



# AnglerGaming

**2020**

**ANNUAL REPORT**

**SUSTAINABILITY REPORT**

**AUDITED FINANCIAL STATEMENTS**

Angler Gaming plc, reg. no. C55255, Malta

## Contents

<b>ANNUAL REPORT .....</b>	<b>3</b>
<b>About Angler Gaming plc.....</b>	<b>3</b>
<b>General.....</b>	<b>3</b>
<b>History Highlights.....</b>	<b>3</b>
<b>2020 Highlights – the Year of Strong Continued Growth .....</b>	<b>4</b>
<b>Strong Performance Across All KPIs .....</b>	<b>4</b>
<b>Delivering Value to Shareholders.....</b>	<b>4</b>
<b>New Brands, New Products .....</b>	<b>4</b>
<b>Investing in People and Compliance Processes .....</b>	<b>5</b>
<b>Premiergaming Ltd Performance .....</b>	<b>5</b>
<b>Vision and Strategy.....</b>	<b>5</b>
<b>Vision .....</b>	<b>5</b>
<b>Solid Strategy and Strong Business Model.....</b>	<b>5</b>
<b>Investment Case .....</b>	<b>7</b>
<b>Strong Track Record in Delivering Shareholder Value .....</b>	<b>7</b>
<b>Proposed Dividend on the basis of financial results of 2020.....</b>	<b>8</b>
<b>Share Structure and Ownership .....</b>	<b>8</b>
<b>Share Price Trend .....</b>	<b>8</b>
<b>Risks .....</b>	<b>8</b>
<b>CEO Message .....</b>	<b>9</b>
<b>CORPORATE GOVERNANCE REPORT .....</b>	<b>11</b>
<b>SUSTAINABILITY REPORT.....</b>	<b>21</b>
<b>AUDITED FINANCIAL STATEMENTS 2020 .....</b>	<b>24</b>

# ANNUAL REPORT

## ABOUT ANGLER GAMING PLC

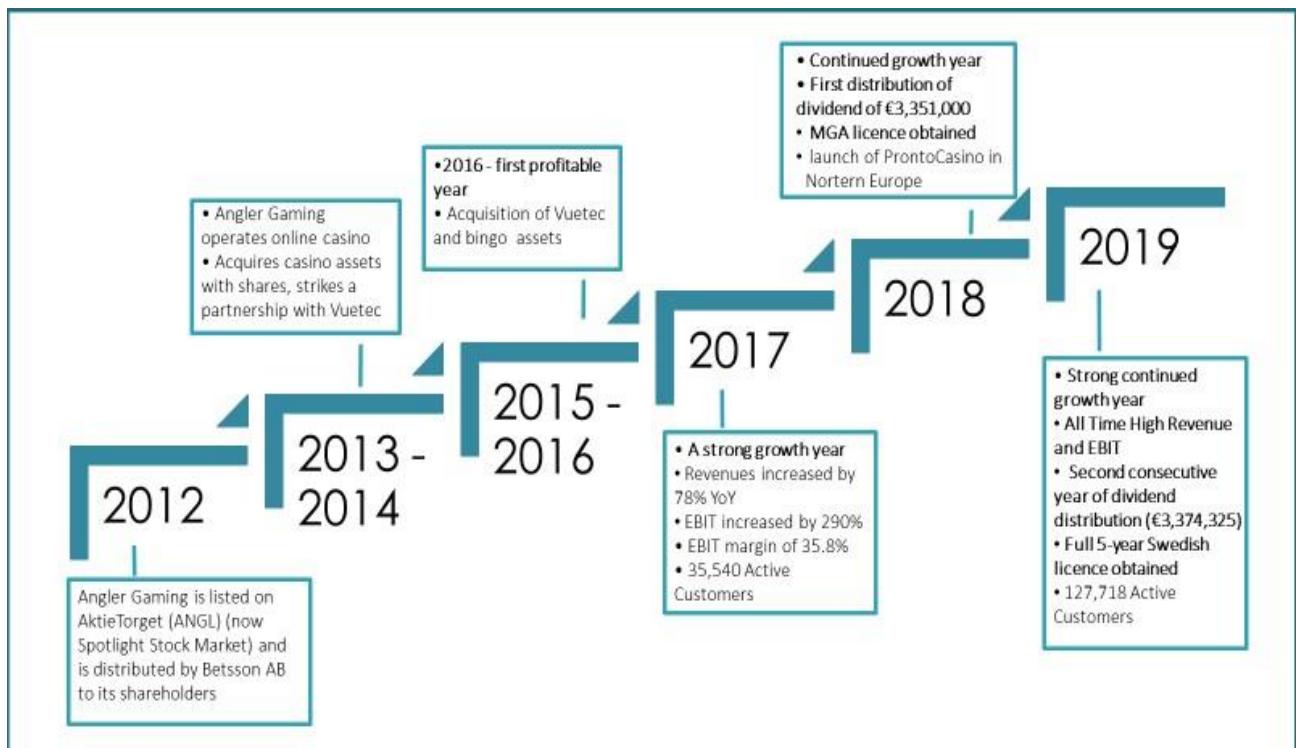
### General

Angler Gaming plc ('Angler Gaming') 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 has been amongst the very first few companies to have been accepted to the Next Segment (premium segment) on the Spotlight Stock Market.

