



AnglerGaming

Interim Report for 3rd Quarter 2020

1st July to 30th September 2020

Angler Gaming plc, reg. no. C55255, Malta

ANGLER GAMING PLC

Financial report for the period ended 30th September 2020

Key Facts for the 3rd Quarter 2020 (1st July 2020 – 30th September 2020)

Second Best Quarter Ever

All figures are compared to the same quarter last year if not explicitly stated otherwise

- Revenues increased by 33.10% to €10,164,280 (€7,636,436).
 - EBIT increased by 41.40% to €3,423,011 (€2,420,802).
 - EBIT margin of 33.68% (31.70%).
 - Customer deposits increased by 2.77% to €20,721,369 (€20,162,937).
 - 57,784 new registered customers (47,826), increase of 20.82%.
 - 26,763 new depositing customers (21,721), increase of 23.21%.
 - Earnings per share of €0.0297 (€0.0302), decrease of 1.66%.
-
- Premiergaming Ltd, the Group's company focusing on Northern Europe, represented 24% of the Group's revenues in Q3 2020.
-
- Unusually high financial cost in Q3 due to unusually high fluctuations of foreign exchange rates. The Group took swift mitigating measures and implemented a system geared to significantly reduce exposure to foreign exchange loss in the future.
-
- In Q3 the Group has signed a new B-to-B partnership, i.e. a White Label cooperation agreement where the Group provides the platform and the White Label provides the brand and new customers. This co-operation is expected to generate revenues and achieve positive cashflow during Q1 2021.
-
- The average daily Net Gaming Revenue for the first 31 days in Q4 2020 (October) is 10% higher compared to the average daily Net Gaming Revenue in Q3 2020. The Net Gaming Revenue for October 2020 is 52% higher compared to October 2019.

Events after the Quarter:

- Premiergaming Ltd, a Group's company, is launching a new brand in November under its Malta gaming licence. The new brand is expected to generate positive cashflow as from December 2020.
- The Group is in negotiations regarding further B-to-B partnerships.

Key Facts for 2020 (1st January 2020 – 30th September 2020)

All-time high in Revenues and Profits

All figures are compared to Jan-Sep 2019 if not explicitly stated otherwise

- Revenues increased by 52.67% to €31,512,720 (€20,640,918).
- EBIT increased by 101.98% to €10,059,398 (€4,980,342).
- EBIT margin of 31.92%.
- Customer deposits increased by 25.32% to €67,388,176 (€53,774,818).
- 40.12% increase in newly registered customers to 181,533 (129,554).
- 86,541 new depositing customers (53,069), increase of 63.07%.
- Earnings per share of €0.1071 (€0.0602), increase of 77.91%.

Key Performance Indicators (EUR)

	Q3 2020	Q3 2019	Jan-Sep 2020	Jan-Sep 2019
Customer Deposits	€20,721,369	€20,162,937	€67,388,176	€53,774,818
Active Customers	68,695	44,647	153,409	94,325
New Registered Customers	57,784	47,826	181,533	129,554
New Depositing Customers	26,763	21,721	86,541	53,069
Gross Game Win	€11,486,399	€8,248,952	€35,412,449	€23,064,197
Net Game win Hold	€10,812,795	€7,875,667	€33,569,831	€22,186,935
	51.06%	39.06%	53.22%	41.26%

* Definition Active Customers: Customer that wagered at least one bet in the indicated period

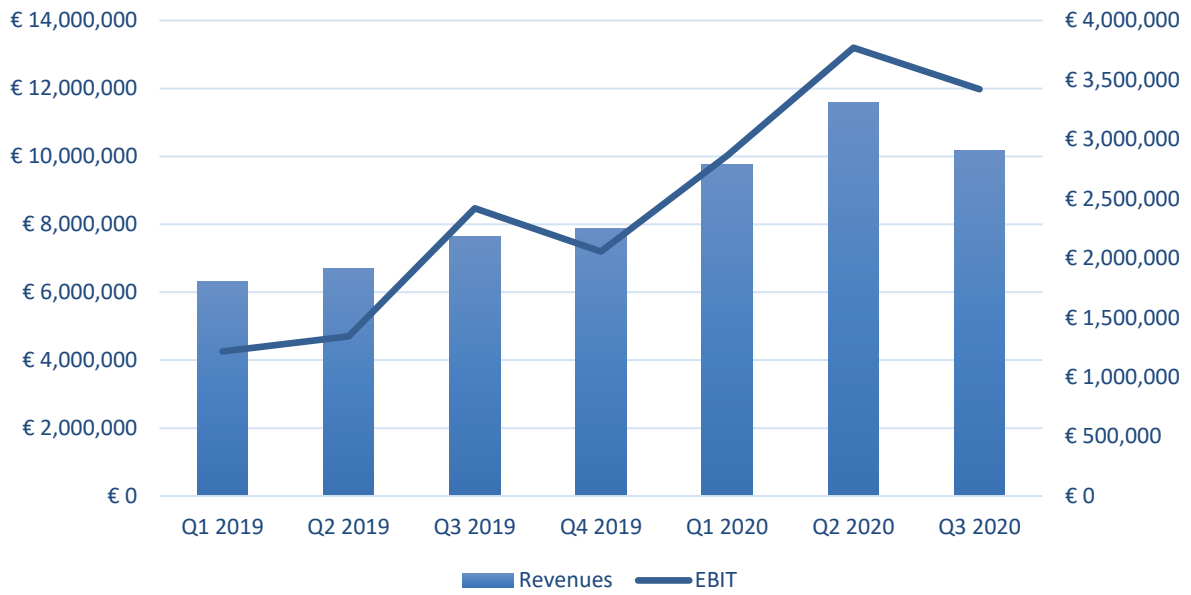
** Definition New Registered Customer: A new customer registered in the indicated period

