revenue growth of 28% to £11.2m (H1'23: £8.8m); and
- Brand licensing revenue reduced 67% to £0.3m (H1'23: £1.0m).

The segment delivered £6.5m Adjusted EBITDA in the period, a 13% overall uplift over the £5.8m in H1'23. Excluding brand licensing revenues, Adjusted EBITDA in the licensing business increased 30% to £6.2m (H1'23: £4.8m).

Content licensing
The core focus of the Group continues to be growing the content licensing business by way of expanding into new regulated territories, growing our unique Slingo games portfolio and developing deep relationships with new and existing partners to maximise value and engagement.

During the period under review, the Group went live with a further 22 partners in existing markets within Europe and North America. After the period end, the Group went live with a further 11 new partners and we continue to have a strong pipeline for the remainder of the year and into 2025.

An additional 7 new Slingo games were released to the market during the period, bringing the Group's games portfolio to 82 games at the period end (H1'23: 70 games).

Slingo is a unique genre of game in the market, which is driving engagement with partners. It continues to prove highly popular with both partners and players.

This resulted in a 28% increase in content licensing revenues to £11.2m (H1'23: £8.8m). Total segmental expenses (excluding share option and related charges) increased 24% to £5.0m (H1'23: £4.0m), continuing to demonstrate the operational leverage of the content licensing business.

After the period end, the Group began distributing its content in West Virginia, which is the fifth regulated U.S. state that the Group distributes its content to.

Brand licensing
Revenues from the Group's brand licensing activities, which are non-core, were £0.3m in the period (H1'23: £1.0m). This reduction is a result of two brand deals completed in the previous period, including a one-off £0.6m that did not repeat in H1'24.

Social

Revenues in the Group's social publishing business increased 17% to £2.1m in the period (H1'23: £1.8m), while the Adjusted EBITDA contribution of the segment increased 106% to £0.5m (H1'23: £0.2m).

Marketing expenses of £0.2m (H1'23: £0.3m) have been invested during the period, aimed at increasing player numbers, activity and revenues over a 12 month period. Management does not expect this level of marketing investment to be repeated in the second half of the year, as we expect revenues to be maintained. Social remains a business where we can further monetise our Slingo portfolio.

Excluding marketing expenses, segmental expenses increased 15% to £1.4m (H1'23: £1.2m), principally due to revenue associated costs. We continue to invest in the development and operational team to support the Group's growth plan.

Cashflow and balance sheet

The Group's cash balance as at 30 June 2024 was £9.6m, an increase of £2.1m from the £7.5m reported at 31 December 2023. This increase represents a conversion of Adjusted EBITDA to cash of 37% (H1'23: 33%), demonstrating the increasing cash generative nature of the business, as well as continued improving operating leverage.

The current period increase in cash was largely driven by the £4.5m cash inflow from operations, offset by £2.4m development costs capitalised during the period and £0.5m of corporation tax payments made during the period.

The Group remains debt free, and the Board continues to review the optimal use of the cash balance.

The Group's net asset position at the period end was £28.1m (31 December 2023: £24.4m).

Dividend

The Board of Directors are not proposing an interim dividend for the Period as it continues to execute on its strategy and invest in the growth of the business.

After the period end, the Company completed a share capital reduction, which included the cancellation of the share premium account, in order to create positive distributable reserves. This enables the Company, as it wishes, to pay shareholders dividends or to be used for other valid corporate purposes, such as the purchase of its own shares.

Consolidated statement of comprehensive income
for the 6 months ended 30 June 2024

	Note	**6M 30 June 2024 Unaudited £**	6M 30 June 2023 Unaudited £
Revenue	2	**13,581,477**	11,543,255
Other income		**85,994**	63,147
Marketing expenses		**(282,307)**	(437,398)
Operating expenses		**(2,993,483)**	(2,274,375)
Administrative expenses		**(4,619,437)**	(4,143,790)

Share option and related charges	10	**(299,829)**	(246,056)
EBITDA	2	**5,472,415**	4,504,783
Amortisation of intangible assets	6	**(1,940,846)**	(2,011,497)
Depreciation of property, plant and equipment	5	**(145,036)**	(135,044)
Finance expense	3	**(24,749)**	(21,845)
Finance income	3	**188,148**	15,873
Profit before tax		**3,549,932**	2,352,270
Taxation (charge)/ credit		**(253,324)**	159,578
Profit for the period		**3,296,608**	2,511,848
Other comprehensive income			
Items that will or may be reclassified to profit or loss:			
Exchange loss arising on translation of foreign operations		**(28,211)**	(95,724)
Total other comprehensive income		**(28,211)**	(95,724)
Total comprehensive income		**3,268,397**	**2,416,124**
Profit attributable to:			
Owners of the parent		**3,296,608**	2,511,848
Total comprehensive income attributable to:			
Owners of the parent		**3,268,397**	2,416,124
Earnings per share		**Pence**	Pence
Basic	4	**1.12**	0.86
Diluted	4	**1.08**	0.84

