

**VGW HOLDINGS LIMITED
AND CONTROLLED ENTITIES**

ABN 36 147 193 511

**CONSOLIDATED INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED
31 DECEMBER 2020**

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES

Contents

Directors' report	1
Auditors independence declaration	4
Financial report	
Consolidated statement of profit and loss and other comprehensive income	5
Consolidated statement of financial position	6
Consolidated statement of changes in equity	7
Consolidated Statement of cash flows	8
Notes to the financial statements	9
Directors' declaration	16
Independent auditor's review report to the members of VGW Holdings Limited	17

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS

For the half-year ended 31 December 2020

Directors' report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the "consolidated entity" or "Group") consisting of VGW Holdings Limited (referred to as the "Company" or "parent entity") and the entities it controlled at the end of, or during, the half-year ended 31 December 2020.

Directors

The following persons were directors of VGW Holdings Limited during the whole of the half-year and up to the date of this report unless otherwise stated:

Mr Laurence Escalante - Executive Chairman
Mr Mats Johnson - Executive Director
Mr Lorenzo Escalante - Non-executive Director
Mr Paul Manalac - Alternate Director for Lorenzo Escalante

Principal Activities

The principal activities of the Group during the financial half-year were the development and distribution of social casino games offering virtual currency gaming and sweepstakes prize contests. There have been no significant changes in the nature of these activities during the year.

The majority of the Group's customers are based in North America.

Review of operations

For the half-year period to 31 December 2020, revenue increased to \$945.3m (H1 FY2020 \$215.2m).

The increased group revenue was primarily driven by Chumba Casino and the Group's newest segment, Luckyland Slots. This strong revenue growth was the result of targeted and effective marketing, continued development of our sophisticated payments stack, and customer engagement with our products, games and promotions.

Sweepstakes payments and merchant fees increased broadly in line with revenue growth in each segment.

Expense growth was well-controlled during the period. To support the revenue growth, employee costs increased to \$23.2m (H1 FY2020 \$21.4m) while technology costs increased to \$7.5m (H1 FY2020 \$5.2m).

Net profit after tax for the period amounted to \$112.9m (H1 FY2020 Net loss of \$5.1m).

VGW Management has considered the consequences of COVID-19, and it has determined that it does not create a material uncertainty that casts any significant doubt upon the entity's ability to continue as a going concern.

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS

For the half-year ended 31 December 2020

Directors' report (continued)

Financial Position

The Group's net assets at 31 December 2020 totalled \$68.2m (30 June 2020: \$75.6m). Current assets decreased \$3.1m, with cash holdings down \$13.5m. Contract liabilities relating to the deferral of customer revenues were up \$13.1m. This is broadly in line with increased revenue growth.

A net investing outflow of \$1.2m represents investment in financial asset and acquisition of computer and portable devices to support the work from home arrangements given COVID-19. For the half year ended 31 December 2020, VGW Holdings Limited has paid \$0.22 per share of dividends to its shareholders. This is the primary driver of net financing cash outflow of \$125.7m.

Unissued shares under option

On 24 July 2020, VGW issued 30,920,622 options as part of its employee incentive program.

Significant changes in State of Affairs

There were no significant changes in the state of affairs of the consolidated entity during the half-year.

Events after the interim period

The directors are not aware of any significant events since the end of the half-year period.

Dividends

During the half-year period to 31 December 2020, the Company paid the following franked dividends (H1 FY2020: Nil):

Date	Dividend per Ordinary Share	Total Dividend
30 Jul 2020	\$0.06	\$34.8m
30 Sep 2020	\$0.08	\$47.7m
4 Dec 2020	\$0.08	\$48.7m

The franking percentage of the dividends will be disclosed on the distribution statements to shareholders.

Rounding of Amounts

The Company is a type of Company referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to the nearest \$1,000, or in certain cases, to the nearest dollar.

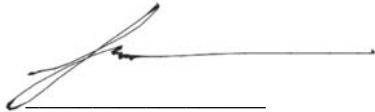
VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS

For the half-year ended 31 December 2020

Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 4 for the half-year ended 31 December 2020.

Signed in accordance with a resolution of the directors:




Laurence Escalante
Director

18 February 2021

Auditor's Independence Declaration

To the Directors of VGW Holdings Limited

As lead auditor for the review of VGW Holdings Limited for the half year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the half-year review.