*** Definition New Depositing Customer: A customer that deposited the first time in the indicated period

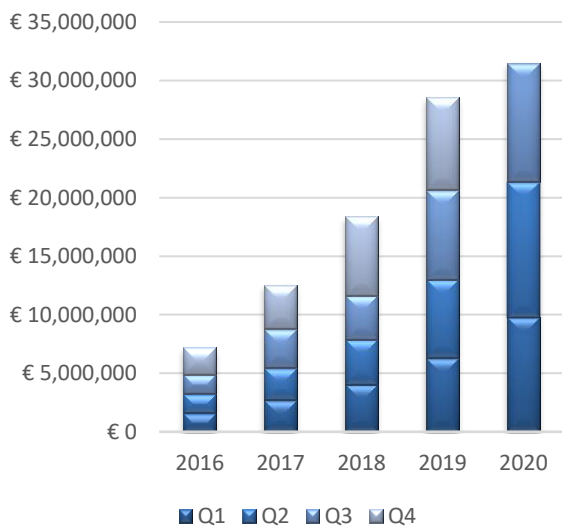
**** Definition Net Game Win: Real money bets minus real money wins

***** Definition Hold: Net Gaming Revenue / Customer Deposits

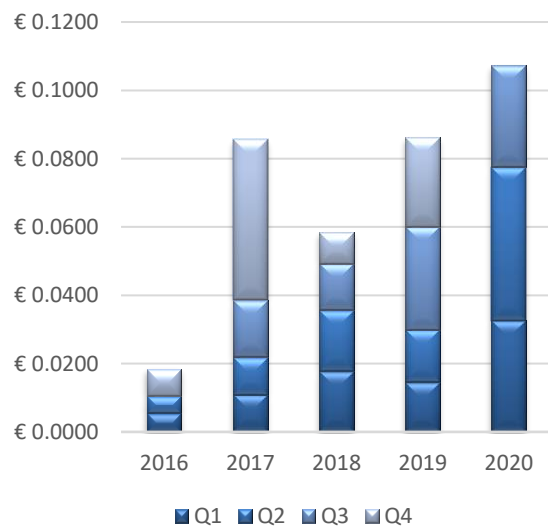
Quarterly Revenues and EBIT



Revenues



Earnings per share



Comments from the CEO



Thomas Kalita, CEO Angler Gaming plc

We are satisfied with the result in Q3, being the second best quarter ever in the Group's history as regards Revenues and EBIT. Our excellent people, operations and investments in various fields continued to pay off in Q3.

In Q3 we experienced an unusually high financial costs due to unusually high fluctuations of foreign exchange rates, that effected the Net Profit. We responded to this extraordinary situation by swiftly implementing mitigating measures and changing our systems, so that going forward we have much lower exposure to exchange rate fluctuations.

We have in Q3 signed a new B-to-B partnership, i.e. a White Label partnership where we provide the platform and the White Label provides the brand and new customers. We expect the partnership to generate additional revenues and contribute positively to the result during Q1 2021. We are also in further talks with additional potential B-to-B partnerships.

We are particularly pleased with how Q4 has started, since the average daily Net Gaming Revenue for the 31 first days in Q4 2020 (October) is 10% higher compared to the average daily Net Gaming Revenue in Q3 2020. The Net Gaming Revenue for October 2020 is 52% higher compared to October 2019.

When it comes to the record result for the first nine months in 2020 we are extremely pleased. In just nine months of 2020, the Group's performance reached and by far exceeded the 2019 full year Revenues and Earnings per share, as is clearly visualized in the graphs on the previous page.

We continue to look for acquisitions and other opportunities and it is with pleasure that we are launching a new brand during November 2020, which should positively affect the revenues in December 2020.

While we recognise the extraordinary challenges surrounding the COVID-19 situation, our staff, mainly working from home, have continued to serve customers and have kept all operations going. We are mindful that in case of persistence of the pandemic, the business environment outlook over the long term may present higher than normal levels of uncertainty, and a clear determination of the overall financial impact cannot be made at this stage. Currently, however, there have been no observable negative effects on the business. The Group has already taken and will continue taking steps to safeguard the business, and the strategic priority remains the long-term sustainability of the Group with a focus on growing the business.