Consolidated statement of financial position as at 30 June 2024

	Note	**30 June 2024**	31 December 2023
		Unaudited	Audited
		£	**£**
Non-current assets			
Intangible assets	6	**13,816,148**	13,272,711
Property, plant and equipment	5	**308,428**	367,092
Deferred tax asset		**2,046,549**	1,891,000
Other assets		**139,531**	139,531
		16,310,656	15,670,334
Current assets			
Trade and other receivables	7	**6,004,599**	5,060,528

Cash and cash equivalents		**9,574,980**	7,455,316
		15,579,579	12,515,844
Total assets		**31,890,235**	28,186,178
Current liabilities			
Trade and other payables	8	**3,445,254**	3,383,248
Lease liabilities		**38,755**	52,135
		3,484,009	3,435,383
Non-current liabilities			
Deferred tax liability		**216,523**	219,921
Lease liabilities		**105,215**	133,445
		321,738	353,366
Total liabilities		**3,805,747**	3,788,749
Net assets		**28,084,488**	24,397,429
Equity			
Share capital	9	**29,482,643**	29,366,782
Share premium		**87,768,341**	87,732,888
Merger reserve		**(67,673,657)**	(67,673,657)
Foreign exchange reserve		**1,416,486**	1,444,697
Retained earnings		**(22,909,325)**	(26,473,281)
Total equity		**28,084,488**	24,397,429

Consolidated statement of cash flows
for the 6 months ended 30 June 2024

	Note	**30 June 2024**	30 June 2023
		Unaudited	Unaudited
		£	£
Cash flows from operating activities			
Profit for the period		**3,296,608**	2,511,848
Adjustments for:			
Depreciation of property, plant and equipment	5	**145,036**	135,044
Amortisation of intangible fixed assets	6	**1,940,846**	2,011,497
Finance income	3	**(188,148)**	(15,873)
Finance expense	3	**24,749**	21,845
Income tax charge/ (credit)		**253,324**	(159,578)
Exchange differences		**(2,029)**	(6,653)
Share based payment expense	10	**267,348**	116,220
(Increase)/ decrease in trade and other receivables		**(825,174)**	119,974
Increase/ (decrease) in trade and other payables		**96,654**	(215,605)
Net cash flows from operating activities before taxation		**5,009,214**	4,518,719
Net tax paid in the period		**(548,452)**	(578,675)
Net cash flows from operating activities before taxation		**4,460,762**	3,940,044

Investing activities			
Acquisition of property, plant and equipment	5	**(75,260)**	(25,336)
Acquisition of intangible assets	6	**(69,907)**	(83,763)
Capitalised development costs	6	**(2,432,579)**	(2,204,419)
Bank interest received	3	**176,213**	-
Net cash used in investing activities		**(2,401,533)**	(2,313,518)
Financing activities			
IFRS 16 lease payments		**(58,706)**	(136,662)
Issue of share capital on exercise of options	9	**151,314**	105,111
Interest paid	3	**(20,544)**	(13,866)
Net cash from/ (used in) financing activities		**72,064**	(45,417)
Net increase in cash and cash equivalents		**2,131,293**	1,581,109
Cash and cash equivalents at beginning of period		**7,455,316**	2,922,775
Exchange loss on cash and cash equivalents		**(11,629)**	(13,652)
Cash and cash equivalents at end of period		**9,574,980**	4,490,232