Grant Thornton Audit Pty Ltd
Chartered Accountants



R J Isbell
Partner – Audit & Assurance

Sydney, 18 February 2021

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS
For the half-year ended 31 December 2020

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	Note	Consolidated entity	
		6 months ended 31 Dec 2020 \$'000	6 months ended 31 Dec 2019 \$'000
From continuing operations			
Revenue	5	945,327	215,181
Sweepstake prizes		(695,288)	(134,263)
Merchant and affiliate fees		(46,557)	(12,889)
Finance income	6	26	139
Finance costs	6	(88)	(67)
Finance costs – interest expense on lease liabilities	6	(411)	(273)
Foreign currency (loss)/gain	6	(7,247)	89
Other income		32,508	68
Marketing and advertising fees	6	(30,245)	(31,805)
Legal and professional fees		(8,934)	(6,758)
Employee benefits expense		(23,152)	(21,430)
Share-based payments expense		(962)	(22)
Depreciation and amortisation expense		(3,452)	(3,095)
Technology and other communication expense		(7,511)	(5,230)
Property and occupancy expense		(695)	(960)
General and administration expense		(3,382)	(4,530)
		(795,390)	(221,026)
Profit/(loss) before income tax		149,937	(5,845)
Income tax (expense)/benefit		(37,059)	789
Profit/(loss) for the period attributable to members of the parent entity		112,878	(5,056)
Other comprehensive income/(loss) for the half-year, net of tax		2,939	(100)
Total comprehensive income/(loss) for the period attributable to the owners of VGW Holdings Limited		115,817	(5,156)
Earnings/(loss) per share		Cents	Cents
From continuing operations:			
- Basic earnings/(loss) per share	15	19.09	(0.90)
- Diluted earnings/(loss) per share	15	18.86	(0.90)

This Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes to the financial statements.

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS
For the half-year ended 31 December 2020

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	31 Dec 2020 \$'000	30 June 2020 \$'000
Assets			
Current assets			
Cash and cash equivalents	7	128,640	142,094
Trade and other receivables	8	24,362	19,466
Prepayments and other short-term assets	9	15,913	10,444
Total current assets		168,915	172,004
Non-current assets			
Property, plant and equipment		2,913	2,731
Right-of-use assets		11,285	4,870
Intangible assets	10	4,608	6,305
Deferred tax assets		4,413	1,888
Financial assets		521	-
Total non-current assets		23,740	15,794
Total assets		192,655	187,798
Liabilities			
Current liabilities			
Trade and other payables	11	11,638	11,817
Contract liability	12	53,958	40,863
Provisions	13	31,271	28,553
Current tax liabilities		14,544	24,638
Lease liability		2,298	1,086
Total current liabilities		113,709	106,957
Non-current liabilities			
Lease liability		10,047	4,690
Provisions	13	718	512
Total non-current liabilities		10,765	5,202
Total liabilities		124,474	112,159
Net assets		68,181	75,639
Equity			
Share capital	14	32,435	25,438
Reserves		6,358	2,458
Retained earnings		29,388	47,743
TOTAL EQUITY		68,181	75,639

This Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes to the financial statements.

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS
For the half-year ended 31 December 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

Consolidated entity	Share Capital \$'000	Share Option Reserve \$'000	Foreign Currency Reserves \$'000	Accumulate d losses \$'000	Total Equity \$'000
Balance at 1 July 2019, *as previously reported	24,191	4,316	1,013	(17,814)	11,706
Impact of restatement	-	-	-	1,893	1,893
Restated balance at 1 July 2019	24,191	4,316	1,013	(15,921)	13,599
Employees' long-term incentive plan share options	-	22	-	-	22
Loss attributable to equity holders	-	-	-	(5,056)	(5,056)
Other comprehensive (loss)	-	-	(100)	-	(100)
Total comprehensive (loss) for the period	-	-	(100)	(5,056)	(5,156)
Balance at 31 December 2019	24,191	4,338	913	(20,977)	8,465

Consolidated entity	Share Capital \$'000	Share Option Reserve \$'000	Foreign Currency Reserves \$'000	Retained earnings \$'000	Total Equity \$'000
Balance at 1 July 2020	25,438	1,584	874	47,743	75,639
Dividend payment	-	-	-	(131,233)	(131,233)
Employees' long-term incentive plan share options	-	936	-	-	936
Issue of loan funded shares	-	25	-	-	25
Settlement of loan funded shares	429	-	-	-	429
Exercise of long-term incentive plan share options	6,568	-	-	-	6,568
Profit attributable to equity holders	-	-	-	112,878	112,878
Other comprehensive income	-	-	2,939	-	2,939
Total comprehensive income for the period	-	-	2,939	112,878	115,817
Balance at 31 December 2020	32,435	2,545	3,813	29,388	68,181

The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes to the financial statements.