Consolidated Income Statement for period

ended 30 September 2020	Q3 Group	Q3 Group	Full Year Group	Group	Group	Q3	Q3
	2020	2019	2019	Jan - Sep	Jan - Sep	Angler Gaming	Angler Gaming
	€	€	€	2020	2019	PLC	PLC
						2020	2019
						€	€
Revenue	10,164,280	7,636,436	28,526,664	31,512,720	20,640,918		
Cost of services sold	(5,555,705)	(4,144,473)	(16,020,829)	(17,516,366)	(11,665,050)		
Gross profit / (loss)	4,608,575	3,491,963	12,505,835	13,996,354	8,975,868	-	-
Marketing expenses	(377,734)	(489,066)	(3,134,397)	(1,589,258)	-2,344,890	(34,764)	(12,030)
Personnel expenses	(477,749)	(326,906)	(1,243,072)	(1,120,064)	-912,174	(82,565)	(26,055)
Other external expenses	(400,951)	(239,425)	(1,031,211)	(1,398,938)	-691,840	(11,103)	(28,952)
Depreciation, amortization	(1,302)	(15,764)	(59,896)	(3,907)	-46,622	(24)	(24)
Other operating income/expenses	72,172			175,210		36,000	
Operating expenses	(1,185,564)	(1,071,161)	(5,468,576)	(3,936,956)	(3,995,526)	(92,456)	(67,061)
Operating profit / (loss)	3,423,011	2,420,802	7,037,259	10,059,398	4,980,342	(92,456)	(67,061)
Financial income / (expenses)	(1,133,106)	(110,009)	(401,273)	(1,811,418)	(349,099)	(578)	(208)
Income / (Loss) before tax	2,289,905	2,310,793	6,635,986	8,247,980	4,631,243	(93,034)	(67,269)
Tax	(62,094)	(44,948)	(169,264)	(214,400)	(114,423)	-	-
Net income / (loss) for the period	2,227,811	2,265,845	6,466,722	8,033,580	4,516,820	(93,034)	(67,269)
No of shares	74,984,995	74,984,995	74,984,995	74,984,995	74,984,995		
Basic and dilute earnings per share	0.0297	0.0302	0.0862	0.1071	0.0602		

*Definition of Revenue: 'Bet - win - jackpot contribution - bonus cost - loyalty points - manual adjustments user balances'.

**Definition of Cost of Services Sold: – Cost of sales includes: 'Payment processing fees to payment suppliers, affiliate expenses, Gaming License fees for products, software licence fees, gaming taxes and affiliate costs'

*** Financial income/expenses consist mainly of income/expenses related to fluctuations in currency rates

Angler Gaming plc
Financial Report for the period ended 30 September 2020

**Consolidated Statement of Financial Position
for the period ended 30 September 2020**

	Group Period end September 2020	Group Period end September 2019	Angler Gaming plc Period end September 2020	Angler Gaming plc Period end September 2019
	Euro	Euro	Euro	Euro
Assets				
Non-current assets				
Investment in subsidiaries **	-	-	101,998	101,997
Intangible assets	1,184,064	1,193,329	-	-
Property, plant and equipment	16,801	22,238	220	316
Total non-current assets	1,200,865	1,215,567	102,218	102,313
Current assets				
Trade and other receivables **	13,624,785	5,953,097	7,702,792	4,368,324
Cash and cash equivalents	1,188,783	3,218,150	6,957	64,122
Total current assets	14,813,568	9,171,247	7,709,749	4,432,446
Total assets	16,014,433	10,386,814	7,811,967	4,534,759
Equity and liabilities				
Capital and reserves				
Paid up capital **	749,849	749,849	749,849	749,849
Non-refundable shareholder contribution	177,088	177,089	177,089	177,089
Premium Capital **	1,815,803	1,815,802	1,815,802	1,815,802
Retained Earnings	10,209,182	5,839,800	5,048,664	(5,599,004)
	12,951,922	8,582,540	7,791,404	(2,856,264)
Creditors : amounts falling due within one year				
Trade and other payables **	2,686,937	1,680,154	20,563	7,391,023
Taxation payable	375,574	124,120	-	-
Total liabilities	3,062,511	1,804,274	20,563	7,391,023
Total equity and liabilities	16,014,433	10,386,814	7,811,967	4,534,759

Angler Gaming plc
Cashflow report for the period ended 30 September 2020

**Consolidated Statements of Cashflow Position
for the period ended 30 September 2020**

	Group Period end September 2020	Group Period end September 2019	Angler Gaming plc Period end September 2020	Angler Gaming plc Period end September 2019
	Euro	Euro	Euro	Euro
Cash flow from operating activities				
Profit / (Loss) before taxation	8,247,980	4,631,243	2,372,274	(242,074)
Reconciliation to cash generated from operations:				
Depreciation	3,907	46,622	72	72
Taxation	(150)	(95,952)	-	-
Operating loss before working capital changes:	8,251,737	4,581,913	2,372,346	(242,002)
Movement in trade receivables	(5,305,321)	(919,336)	-	-
Movement in other debtors	(1,918,394)	(119,085)	5,025,528	(3,902,916)
Movement in trade payables	424,532	178,056	-	-
Movement in other creditors	473,289	23,664	(7,415,899)	4,187,497
Net cash used in operating activities	1,925,843	3,745,212	(18,025)	42,579
Cash flow from investing activities				
Cash issued by shareholders	-	-	-	-
Intangible fixed assets	(1,717)	-	-	-
Tangible fixed assets	-	(5,972)	-	-
Investment in subsidiaries	-	-	-	-
Net cash generated from/used in investing activities	(1,717)	(5,972)	-	-
Cash flows from financing activities				
Dividends proposed and paid	(5,248,950)	(3,374,325)	-	-
Short term loans	-	-	-	-
Intra-group finance	-	-	-	-
Net cash generated from financing activities	(5,248,950)	(3,374,325)	-	-
Net movement in cash and cash equivalents in the year	(3,324,824)	364,915	(18,025)	42,580
Cash and cash equivalents at beginning of the year	4,513,607	2,853,235	24,982	21,542
Cash and cash equivalents at end of year	1,188,783	3,218,150	6,957	64,122