Consolidated statement of changes in equity for the 6 months ended 30 June 2024

	Share capital	Share premium	Merger reserve	Foreign Exchange Reserve	Retained earnings	Total to equity holders of parents
	£	£	£	£	£	£
1 January 2023	**29,200,676**	**87,653,774**	**(67,673,657)**	**1,549,701**	**(32,818,245)**	**17,912,249**
Profit for the period	-	-	-	-	2,511,848	2,511,848
Other comprehensive income	-	-	-	(95,724)	-	(95,724)
Total comprehensive income for the period	-	-	-	(95,724)	(30,306,397)	2,416,124
Contributions by and distributions to owners						
Share-based payment on share options (Note 10)	-	-	-	-	116,220	116,220
Exercise of options	88,150	16,961	-	-	-	105,111
30 June 2023 (unaudited)	**29,288,826**	**87,670,735**	**(67,673,657)**	**1,453,977**	**(63,008,422)**	**20,549,704**
1 January 2024	**29,366,782**	**87,732,888**	**(67,673,657)**	**1,444,697**	**(26,473,281)**	**24,397,429**
Profit for the period	-	-	-	-	3,296,608	3,296,608
Other comprehensive income	-	-	-	(28,211)	-	(28,211)
Total comprehensive income for the period	-	-	-	(28,211)	3,296,608	3,268,397
Contributions by and distributions to owners						
Share-based payment on share options (Note 10)	-	-	-	-	267,348	267,348
Exercise of options (Note 9)	115,861	35,453	-	-	-	151,314

30 June 2024 (unaudited)	**29,482,643**	**87,768,341**	**(67,673,657)**	**1,416,486**	**(22,909,325)**	**28,084,488**

Notes forming part of the consolidated financial statements
For the 6 months ended 30 June 2024

1. Accounting policies

General Information

Gaming Realms plc ("the Company") and its subsidiaries (together "the Group").

The Company is admitted to trading on AIM of the London Stock Exchange. It is incorporated and domiciled in the UK. The address of its registered office is Two Valentine Place, London, SE1 8QH.

The results for the six months ended 30 June 2024 and 30 June 2023 are unaudited.

Basis of preparation

The financial information for the year ended 31 December 2023 included in these financial statements does not constitute the full statutory accounts for that year. The Annual Report and Financial Statements for 2023 have been filed with the Registrar of Companies. The Independent Auditors' Report on the Annual Report and Financial Statement for 2023 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

This interim report, which has neither been audited nor reviewed by independent auditors, was approved by the board of directors on 10 September 2024. The financial information in this interim report has been prepared in accordance with UK adopted international accounting standards. The accounting policies applied by the Group in this financial information are the same as those applied by the Group in its financial statements for the year ended 31 December 2023 and which will form the basis of the 2024 financial statements.

The consolidated financial statements are presented in Sterling.

Going concern

The Group meets its day-to-day working capital requirements from the cash flows generated by its trading activities and its available cash resources.

The Group prepares cash flow forecasts and re-forecasts at least bi-annually as part of the business planning process.

The Directors have reviewed forecast cash flows for the period to December 2026, and consider that the Group will have sufficient cash resources available to meet its liabilities as they fall due.

Accordingly, these financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Group will realise its assets and discharge its liabilities in the normal course of business.

EBITDA

EBITDA is a non-GAAP company specific measure defined as profit or loss before tax adjusted for finance income and expense, depreciation and amortisation. EBITDA before share option and related charges (Adjusted EBITDA) is considered to be a key performance measure by the Directors as it serves as an indicator of financial performance.

2. Segment information

The Board is the Group's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the Board for the purposes of allocating resources and assessing performance.

The Group has two reportable segments.

- Licensing - B2B brand and content licensing to partners in the North America and Europe; and
- Social publishing - provides B2C freemium games to the US.

Revenue

The Group has disaggregated revenue into various categories in the following table which is intended to:

- Depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic date; and
- Enable users to understand the relationship with revenue segment information provided below.

2. Segment information (continued)

H1 2024 revenue	Licensing £	Social publishing £	Other £	Total £
Primary geographical markets				
UK, including Channel Islands	593,404	-		593,404
USA	5,628,833	2,056,687	-	7,685,520
Isle of Man	791,493	-	-	791,493
Malta	2,200,938	-	-	2,200,938
Gibraltar	1,531,295	-	-	1,531,295
Rest of the World	778,827		-	778,827
	11,524,790	**2,056,687**	**-**	**13,581,477**
Contract counterparties				
Direct to consumers (B2C)	-	2,056,687	-	2,056,687
B2B	11,524,790	-	-	11,524,790
	11,524,790	**2,056,687**	**-**	**13,581,477**

H1 2023 revenue	Licensing £	Social publishing £	Other £	Total £
Primary geographical markets				
UK, including Channel Islands	531,124	-		531,124
USA	3,978,599	1,754,604	-	5,733,203
Isle of Man	392,765	-	-	392,765
Malta	1,736,619	-	-	1,736,619
Gibraltar	2,483,391	-	-	2,483,391
Rest of the World	666,153		-	666,153
	9,788,651	**1,754,604**	**-**	**11,543,255**
Contract counterparties				
Direct to consumers (B2C)	-	1,754,604	-	1,754,604
B2B	9,788,651	-	-	9,788,651
	9,788,651	**1,754,604**	**-**	**11,543,255**