Angler Gaming's core business is to own and administer shareholding in the internet gambling companies which directly or through partners offer games to end users via Internet. The focus is on investing in niche gaming companies and start-ups with larger flexibility and possibilities to manage the customer databases' values, then growing rapidly in various markets around the world.

Angler Gaming owns 100% in all of its subsidiaries and Angler Group (being Angler Gaming itself and its subsidiaries) is debt free.

### History Highlights





## 2020 HIGHLIGHTS – THE YEAR OF STRONG CONTINUED GROWTH

### Strong Performance Across All KPIs

2020 was a challenging year for all. Angler Gaming, successfully adapting to the changed conditions cause by the pandemic, emerged stronger.

The Group delivered a strong continued growth in all main key financial performance indicators – Revenues, EBIT, Net Profit, as well as in profit margin and a host of other parameters, comparing to the prior year.

Revenue Growth in 2020 <b>+52.45%</b>	EBIT Growth in 2020 <b>+110.73%</b>	Earnings per Share Growth in 2020 <b>+89.54%</b>
	EBIT Margin Growth in 2020 <b>+38.23%</b>	Net Profit Growth in 2020 <b>+89.54%</b>
Customer Deposit Growth in 2020 <b>+28.19%</b>	EBIT per employee in 2020 <b>€450,000</b>	New Depositing Customers Growth in 2020 <b>+49.03%</b>

The Group remains fast growing and lean, with EBIT margin in 2020 reaching 32.47%. Angler Gaming continues attracting new customers, posting 40.29% increase in customer registrations in 2020, while the number of new depositing customers increased by 49.03%.

### Delivering Value to Shareholders

Delivering value to shareholders, earnings per share in Angler Gaming in 2020 amounted to €0.1542284, an increase of 89.54% over the previous year. Moreover, 2020 was the third consecutive year that Angler Gaming distributed dividend to its shareholders: based on the results of financial year 2019 the amount distributed in 2020 was €5,248,950.

### New Brands, New Products

Always striving to provide to its customers the best product mix in terms of choice and quality, and in 2020 Angler Gaming added 12 new casino suppliers to the Group's fully owned and highly scalable gaming platform. 2020 also saw the launch of 2 new brands by the Group.



## Investing in People and Compliance Processes

The Group continued to invest in its human resources and compliance processes. In particular, the Group's Responsible Gaming and Anti-Money Laundering ('AML') departments, two very important factors for the long-term sustainability of the Group's business, have undergone a significant upgrade as a result of investing in dedicated resources, training and automating compliance processes.

## Premiergaming Ltd Performance

Premiergaming Ltd, a subsidiary of the Group, operated full year under a Swedish and a Malta gaming licence. The company represented 19% of the Group's revenues in 2020.

## VISION AND STRATEGY

### Vision

Angler Gaming's vision is to be a leading company in the digital gaming entertainment industry, outperforming the competition and delivering the best products and service, while maintaining the entrepreneurial mindset, remaining lean, frugal and agile, and always putting the customers and personnel – our main resource – first and foremost.

In the exciting and fast-growing industry of remote gaming, Angler Gaming works hard to become a bigger player, paying close attention to industry trends and being mindful of the company's positioning.

Angler Gaming is being guided by the following industry growth drivers:

- New technology and local regulation
- Continued and accelerating shift from offline to online gaming
- Expectation of further growth of the global gaming market

## Solid Strategy and Strong Business Model

To deliver on the Company's vision, Angler Gaming strategically positions itself:

- ✓ To enter new markets and segments around the world, responding to early opportunities
- ✓ To remain debt-free and to maintain a positive cash flow.
- ✓ To continue investing in a strong business model

Throughout the years, Angler Gaming has refined its business model, which continues to deliver results. The Company's business model includes the following key components:



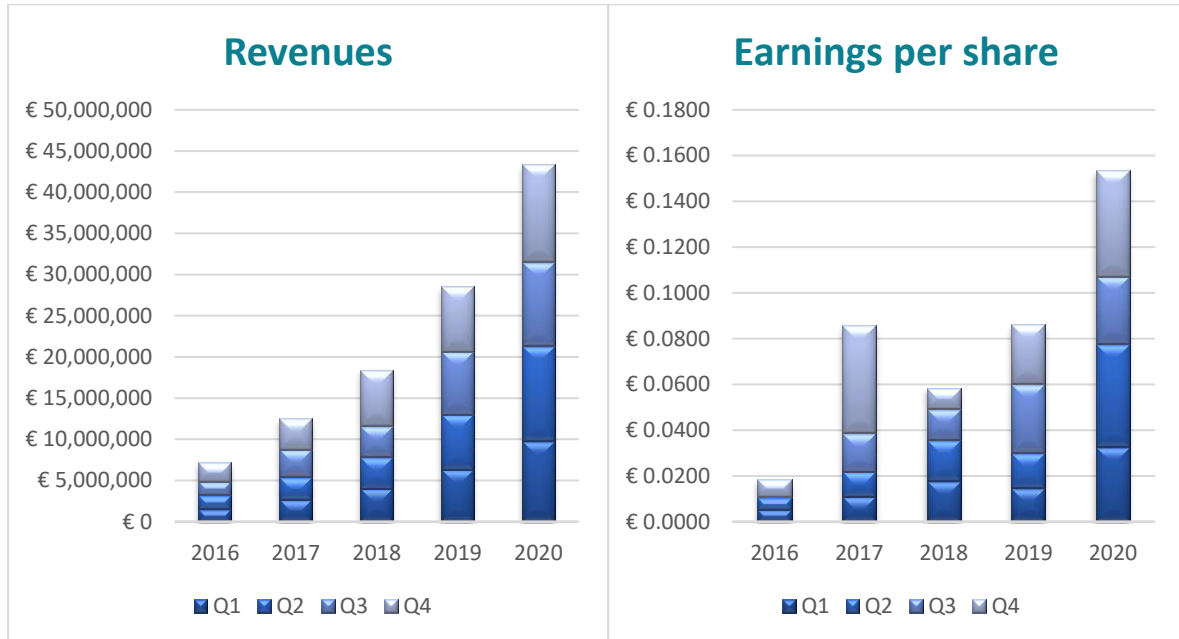
## AnglerGaming

- ✓ Maintaining competitive advantage and differentiation by utilising proprietary fully-owned and fully-managed Gaming Platform, which is continuously updated with the latest functionality and the latest technologies;
- ✓ Maintaining low operational cost for both B2C and B2B business segments, thus enabling multi-brand strategy and scalability with lower incremental costs, utilising data driven marketing and CRM;
- ✓ Monitoring and actioning, on a daily basis, multiple key performance indicators, such as number of new depositing customers, cost per new depositing customer and customer life time value per market, channel and product;
- ✓ Ensuring easy, fast and cost-efficient launch of White Label Solutions (for B2B segment) and inhouse brands (for B2C segment);
- ✓ Maintaining small, agile and efficient organisation, composed of diverse and highly qualified and motivated employees (currently from more than 10 countries);
- ✓ Using a proven model for buying and integrating customer databases and brand assets:
  - No need to take over staff;
  - No need to increase staff;
  - Time to market approximately 1-3 months after signed agreement;
- ✓ Using affiliates as a marketing channel, providing us with a low risk acquisition of new customers;
- ✓ Evaluating number of new customers and ARPU on a daily basis when using traditional marketing (TV-commercials, online banners, Google Adds etc) to acquire customers to minimise the investment risk and boost growth;
- ✓ Focusing on both B2C and B2B for a better understanding of customers and changes in customer behaviour;
- ✓ Offering a strong Casino product both in mobile and desktop, with an addition of Bingo as part of the offer when applicable;
- ✓ Being active in multiple markets (currently in over 20 markets) and constantly evaluating new products, markets and acquisitions.

