



# AnglerGaming

## **Interim report for 3<sup>rd</sup> quarter 2019**

**1<sup>st</sup> July to 30<sup>th</sup> September 2019**

**Angler Gaming plc, reg. no. C55255, Malta**

# ANGLER GAMING PLC

Financial report for the period ended 30<sup>th</sup> September 2019

**Key Facts for the 3<sup>rd</sup> Quarter 2019 (1<sup>st</sup> July 2019 – 30<sup>th</sup> September 2019)**

## **All time high in Revenues and Profits**

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

- Revenues increased by 102.20% to €7,636,436 (€3,776,644).
- EBIT increased by 130.28% to €2,420,802 (€1,051,254).
- EBIT margin of 31.70% (27.84%).
- Customer deposits increase of 188.82% to €20,162,937 (€6,981,253).
- 47,826 new registered customers (26,550), increase of 80.14%.
- 21,721 new depositing customers (8,189), increase of 165.25%.
- Earnings per share of €0.0302 (€0.0136).
  
- The Group's recent startup, Premiergaming Ltd, operating its ProntoCasino brand, has achieved its first ever quarterly profit in the third quarter 2019, EBIT €192,659, as a result of reducing its marketing spend in Q3, as was communicated in the Q2 2019 Report. Premiergaming represented 27% of the Group's revenues in Q3.
  
- Premiergaming Ltd has decided to launch a new brand in Q4 2019 in Sweden, focusing on a broad Casino offering, which has already been approved by Spelinspektionen. The launch of the new brand will temporarily increase the marketing spending in Q4 compared to Q3 2019, but not as much as in previous quarters. The integration and launch of a Sportsbook for Premiergaming Ltd is planned to H1 2020.
  
- The average daily Net Gaming Revenue for the 21 first days of October 2019 is 3% higher compared to the average daily Net Gaming Revenue in Q3 2019.

## Key Facts for 2019 (1<sup>st</sup> January 2019 – 30<sup>th</sup> September 2019)

### All-time high in revenues and Profits

*All figures are compared to Jan - Sep 2018 if not explicitly stated otherwise*

- Revenues increased by 77.29% to €20,640,918 (€11,642,282).
- EBIT increased by 31.11% to €4,980,342 (€3,798,867).
- EBIT Margin of 24.13%.
- Customer deposits increased by 159.92% to €53,774,818 (€20,689,339).
- 129,554 new registered customers (91,189), increase of 42.07%.
- 53,069 new depositing customers (24,501) increase of 116.60%.
- Earnings per share of €0.0602 (€0.0492).

### Key Performance Indicators (EUR)

	<b>Q3 2019</b>	<b>Q3 2018</b>	<b>Jan-Sep 2019</b>	<b>Jan-Sep 2018</b>
Customer Deposits	€20,162,937	€6,981,253	€53,774,818	€20,689,339
Active Customers	44,647	19,898	94,325	46,535
New Registered Customers	47,826	26,550	129,554	91,189
New Depositing Customers	21,721	8,189	53,069	24,501
Gross Game Win	€8,248,952	€4,527,396	€23,064,197	€13,542,411
Net Game win	€7,875,667	€4,236,729	€22,186,935	€12,793,602
Hold	39.06%	60.69%	41.26%	61.84%

