

Betting the Newgioco hand on the gaming industry

As we talk about [eSports being the next big thing](#) we shouldn't ignore another growing industry working in a similar space, online gambling (or leisure gaming). The internet has broken down traditional trade borders and is giving businesses worldwide the chance to compete and grow on a global scale, especially in the online betting and gaming sector.

[Newgioco Group, Inc.](#) (OTCQB: NWGI) is a vertically integrated organization engaged in the betting and gaming industry (online and offline), primarily operating in Italy but currently expanding worldwide. Newgioco generates income from offering both land based and web based gambling products and services. Also importantly Newgioco has a strong history of operational success in 'regulated' environments.

Newgioco's three primary lines of business are:

1. A licensed leisure lottery and gambling operator in Italy offering online and offline gambling services.
2. A proprietary Betting Platform Software ("ELYS™) offered through the Odissea subsidiary.
3. A proprietary Virtual Betting Platform for betting on virtual and pre-recorded events, from the recent acquisition of Virtual Generation, and with SaaS revenue generated from 12 countries (Albania, Colombia, Dominican Republic, Honduras, Italy, Mexico, Nicaragua, Nigeria, Paraguay, Peru, Turkey and Uganda).

Newgioco provides next generation gambling products and services globally



Newgioco's core business

Newgioco offers its clients a full suite of leisure gaming products and services, such as sports betting, virtual sports, online casino, poker, bingo, interactive games, and slots. By the end of 2019, the Company expects to reach \$500 million of betting turnover for a 20% YoY increase. Newgioco is currently servicing ~86,000 client accounts and estimates an increase of 8% per year to over 100,000 client accounts by 2020, that could grow higher from the increased use of mobile apps from cell phones and tablets. The Company also serves over 1,500 land-based neighborhood betting shops situated throughout Italy.

Based on the [Odissea](#) (subsidiary) software the Company's state of the art [ELYS™ platform](#) is at the forefront of the betting industry. It guarantees efficiency, flexibility and innovative solutions for all partners, agents and end users who utilize the platform.

Highlighting the potential to tap the US market, Newgioco has already signed a multi-year deal with [First Tribal Casino operator](#) to deploy Newgioco's ELYS™ sports betting platform.

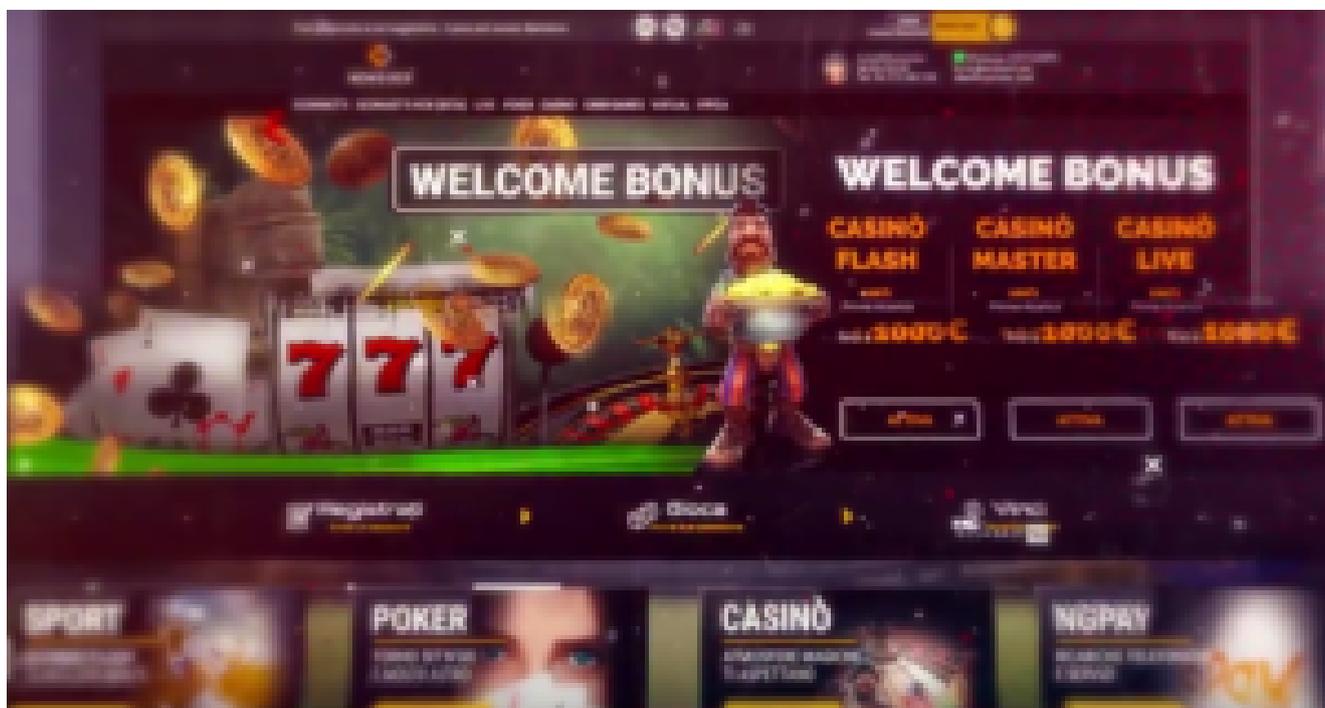
Newgioco's growth – Past and present

Over the past four years Newgioco's growth has primarily come

through acquisitions with 100% of their revenue generated in Italy. With sales of the ELYS™ betting platform into the U.S. and the recent acquisition of Virtual Generation, who operate in 12 countries, this will allow cross selling of the ELYS™ into other countries. Newgioco is targeting revenue from non-Italian sources to be 40% of total revenue by 2020, with growth also coming from their exposure to the mobile sports betting segment.

Newgioco's forecasts double-digit growth over the next year in the Italian market. This could be accelerated with tactical and strategic acquisitions within the fragmented Italian market. Added to this is global expansion, especially into the multi billion dollar U.S. sports betting market. In repealing the [Professional and Amateur Sports Protection Act](#) in 2018, the U.S. Supreme Court has provided a significant new market opportunity for Newgioco's sports betting platform.

Newgioco's Casino, Poker and Sports Betting website



Newgioco's Casino, Poker and Sports Betting website (the picture is from the [company video](#))

Revenue and profit

In Q1 2019 Newgioco had revenue of [\\$9.3 million](#), up 7.8% YoY, and an operating loss of \$1.31m.

The combination of a solid base from Italy, online growth, and expansion into the US and globally should see Newgioco's revenue grow strongly in H2 2019 and 2020. Once they get to scale profits should follow. Newgioco has submitted an application to the NASDAQ exchange to take the necessary steps to up-list their company to the senior NASDAQ exchange.

Incorporated in Delaware, USA and headquartered in Toronto, Canada; Newgioco Group Inc. has a market cap of US\$ 28.85 million.