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS
For the half-year ended 31 December 2020

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

	Consolidated entity	
	6 months ended 31 Dec 2020	6 months ended 31 Dec 2019
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers	951,614	228,121
Payments to suppliers and employees	(817,162)	(221,272)
Government grants	-	68
Interest received	33	138
Income tax paid	(16,608)	-
Net cash from operating activities	<u>117,877</u>	<u>7,055</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(761)	(245)
Investment in financial assets	(521)	-
Net cash used in investing activities	<u>(1,282)</u>	<u>(245)</u>
Cash flows from financing activities		
Settlement of loan funded shares	429	-
Proceeds from issue of shares	6,568	-
Payments of lease liabilities	(1,505)	(1,036)
Dividend payments	(131,233)	-
Net cash used in financing activities	<u>(125,741)</u>	<u>(1,036)</u>
Net increase in cash and cash equivalents	(9,146)	5,774
Cash and cash equivalents at beginning of period	142,094	39,211
Effects of exchange rate changes	(4,308)	(13)
Cash and cash equivalents at end of period	<u>128,640</u>	<u>44,972</u>

The Consolidated Statement of Cash Flows are to be read in conjunction with the notes to the financial statements.

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS

For the half-year ended 31 December 2020

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 1. General Information and Basis of Preparation

The financial report includes the consolidated financial statements and notes of VGW Holdings Limited and controlled entities ("Group"). The financial report is presented in Australian dollars, which is VGW's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

VGW Holdings Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia.

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' Report, which is not part of the financial report.

The interim financial statements have been approved and authorised for issue, in accordance with a resolution of the directors, on 18 February 2021.

These interim financial statements for the half-year reporting period ended 31 December 2020 have been prepared on an accrual basis and are based on historical costs modified by the revaluation of selected non-current assets and financial instruments for which a fair value basis of accounting has been applied.

These interim financial statements do not include all the notes of the type normally included in the annual financial statements in accordance with Australian Accounting Standards. Accordingly, these financial statements are to be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2020.

Note 2. Significant Accounting Policies

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting except as set out below.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2020.

The Company is a type of company referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to the nearest \$1,000, or in certain cases, to the nearest dollar.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current period.

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS

For the half-year ended 31 December 2020

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 3. Critical Accounting Estimates and Judgements

The preparation of the financial statement requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which it believes to be reasonable under the circumstances. The resulting accounting judgements and estimates may differ to actual results.

In preparing these consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2020.

Capitalisation of Software Development Costs

Distinguishing the research and development phases of a new customised software project and determining whether the recognition requirements for the capitalisation of development costs are met, requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

Measurement of lease liabilities

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Provisioning of Cashable Sweeps

Management estimates the provision for cashable sweepstakes, considering the most reliable evidence available at each reporting period.

Based on Global Poker Players' cash-out historical behaviour observed over a period of time, the Group determined that it is more appropriate to provision 60% of the period end balance of cashable sweeps. The Group will continue to monitor whether there are any indicators that the provision percentage should be revised.

For Chumba Casino and Luckyland, the Group uses the whole amount of the period end balance for the provision.

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS

For the half-year ended 31 December 2020

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 3. Critical Accounting Estimates and Judgements (continued)

Revenue recognition

The Group has adopted AASB 15: Revenue from Contracts with Customers from 1 July 2017. With the adoption of this standard, revenue is recognised over the retention period of the players, which will be re-evaluated from time to time to consider changes in player behaviour.

The Group accrues for unsettled player purchases on a monthly basis. The same revenue deferral methodology using the retention period of players is applied to both settled and accrued gold coin purchases. Contract Liabilities are treated as a current liability.

Recognition of deferred tax assets

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year. Current and deferred income tax expense/(benefit) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss. Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the realised asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Note 4. Operating Segments

As at the reporting date, the Group treats its operations as one business segment and reports accordingly. Management and the board of Directors view and assess the Group as one business segment.