2. Segment information (continued)

EBITDA

H1 2024	Licensing £	Social publishing £	Head Office £	Total £
Revenue	**11,524,790**	**2,056,687**	**-**	**13,581,477**
Other income	**-**	**85,994**	**-**	**85,994**
Marketing expense	**(31,794)**	**(200,968)**	**(49,545)**	**(282,307)**
Operating expense	**(2,186,710)**	**(806,773)**	**-**	**(2,993,483)**
Administrative expense	**(2,776,194)**	**(622,170)**	**(1,221,073)**	**(4,619,437)**
Share option and related charges	**(69,376)**	**611**	**(231,064)**	**(299,829)**
EBITDA	**6,460,716**	**513,381**	**(1,501,682)**	**5,472,415**

H1 2023	Licensing £	Social publishing £	Head Office £	Total £
Revenue	9,788,651	1,754,604	-	11,543,255
Other income	-	63,147	-	63,147
Marketing expense	(55,826)	(334,197)	(47,375)	(437,398)
Operating expense	(1,622,353)	(652,022)	-	(2,274,375)
Administrative expense	(2,342,829)	(582,910)	(1,218,051)	(4,143,790)
Share option and related charges	(50,100)	(5,499)	(190,457)	(246,056)
EBITDA	5,717,543	243,123	(1,455,883)	4,504,783

3. Finance income and expense

	6M 30 June 2024	6M 30 June 2023
	£	£
Finance income		
Bank interest received	**176,213**	733
Interest income on unwind of deferred income	**11,935**	15,140
Total finance income	**188,148**	15,873
Finance expense		
Bank interest paid	**20,544**	13,866
Interest expense on lease liability	**4,205**	7,979
Total finance expense	**24,749**	21,845

4. Earnings per share

Basic earnings per share is calculated by dividing the result attributable to ordinary shareholders by the weighted average number of shares in issue during the period. The calculation of diluted EPS is based on the result attributable to ordinary shareholders and weighted average number of ordinary shares outstanding after

adjustment for the effects of all dilutive potential ordinary shares. The Group's potentially dilutive securities consist of share options.

	6M 30 June 2024	6M 30 June 2023
	£	£
Profit after tax attributable to the owners of the parent Company	**3,296,608**	2,511,848
	Number	Number
Denominator - basic		
Weighted average number of ordinary shares	**294,636,673**	292,174,223
Denominator - diluted		
Weighted average number of ordinary shares	**294,636,673**	292,174,223
Weighted average number of option shares	**11,963,655**	8,092,867
Weighted average number of shares	**306,600,328**	300,267,090
	Pence	Pence
Basic earnings per share	**1.12**	0.86
Diluted earnings per share	**1.08**	0.84

5. Property, plant and equipment

	ROU lease assets	**Leasehold improvements**	**Computers and related equipment**	**Office furniture and equipment**	**Total**
	£	**£**	**£**	**£**	**£**
Cost					
At 1 January 2024	805,532	67,570	521,010	84,432	1,478,544
Additions	16,901	-	56,398	18,863	92,162
Disposals	(10,464)	(60,968)	(17,644)	-	(89,076)
Exchange differences	(5,001)	(163)	(4,635)	(1,322)	(11,121)
At 30 June 2024	**806,968**	**6,439**	**555,129**	**101,973**	**1,470,509**
Accumulated depreciation and impairment					
At 1 January 2024	600,350	63,093	381,741	66,268	1,111,452
Depreciation charge	80,604	4,477	56,437	3,518	145,036
Disposals	(10,464)	(60,968)	(17,644)	-	(89,076)
Exchange differences	(1,166)	(163)	(2,950)	(1,052)	(5,331)
At 30 June 2024	**669,324**	**6,439**	**417,584**	**68,734**	**1,162,081**
Net book value					
At 1 January 2024	205,182	4,477	139,269	18,164	367,092
At 30 June 2024	**137,644**	**-**	**137,545**	**33,239**	**308,428**

