

AnglerGaming

Interim report for 3rd quarter 2022

1st July to 30th September 2022

Angler Gaming plc, reg. no. C55255, Malta

ANGLER GAMING PLC

Financial report for the period ended 30th of September 2022

Key Facts for the 3rd Quarter 2022 (1st July 2022 – 30th September 2022)

22,6% sequential quarterly revenue growth and positive EBIT of €740,675 in Q3

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

- Revenues decreased by 16.16% to €8,495,464 (€10,132,959)
- EBIT of €740,675 (€2,112,089)
- EBIT margin of 8.72% (20.84%)
- Customer deposits decreased by 23.94% to €16,690,028 (€21,941,853)
- 50,684 new registered customers (54,046), decrease of 6.22%.
- 13,562 new depositing customers (19,584), decrease of 30.75%.
- Earnings per share of €0.0038 (€0.0267).

- Premiergaming Ltd, the Group's subsidiary focusing on Northern Europe, represented 12.3% of the Group's revenues in Q3 2022.

Trading update Q4 2022

The trading update is an indication how the fourth quarter has started, it is not a revenue forecast for the quarter.

The average daily revenue for the first 39 days in Q4 2022 is 1% higher compared to the average daily revenue in Q3 2022. The revenue for the first 39 days in Q4 2022 is 2% lower compared to the first 39 days in Q4 2021.

Events during Q3

- During the quarter the Group continued to terminate non-profitable affiliate partnerships affecting the revenues in the quarter.
- In August, the Group's venture in the field of affiliate marketing for South American markets, where the Group owns 80% and the local party owns 20%, started to show increase in casino customer registrations. The depositing casino customers and revenues continue to grow although from low levels.

Events after the quarter

- The Group's affiliate venture building of the second product towards the acquisition of South American sportsbook customers is on track to be launch for the 2022 Soccer World Cup.
- The two B-to-B partnerships signed during H1 2022, as announced earlier, are now expected to be launched and start generating revenues in December Q4 2022 and mid Q1 2023 respectively.

Key Facts for 1st January 2022 – 30th September 2022

All figures are compared to the same period 2021 if not explicitly stated otherwise

- Revenues decreased by 31.09% to €23,283,328 (€33,785,632).
- EBIT of €505,121 (€7,814,514).
- EBIT margin of 2.17% (23.13%).
- Customer deposits decreased by 31.91% to €49,129,711 (€72,156,618).
- 17.81.% increase in new registered customers to 216,577 (183,830).
- 41,091 new depositing customers (67,379), decrease of 39.02%.
- Negative Earnings per share of -€0.0122 (€0.0963).

Key Performance Indicators (EUR)

	Q3 2022	Q3 2021	Jan-Sep 2022	Jan-Sep 2021
Customer Deposits	16 690 028	21 941 853	49 129 711	72 156 618
Active Customers	52 876	62 599	162 242	161 685
New Registered Customers	50 684	54 046	216 577	183 830
New Depositing Customers	13 562	19 584	41 091	67 379
Gross Game Win	9 792 927	12 268 384	27 384 827	40 885 234
Net Game Win	9 295 240	11 405 532	25 928 715	37 998 720
Hold	55.69%	51.98%	52.78%	52.66%