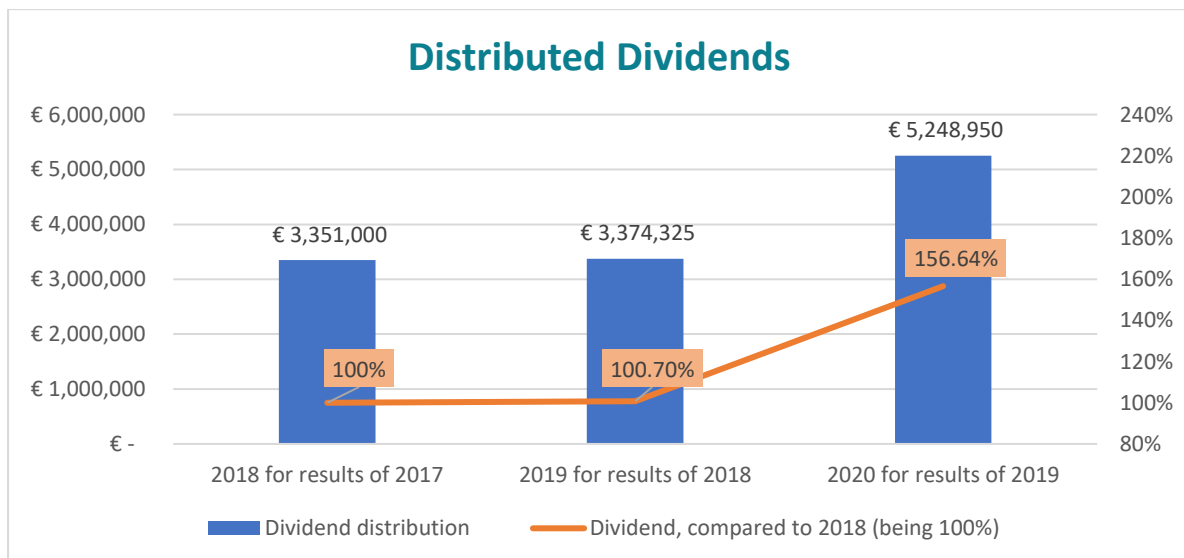
## INVESTMENT CASE

### Strong Track Record in Delivering Shareholder Value

Angler Gaming has a strong track record in delivering shareholder value:



Each year since 2018 Angler Gaming distributed a dividend to its shareholders:





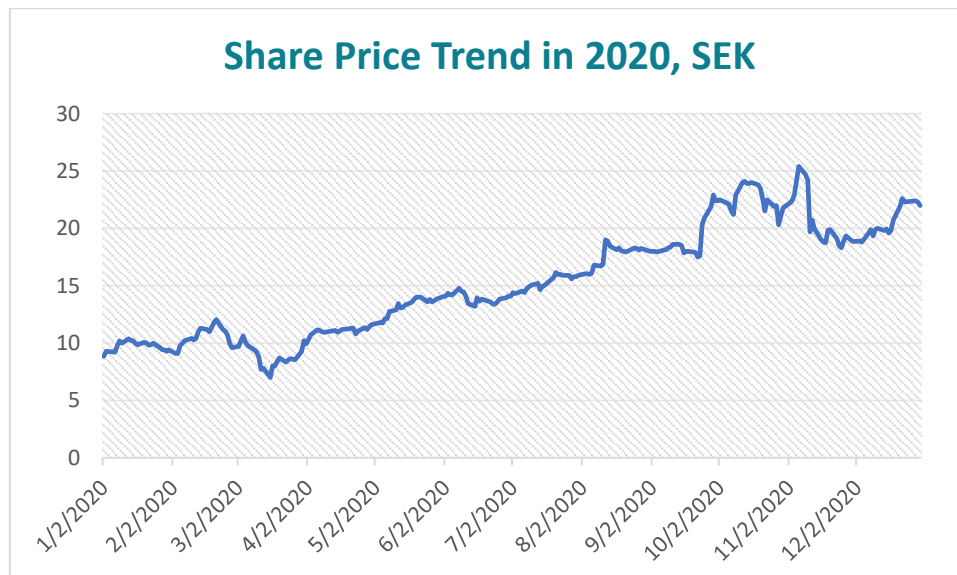
## Proposed Dividend on the basis of financial results of 2020

The Board of Directors proposes to the Annual General Meeting that the amount of €8,998,200 (prior year: €5,248,950), which corresponds to €0.12 per share (prior year: €0.07) be distributed to shareholders by way of dividend on the basis of financial results of 2020. Angler Gaming will not compensate for currency exchange costs.

## Share Structure and Ownership

At the end of 2020, Angler Gaming plc had 74,984,995 issued ordinary shares of nominal value €0.01 each. All issued shares are of the same class, having the same rights and one vote per share. Angler Gaming plc has over 5,500 shareholders.

## Share Price Trend



## Risks

When considering an investment in Angler Gaming plc one should be aware of risks that are connected with the industry and the business. Angler Gaming operates in a global market and the online gaming industry is subject to different and divergent regulations and regulatory risks. The business is also exposed to exchange rate fluctuation, changing consumer behaviour and Angler Gaming's ability to operate in a highly competitive and constantly evolving industry.