Note 5. Revenue from Operations

	31 Dec 2020	31 Dec 2019
	\$'000	\$'000
Revenue from continuing operations		
Chumba Casino	680,346	144,541
Global Poker	84,310	49,934
Luckyland Slots	180,395	20,694
Fend Off	260	6
Facebook/Shared App	16	6
Total revenue	945,327	215,181

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS
For the half-year ended 31 December 2020

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 6. Other income/(costs) and expenses

	31 Dec 2020	31 Dec 2019
	\$'000	\$'000
Finance income		
Interest income	26	139
	<u>26</u>	<u>139</u>
Finance costs		
Interest expense	(411)	(273)
Bank and other financial intermediary charges	(88)	(67)
	<u>(499)</u>	<u>(340)</u>
Foreign currency		
Foreign currency realised (loss)/gain	(1,250)	73
Foreign currency unrealised (loss)/gain	(5,997)	16
	<u>(7,247)</u>	<u>89</u>
Marketing and advertisements		
Marketing Facebook	(17,137)	(22,682)
Marketing Non-Facebook	(13,108)	(9,123)
	<u>(30,245)</u>	<u>(31,805)</u>

Note 7. Cash and Cash Equivalents

	31 Dec 2020	30 June 2020
	\$'000	\$'000
Cash at bank	49,401	99,515
Funds with payment providers	79,239	42,579
	<u>128,640</u>	<u>142,094</u>

Note 8. Trade and Other Receivables

	31 Dec 2020	30 June 2020
CURRENT	\$'000	\$'000
Trade receivables	7	1
Accrued revenue	21,962	15,166
Other receivables:		
GST/VAT Receivable	2,382	4,110
Others	11	189
	<u>24,362</u>	<u>19,466</u>

The trade receivables are current and have been fully paid or settled after balance sheet date.

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS
For the half-year ended 31 December 2020

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 9: Prepayments and Other Short-Term Assets

	31 Dec 2020	30 June 2020
	\$'000	\$'000
Prepayments	4,498	3,595
Restricted funds, bank guarantee and reserves	11,158	6,624
Deposits and bonds	257	225
	15,913	10,444

Note 10. Intangible Assets

	Software	Licenses	Domain	Trademark	TOTAL
<u>Cost</u>	\$'000	\$'000	\$'000	\$'000	\$'000
Balance, 1 July 2020	17,442	219	148	26	17,835
Net exchange difference	(144)	-	(2)	(1)	(147)
Balance, 31 Dec 2020	17,298	219	146	25	17,688
<u>Accumulated Amortisation</u>					
Balance, 1 July 2020	(11,458)	(41)	(31)	-	(11,530)
Amortisation	(1,487)	(15)	(48)	-	(1,550)
Balance, 31 Dec 2020	(12,945)	(56)	(79)	-	(13,080)
Net book value, 30 Jun 2020	5,984	178	117	26	6,305
Net book value, 31 Dec 2020	4,353	163	67	25	4,608

Note 11. Trade and Other Payables

	31 Dec 2020	30 June 2020
	\$'000	\$'000
Trade payables	8,496	9,565
Other payables and accruals	3,142	2,252
	11,638	11,817

Note 12. Contract Liability

The Group adopted AASB 15: Revenue from Contracts with Customers, effective 1 July 2017. Consequently, revenue from player purchases is deferred over the player's retention period. The Contract Liability represents player purchases that are yet to be recognised as revenue over the remaining retention life of players. The balance as of 31 December 2020 is \$54.0 million (FY 2020: \$40.9 million).

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS

For the half-year ended 31 December 2020

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 13. Provisions

The carrying amounts and movements in the provisions are as follows:

	Sweepstakes	Leave Entitlements	Short-Term Incentive	Make Good	Total
Balance, 1 July 2020	25,858	2,591	-	616	29,065
Additional provisions	15,614	1,075	434	13	17,136
Reversals	(13,617)	(500)	(95)	-	(14,212)
Balance, 31 December 2020	27,855	3,166	339	629	31,989

The provision for Sweepstakes Liability represents cashable sweepstakes for players which are active within a specified period. Under the Sweepstakes rules, cashable sweepstakes of players not active within the specified period expire.

Global Poker cashable sweeps are provisioned on the basis of 60% of the period end balance, which amounts to \$6.5 million as at 31 December 2020. The 60% provision is deemed appropriate based on historical behaviour of players and is regularly assessed.

Included in the total leave entitlements provision is \$0.72 million in long service leave and is non-current. All other provisions are current.