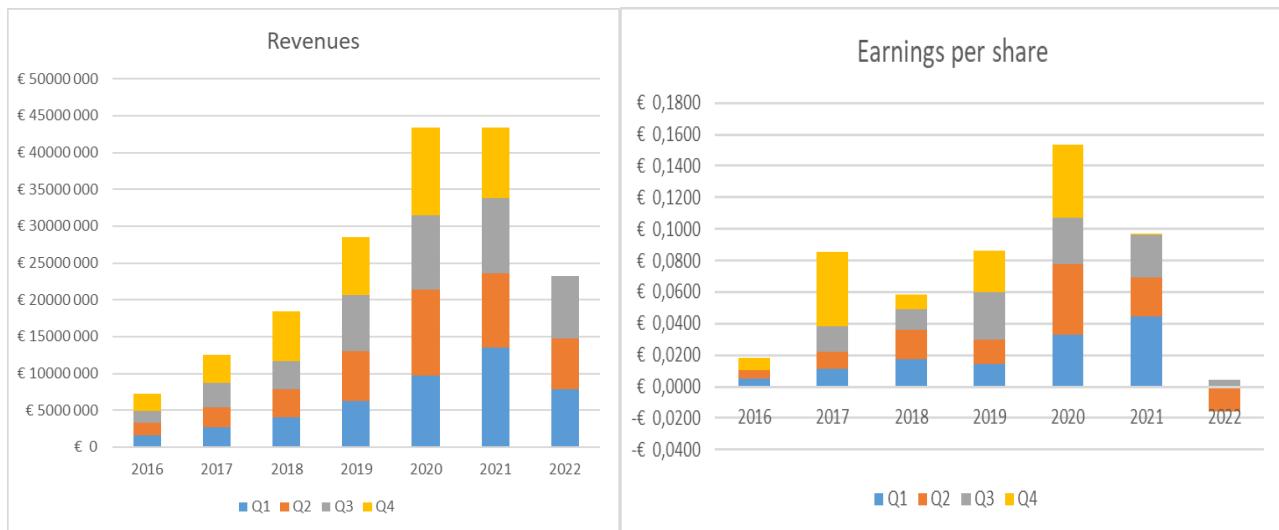
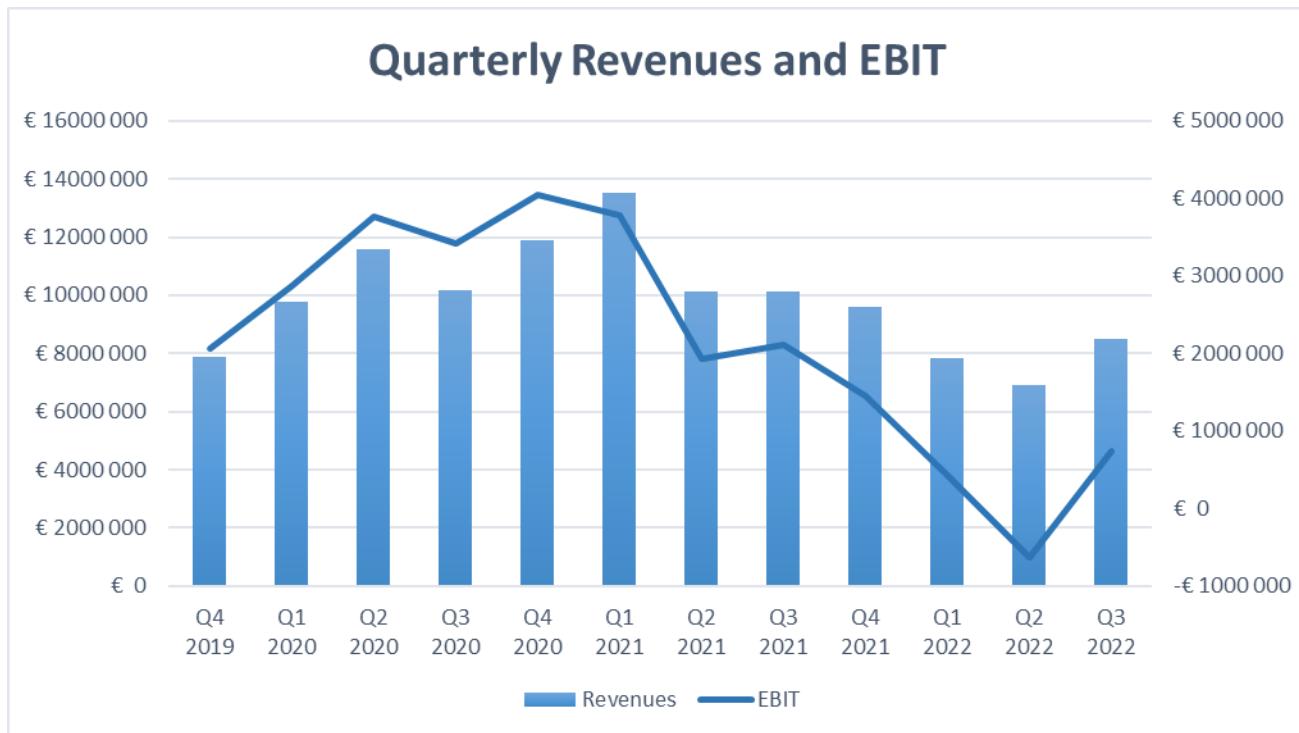
* Definition Active Customers: Customer that wagered at least one bet in the indicated period

** 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 Game Win / Customer Deposits



Comments from the CEO



**Thomas Kalita, CEO
Angler Gaming plc**

So far Q3 was the best quarter in 2022 in terms of revenues and net profit. Compared to Q2 2022, in Q3 2022 the revenues improved 22.6% and the EBIT improved by €1,367,337. Although this is a step forward, the Group continues focusing on increasing growth and improving the profit margin.

Activities with the aim to increase revenues:

- Improving the Groups competitiveness through innovation. The Group is focusing on offering state of the art concepts and products in its latest B-to-B co-operations and implemented in the Group's propriety owned I-gaming platform.
- Adapting the I-gaming platform to further geographical areas.
- Continuously implementing enhanced CRM-functions in the I-gaming platform, both in-house functions and through third parties.
- Improving the product offering, mainly in Casino and Sportsbook, by implementing strong existing and upcoming innovative game suppliers.
- Strong focus on maintaining and getting the best people on-board.
- Further investments in Responsible Gaming and AML training, procedures and routines.

