

ANGLER | GAMING

Interim report for 3rd quarter 2018

1st July to 30th September 2018

Angler Gaming PLC, reg. no. C55255, Malta

ANGLER GAMING PLC

Financial report for the period ended 30th September 2018

Key Facts for Quarter 3 2018 (1st July 2018 – 30th September 2018)

Q3 2018 all-time high in customer deposits

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

- Revenues increased by 13.28% to € 3,776,644 (€3,333,875)
- EBIT €1,051,254 (€1,289,010)
- EBIT margin of 27.84% (38.66%)
- All-time high in customer deposits with an increase of 23.66% to €6,981,253 (€5,645,473)
- 26,550 new registered customers (24,251), increase of 9.48%
- Earnings per share of €0.0136 (€0.0168)

- In October 2018, the average daily net gaming revenue was 62% higher than the average daily net gaming revenue during Q3 2018. The growth is due to a successful launch of ProntoCasino.com and PremierLiveCasino.com towards Northern Europe in the fully owned subsidiary PremierGaming Ltd. Without these two brands the daily net gaming average increased 1%. For further information see the CEO comments.

Key Facts for 2018 (1st January 2018 – 30th September 2018)

All-time high in revenues and net profit

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

- Revenues increased by 32.72% to € 11,642,282 (€8,771,817)
- EBIT increased by 27.43% to €3,798,867 (€2,981,143)
- EBIT Margin of 32.63% (33.99%)
- Customer deposits increased by 39.37% to €20,689,339 (€14,845,229)
- 32.66% increase in newly registered customers 91,189 (68,741)
- Earnings per share of €0.0492 (€0.0385)

Events in Q3 2018

- PremierLiveCasino.com was soft launched at the end of Q3, a PayNPlay for live casino players.
- The following suppliers were added for PremierGaming Ltd; NetEnt, QuickSpin, PushGaming, Yggdrasil, PlayNGo and NoLimitCity.

Events after the reporting period

- ProntoCasino.com and PremierLiveCasino, PayNPlay Casinos towards Northern Europe, successfully launched on the 1st October in the fully owned subsidiary PremierGaming Ltd.
- PremierGaming Ltd is applying for a Swedish online gaming license (Casino, LiveCasino, Odds and Bingo).
- Mr Marvin Abela has been appointed CEO for PremierGaming Ltd. Marvin has extensive experience within the Group and from different roles in the industry.

Key Performance Indicators (EUR)

	Q3 2018	Q3 2017	Jan-Sep 2018	Jan-Sep 2017
Customer Deposits	€6,981,253	€5,645,473	€20,689,339	€14,845,229
Active Customers	19,898	13,497	46,535	29,974
New Registered Customers	26,550	24,251	91,189	68,741
Gross Game Win	€4,527,396	€3,776,424	€13,542,411	€9,955,664
Net Game win	€4,236,729	€3,649,571	€12,793,602	€9,626,276
Hold	45.2%	41%	43.5%	41%

* Definition Net Profit Margin = Net Profit / Revenue

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

***** Definition Hold: Customer Withdrawals / Customer Deposits

Comments from the CEO



Thomas Kalita CEO Angler Gaming plc

It has been a very intense, fun and exciting start to my new role as CEO for Angler Gaming. I am impressed about all the talent and dedication throughout the group and with all these excellent co-workers the future is really in our hands.

Q3 was a stable quarter. It started a bit slow due to the soccer World Cup games. During the soccer games we noticed a slower activity in our casino offerings which is by far our main vertical. August and September were back on track and totally in the quarter the underlying activity was high which we can see in active customers and new customers. Customer deposits reached an ATH although revenues and profit suffered from higher customer winnings, but also higher Cost of Sales which were driven up by increased supplier fees. Daily net gaming revenue excluding PremierGaming Ltd grew one percent in October 2018 compared to the daily average in Q3 2018. Due to this we have initiated growth focused and cost saving activities. We have also started a project to update the company web page and we will change it completely before the end of Q4.