Other Information

This Q3 2020 Report is accompanied by Condensed Interim Report published in terms of the Swedish Corporate Governance Code and the rules of Next Segment of Spotlight Stock Market. The interim financial information included in this respect has been extracted from Angler Gaming plc Group's unaudited financial information for the nine months ended 30 September 2020 and has been prepared in accordance with IAS 34 'Interim Financial Reporting'. The Condensed Interim Report has been reviewed by the Independent Auditor of the Group in terms of ISRE 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'.

The Annual Report and Audited Financial Statements for 2019 were published on the 30th of April 2020.

Q4 2020 and the annual report 2020 report will be published on 18th February 2021.

Malta, 11th of November 2020

Board of Directors of Angler Gaming plc

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Angler Gaming plc

ANGLER GAMING PLC (PUBL) IS A MALTESE HOLDING COMPANY LISTED ON THE SWEDISH STOCK EXCHANGE, SPOTLIGHT STOCK MARKET (ANGL), THAT INVESTS IN COMPANIES WHICH PROVIDE GAMING SERVICES OVER THE INTERNET. ANGLER GAMING'S CORE BUSINESS IS TO OWN AND ADMINISTER SHAREHOLDING IN INTERNET GAMBLING COMPANIES.

ANGLER GAMING PLC

Interim Report for the nine months 1 January to 30 September 2020

Company Registration Number: C55255

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ANGLER GAMING PLC

Interim Report for the Nine months 1 January to 30 September 2020

Condensed Consolidated Statement of Comprehensive Income for the period ended 30 September 2020

	Note	Q3 - Unaudited		9 months - Unaudited	
		2020 EUR	2019 EUR	2020 EUR	2019 EUR
Revenue	7	10,164,280	7,636,436	31,512,720	20,640,918
Direct costs		(5,555,705)	(4,144,473)	(17,516,366)	(11,665,050)
Gross profit		4,608,575	3,491,963	13,996,354	8,975,868
Marketing expenses		(377,734)	(489,066)	(1,589,258)	(2,344,890)
Personnel expenses		(477,749)	(326,906)	(1,120,064)	(912,174)
Other external expenses		(400,951)	(239,425)	(1,398,937)	(691,840)
Depreciation		(1,302)	(15,764)	(3,907)	(46,622)
Other operating income		72,172	-	175,210	-
Operating expenses		(1,185,564)	(1,071,161)	(3,936,956)	(3,995,526)
Operating profit		3,423,011	2,420,802	10,059,398	4,980,342
Finance expenses		(1,133,106)	(110,009)	(1,811,418)	(349,099)
Profit before taxation	8	2,289,905	2,310,793	8,247,980	4,631,243
Taxation	9	(62,094)	(44,948)	(214,400)	(114,423)
Profit and total comprehensive income for the financial period		2,227,811	2,265,845	8,033,580	4,516,820
Basic and diluted earnings per share based on net results for the period		0.0297	0.0302	0.1071	0.0602

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

ANGLER GAMING PLC

Interim Report for the Nine months 1 January to 30 September 2020

Consolidated Statement of Financial Position at 30 September 2020

	Note	As at 30 September 2020 Unaudited EUR	As at 31 December 2019 Audited EUR
Assets			
Non-current assets			
Intangible assets	13	1,184,064	1,182,347
Property, plant and equipment	14	16,801	20,708
Total non-current assets		1,200,865	1,203,055
Current assets			
Trade and other receivables		13,624,785	6,401,068
Cash and cash equivalents		1,188,783	4,513,607
Total current assets		14,813,568	10,914,675
Total assets		16,014,433	12,117,730
Equity and liabilities			
Capital and reserves			
Paid up capital	15	749,849	749,849
Share premium	16	1,815,803	1,815,803
Non-refundable shareholder contribution	17	177,088	177,088
Retained earnings		10,209,182	7,424,552
		12,951,922	10,167,292
Current liabilities			
Trade and other payables		2,686,937	1,789,114
Taxation		375,574	161,324
Total liabilities		3,062,511	1,950,438
Total equity and liabilities		16,014,433	12,117,730

The condensed interim financial statements on pages 1 to 16 were approved and signed by the Directors on 10 November 2020:


Olga Finkel
Chairperson - Director


Thomas Kalita
Chief Executive Officer – Director

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

**Consolidated Statement of changes in equity
for the period ended 30 September 2020**

Unaudited	Share capital EUR	Retained earnings EUR	Share premium EUR	Group Total EUR
Balance at 1 January 2019	749,849	4,697,305	1,815,803	7,262,957
Profit and total comprehensive income for the financial period	-	4,516,820	-	4,516,820
Dividend paid on equity shares	-	(3,374,325)	-	(3,374,325)
Balance at 30 September 2019	749,849	5,839,800	1,815,803	8,405,452
Balance at 1 January 2020	749,849	7,424,552	1,815,803	9,990,204
Profit and total comprehensive income for the financial period	-	8,033,580	-	8,033,580
Dividend paid on equity shares	-	(5,248,950)	-	(5,248,950)
Balance at 30 September 2020	749,849	10,209,182	1,815,803	12,774,834