Activities towards further cost control:

- Multiple activities to lower Cost of Sales as a percentage of the revenues.
- Ongoing terminating non-profitable affiliate partnership.

As PremierGaming Ltd continues to be discriminated against in Sweden by being denied access to SWISH, despite being a licensed operator in Sweden and paying Swedish gaming taxes, a decision has been taken to lower marketing investment in Sweden.

Consolidated Income Statement Euro

30 September 2022 ¹	Q3 Group	Q3 Group	Full year Group	Group	Group	Q3 Angler Gaming PLC	Q3 Angler Gaming PLC
	Jul - Sep	Jul - Sep	Jan - Dec	Jan - Sep	Jan - Sep	2022	2021
	2022	2021	2021	2022	2021	€	€
Revenue	8 495 464	10 132 959	43 404 095	23 283 328	33 785 632		
Cost of services sold	(6 384 332)	(6 524 594)	(27 409 315)	(17 904 681)	(21 662 822)		
Gross profit / (loss)	2 111 132	3 608 365	15 994 780	5 378 647	12 122 810	-	-
Marketing expenses	(160 248)	(249 729)	(1 613 801)	(1 052 578)	(980 806)	(20 980)	(31 615)
Personnel expenses	(588 288)	(579 208)	(1 815 734)	(1 831 227)	(1 681 114)	(71 524)	(74 154)
Other external expenses	(619 202)	(664 082)	(3 515 824)	(1 980 910)	(1 639 895)	(16 374)	(30 381)
Capitalised development costs	-	-	-	-	-	-	-
Depreciation, amortization	(2 719)	(1 302)	(7 612)	(8 811)	(3 906)	(24)	(24)
Other operating income/expenses	-	(1 955)	-	-	(2 575)	9 900	7 945
Operating expenses	(1 370 457)	(1 496 276)	(6 952 971)	(4 873 526)	(4 308 296)	(99 002)	(128 229)
Operating profit / (loss)	740 675	2 112 089	9 041 809	505 121	7 814 514	(99 002)	(128 229)
Financial income / (expenses)	(455 810)	(83 816)	(595 820)	(1 420 829)	(539 901)	(1 006)	(1 238)
Income / (Loss) before tax	284 865	2 028 273	8 445 989	(915 708)	7 274 613	(100 008)	(129 467)
Extraordinary events	-	-	(1 197 232)	-	-	-	-
Total Income / (Loss) before tax	284 865	2 028 273	7 248 757	(915 708)	7 274 613	(100 008)	(129 467)
Tax	(2 292)	(23 627)	(58 811)	738	(51 334)	-	-
Net income / (loss) for the period	282 573	2 004 646	7 189 946	(914 970)	7 223 279	(100 008)	(129 467)
No of shares	74 984 995	74 984 995	74 984 995	74 984 995	74 984 995		
Basic and dilute earnings per share	0,0038	0,0267	0,0959	(0,0122)	0,0963		

*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 2022

**Consolidated Statement of Financial Position
for the period ended 30 September 2022**

	Group Period end September 2022	Group Period end September 2021	Angler Gaming plc Period end September 2022	Angler Gaming plc Period end September 2021
	Euro	Euro	Euro	Euro
Assets				
Non-current assets				
Investment in subsidiaries	-	-	101 999	101 998
Intangible assets	1 217 583	1 186 871	-	-
Property, plant and equipment	31 536	11 593	25	124
Total non-current assets	<u>1 249 119</u>	<u>1 198 464</u>	<u>102 024</u>	<u>102 122</u>
Current assets				
Trade and other receivables	10 377 889	13 645 354	4 915 041	10 694 308
Cash and cash equivalents	1 000 656	3 310 328	2 810	9 573
Total current assets	<u>11 378 545</u>	<u>16 955 682</u>	<u>4 917 851</u>	<u>10 703 881</u>
Total assets	<u>12 627 664</u>	<u>18 154 146</u>	<u>5 019 875</u>	<u>10 806 003</u>
Equity and Liabilities				
Capital and reserves				
Paid up capital	749 849	749 849	749 849	749 849
Non-refundable shareholder contribution	177 088	177 088	177 089	177 089
Minority Interest	240			
Premium Capital	1 815 803	1 815 803	1 815 802	1 815 802
Retained Earnings	4 643 473	11 965 502	1 287 508	8 061 456
	<u>7 386 453</u>	<u>14 708 242</u>	<u>4 030 248</u>	<u>10 804 196</u>
Creditors : amounts falling due within one year				
Trade and other payables	4 837 588	3 037 332	989 627	1 807
Taxation payable	403 623	408 572	-	-
Total Liabilities	<u>5 241 211</u>	<u>3 445 904</u>	<u>989 627</u>	<u>1 807</u>
Total equity and Liabilities	<u>12 627 664</u>	<u>18 154 146</u>	<u>5 019 875</u>	<u>10 806 003</u>