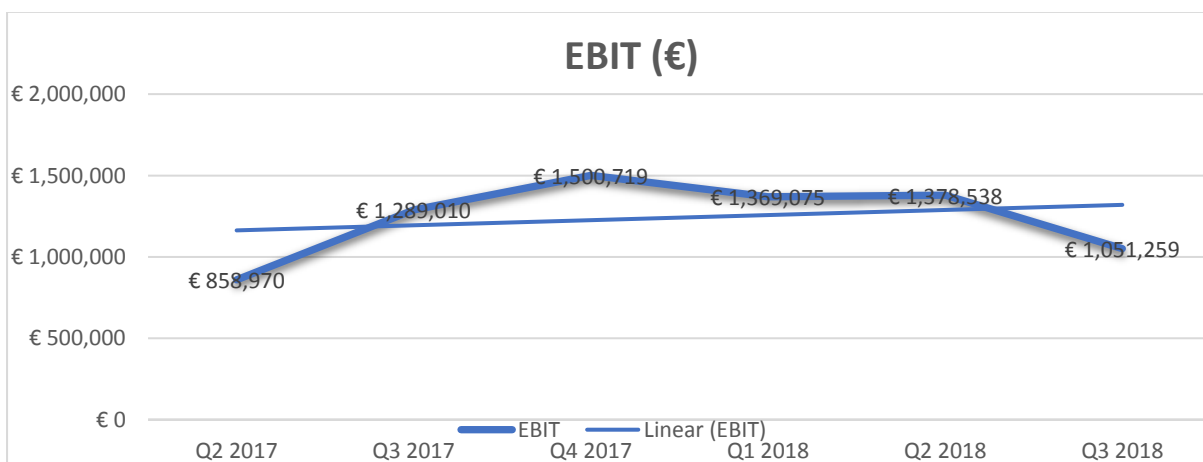
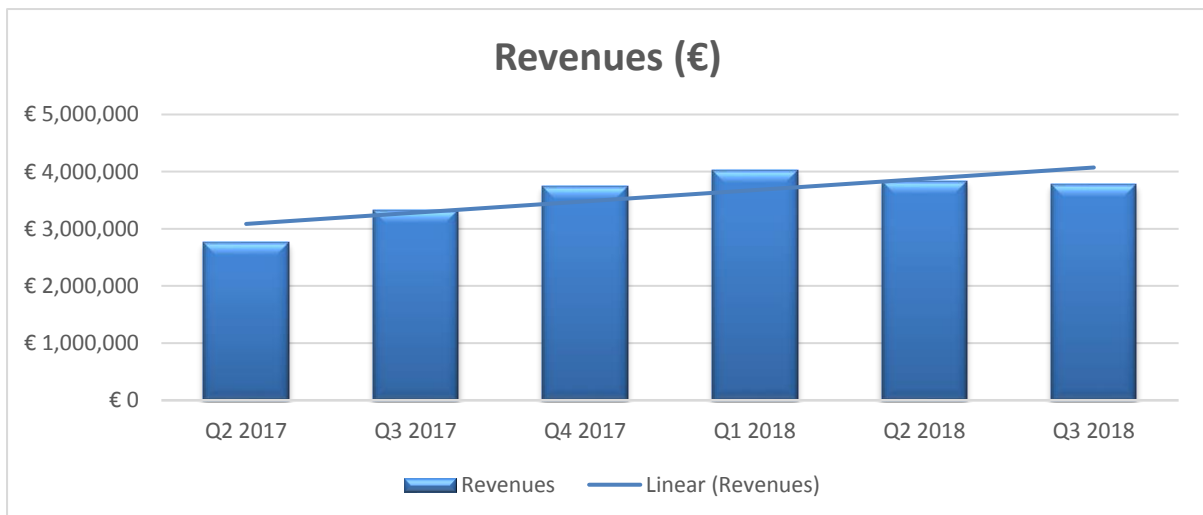
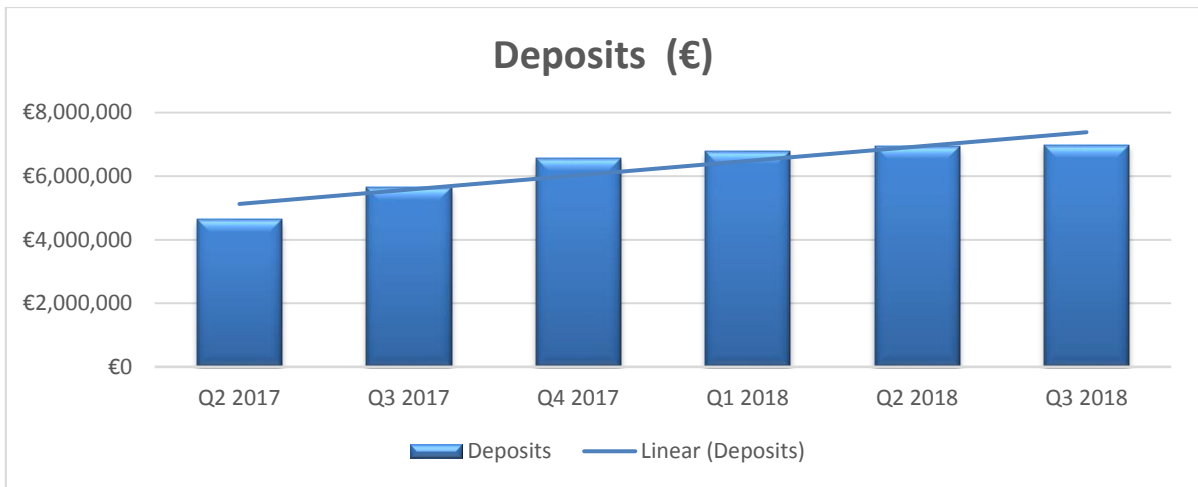
We are pleased with the launch of the brands 1st of October in the Subsidiary PremierGaming Ltd. This can also be seen in the figures. PremierGaming Ltd is already almost 40% of the total revenues in October after one month of operation. The growth is driven by investment in traditional marketing (TV- and radio commercials etc) and a modern and easy to use product that targets the players that like to play a bit now and then. The product has been well received in Sweden and accordingly most of the revenues come from this market. We therefore decided to apply for the Swedish license and most of the work with the application is done.