## CEO MESSAGE



Thomas Kalia, CEO,  
Angler Gaming plc

*“2020 was yet another record year in the Angler Gaming plc’s history, both as regards revenues and EBIT. At the same time, we have managed to continue to invest in an excellent and fully owned gaming platform, new functions, new technology, new brands and markets. On the basis of result of 2020, the Board of Directors proposes to distribute to shareholders a dividend of €8,998,220, which is 71,43% higher than the amount distributed in the previous year.*”

It is a pleasure to be part of a Group with so many talented colleagues representing more than 10 nationalities, and to witness the great results achieved by the combined work of our experienced and dedicated team. The Board of Directors recommends a dividend for the fourth year in a row, even though Angler Gaming is a relatively young company. The results again speak for themselves. Simply another great year for Angler Gaming!

We are very pleased with the result in 2020 being the best year ever in the Group’s history on all Key Performance Indicators:

- ✓ Revenues
- ✓ EBIT
- ✓ Net Profit
- ✓ Earnings per Share
- ✓ Customer Deposits
- ✓ New Depositing Customers
- ✓ New Registered Customers
- ✓ Active Customers

Our investments in various fields continued to pay off in 2020. 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 2020 was €450,000).
2. The Group’s constant 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, markets, 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. Continued investment in Responsible Gaming and Anti-Money Laundering ('AML') focus areas, two very important factors for the long-term sustainability of the industry, where the Group has continued to invest heavily in resources, policy, procedures and automated systems.

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 effect 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.



## CORPORATE GOVERNANCE REPORT

*Corporate governance is a framework of rules, practices and processes by which a company is governed. It is a system of checks, balances and internal controls, whereby the functions, rights and responsibilities for the company's operations are distributed amongst its main governing bodies, ensuring that the interests of the company's shareholders, its board, its management and other stakeholders are balanced, while advancing the company's goals.*

### **CORPORATE GOVERNANCE IN ANGLER GAMING PLC**

Angler Gaming plc ('the Company' or 'Angler Gaming') is a public limited liability company registered and headquartered in Malta and listed on Spotlight Stock Market in Stockholm, Sweden ('Spotlight Market'). In 2019 the Company has been amongst the very first few companies to have been accepted from the start to the Next Segment of Spotlight Market. Next is a segment of the Spotlight Market where companies conform to higher demands and aim to take the next steps in their growth journey.

Angler Gaming places corporate governance at the very core of its operations, recognising its importance for the Company's sustainable, responsible and efficient operations. Good corporate governance is instrumental for achieving long-term sustainable success and creating value for the shareholders of the Company, while safeguarding interests of the company's employees, customers, other stakeholders and the community.

The governance, management and control of Angler Gaming is divided among the shareholders, the Board of the Directors ('the Board') and the executive management of the Company headed by the CEO, in accordance with the applicable regulatory framework, which will be outlined in this Corporate Governance Report ('CG Report'). This CG Report is however not a comprehensive summary of all the applicable rules. It is intended to provide a list of the most relevant sources of corporate governance rules and briefly sum up the most relevant aspects of corporate governance of Angler Gaming. In this context, it should be read together with the provisions of the Malta's Companies Act ('the Companies Act'), Company's memorandum and articles of association and other laws and regulations applicable to the Company.

### **OVERVIEW OF THE REGULATORY FRAMEWORK**

The principal sources of the corporate rules for the Company are the Companies Act, the Company's Articles of Association ('the Articles'), the Swedish Corporate Governance Code ('the Code'), and Spotlight Market's Regulations, including the rules applicable to companies listed in the Spotlight Market's Next Segment. It is of note that companies are not obliged to comply with every rule in the Code at all times, but are allowed the freedom to choose alternative solutions which they feel are better suited to their particular circumstances, as long as they openly report every deviation, describe the alternative solution they have chosen and explain their reasons for doing so. In addition to the Companies Act, the Articles, Spotlight Market's Regulations and the Code, the Company has adopted internal rules, namely the Charter of the Board, CEO Instructions, and the Insider Policy. This Corporate Governance Report should be read together with all laws, codes and rules applicable to the Company and is only intended as a summary of the most important parts of corporate governance as practised by Angler Gaming.