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

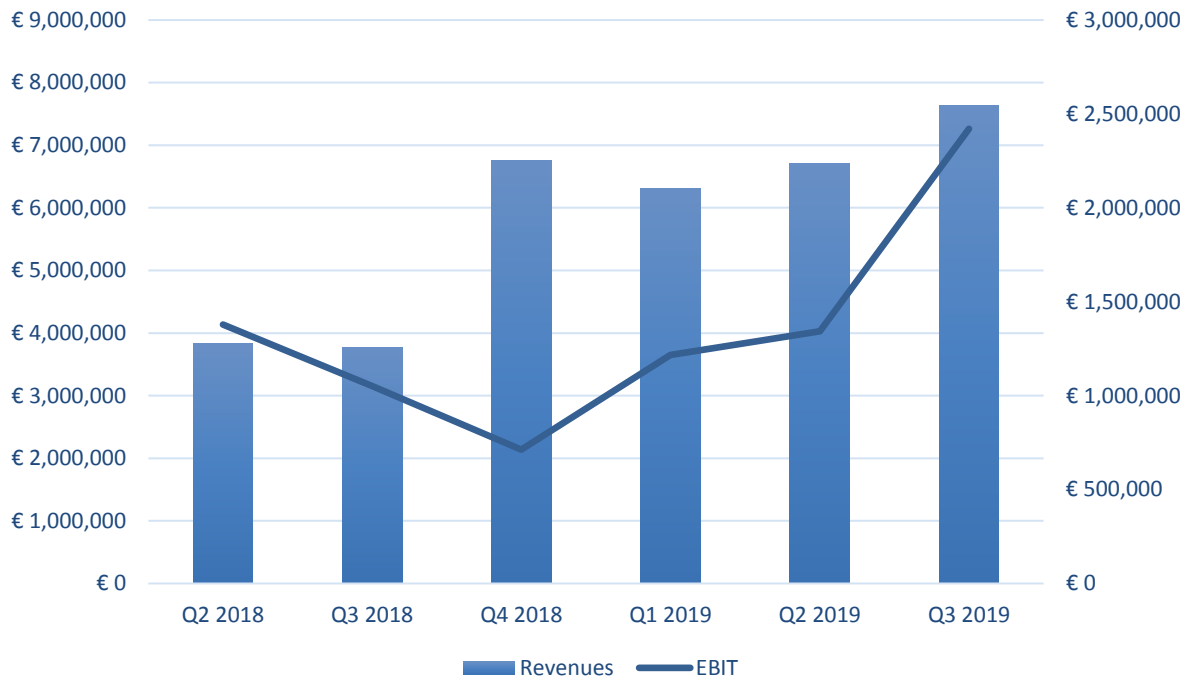
\*\* Definition New Registered Customer: A new customer registered in the indicated period

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

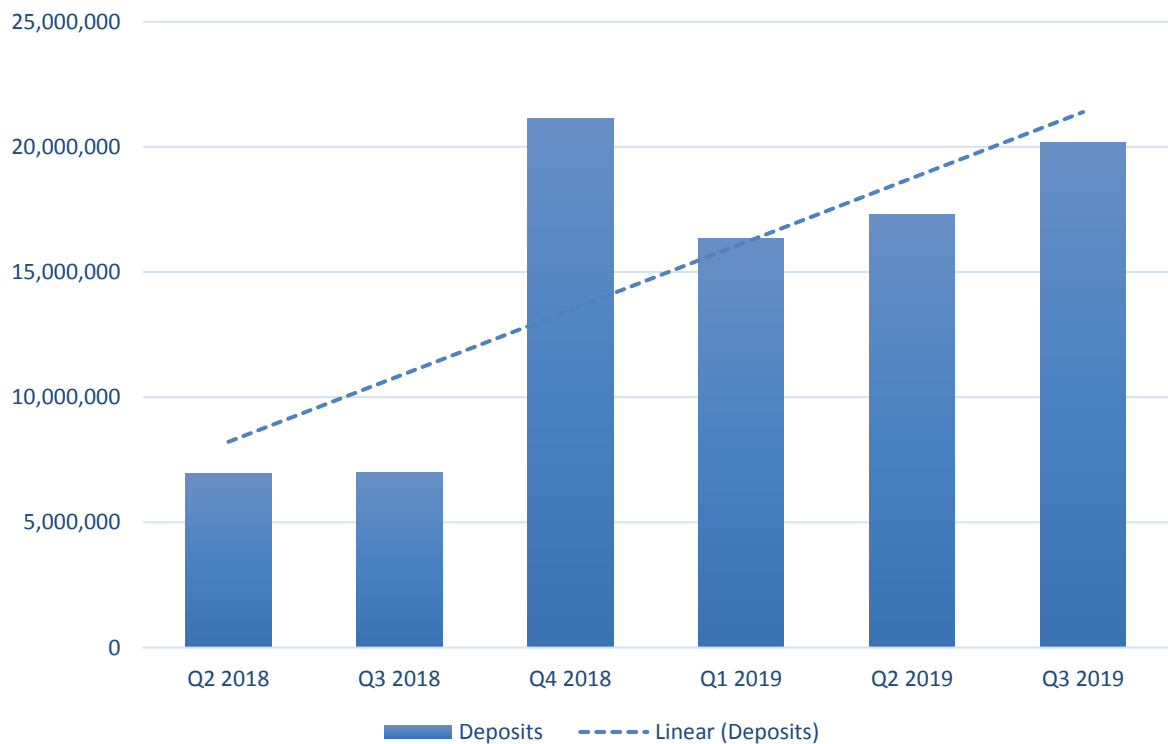
\*\*\*\* Definition Net Game Win: Real money bets minus real money wins

