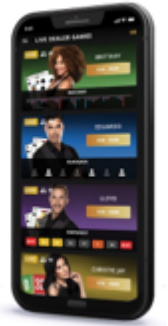




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play games online



FOR IMMEDIATE RELEASE

PLAYGON REPORTS Q2 2024 FINANCIAL AND OPERATIONAL HIGHLIGHTS AND PROVIDES FURTHER CORPORATE UPDATE

VANCOUVER, British Columbia – Aug 30, 2024 – Playgon Games Inc. (TSX-V: DEAL / OTCPINK: PLGNF/ Frankfurt: 7CR) (“Playgon” or the “Company”), a propriety SaaS technology company delivering mobile first live dealer technology to online gaming operators globally, announces its financial results for the second quarter 2024 and further corporate updates. For complete details please refer to the Financial Statements and associated Management’s Discussion and Analysis for the second quarter ended June 30, 2024, available on SEDAR (www.sedarplus.com) or the Company’s website (www.Playgon.com). All amounts are in Canadian Dollars unless otherwise indicated.

Q2 2024 Financial Highlights:

- For the three and six months ending June 30, 2024, the Company generated revenues of \$184,363 (2023 - \$413,388) and \$414,652 (2023 - \$701,397), respectively, from its Live Dealer platform, which represented a decrease of 55% and 41% respectively.
- The net loss for the for the three and six months ending June 30, 2024 was \$5,125,037 (2023 - \$4,369,250) and \$9,538,547 (2023 - \$8,363,431) (March 31, 2023 - \$4,003,281). The increase in loss is primarily related to an increase in interest expense related to the outstanding convertible debentures.

Q2 2024 Operational Highlights:

- Total wagering turnover for the three and six months ended June 30, 2024, was \$219 million and \$454 million compared to \$396 million and \$732 million respectively, during the comparative quarter, representing a decrease of 52% and 39% respectively. The decrease in turnover was driven by an operator ceasing its operations. Excluding this operator’s results from the comparative period, the remaining operators saw an increase in turnover of \$87 million, representing an increase of 24% in organic and new customers player activity.
- The number of wagers placed (betspots) in the quarter was 6.9 million wagers compared to the comparative quarter of 10.2 million wagers, which reflects a decrease of 16%.
- The average daily turnover for the quarter was \$2.4 million compared to \$4.3 million in the comparative quarter.
- Adjusted KPI’s, excluding the now defunct operator, were positive when comparing the quarters ended June 30, 2024 and 2023. Total and average daily wagering turnover increased by 65% and number of wagers (betspots) increased by 13%. This reflects overall growth with the installed base of new and existing customers on the platform, excluding the one-time loss.

Corporate Update

Playgon would like to provide further updates to our press release dated July 26th, 2024, regarding the recent the NGCB order. We have fully complied with the directive, and our focus is now on planning the swift resumption of our services.

We are actively exploring options to minimize disruption to our live streaming services. This includes accelerating our plans to expand studio operations to jurisdictions where we can continue to deliver the exceptional service and compliance standards that our clients have come to expect from us. We are considering a range of strategic options, including both temporary and long-term solutions, such as establishing new partnerships and securing new studio locations. Potential locations under consideration include Canada and Europe. Depending on which option the company determines best suits our long-term growth strategy and satisfies client expectations will dictate the time frame we will aim to resume offering our premium live dealer service. We anticipate finalizing our plans and providing a clear timeline by the end of September.

In the meantime, our Random Number Generator (RNG) games continue to be available to all clients, ensuring uninterrupted service where possible. We are also taking this opportunity to enhance our platform, with our engineering team focused on completing integrations and introducing new features and system improvements that will be ready when our live services are back online.

We have communicated with all our clients regarding the current situation and will continue to keep them informed as we finalize our plans and approach the relaunch of our live dealer services.

While we have had to make the difficult decision to reduce our Las Vegas staff, our commitment to innovation and service excellence remains stronger than ever. In parallel, we are planning the relocation of our Las Vegas studio equipment to a new facility once our plans are finalized.

We value the support and understanding of our clients, partners and shareholders during this unexpected event. Playgon remains committed to fast track the resumption of its live streaming services as soon as possible. Further updates will be provided as more information becomes available.

Renewal of Ontario Licence

The company is pleased to announce it has been granted a renewal license for Ontario for the next year by the Alcohol and Gaming Commission of Ontario (AGCO), the regulatory agency responsible for the oversight of the modern open and regulated iGaming and sports betting market in Ontario.

This renewal is an important step as we prepare to execute our Ontario launch once our live dealer services are back online. Although our launch is currently on hold due to the studio transition, we have already integrated with several operators in the region who are ready to go live as soon as we resume operations.

Ontario's licensed online gaming and sports betting market generated \$63 billion (CAD) in wagering in the second year of operations, a 78% increase year over year, massive figure for online gaming in the province. It resulted in approximately \$2.4 billion in total gaming revenue over the period for the licensed operators, a 72% increase compared to 2022 and results that place the province in the top five of all North American jurisdictions, according to iGaming Ontario¹.

Ontario's online casino accounted for 75% of the total revenue generated or \$1.8 billion¹, and we estimate that live dealer tables account for approximately 32% of the revenue generated within the online casino vertical. That puts the total addressable market for live dealer in Ontario at approximately ~ \$550 million, making it an attractive market for the Company's live dealer tables.

With the renewal of our license, we are well-positioned to capitalize on this opportunity as soon as our services are fully operational again. We look forward to launching in Ontario and building new partnerships in this rapidly growing,

regulated North American market.

1) iGamingontario.ca

About Playgon Games Inc.

Playgon is a SaaS technology company focused on developing and licensing digital content for the growing iGaming market. The Company provides a multi-tenant gateway that allows online operators the ability to offer their customers innovative iGaming software solutions. Its current software platform includes Live Dealer Casino, E-Table games, which, through a seamless integration at the operator level, allows customer access without having to share or compromise any sensitive customer data. As a true business-to-business digital content provider, the Company's products are ideal turn-key solutions for online casinos, sportsbook operators, land-based operators, media groups, and big database companies. For further information, please visit the Company's website at www.playgon.com.

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Forward-Looking Statements

This release contains forward-looking statements. Forward-looking statements, without limitation, may contain the words believes, expects, anticipates, estimates, intends, plans, or similar expressions. Forward-looking statements are not guaranteeing of future performance. They involve risks, uncertainties and assumptions and actual results could differ materially from those anticipated. Forward looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Except for historical facts, the statements in this news release, as well as oral statements or other written statements made or to be made by Playgon, are forward-looking and involve risks and uncertainties. In the context of any forward-looking information please refer to risk factors detailed in, as well as other information contained in the Company's audited financial statements for the year ended December 31, 2023 and Management Discussion and Analysis for the year ended December 31, 2023 and other filings with Canadian securities regulators (www.sedar.com). Readers are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements contained in this press release represents Playgon's current expectations. Playgon disclaims any intention and assumes no obligation to update or revise any forward-looking information, except if required by applicable securities laws.

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