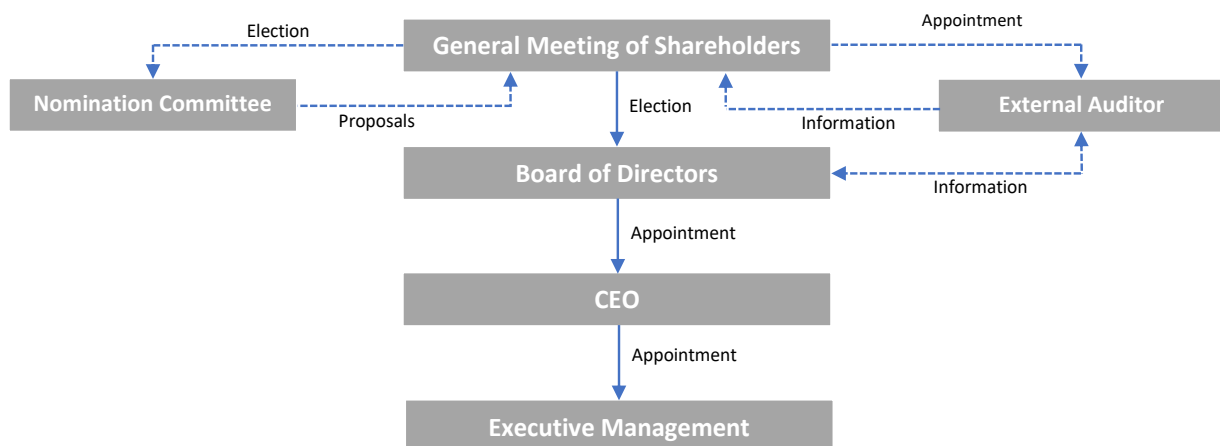
## ARTICLES OF ASSOCIATION

Articles of Association are the principal constitutional document of Angler Gaming. The Articles govern the regulation of internal affairs of the Company, such as the procedure for summoning and conducting annual general meetings and extraordinary general meetings, composition of the board, appointment and removal of board members, resolutions, share capital and issue of shares of the Company, notices, accounts, reserves, and other matters concerning the internal organisation of the Company and the manner in which the Company's affairs are to be managed.

The Company's Articles have been adopted by the shareholders at a general meeting. The articles of association are available in their entirety at the Company's website (<https://www.anglergaming.com/articles-of-association/>).

## DIVISION OF AUTHORITY

Angler Gaming acts through two principal organs: the general meeting of shareholders and the Board of Directors. The shareholders of the Company exercise their powers primarily through electing the Board members and voting at the Company's general meetings on the matters within their powers. As a general principle, the Board is vested with all the powers of the Company that are not reserved to the shareholders' general meeting under the Companies Act or the memorandum or articles of association of Angler Gaming.



## SHAREHOLDERS

### **General Meeting of Shareholders**

Shareholders exercise their influence in the Company at the general meetings, where the shareholders decide on matters which fall within their competence. The general meetings may be of two kinds: annual general meetings and extraordinary general meetings. Angler Gaming must hold an annual general meeting once every year. At annual general meetings shareholders of the Company, in practice and among other matters, approve the annual report and financial statements of the Company, resolve on the distribution of dividends and elect members of the board and appoint the auditor. All other general meetings are extraordinary general meetings.



Each shareholder enjoys number of rights in connection with general meetings, including the right to participate and vote, the right to receive a notice of a general meeting, and the right to demand a poll at the meeting. Some of the most significant powers reserved to the general meeting of shareholders are the power to appoint and remove board members, to alter the memorandum and articles of association, to increase share capital, to approve annual financial statements, to declare dividends (not exceeding the amount recommended by the Board), and the power to appoint and remove auditors.

Decisions at the general meetings of the company are normally taken by the shareholders by a simple majority of votes, with each share giving a shareholder the right to one vote at any general meeting. However, certain decisions prescribed under the Companies Act and the memorandum and articles of association of the Company must be approved by an extraordinary resolution which requires higher voting thresholds: (a) not less than seventy-five percent in nominal value of the shares represented and entitled to vote at the general meeting; and (b) at least fifty-one percent in nominal value of all the shares entitled to vote at the general meeting.

### **2020 Annual General Meeting**

The 2020 Annual General Meeting of Angler Gaming was held on 11<sup>th</sup> June 2020 in Malta and via video conferencing, due to COVID-19 situation. At the meeting, shareholders representing 42% of the issued shares and votes were present in person or by proxy. All proposed ordinary resolutions were unanimously approved at the Annual General Meeting. In summary, the resolutions adopted by the general meeting comprised of:

- approval of the financial statements of the Company and the Group, including the directors' report and the auditor's report, for the financial year ending 31<sup>st</sup> December 2019;
- approval of the dividend distribution of €5,248,950 (€0.07 per share) to the shareholders of the Company on the basis of the financial results in the financial year ending 31<sup>st</sup> December 2019;
- reappointment of all members of the Board, i.e. James Scicluna, Thomas Kalita, Michael Bennett and Ralf Feldt, and election of a new additional member of the Board - Olga Finkel, who was also elected to be the Board's Chairperson, - all for period until the end of the next Annual General Meeting;
- reappointment of Walter Rizzo & Associates as the Company's auditor; and
- allocation of the amount not exceeding €200,000 per annum for Board's remuneration covering the ordinary duties of directors and resolution that the auditors' fees shall be payable in accordance with the approved invoices.