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

## Quarterly Revenues and EBIT



## Deposits (€)



## Comments from the CEO



Thomas Kalita, CEO Angler Gaming plc

“We are delighted by the result in Q3 and the resulting reversed profit warning that we sent out to the market the 11<sup>th</sup> of October. Our investments in various fields really paid off in Q3. I would like to point out a few of our focus points:

1. The Group’s focus on experienced and talented staff is key to our existing and future success. We continue to perform well when it comes to measurements such as EBIT per employee (EBIT per employee for Q3 only was €89,659).
2. The Group’s investment in a modern and scalable gaming platform which the Group fully owns is a unique asset and a competitive advantage since the Group can grow with new brands, products, partnerships and end users at a low marginal cost. The platform also enables effective data-driven CRM.
3. Daily focus on follow-up and actions on important KPIs.
4. We continue to monitor and act upon marketing investment in general and particularly for Premiergaming’s brands. As a result, its marketing spending in Q3 was reduced and Premiergaming achieved its first ever quarterly profit in the third quarter of 2019, while still having a significant part of the Group’s revenues.

The Group is looking forward to launching a new brand in Sweden in Q4 with a more attractive and broader Casino offering. As we do with all our marketing investments, we measure the result of the marketing and, if the marketing works - we invest more, and if it does not work - we look for alternative ways of getting customers. As a result of prioritizing the launch of the new casino brand in Sweden in Q4, the Sportsbook will be added to the Premiergaming brands’ portfolio in H1 2020.

In summary, we have a good momentum and we are satisfied with the all-time highs in revenues and profits so far in 2019. Considering that we have all-time high in customer bets in Q3 and a higher customer payout than usual (customers won more in Q3 comparing to an average quarter) we feel extra pleased with the result in Q3 and the start of Q4.”

## Consolidated Income Statement Euro September 2019'

	Q3 2019 €	Q3 2018 €	Jan - Sept 2019 €	Jan - Sept 2018 €	Full Year 2018 €
<b>Revenue</b>	7,636,436	3,776,644	20,640,918	11,642,282	18,394,136
Cost of services sold	(4,144,473)	(2,229,275)	(11,665,050)	(6,457,645)	(10,400,346)
<b>Gross profit / (loss)</b>	3,491,963	1,547,369	8,975,868	5,184,637	7,993,790
Marketing expenses	(489,066)	(44,447)	(2,344,890)	(151,512)	(1,691,251)
Personnel expenses	(326,906)	(245,299)	(912,174)	(662,413)	(940,221)
Other external expenses	(239,425)	(176,795)	(691,840)	(483,123)	(729,680)
Depreciation, amortization	(15,764)	(29,574)	(46,622)	(88,722)	(118,642)
Other operating income/expenses					
<b>Operating expenses</b>	(1,071,161)	(496,115)	(3,995,526)	(1,385,770)	(3,479,794)
Operating profit / (loss)	2,420,802	1,051,254	4,980,342	3,798,867	4,513,996
Financial income / (expenses)	(110,009)	(11,475)	(349,099)	(31,707)	(35,029)
<b>Income / (Loss) before tax</b>	2,310,793	1,039,779	4,631,243	3,767,160	4,478,967
Tax	(44,948)	(22,726)	(114,423)	(80,796)	(105,649)
<b>Net income / (loss) for the period</b>	2,265,845	1,017,053	4,516,820	3,686,364	4,373,318
<b>No of shares</b>	74,984,995	74,984,995	74,984,995	74,984,995	74,984,995
<b>Basic and dilute earnings per share</b>	0.0302	0.0136	0.0602	0.0492	0.0583

\*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

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Angler Gaming plc  
Financial Report for the period ended 30 September 2019