Note 14. Issued Capital

	Consolidated entity			
	31 Dec 2020 Shares	30 June 2020 Shares	31 Dec 2020 \$'000	30 June 2020 \$'000
Fully paid ordinary shares, net of share issue cost	608,858,490	579,663,639	32,435	25,438
		Number	Value (\$'000)	
Opening balance, 1 July 2020		579,663,639	25,438	
Conversion of options into ordinary shares		28,361,518	6,568	
Issue of loan funded shares		833,333	-	
Settlement of loan funded shares		-	429	
Closing balance, 31 Dec 2020		<u>608,858,490</u>	<u>32,435</u>	

Note 15. Earnings per Share

	31 Dec 2020 \$'000	31 Dec 2019 \$'000
Income/(loss) after income tax attributable to the owners of VGW Holdings Limited	112,878	(5,056)
	No. of shares	No. of shares
Weighted average number of shares used in calculating basic earnings per share	591,343,043	563,227,015
Weighted average number of shares used in calculating diluted earnings per share	598,398,297	577,150,829
	Cents	Cents
Basic earnings/(loss) per share	19.09	(0.90)
Diluted earnings/(loss) per share	18.86	(0.90)

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES FINANCIAL STATEMENTS

For the half-year ended 31 December 2020

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 16. Controlled Entities

The subsidiaries listed below have share capital consisting solely of ordinary shares which are held directly by the parent entity. The assets of the subsidiaries have been consolidated on a line-by-line basis in the consolidated financial statements of the Group.

The proportion of ownership interests held equals the voting rights held by the Group.

Name	Incorporation/ Registration Date	Country of incorporation	Ownership Interest	
			31 Dec 2020	30 June 2020
VGW Malta Holding Limited ^	19 Apr 2016	Malta	99.93%	99.93%
VGW Holdings US Inc.	29 Dec 2017	United States	100.00%	100.00%
VGW Corporation Pty Limited	4 Jan 2018	Australia	100.00%	100.00%
Fendoff Pty Limited	17 Dec 2018	Australia	100.00%	100.00%
Solstice Solutions Holdings Pty Limited	1 Nov 2019	Australia	100.00%	100.00%
Wholly owned subsidiaries of VGW Malta Holding Limited:				
VGW Malta Limited ^	9 Mar 2016	Malta	99.93%	99.93%
VGW Games Limited	10 Aug 2016	Malta	100.00%	100.00%
Agence V Limited	5 Oct 2016	Malta	99.93%	99.93%
VGW Administration Malta Limited ^	7 Oct 2016	Malta	99.93%	99.93%
VGW GP Limited ^	23 Nov 2016	Malta	99.93%	99.93%
VGW Canada Inc.	19 July 2019	Canada	100.00%	100.00%
Wholly owned subsidiaries of VGW Holdings US Inc.				
VGW US, Inc.	28 Aug 2017	United States	100.00%	100.00%
VGW Luckyland, Inc.	29 Dec 2017	United States	100.00%	100.00%

^ VGW Corporation Pty Limited holds the remaining 0.07%

Note 17. Events After the Reporting Period

The directors are not aware of any significant events since the end of the half-year period.

VGW HOLDINGS LIMITED AND CONTROLLED ENTITIES DIRECTORS DECLARATION

In the opinion of the Directors of VGW Holdings Limited:

- (a) the attached consolidated interim financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half year ended on that date and in accordance with the accounting policies referred to in Note 2; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This Declaration is made in accordance with a resolution of the directors:

Director



.....
Laurence Escalante

Date: 18 February 2021

Independent Auditor's Report

To the Members of VGW Holdings Limited

Report on the review of the half year-financial report

Conclusion

We have reviewed the accompanying half-year financial report of VGW Holdings Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of VGW Holdings Limited is not in accordance with the accounting policies described in Note 2 including:

- (a) giving a true and fair view of the VGW Holdings Limited's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibility for the half year financial report

The Directors of the Company are responsible for the preparation and fair presentation of the half-year financial report and have determined that the accounting policies used and described in Note 2 to the financial report are appropriate to meet the needs of the Members. This responsibility includes such internal control as the directors determine is necessary to enable the preparation of the half-year financial report to be free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the accounting policies used described in Note 2 including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting*.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Grant Thornton Audit Pty Ltd
Chartered Accountants



R J Isbell
Partner – Audit & Assurance

Sydney, 18 February 2021