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

**Statement of Cash Flows
for the period ended 30 September 2020**

	9 months - Unaudited	
	2020	2019
	EUR	EUR
Cash flows from operating activities		
Profit before taxation	8,247,980	4,631,243
Reconciliation to cash generated from operations:		
Depreciation	3,907	46,622
Taxation	(150)	(95,952)
	8,251,737	4,581,913
Movement in trade receivables	(5,305,321)	(919,336)
Movement in other debtors	(1,918,394)	(119,085)
Movement in trade payables	424,532	178,056
Movement in other creditors	473,289	23,664
Net cash generated from operating activities	1,925,843	3,745,212
Cash flows from investing activities		
Intangible fixed assets	(1,717)	-
Tangible fixed assets	-	(5,972)
Net cash (absorbed by)/generated from investing activities	(1,717)	(5,972)
Cash flows from financing activities		
Dividend proposed and paid	(5,248,950)	(3,374,325)
Net cash generated from financing activities	(5,248,950)	(3,374,325)
Net movement in cash and cash equivalents in the period	(3,324,824)	364,915
Cash and cash equivalents at beginning of period	4,513,607	2,853,235
Cash and cash equivalents at end of period	1,188,783	3,218,150

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the condensed consolidated financial statements

1 General information

Country of incorporation

Angler Gaming plc was incorporated in Malta on 8 February 2012 as a public limited liability company in accordance with the provisions of the Companies Law of Malta, 1995. The registered office of the company is Office 1 / 3327, Level G, Quantum House, 75 Abate Rigord Street, Ta' Xbiex, Malta - EU.

Parent Company and its subsidiaries

The Company, as parent company, and all of its subsidiary undertakings, is listed on Spotlight Stock Market, Klarabergsviadukten 63, 9th floor, 101 23 Stockholm, Sweden. (stock symbol: ANGL) In May 2018, Aktietorget changed its name to Spotlight Stock Market. In November 2019 the Company has been amongst the very first few companies to have been accepted to the Next Segment (premium segment) of the Spotlight.

At the end of the reporting period the Companies forming part of Angler Gaming plc group, being herein consolidated, were:

Name	Shareholding
Starfish Media N.V.	100%
Starpay Limited	100%
Starspay Limited	100%
Premiergaming Ltd	100%
Delta Services Limited	100%
Hipponut Ltd	100%
DSL Sofia Ltd	100%

Basis of preparation and statement of compliance

These condensed interim financial statements have been prepared under the historical cost convention and are in accordance with:

- International Accounting Standard 34 - Interim Financial Reporting;
- Companies Act, 1995 (CAP 386 of the Laws of Malta) and
- the requirements of the Spotlight Stock Market Connection Agreement.

The condensed financial statements have been extracted from the Group's unaudited accounts for the nine months ended 30 September 2020 and have been reviewed in terms of ISRE 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'.

The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 31 December 2019 and any public announcements made by the Angler Gaming plc Group during the interim reporting period.

Notes to the condensed consolidated financial statements (continued)

2 Accounting policies

The accounting policies used in the preparation of the condensed financial statements are consistent with those of the financial year ended 31 December 2019, as described in those annual financial statements, and corresponding interim reporting period.

Initial application of a new International Financial Reporting Standard and International Financial Reporting Standards (IFRSs) as adopted by the EU in issue but not yet effective

The directors anticipate that the adoption of International Financial Reporting Standards (IFRSs) as adopted by the EU that were in issue at the date of authorisation of these financial statements, but not yet effective, will have no material impact on the financial statements of the company in the period of initial application.

3 Financial risk management

Financial risk factors

The group's activities potentially expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The group's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the group's financial performance. The Board provides principles for overall risk management, as well as policies covering risks referred to above and specific areas such as investment of excess liquidity. The group did not make use of derivative financial instruments to hedge certain risk exposures during the current financial period.

The risk management policies employed by the group to manage these risks are discussed below:

Market Risk

(i) Foreign exchange risk

The group operating revenues, operating expenditure and financing are mainly denominated in euro. Accordingly, the group exposure to foreign exchange risk is not significant and a sensitivity analysis for foreign exchange rates that were reasonably possible at the end of the reporting period is not deemed necessary.

(ii) Cash flow and fair value interest rate risk

As the group has no significant interest-bearing assets and liabilities, the group income and operating cash flows are not dependent of changes in market interest rates.

Based on the above, management considers the potential impact on profit or loss of a defined interest rate shift that is reasonably possible at the end of the reporting period to be immaterial.

Notes to the condensed consolidated financial statements (continued)**3 Financial risk management (continued)*****Credit risk***

Credit risk is managed on group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered.

Credit risk arises from cash and cash equivalents, deposits with banks, as well as credit exposures, including outstanding receivables and committed transactions. The maximum exposure to credit risk at the end of the reporting period in respect of the mentioned financial assets is equivalent to their carrying amount. The group does not hold any collateral as security in this respect. The group banks only with financial institutions with high quality standing or rating.