**Consolidated Statement of Financial Position  
for the period ended 30 September 2019**

	<b>Group Period end September 2019</b>	<b>Group Period end September 2018</b>	<b>Angler Gaming plc Period end September 2019</b>	<b>Angler Gaming plc Period end September 2018</b>
	<b>Euro</b>	<b>Euro</b>	<b>Euro</b>	<b>Euro</b>
<b>Assets</b>				
<b>Non-current assets</b>				
Investment in subsidiaries **	-	-	101,997	101,997
Intangible assets	1,193,329	1,264,933	-	-
Property, plant and equipment	22,238	18,973	316	412
<b>Total non-current assets</b>	<b>1,215,567</b>	<b>1,283,906</b>	<b>102,313</b>	<b>102,409</b>
<b>Current assets</b>				
Trade and other receivables **	5,980,848	3,451,690	4,368,324	317,122
Cash and cash equivalents	3,218,150	3,116,185	64,122	86,853
<b>Total current assets</b>	<b>9,198,998</b>	<b>6,567,875</b>	<b>4,432,446</b>	<b>403,975</b>
<b>Total assets</b>	<b>10,414,565</b>	<b>7,851,781</b>	<b>4,534,759</b>	<b>506,384</b>
<b>Equity and liabilities</b>				
<b>Capital and reserves</b>				
Paid up capital **	749,849	749,849	749,849	749,849
Non-refundable shareholder contribution	177,089	177,089	177,089	177,089
Premium Capital **	1,815,802	1,815,802	1,815,802	1,815,802
Retained Earnings	5,867,551	4,009,515	(5,599,004)	(5,266,496)
	<b>8,610,291</b>	<b>6,752,255</b>	<b>(2,856,264)</b>	<b>(2,523,756)</b>
<b>Creditors : amounts falling due within one year</b>				
Trade and other payables **	1,680,154	885,626	7,391,023	3,030,140
Taxation payable	124,120	213,900	-	-
<b>Total liabilities</b>	<b>1,804,274</b>	<b>1,099,526</b>	<b>7,391,023</b>	<b>3,030,140</b>
<b>Total equity and liabilities</b>	<b>10,414,565</b>	<b>7,851,781</b>	<b>4,534,759</b>	<b>506,384</b>

\*\* group period figures exclude intercompany balances

Angler Gaming plc  
Cashflow report for the period ended 30 September 2019

**Consolidated Statements of Cashflow Position  
for the period ended 30 September 2019**

	<b>Group Period end September 2019  Euro</b>	<b>Group Period end September 2018  Euro</b>	<b>Company Period end September 2019  Euro</b>	<b>Company Period end December 2018  Euro</b>
<b>Cash flow from operating activities</b>				
<b>Profit / (Loss) before taxation</b>	4,631,243	3,767,160	(242,074)	(3,591,147)
Reconciliation to cash generated from operations:				
Depreciation	46,622	88,721	72	71
Taxation	(95,952)	-	-	-
Operating profit / (loss) before working capital changes:	4,581,913	3,855,881	(242,002)	(3,591,076)
Movement in trade receivables	(919,336)	(486,156)	-	-
Movement in other debtors	(119,085)	(754,825)	(3,902,916)	568,332
Movement in trade payables	178,056	31,707	-	-
Movement in other creditors	23,664	(12,244)	4,187,497	3,008,467
Net cash generated from/used in operating activities	3,745,212	2,634,363	42,579	(14,277)
<b>Cash flow from investing activities</b>				
Cash issued by shareholders	-	107,650	-	107,650
Intangible fixed assets	-	-	-	-
Tangible fixed assets	(5,972)	(683)	-	-
Investment in subsidiaries	-	-	-	(100,000)
Net cash generated from/used in investing activities	(5,972)	106,967	-	7,650
<b>Cash flows from financing activities</b>				
Dividends proposed and paid	(3,374,325)	(3,351,830)	-	-
Short term loans	-	-	-	-
Intra-group finance	-	-	-	-
Net cash generated from/used in financing activities	(3,374,325)	(3,351,830)	-	-
<b>Net movement in cash and cash equivalents in the year</b>	364,915	(610,500)	42,580	(6,626)
Cash and cash equivalents at beginning of the year	2,853,235	3,726,685	21,542	93,479
<b>Cash and cash equivalents at end of year</b>	3,218,150	3,116,185	64,122	86,853



## **Date and Place for the next Annual General Meeting**

The 2020 Annual General Meeting will be held on Thursday the 11<sup>th</sup> of June 2020 in Stockholm.

## **Other Information**

This report has not been reviewed by the Company's Auditor.

The Q4 2019 report will be published on 18<sup>th</sup> February 2020.

Malta, 24<sup>th</sup> of October 2019

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.