6. Intangible assets

	Goodwill	Customer database	Software	Development costs	Licenses	Domain names	Intellectual Property	Total
	£	£	£	£	£	£	£	£
Cost								
At 1 January 2024	6,745,556	1,485,413	1,425,458	26,463,512	379,905	8,874	5,859,424	42,368,142
Additions	-	-	-	2,432,579	69,907	-	-	2,502,486
Disposals	-	-	(130,520)	-	(14,562)	-	-	(145,082)
Exchange differences	2,135	-	-	(43,724)	(214)	-	-	(41,803)
At 30 June 2024	**6,747,691**	**1,485,413**	**1,294,938**	**28,852,367**	**435,036**	**8,874**	**5,859,424**	**44,683,743**
Accumulated amortisation and impairment								
At 1 January 2024	1,650,000	1,485,413	1,416,818	18,479,931	194,971	8,874	5,859,424	29,095,431
Amortisation charge	-	-	5,574	1,829,270	106,002	-	-	1,940,846
Disposals	-	-	(130,520)	-	(14,562)	-	-	(145,082)
Exchange differences	-	-	-	(23,384)	(216)	-	-	(23,600)
At 30 June 2024	**1,650,000**	**1,485,413**	**1,291,872**	**20,285,817**	**286,195**	**8,874**	**5,859,424**	**30,867,595**
Net book value								
At 1 January 2024	5,095,556	-	8,640	7,983,581	184,934	-	-	13,272,711
At 30 June 2024	**5,097,691**	**-**	**3,066**	**8,566,550**	**148,841**	**-**	**-**	**13,816,148**

7. Trade and other receivables

	30 June 2024	31 December 2023
	£	£
Trade receivables	**3,538,834**	3,024,745
Other receivables	**247,003**	134,558
Tax and social security	**271,626**	223,113
Prepayments and accrued income	**1,947,136**	1,678,112
	6,004,599	5,060,528

All amounts shown fall due for payment within one year.

8. Trade and other payables

	30 June 2024	31 December 2023
	£	£
Trade payables	**1,128,874**	727,706
Other payables	**123,052**	157,785
Tax and social security	**178,604**	368,894

Accruals	**2,014,724**	2,128,863
	3,445,254	3,383,248

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value. All amounts shown fall due for payment within one year.

9. Share capital

Ordinary shares	**30 June 2024 Number**	**30 June 2024 £**	**30 June 2023 Number**	**30 June 2023 £**
Ordinary shares of 10 pence each	**294,826,444**	**29,482,643**	**292,888,281**	**29,288,826**

The issue of 1,158,605 ordinary shares relates to the exercise of share options during the period. The increase in share capital of £115,861 and share premium of £35,453 totalling £151,314 is disclosed in the consolidated statement of changes in equity and consolidated statement of cash flows.

10. Share based payments

The share option and related charges income statement expense comprises:

	6M 30 June 2024	6M 30 June 2023
	£	£
IFRS 2 share-based payment charge	267,348	116,220
Direct taxes related to share options	32,481	129,836
	299,829	246,056

IFRS 2 (Share-based payments) requires that the fair value of equity settled transactions are calculated and systematically charged to the statement of comprehensive income over the vesting period. The total fair value that was charged to the income statement in the period in relation to equity-settled share-based payments was £267,348 (H1'23: £116,220).

Where individual EMI thresholds are exceeded, or when unapproved share options are exercised by employees, the Group is subject to employer taxes payable on the taxable gain on exercise. Since these taxes are directly related to outstanding share options, the income statement charge has been included within share option and related charges. The Group uses its closing share price at the reporting date to calculate such taxes to accrue. The tax related income statement charge for the period was £32,481 (H1'23: £129,836).

11. Related party transactions

Jim Ryan is a Non-Executive Director of the Company and the CEO of Pala Interactive, which has a real-money online casino and bingo site in New Jersey, Pennsylvania and Ontario. During the period, total license fees earned by the Group were $43,785 (H1'23: $30,259) with $10,569 due at 30 June 2024 (30 June 2023: $23,180). During the period the Group distributed its content to certain North American partners via Pala's B2B platform distribution network, with platform fees of $9,972 being incurred (H1'23: $7,933) of which $5,645 was owed at 30 June 2024 (30 June 2023: $3,243).

During the period £75,000 (H1'23: £90,000) of consulting fees were paid to Dawnglen Finance Limited, a company controlled by Michael Buckley. No amounts were owed at 30 June 2024 (30 June 2023: £Nil).

12. Post balance sheet events

On 16 July 2024, following approval by the High Court of Justice, the Company completed a share capital reduction, which included the cancellation of the share premium account. The nominal value of each ordinary share was reduced from £0.10 to £0.001. The capital reduction was registered with the Registrar of Companies

on 1 August 2024. The share capital reduction or the cancellation of the share premium account will have no impact on net assets, shares in issue or total equity of the Company.

On 7 August 2024 2,405,000 share options were granted to certain Directors and employees of the Group. All of the options vest on 30 June 2027 and have an exercise price of £Nil.