It is very exciting that we now have a subsidiary that, in addition to more partner-driven revenues where we share our revenues with partners and affiliates, invests in traditional marketing. In traditional marketing, an upfront lump sum investment, such as in TV commercials, generates revenues from the attracted customers over time. The goal of our investment strategy for traditional marketing in PremierGaming Ltd is to break even in the month of the marketing investment, so that revenues in all subsequent months resulting from new customers attracted by the marketing investment are not burdened by marketing costs. Having said that, when building up a new online gaming subsidiary one always faces the risk of more volatile customer payout due to lower activity in the startup face, since gaming payout models are based on bets over time. PremierGaming Ltd was close to break even in October and its profit margin and contribution is expected to increase over time.



PremierGamings's brands
PremierLiveCasino.com
and ProntoCasino.com

Financial Graphs



Consolidated Income Statement Euro September 2018'

	Q3 2018 €	Q3 2017 €	Jan - Sept 2018 €	Jan - Sept 2017 €	Full Year 2017 €
Revenue	3,776,644	3,333,875	11,642,282	8,771,817	12,518,116
Cost of services sold	(2,229,275)	(1,645,766)	(6,457,645)	(4,512,920)	(6,329,337)
Gross profit / (loss)	1,547,369	1,688,109	5,184,637	4,258,897	6,188,779
Marketing expenses	(44,447)	(48,250)	(151,512)	(161,407)	(214,420)
Personnel expenses	(245,299)	(181,517)	(662,413)	(553,103)	(737,717)
Other external expenses	(176,795)	(124,470)	(483,123)	(428,658)	(575,332)
Depreciation, amortization	(29,574)	(44,862)	(88,722)	(134,586)	(179,448)
Other operating income/expenses					
Operating expenses	(496,115)	(399,099)	(1,385,770)	(1,277,754)	(1,706,917)
Operating profit / (loss)	1,051,254	1,289,010	3,798,867	2,981,143	4,481,862
Financial income / (expenses)	(11,475)	(9,750)	(31,707)	(67,357)	(77,416)
Income / (Loss) before tax	1,039,779	1,279,260	3,767,160	2,913,786	4,404,446
Tax	(22,726)	(26,712)	(80,796)	(43,239)	(133,175)
Net income / (loss) after tax for the period	1,017,053	1,252,548	3,686,364	2,870,547	4,271,271
Extraordinary Income	-	-	-	-	2,080,030
Net income / (loss) incl. Extraordinary Income	1,017,053	1,252,548	3,686,364	2,870,547	6,351,301
No of shares	74,984,995	74,464,995	74,984,995	74,464,995	74,464,995
Basic and dilute earnings per share	0.0136	0.0168	0.0492	0.0385	0.0853