Angler Gaming plc
Cashflow report for the period ended 30 September 2022

**Consolidated Statements of Cashflow Position
for the period ended 30 September 2022**

	Group Year end September 2022	Group Year end September 2021	Company Year end September 2022	Company Year end September 2021
	Euro	Euro	Euro	Euro
Cash flow from operating activities				
Profit / (Loss) before taxation	(915 708)	7 274 613	(6 667 542)	3 173 511
Reconciliation to cash generated from operations:				
Depreciation	8 811	3 906	75	72
Minority Interest				
Taxation	(11 697)	(124 091)	-	-
Operating profit before working capital changes:	(918 594)	7 154 428	(6 667 467)	3 173 583
Movement in trade receivables	2 561 775	(1 844 325)	-	-
Movement in other debtors	(752 746)	(1 997 275)	5 641 531	(3 201 699)
Movement in trade payables	(339 619)	(385 019)	3 255	(590)
Movement in other creditors	189 935	(201 943)	1 000 000	(13 777)
Net cash used in operating activities	740 751	2 725 866	(22 681)	(42 483)
Cash flow from investing activities				
Cash issued by shareholders	-	-	-	-
Intangible fixed assets	(8 392)	(2 567)	-	-
Tangible fixed assets	(17 676)	-	-	-
Investment in subsidiaries	-	-	-	-
Net cash generated from/used in investing activities	(26 068)	(2 567)	-	-
Cash flows from financing activities				
Dividends proposed and paid	(6 373 725)	(8 998 199)	-	-
Short term loans	1 000 000	-	-	-
Intra-group finance	-	-	-	-
Net cash generated from financing activities	(5 373 725)	(8 998 199)	-	-
Net movement in cash and cash equivalents in the year				
Cash and cash equivalents at beginning of the year	5 659 698	9 585 228	25 490	52 056
Cash and cash equivalents at end of year	1 000 656	3 310 328	2 810	9 573

Other Information

This Q3 2022 Report is accompanied by Condensed Consolidated Interim Financial Statements for the 9 months period ended 30 September 2022, published in terms of the Swedish Corporate Governance Code and the rules of Next Segment of Spotlight Stock Market. 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'.

Q4 and the full year report 2022 will be published on the 16th of February 2023.

Malta, 10th of November 2022

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 2022

Company Registration Number: C55255

ANGLER GAMING PLC

Interim Report for the Nine months 1 January to 30 September 2022

Contents

	Page
Condensed Consolidated Statement of Comprehensive Income	1
Condensed Consolidated Statement of Financial Position	2
Condensed Consolidated Statement of Changes in Equity	3
Condensed Consolidated Statement of Cash Flows	4
Notes to the Condensed Consolidated Interim Financial Statements	5-20
Report on Review of Interim Financial Information	21

ANGLER GAMING PLC

Interim Report for the Nine months 1 January to 30 September 2022

**Condensed Consolidated Statement of Comprehensive Income
for the period ended 30 September 2022**

Note	Q3 - Unaudited		9 months - Unaudited	
	2022 EUR	2021 EUR	2022 EUR	2021 EUR
Revenue	7	8,495,464	10,132,959	23,283,328
Direct costs		(6,384,332)	(6,524,594)	(17,904,681)
Gross profit		2,111,132	3,608,365	5,378,647
Marketing expenses		(160,248)	(249,729)	(1,052,578)
Personnel expenses		(588,288)	(579,208)	(1,831,227)
Other external expenses		(619,202)	(664,082)	(1,980,910)
Depreciation and amortisation		(2,719)	(1,302)	(8,811)
Other operating expenses		-	(1,955)	-
Operating expenses		(1,370,457)	(1,496,276)	(4,873,526)
Operating profit		740,675	2,112,089	505,121
Finance expenses		(455,810)	(83,816)	(1,420,829)
Profit/(loss) before taxation		284,865	2,028,273	(915,708)
Taxation (charge)/credit	8	(2,292)	(23,627)	738
Profit/(loss) and total comprehensive income for the financial period		282,573	2,004,646	(914,970)
Basic earnings per share based on net results for the period	9	0.0038	0.0267	(0.0122)
				0.0963

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 2022

**Consolidated Statement of Financial Position
at 30 September 2022**

		As at 30 September 2022 Unaudited	As at 31 December 2021 Audited
	Note	EUR	EUR
Assets			
Non-current assets			
Intangible assets	12	1,217,583	1,216,051
Property, plant and equipment	13	31,536	15,811
Total non-current assets		1,249,119	1,231,862
Current assets			
Trade and other receivables		10,377,889	12,175,445
Cash and cash equivalents		1,000,656	5,659,698
Total current assets		11,378,545	17,835,143
Total assets		12,627,664	19,067,005
Equity and liabilities			
Capital and reserves			
Paid up capital	14	749,849	749,849
Share premium	15	1,815,803	1,815,803
Non-refundable shareholder contribution	16	177,088	177,088
Retained earnings		4,643,473	11,932,168
		7,386,213	14,674,908
Current liabilities			
Trade and other payables		3,837,828	3,966,109
Borrowings	17	1,000,000	-
Taxation		403,623	425,988
Total liabilities		5,241,451	4,392,097
Total equity and liabilities		12,627,664	19,067,005

The condensed interim financial statements on pages 1 to 20 were approved and signed by the Directors on
9 November 2022:



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.