An extraordinary resolution to allow for 'hybrid' (in person and remotely with remote voting) general meetings was not passed due to the insufficient number of issued and outstanding ordinary shares being represented at the meeting.

### **2021 Annual General Meeting**

The upcoming Annual General Meeting of Angler Gaming plc will be held on Friday 18<sup>th</sup> June 2021. The date of the 2021 Annual General Meeting had been published in the interim report for the fourth quarter 2020. This information, together with the latest date for shareholders to make proposals to the Nomination Committee, was also published on the Company's website. As the situation with COVID-19 evolves, the Board has been closely monitoring governments' and public health authorities' recommendations and instructions on holding public gatherings, as well as travel restrictions. In view



of the fact that the pandemic still persists, the Board has decided to hold the Annual General Meeting in Malta, with shareholders viewing the meeting remotely through video conferencing.

Shareholders who would like to attend the Annual General Meeting must be entered as shareholders in the register of shareholders maintained by Euroclear Sweden on 11<sup>th</sup> June 2021 (the record date) and must notify the Company of their intention to attend, in accordance with the notice of the Annual General Meeting.

In light of the COVID-19 pandemic, shareholders are strongly encouraged to observe governments' and public health authorities' recommendations and instructions before deciding whether to attend the Annual General Meeting in person. Shareholders are encouraged to use their right to appoint the Chairperson of the AGM, or any other person, as their proxy to attend the meeting and vote on their behalf. The Shareholders are reminded that currently it is not possible to vote at the AGM *while* participating remotely and are encouraged to submit their proxies with their voting instructions prior to the AGM. Angler Gaming looks forward to engaging with shareholders in person as soon as the circumstances allow it.

Notice of the 2021 Annual General Meeting, forms for appointing a proxy and further information about the meeting will be published on the Company's website ([www.anglergaming.com/corporate-governance/shareholders-meetings/](http://www.anglergaming.com/corporate-governance/shareholders-meetings/)) no later than four (4) weeks ahead of the meeting. The Annual General Meeting will be also announced in the Swedish national business Newspaper Davens Industri.

### **Corporate Calendar 2021**

The interim quarterly reports for 2021 will be published as follows:

- Q1 2021 report will be published on 12<sup>th</sup> of May 2021
- Q2 2021 report will be published on 12<sup>th</sup> of August 2021
- Q3 2021 report will be published on 11<sup>th</sup> November 2021
- Q4 and the year end 2021 report will be published on 17<sup>th</sup> February 2022.

### **Nomination Committee**

Nomination Committee is a drafting body for the shareholders' meeting made up of members who are appointed by the Company's owners. Nomination Committee proposes candidates for the post of chairperson and other members of the Board, as well as fees and other remuneration to each member of the Board. Additionally, Nomination Committee also presents proposals on the election and remuneration of the statutory auditor. Nomination Committee's recommendations will be reported in the AGM notice and on the Company's website. Angler Gaming's Nomination Committee is composed of four members, of whom three represent the Company's largest shareholders, and the fourth is the chairperson of the Board. Regardless of how the Nomination Committee's members are appointed, they shall promote the common interests of all shareholders.

Nomination Committee ahead of the 2021 Annual General Meeting was appointed and consists of the following persons:

- Niclas Eriksson, appointed by Eriksson family members and their associated companies;
- Johan Öhman, appointed by Öhman family members and associated companies;
- Robert Zammit, appointed by Knojt Ltd; and
- Olga Finkel, Chairperson of the Board of Angler Gaming plc.



## **BOARD OF DIRECTORS**

The Board is ultimately responsible for the general governance of Angler Gaming, its proper administration and management and general supervision of its affairs. The Board determines the strategy and the targets for the performance of the Company, as well as continuously oversees the performance of the duties of the Chief Executive Officer (CEO) and executive management and evaluates Angler Gaming's financial position and results. Board members have an obligation to work in the best interest of the Company and are accountable for their performance to the shareholders of the Company.

### **Composition of the Board of Directors**

The Articles of Angler Gaming require that the Board consists of not less than two and not more than five directors. The Swedish Corporate Governance Code requires a company to have not less than three directors. Angler Gaming currently has 5 directors and, therefore, satisfies the requirements of both its Articles of Association and the Code. The members of the Board are usually appointed by the annual general meeting of the Company for the period until the conclusion of the following annual general meeting, after which they are eligible for re-election. The Articles also empower the Board to appoint any person to be a director either to fill a casual vacancy or as an additional director, provided that the total number of directors does not exceed five.