Liquidity risk

The group is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which comprise principally trade and other payables. Prudent liquidity risk management includes maintaining sufficient cash and committed credit lines to ensure the availability of an adequate amount of funding to meet the Group's obligation.

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Group's functional currency. The Group is exposed to foreign exchange risk arising from various currency exposures. The Group's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly. In general, the group seeks to maintain its financial assets and financial liabilities in each of the foreign currencies at a reasonably comparable level, thereby providing a natural hedge against foreign exchange risk.

Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

Notes to the condensed consolidated financial statements (continued)**4 Fair value estimation**

The fair value of financial instruments traded in active markets, such as publicly traded financial assets at fair value through profit or loss and available-for-sale financial assets is based on quoted market prices as at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. The appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods, such as estimated discounted cash flows and makes assumptions that are based on market conditions existing at the end of the reporting period.

The carrying value less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

5 Critical accounting estimates and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions are not expected to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

In the opinion of management, the accounting estimates, judgements and assumptions made in the course of preparing these financial statements are not difficult, subjective, or complex to a degree which would warrant their description as 'critical' in terms of IAS 1 (revised) 'Presentation of Financial Statements'.

6 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance has been identified as the Board of Directors that makes strategic decisions.

The Board of Directors considers Angler Gaming plc (and subsidiaries) to be made up of one segment.

Notes to the condensed consolidated financial statements (continued)

7 Revenue

	Q3 - Unaudited		9 months - Unaudited	
	2020	2019	2020	2019
	EUR	EUR	EUR	EUR
Casino revenue	10,164,280	7,636,436	31,512,720	20,640,918

Revenue is defined as Bet - win - jackpot contribution - bonus cost - loyalty points - manual adjustments user balances.

8 Profit before taxation

	Q3 - Unaudited		9 months - Unaudited	
	2020	2019	2020	2019
	EUR	EUR	EUR	EUR
Profit before taxation is stated after the following items that are unusual because of their nature, size or incidence:				
Losses on exchange	980,996	89,697	1,534,732	300,003
Provision for bad debts	50,667	21,600	270,711	21,600

The company has identified the below as material due to the significance of its nature and/or amount and is listed separately here to provide a better understanding of the financial performance.

In Q3 the subsidiaries of the company experienced unusually high financial costs emanating from foreign exchange fluctuations and has subsequently implemented adequate mitigating measures.

Additionally, the company highlights that during the previous year ended 31 December 2019, the company had written off receivables of approximately EUR 369,870. No further movements were necessary as at 30 September 2020 following a review carried out in accordance with the company's accounting policies.

9 Income tax

	Q3 - Unaudited		9 months - Unaudited	
	2020	2019	2020	2019
	EUR	EUR	EUR	EUR
Current tax:				
Taxation at domestic income tax rates for group profits	62,094	44,948	214,400	114,423

Angler Gaming plc

Angler Gaming plc is tax resident in Malta and is subject to taxation at the rate of 35% based on company taxable profits, except for certain bank interest receivable which is taxed at 15%, withheld at source.

Notes to the condensed consolidated financial statements (continued)

Starpay Limited

Starpay Limited is tax resident in Cyprus and is subject to taxation at the rate of 12.5% based on company taxable profits.

Delta Services Limited

Delta Services Limited is tax resident in Malta and is subject to taxation at the rate of 35% based on company taxable profits, except for certain bank interest receivable which is taxed at 15%, withheld at source. No provision for Malta Income Tax has been made in its individual financial statements in view that there was no chargeable income.

Premiergaming Ltd

Premiergaming Ltd is tax resident in Malta and is subject to taxation at the rate of 35% based on company taxable profits, except for certain bank interest receivable which is taxed at 15%, withheld at source. No provision for Malta Income Tax has been made in its individual financial statements in view that there was no chargeable income.

Starfish Media N.V.

As from 1 July 2018, the Curaçao E-zone is limited to trade in goods (although repair and maintenance services can be provided within the E-zone under certain circumstances). Goods can enter the E-zone without being subject to import duties and turnover tax. Companies that no longer meet the requirements to remain in the E-zone (for services) may be able to apply for the new tax regime offering a profit tax exemption for income derived from foreign sources.

The company considers that it would be tax exempt starting 1 July 2018 and has prepared and filed a request for a ruling in this regard for the tax exempt status which is also valid for the financial year 2020; and is currently waiting for a confirmation/ruling number for the tax status. Once the request for a lower preliminary profit tax return is accepted by the Curaçao Tax Authorities, they will reply with a confirmation to file a NIL tax return.

On the basis that such confirmation had not yet been received by the date of approval of these financial statements, the company has calculated profit tax at 2% on the basis of reported profit.

This exemption applies under the profit tax legislation that is currently in effect for the financial year 2020. There have been further legislative amendments recently and for the year 2021 this is still in effect but has various elements and requirements that need to be considered and analyzed when determining if the company can make use of this tax facility to be tax exempt (0%) in the financial year 2020. Following the (recent) review of the OECD; Curaçao is now amending this tax system to comply with its commitment towards the EU.

Hipponut Ltd and DSL Sofia Ltd

Both companies were registered in October 2019 and were both inactive up to 31 December 2019. No tax provision has been made in the year 2019 in view that there was no chargeable income. As from 2020, a provision of 10% straight line on the profit is being made on a monthly basis.