ANGLER GAMING PLC

Interim Report for the Nine months 1 January to 30 September 2022

**Consolidated Statement of changes in equity
for the period ended 30 September 2022**

Unaudited	Share capital EUR	Retained earnings EUR	Non-refundable shareholder contribution EUR	Share premium EUR	Group Total EUR
Balance at 1 January 2021	749,849	13,740,421	177,088	1,815,803	16,483,161
Profit and total comprehensive income for the financial period	-	7,223,279	-	-	7,223,279
Dividend paid on equity shares	-	(8,998,199)	-	-	(8,998,199)
Balance at 30 September 2021	749,849	11,965,501	177,088	1,815,803	14,708,241
Balance at 1 January 2022	749,849	11,932,168	177,088	1,815,803	14,674,908
Loss and total comprehensive income for the financial period	-	(914,970)	-	-	(914,970)
Dividend paid on equity shares	-	(6,373,725)	-	-	(6,373,725)
Balance at 30 September 2022	749,849	4,643,473	177,088	1,815,803	7,386,213

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 2022

	9 months - Unaudited	
	2022	2021
	EUR	EUR
Cash flows from operating activities		
(Loss)/Profit before taxation	(915,708)	7,274,613
Reconciliation to cash generated from operations:		
Depreciation and amortisation	8,811	3,906
Taxation (charge)/credit	(11,697)	(124,091)
Operating (loss)/profit before working capital changes	(918,594)	7,154,428
Movement in trade receivables	2,561,775	(1,844,325)
Movement in other debtors	(752,746)	(1,997,275)
Movement in trade payables	(339,619)	(385,019)
Movement in other creditors	189,935	(201,978)
Net cash generated from operating activities	740,751	2,725,831
Cash flows from investing activities		
Intangible fixed assets	(8,392)	(2,567)
Tangible fixed assets	(17,676)	-
Net cash absorbed by investing activities	(26,068)	(2,567)
Cash flows from financing activities		
Dividend proposed and paid	(6,373,725)	(8,998,199)
Borrowings received	1,000,000	-
Net cash generated from financing activities	(5,373,725)	(8,998,199)
Net movement in cash and cash equivalents in the period	(4,659,042)	(6,274,935)
Cash and cash equivalents at beginning of period	5,659,698	9,585,263
Cash and cash equivalents at end of period	1,000,656	3,310,328

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 ("Spotlight") (stock symbol: ANGL). In November 2019 the Company was 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%
Premiergaming (IOM) Limited	100%
Delta Services Limited	100%
DSL Sofia Ltd	100%
Hipponut Ltd	100%
Fiebre Ltd	80%

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 interim financial statements have been extracted from the Group's unaudited accounts for the nine months ended 30 September 2022 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 2021 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 2021, 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 of Directors 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

The preparation of consolidated financial statements in accordance with IFRS often requires management to make estimates about, and apply assumptions or subjective judgment to, future events and other matters that affect the reported amounts of the Company's assets, liabilities, revenues, expenses and related disclosures. Assumptions, estimates and judgments are based on historical experience, expectations, current trends and other factors that management believes to be relevant at the time at which the Company's consolidated financial statements are prepared. Management reviews, on a regular basis, the Company's accounting policies, assumptions, estimates and judgments in order to ensure the consolidated financial statements are presented fairly and in accordance with IFRS.

Critical accounting estimates and judgments are those that have a significant risk of causing material adjustment and are often applied to matters or outcomes that are inherently uncertain and subject to change. As such, management cautions that future events often vary from forecasts and expectations and that estimates routinely require adjustment.

Management considers the following areas to be those where critical accounting policies affect the significant judgments and estimates used in the preparation of the Company's consolidated financial statements.