*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 and affiliate costs'

Angler Gaming plc
Financial Report for the period ended 30 September 2018

**Consolidated Statement of Financial Position
for the period ended 30 September 2018**

	Group Period end September 2018	Group Period end September 2017	Angler Gaming plc Period end September 2018	Angler Gaming plc Period end September 2017
	Euro	Euro	Euro	Euro
Assets				
Non-current assets				
Investment in subsidiaries **	-	-	101,997	1,997
Intangible assets	1,264,933	1,394,644	-	-
Property, plant and equipment	18,973	21,673	412	565
Total non-current assets	1,283,906	1,416,317	102,409	2,562
Current assets				
Trade and other receivables **	3,451,690	2,314,281	317,122	3,463,574
Cash and cash equivalents	3,116,185	2,339,857	86,853	71,348
Total current assets	6,567,875	4,654,138	403,975	3,534,922
Total assets	7,851,781	6,070,454	506,384	3,537,484
Equity and liabilities				
Capital and reserves				
Paid up capital **	749,849	744,649	749,849	744,649
Non-refundable shareholder contribution	177,089	2,680,030	177,089	2,680,030
Premium Capital **	1,815,802	1,713,352	1,815,802	1,713,352
Retained Earnings	4,009,515	194,240	(5,266,496)	(1,605,492)
	6,752,255	5,332,271	(2,523,756)	3,532,539
Creditors : amounts falling due within one year				
Trade and other payables **	885,626	694,944	3,030,140	4,945
Taxation payable	213,900	43,239	-	-
Total liabilities	1,099,526	738,183	3,030,140	4,945
Total equity and liabilities	7,851,781	6,070,454	506,384	3,537,484

** group period figures exclude intercompany balances

Angler Gaming plc
Cashflow report for the period ended 30 September 2018

**Consolidated Statements of Cashflow Position
for the period ended 30 September 2018**

	Group Period end September 2018	Group Period end September 2017	Company Period end September 2018	Company Period end September 2017
	Euro	Euro	Euro	Euro
Cash flow from operating activities				
Profit / (Loss) before taxation	3,767,160	2,913,786	(3,591,147)	(205,910)
Reconciliation to cash generated from operations:				
Depreciation	88,721	134,587	71	246
Taxation	-	(43,239)	-	-
Operating loss before working capital changes:	3,855,881	3,005,134	(3,591,076)	(205,664)
Movement in trade receivables	(486,156)	154,320	-	-
Movement in other debtors	(754,825)	(639,881)	568,332	1,050,161
Movement in trade payables	31,707	(46,183)	-	(10,000)
Movement in other creditors	(12,244)	(804,504)	3,008,467	(900,000)
Net cash used in operating activities	2,634,363	1,668,886	(14,277)	(65,503)
Cash flow from investing activities				
Cash issued by shareholders	107,650	87,423	107,650	87,423
Intangible fixed assets	-	(10,000)	-	-
Tangible fixed assets	(683)	(2,858)	-	-
Investment in subsidiaries	-	-	(100,000)	-
Net cash generated from/used in investing activities	106,967	74,565	7,650	87,423
Cash flows from financing activities				
Dividends proposed and paid	(3,351,830)	-	-	-
Short term loans	-	-	-	-
Intra-group finance	-	-	-	-
Net cash generated from financing activities	(3,351,830)	-	-	-
Net movement in cash and cash equivalents in the year	(610,500)	1,743,451	(6,626)	21,921
Cash and cash equivalents at beginning of the year	3,726,685	596,410	93,479	49,427
Cash and cash equivalents at end of year	3,116,185	2,339,857	86,853	71,348

OTHER INFORMATION

This report has not been reviewed by the Company's Auditor. The Audited Financial Statements for 2017 were published on the 30th April 2018.

The Q4 2018 report will be published on the 14th of February 2019.

Malta, 7th of November 2018

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 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 OWNS STARFISHMEDIA N.V AND PREMIERGAMING LTD. WHICH OFFER, DIRECTLY OR THROUGH PARTNERS, GAMES TO END USERS VIA THE INTERNET.