Notes to the condensed consolidated financial statements (continued)

Starspay Limited

An application with the HM Revenue & Customs (UK) has been made in order to extend the first financial year to 31 December 2020. Hence, the first set of financial statements would cover the period 26 July 2019 to 31 December 2020. No tax provision has been made in view that there was no chargeable income.

Deferred tax

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the company's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

10 Earnings per share

The basic earnings per share for the Group has been calculated on the results attributable to shareholders as recognised in the consolidated statement of comprehensive income divided by the weighted average number of ordinary shares outstanding during the period. The weighted average number of ordinary shares outstanding during the nine-month period ended 30 September 2020 amounted to 74,984,995 (2019: 74,984,995).

There is no significant difference between the basic and diluted earnings per share.

11 Group subsidiaries information

The group financial statements consolidate the results and position of the following subsidiary undertakings which all have same year ends with that of the holding company:

	Country of Incorporation	Class of Shares held	Proportion ownership interest
At 30 September 2020 and 31 December 2019			
Starfish Media N.V. (Curaçao Co. Reg. No. 125528)	Curaçao	Ordinary	100%
Starspay Limited (Cyprus Co. Reg. No. 414154)	Cyprus	Ordinary	100%
Delta Services Limited (Malta Co. Reg. No. C69559)	Malta	Ordinary	100%
Premiergaming Ltd (Malta Co. Reg. No. C82415)	Malta	Ordinary	100%
Starspay Limited (UK Co. No. 12124994)	England	Ordinary	100%
Hipponut Ltd (Bulgaria Corp ID 205861442)	Bulgaria	Ordinary	100%
DSL Sofia Ltd (Bulgaria Corp ID 205859587)	Bulgaria	Ordinary	100%

Registered office information as regard the subsidiary undertakings:

- Starfish Media N.V.: Kaya Richard J. Beaujon z/n, Landhuis Joonchie II, Curaçao
- Starspay Limited: 62, Athalassas Avenue,, Mezzanine Floor, 2102, Strovolos, Nicosia, Cyprus
- Delta Services Limited and Premiergaming Ltd: Office 1 / 3327, Level G, Quantum House, 75 Abate Rigord Street, Ta' Xbiex, Malta – EU
- Starspay Limited: 71-75 Shelton Street, Covent Garden, London, England, WC2H 9JQ.
- Hipponut Ltd and DSL Sofia Ltd: Floor 3, Hristo Botev Blvd, Triaditsa Borough 28, 1000 Sofia, Bulgaria.

Notes to the condensed consolidated financial statements (continued)

12 Dividends

	Q3 - Unaudited		9 months - Unaudited	
	2020	2019	2020	2019
	EUR	EUR	EUR	EUR
Ordinary Shares				
Dividends provided for or paid during the nine months	-	-	5,248,950	3,374,325

The Board of Directors recommended the payment of a final gross ordinary dividend of EUR 5,248,950 (2018: EUR 3,374,325) to shareholders relative to the financial year ended 31 December 2019. During the interim period, this dividend was paid to the shareholders.

13 Intangible assets

Details of intangible assets and their carrying amount are as follows:

	Software EUR
At 31 December 2019	
Cost	2,101,533
Amortisation	(919,186)
Impairment losses	-
Net book amount	<u>1,182,347</u>
Nine months ended 30 September 2020	
Opening net book amount	1,182,347
Additions	1,717
Amortisation	-
Impairment losses	-
Closing net book amount	<u>1,184,064</u>
At 30 September 2020	
Cost	2,103,250
Amortisation	(919,186)
Impairment losses	-
Net book amount	<u>1,184,064</u>

Notes to the condensed consolidated financial statements (continued)

14 Property, plant and equipment

Details of property, plant and equipment, which mainly consist of computer technical equipment, server, switches and IT storage devices, and their carrying amount are as follows:

	Group EUR
At 31 December 2019	
Cost	174,400
Amortisation	(153,692)
Impairment losses	-
Net book amount	<u>20,708</u>
Nine months ended 30 September 2020	
Opening net book amount	20,708
Additions	-
Amortisation	(3,907)
Impairment losses	-
Closing net book amount	<u>16,801</u>
At 30 September 2020	
Cost	174,400
Amortisation	(157,599)
Impairment losses	-
Net book amount	<u>16,801</u>

Notes to the condensed consolidated financial statements (continued)

15 Share capital

	Number of Ordinary Shares	Total Shares EUR
Authorised Ordinary shares of EUR 0.01 each, as at 30 September 2020 and 31 December 2019	<u>84,498,570</u>	<u>844,986</u>
Issued and fully paid up Ordinary shares of EUR 0.01 each, as at 30 September 2020 and 31 December 2019	<u>74,984,995</u>	<u>749,849</u>

There were no movements in the issued capital of the Company in either the current or the prior interim reporting periods.

16 Share premium

	Number of Ordinary Shares	Share premium EUR
Share premium arising on Ordinary shares of EUR 0.01 each issued As at 30 September 2020 and 31 December 2019	<u>31,770,038</u>	<u>1,815,803</u>

17 Non-refundable shareholder contribution

	Q3 - Unaudited		9 months - Unaudited	
	2020 EUR	2019 EUR	2020 EUR	2019 EUR
Cash funding	-	-	-	-
Software	177,088	177,088	177,088	177,088
As at 30 September 2020 and 31 December 2019	<u>177,088</u>	<u>177,088</u>	<u>177,088</u>	<u>177,088</u>

Historically, the non-refundable financial contribution had no obligation for repayment, and arose through a shareholder cash contribution made by Betsson AB as the sole holder of shares in Angler Gaming plc in 2012, prior to Betsson AB's distribution of its shares in Angler Gaming plc to Betsson AB's shareholders in July 2012.