Notes to the condensed consolidated financial statements (continued)**5 Critical accounting estimates and judgments (continued)****Critical judgments in applying the Company's accounting policies***(i) Estimation of current tax expenses and payable*

The company is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Board of Directors' assessment relating to the tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

(ii) Impairment of intangible assets

The Company follows the guidance of IAS 36 to determine when impairment indicators exist for its intangible assets. When impairment indicators exist, the Company is required to make a formal estimate of the recoverable amount of its intangible assets. This determination requires significant judgment. In making this judgment, management evaluates external and internal factors, such as significant adverse changes in the technological, market, economic or legal environment in which the Company operates as well as the results of its ongoing development programs. Management also considers the carrying amount of the Company's net assets in relation to its market capitalization as a key indicator. In making a judgment as to whether impairment indicators exist as at year end, management concluded there were none.

(iii) Calculation of allowance for doubtful accounts

The Company reviews receivables periodically and, accordingly, adjusts the allowance for doubtful accounts monthly. The Company records write-offs annually. The amount charged to costs and expenses reflects the bad debt expense recorded in the consolidated statements of income, while the amount recorded for deductions reflects the adjustment to actual allowance for doubtful accounts reserve at the end of the period.

The Company calculates the allowance for doubtful accounts by applying a percentage, estimated by the Board of Directors based on historical aging experience, current economic conditions and Directors' expectations of future economic conditions, to the accounts receivable balance.

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	
	2022	2021	2022	2021
	EUR	EUR	EUR	EUR
Casino revenue	8,459,165	9,839,228	23,216,050	33,148,295
Marketing and SEO revenue	36,299	293,731	67,278	637,337
	8,495,464	10,132,959	23,283,328	33,785,632

Casino revenue is defined as Bet - win - jackpot contribution - bonus cost - loyalty points - manual adjustments user balances. Jackpots, other than progressive jackpots, are recognized at the time they are won by customers. Progressive jackpot provisions are recognized and accrued for as the obligation becomes unavoidable.

The Group has been in operation for a limited number of years and its service offerings are in their majority still in an early growth stage. The Group's performance is highly dependent on the performance of one of its main investments, a fully owned subsidiary licensed by a sub-licence from Curaçao eGaming, a company registered in Curaçao holder of Master Gaming License #1668/JAZ. A substantial part of revenues are generated from this particular provider of services within the iGaming industry.

In addition, the Directors also consider the following factors as being relevant to the performance that the Company and its controlled entities register:

- Compliance and regulatory risk, being the risk relating to regulation that could result in restrictions in its customers' operations and risks associated with unregulated markets;
- Credit risk, being the risk that customers do not pay for the services rendered;
- Impairment risk of intangible assets, being the risk that long term assets such as intangibles are particularly at risk of impairment due to the fact that the carrying value may be impacted by several unwarranted events and economic circumstances. Intangible assets having an indefinite life are tested for impairment on an annual basis to ensure the Company's total asset value is not over stated on the balance sheet after taking into consideration events and economic circumstances that occur between annual impairment tests in order to determine if it is 'more likely than not' that the market value of the indefinite useful life tangible asset has dropped below its carrying value;
- Technological and systems development; and
- Dependence on key individuals and/or suppliers having technical expertise of iGaming software development and its associated technology.

The aforementioned are not an exhaustive list of potential vulnerabilities faced by the Company and its controlled entities. If any of the risks occur, the Group's business operations, financial condition and operating results may be adversely affected.

Notes to the condensed consolidated financial statements (continued)**8 Taxation**

The interim period total tax (charged)/credited to profit or loss is based on the corporate tax rates applicable in the various countries in which the Companies forming part of Angler Gaming plc group are established.

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.

A summary of the main features that comprise taxation, is presented below:

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.

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.

Fiebre Ltd

An application with the Inland Revenue of Malta has been made in order to extend the first financial year to 31 December 2022. Hence, the first set of financial statements would cover the period 9 August 2021 to 31 December 2022. No tax provision has been made in view that there was no chargeable income.

Stipay Limited

Stipay Limited is tax resident in Cyprus and is subject to taxation at the rate of 12.5% based on company taxable profits. No provision for Cyprus standard rate corporation tax has been made in its individual financial statements in view that there was no chargeable income.

Starsipay Limited

Starsipay Limited is tax resident in UK and is subject to taxation at the rate of 19% based on company taxable profits. No provision for UK standard rate corporation tax has been made in its individual financial statements in view that there was no chargeable income.

Notes to the condensed consolidated financial statements (continued)**8 Taxation (continued)*****Hipponut Ltd and DSL Sofia Ltd***

Hipponut Ltd and DSL Sofia Ltd make a provision of 10% based on company taxable profits on a monthly basis.

Starfish Media N.V.

The provisions for Curaçao taxation that had been previously made are being halted on the basis of tax advice from Curaçao that has been received in 2021. The tax advice states that as from 1 January 2020, the profit tax system of Curaçao has changed from a worldwide system to a territorial system. This entails that only the profit generated by domestic activities is subject to Curaçao profit tax. In accordance with the Guidelines that were recently published by the Government, the profit of the company is regarded as domestic profit, unless it can be proven which part of the profit is generated with foreign activities. Taking into account the Guidelines and considering that the company does not incur any local 'causal' costs, the profit of the company should be regarded as foreign profit for Curaçao profit tax purposes. Consequently, the profit for the financial year 2020, and subsequent, should in principle not be subject to Curaçao profit tax.

9 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 2022 amounted to 74,984,995 (2021: 74,984,995).

No figure for diluted earnings per share has been presented as the group has not issued any convertible instruments that may be converted, options or warrants that may be exercised or any ordinary shares that may be issued under certain conditions, which would have an impact on earnings per share when exercised.

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of approval of these condensed interim financial statements.

Notes to the condensed consolidated financial statements (continued)**10 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 2022 and 31 December 2021			
Starfish Media N.V. (Curaçao Co. Reg. No. 125528)	Curaçao	Ordinary	100%
StarPay Limited (Cyprus Co. Reg. No. HE414154)	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%
Additions in 2021			
Premiergaming (IOM) Limited (IOM Co. Reg. No 018701V)	Isle of Man	Ordinary	100%
Fiebre Ltd (Malta Co. Reg. No. C99792)	Malta	Ordinary	80%

Registered office information as regard the subsidiary undertakings:

- Starfish Media N.V.:

Kaya Richard J. Beaujon z/n, Landhuis Joonchie II, Curaçao.
- StarPay Limited:

Athalassas, 62, MEZZANINE, 2012, Leykosis, Kypros.
- Delta Services Limited and Premiergaming Ltd:

Office 1 / 3327, Level G, Quantum House, 75 Abate Rigord Street, Ta' Xbiex, Malta.
- 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.
- Premiergaming (IOM) Limited:

PO Box 227, Clinch's House, Lord Street, Douglas, Isle of Man, IM99 1RZ.
- Fiebre Ltd:

Level G, Office 1/0527, Quantum House, 75, Abate Rigord Street, Ta' Xbiex, Malta.

Notes to the condensed consolidated financial statements (continued)**11 Dividends**

	Q3 - Unaudited		9 months - Unaudited	
	2022	2021	2022	2021
	EUR	EUR	EUR	EUR
Ordinary Shares				
Dividends provided for or paid during the nine months	-	-	6,373,725	8,998,199

The Board of Directors recommended the payment of a final gross ordinary dividend of EUR 6,373,725 (2021: EUR 8,998,199) to shareholders relative to the financial year ended 31 December 2021. During the interim period, this dividend was paid to the shareholders.

12 Intangible assets

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

	Software
	EUR
At 31 December 2021	
Cost	2,135,849
Amortisation	(919,798)
Impairment losses	-
Net book amount	<u>1,216,051</u>
Nine months ended 30 September 2022	
Opening net book amount	1,216,051
Additions	8,392
Amortisation	(6,860)
Impairment losses	-
Closing net book amount	<u>1,217,583</u>
At 30 September 2022	
Cost	2,144,241
Amortisation	(926,658)
Impairment losses	-
Net book amount	<u>1,217,583</u>

Notes to the condensed consolidated financial statements (continued)**13 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 2021	
Cost	182,323
Depreciation	(166,512)
Impairment losses	-
Net book amount	<u>15,811</u>
Nine months ended 30 September 2022	
Opening net book amount	15,811
Additions	17,676
Depreciation	(1,951)
Impairment losses	-
Closing net book amount	<u>31,536</u>
At 30 September 2022	
Cost	199,999
Depreciation	(168,463)
Impairment losses	-
Net book amount	<u>31,536</u>

ANGLER GAMING PLC

Interim Report for the Nine months 1 January to 30 September 2022

Notes to the condensed consolidated financial statements (continued)

14 Share capital

	Number of Ordinary Shares	Total Shares EUR
Authorised Ordinary shares of EUR 0.01 each, as at 30 September 2022 and 31 December 2021	84,498,570	844,986
Issued and fully paid up Ordinary shares of EUR 0.01 each, as at 30 September 2022 and 31 December 2021	74,984,995	749,849

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

15 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 2022 and 31 December 2021	31,770,038	1,815,803

16 Non-refundable shareholder contribution

	Q3 - Unaudited		9 months - Unaudited	
	2022 EUR	2021 EUR	2022 EUR	2021 EUR
Cash funding	-	-	-	-
Software	177,088	177,088	177,088	177,088
As at 30 September 2022 and 31 December 2021	177,088	177,088	177,088	177,088

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)**17 Borrowings**

Unsecured short-term loan facility which is fully repayable by the end of 2022, that has been provided by a company controlled by Thomas Kalita (Chief Executive Officer & Director), in order to ease current cashflow pressure. In the event that the loan is not fully repaid by the above-mentioned maturity date, in addition to annual interest of 3%, a monthly penalty of 1/12 of 5% of the outstanding amount of the loan shall apply.