Notes to the condensed consolidated financial statements (continued)

18 Related party transactions

Company

Transactions between the parent company and the other entities (Note 11) during the period ended 30 September 2020 comprise mainly of loans advanced for working capital requirements.

	As at 30 September 2020 Unaudited EUR	As at 31 December 2019 Audited EUR
Intra-group amount due from Starfish N.V.	-	11,657,003
Intra-group amount due from/(to) Starpay Limited	7,449,181	(7,430,358)
Intra-group amount due from Delta Services Limited	-	35,354
Intra-group amount due from Premiargaming Ltd	-	803,858
Intra-group amount due from Hipponut Limited	4,516	-
Intra-group amount due from DSL Sofia Limited	3,776	-
Intra-group amount due (to) Starspay Limited	(1)	-
	7,457,472	5,065,857

Directors, Company Secretary, and other key management

The total compensation to those classified as key management, being those having authority and responsibility for planning, directing and controlling the activities of the Group, including the executive and non-executive directors and like officers is as follows:

	Q3 - Unaudited		9 months - Unaudited	
	2020	2019	2020	2019
	EUR	EUR	EUR	EUR
Directors' remuneration and other emoluments				
• to the directors of the parent company	79,945	26,660	133,698	86,126
• to the directors of the subsidiaries including for company management and administration services	78,797	72,910	180,364	148,953

The Group has not entered into material transactions with key management personnel which would warrant disclosure thereof for the purpose of understanding the Group's financial results or its financial position. Also, the Group has not entered into material transactions with entities in which the Group's key management personnel directly or indirectly have an interest or over which they have direct or indirect influence. Any such transactions would constitute normal operating transactions under normal market and commercial terms relating to provision of operational services by the Group and would not comprise financing transactions.

Notes to the condensed consolidated financial statements (continued)

19 Commitments

The parent company and other group entities is committed to carry out various actions within the framework of its planned development efforts. While it is not practicable to precisely quantify the potential liabilities under these various actions, the Group is satisfied that it has made reasonable provision in the financial statements for the likely outcomes of these actions where material. In the normal course of operations, the Group seeks to comply with all applicable laws and regulations but may be subject to regulatory actions and interventions across its markets, the outcome of which are generally difficult to predict. Though the outcome is uncertain, management believes such eventualities would not materially affect the financial position of the Group and no provision has been made in the financial statements.

20 Events after the Accounting Period End

Following the outbreak of the COVID-19 pandemic, the Group embarked upon an exercise which saw it implement a number of initiatives aimed at ensuring continuity of service and at the mitigation of a potential negative impact on business. Despite the challenges presented by the outbreak of this pandemic, the Group has managed to mitigate any significant impact on its operations and performance to date, taking cognisance of the Group's financial results for the nine-month period ended 30 September 2020. The Directors believe that there is no material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. The Directors continue to adopt the going concern assumption in the preparation of the Group's condensed consolidated interim financial statements.

There were no other particular important events or transactions affecting the company that have occurred since the end of the accounting period, which, though properly excluded from the financial statements, are of such importance that they should have been disclosed in the notes to the financial statements.

21 Ultimate controlling party

The Directors consider that the Group is jointly controlled by the directors by virtue of their ability to act in concert in respect of the operational and financial policies of the company and that there is no ultimate controlling party. No individual has an ultimate controlling interest.

22 Approval of condensed consolidated interim financial statements

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on 10 November 2020.

The condensed consolidated interim financial statements have been reviewed in accordance with the requirements of ISRE 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'.

ANGLER GAMING PLC

Interim Report for the Nine months 1 January to 30 September 2020

Independent Auditor's Report

To the Board of Directors of Angler Gaming plc

Report on review of condensed consolidated interim financial statements for the period ended 30 September 2020

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Angler Gaming plc (and subsidiaries) as of 30 September 2020, and the related condensed consolidated statements of comprehensive income for the nine-month period ended 30 September 2020 and cash flows for the nine-month period ended 30 September 2020, and the related notes (collectively referred to as the "condensed consolidated interim financial statements").

These financial statements are the responsibility of the Company's directors, who are responsible for the preparation and fair presentation of these condensed interim financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34 - Interim Financial Reporting). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of condensed consolidated interim financial statements consists of making inquiries, 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 International Standards on Auditing 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.

This report, including the conclusion, has been prepared for the Company and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34 - Interim Financial Reporting).



This copy of the review report has been signed by
Walter Rizzo (Partner) for and on behalf of
WALTER RIZZO & ASSOCIATES
Certified Public Accountants

30, Id-Dwejra,
Triq Il-Gejza,
Swieqi,
Malta – EU

Date: 10 November 2020

a) The maintenance and integrity of the Angler Gaming plc website is the responsibility of the Board of Directors of the Company; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the condensed consolidated interim financial information since this was initially presented on the website.

b) Legislation in Malta governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.