18 Related party transactions

Transactions between the parent company and the other entities (Note 10) during the period ended 30 September 2022 comprise mainly of loans advanced for working capital requirements.

	As at 30 September 2022 Unaudited EUR	As at 31 December 2021 Audited EUR
Intra-group amount due from:		
Starfish N.V.	33,950	-
Starpay Limited	4,615,763	10,333,548
Delta Services Limited	21,240	-
Premiergaming Ltd	21,240	-
Hipponut Limited	4,516	4,516
DSL Sofia Limited	3,776	3,776
	4,700,485	10,341,840

Transactions with related parties are subject to review by the Board of Directors in terms of the Companies Act,1995 (CAP 386 of the Laws of Malta) and the rules associated with a listing on Spotlight Stock Market, ensuring that such transactions are carried out on an arm's length basis and are for the benefit of the Angler Gaming plc Group.

Transactions between the Company and its subsidiaries have been eliminated on consolidation.

Unless separately disclosed in the condensed consolidated financial statements, transactions with other related parties during the interim period were not significant and outstanding balances are disclosed within trade and other receivables and trade and other payables.

Notes to the condensed consolidated financial statements (continued)**19 Commitments and contingencies**

- 1) The subsidiary company, Fiebre Ltd, that operates in the field of affiliate marketing for South American markets has a total investment through which it is committed to future cash outflows in the project of EUR 300,000. Amounts spent up to the end of the financial period under review were approximately EUR 100,000, leaving approximately EUR 200,000, which are not provided for in these financial statements.
- 2) It was considered improbable in the financial period under review that there would be an outflow of economic resources relating to the contingent liabilities based on the obligation to pay the jackpots (or a portion thereof as applicable) on games belonging to Group subsidiaries. An outflow of resources was not deemed sufficiently probable as of the balance sheet date to justify the recognition of a provision and not included in the consolidated balance sheet. Since the contingent liability from these operational circumstances could not be reliably quantified as of the balance sheet date, this matter was not considered in the condensed consolidated interim financial statements.
- 3) 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, the Board of Directors believes such eventualities would not materially affect the financial position of the Group and no provision has been made in these financial statements.

20 Events after the Accounting Period End

There were no 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.

Notes to the condensed consolidated financial statements (continued)**21 Significant Risks and Uncertainties**

The Company's main objective is to invest, and to hold shares, in related undertakings and to own manage and administer property of any kind belonging to it. All investments made to date operate and provide related services in the iGaming industry. The Company does not conduct any online gambling operations; however, it is dependent on the online gambling industry. The entire revenue stream of the Company and its controlled entities is concentrated within the iGaming sector and is subject to this concentration risk and performance risk of this sector.

For internet-based betting operations, there is uncertainty as to which country's law ought to be applied, because internet operations can be linked to several jurisdictions. Legislation concerning interned betting is under scrutiny in many jurisdictions. Certain EU countries have regulated their market by means of country specific licenses whilst discussions are in progress on the liberalisation of a number of other markets in Europe.

The Company monitors the legal situation in various jurisdictions, and if the regulatory situation in any of its key markets were to materially change, the Company's subsidiaries if feasible would obtain the required licenses or take other appropriate actions to be in a position to continue operation in that jurisdiction. Outside the EU area there are geographies with unclear gambling laws which over time may affect the Group's revenue, earnings and expansion opportunities, depending on what legal regulatory changes may take place and their implications.

The evolving environment and consequences for the online gaming market are uncertain and make compliance a complex area with the risk of non-compliance ever present. The Company's assessment is that regulations and the introduction of legislation, both within and outside the EU, or changes in national legislation regarding *inter alia*, stakes, marketing, restrictions regarding online gaming or taxes etc., in jurisdictions in which the Group's services could be made available could result in a material adverse impact on the Group's operations, financial position and earnings. Violations of existing legislation could lead to significant fines and/or tax exposures that have not duly been provided for in the financial statements.

The legal and technical solutions, as well as restraints on marketing, that the Company and its controlled entities may apply in order to limit users' access in certain jurisdictions may prove to be insufficient and pose both a risk and an opportunity to the Company and its controlled entities.

Notes to the condensed consolidated financial statements (continued)

22 Comparative figures

Certain amounts have been re-classified to conform with the current period's presentation.

23 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 in the Company.

24 Approval of condensed consolidated interim financial statements

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on 9 November 2022.

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 2022

Report on review of condensed consolidated interim financial statements for the period ended 30 September 2022

To the Board of Directors of Angler Gaming plc

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Angler Gaming plc (and subsidiaries) as of 30 September 2022, and the related condensed consolidated statements of comprehensive income for the nine-months period ended 30 September 2022 and cash flows for the nine-months period ended 30 September 2022, 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
For and on behalf of
MGI Malta
Certified Public Accountants

Date: 9 November 2022

- 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.