The shareholders of Angler Gaming may, by means of an ordinary resolution, remove any Board member from the office. The process of appointment and removal of Board members is conducted in terms of the Articles of Association of Angler Gaming and the Companies Act.

At the Annual General Meeting of the Company held on 11<sup>th</sup> June 2020, the shareholders have reappointed James Scicluna, Michael Bennett, Ralf Feldt and Thomas Kalita as Board members for the period until the end of the next Annual General Meeting. In addition, Olga Finkel was elected as a new member of the Board and as its Chairperson.

Only one elected member of the Board (Thomas Kalita) is a member of the executive management. Three directors (Olga Finkel, Ralf Feldt and James Scicluna), i.e. the majority of the Board members, are independent from the Company and its executive management. Four directors (Olga Finkel, Michael Bennett, Ralf Feldt and James Scicluna) are independent from the Company's principal shareholders.

### **Chairperson of the Board of Directors**

The Chairperson of the Board is responsible for ensuring that the work of the Board is conducted efficiently and that the Board fulfils its obligations. In particular, the Chairperson is to organise the lead the work of the Board to create best conditions for the Board's activities, ensure that the Board gets regular updates and information, and develops its knowledge of the Company. The Chairperson is also to ensure that the work of the Board is evaluated annually. Chairperson is elected by the shareholders of the Company at the annual general meeting and holds office until the conclusion of the next annual general meeting, being eligible for re-election. At the 2020 Annual General Meeting Olga Finkel was elected to serve as Chairperson of the Board.

### **Board Meetings**

The work of the Board is organised in accordance with the rules set under the Companies Act, the



Articles and the Code. Additionally, the Board has adopted the Charter of the Board, setting out rules of procedure regulating Board's work. During 2020, the Board of the Company held seven Board meetings, each attended by all directors of the Company. The Board meetings were convened to oversee the Company's business, continuously monitor the financial performance, major developments and Angler Gaming's key performance indicators, as well as to discuss strategic matters. The Company's interim reports are approved quarterly. The Annual Report is approved at the meeting convened for this purpose.

Name	Position	Board member since	Independent of the Company and executive management	Independent of the Company's principal shareholders	Meeting attendance in 2020
<b>Olga Finkel</b>	Chairperson of the Board	2020	Yes	Yes	7/7
<b>Michael Bennett</b>	Board member	2012	No	Yes	7/7
<b>Ralf Feldt</b>	Board member	2016	Yes	Yes	7/7
<b>Thomas Kalita</b>	Board member	2019	No	No	7/7
<b>James Scicluna</b>	Board member	2016	Yes	Yes	7/7

### Chief Executive Officer

The Chief Executive Officer (CEO) of Angler Gaming is primarily responsible for the Company's day-to-day management and for leading and developing the business of the Company. The CEO reports to the Board of Angler Gaming and is required to keep the Board informed about Angler Gaming's performance, financial position and important developments, as well as to prepare financial reports which are approved by the Board. The Company's CEO also heads and leads the work of the management team. Thomas Kalita, also a member of the Board, is the Company's CEO.

### Evaluation of the Board's and the CEO's work

The work of the Board is evaluated annually through a board evaluation questionnaire and assessment with the aim of developing the Board's working methods and efficiency. For the year 2020, the board evaluation will be carried out prior to the 2021 AGM. The results of this evaluation will be discussed by the Board and reported to the Nomination Committee. The Board also formally evaluates the work of the CEO prior to the Annual General Meeting without presence of the CEO or any members of the executive management.

### Remuneration Committee

According to the Code, the Board is either required to establish a remuneration committee or, if the Board considers it is more appropriate, the entire Board may perform the remuneration committee's tasks, on condition that no Board member who is also a member of the executive management participates in this work. Considering the relatively small number of employees across the Group and that there are no active share-based incentive schemes, the Board to date has been of the view that it is not necessary to establish a remuneration committee and that the tasks of the remuneration committee may be performed by the entire Board without the CEO (as the only member of the executive





management who is also a Board member). As Angler Gaming and number of employees of the Group grow, the Board may reconsider its position, if it determines that establishing a remuneration committee would be beneficial for the Company.

## **REMUNERATION AND INCENTIVE PROGRAMS**

### **Board Remuneration**

The ordinary remuneration of the Board is in accordance with the Articles of Association of Angler Gaming is determined by the Board, provided that such remuneration does not exceed an aggregate amount per year as may be determined by an ordinary resolution of the shareholders of the Company. The remuneration of the Board can be divided among the Board members as they may agree.

The Articles of Association of Angler Gaming further stipulate that any Board member who holds any executive office, or who serves on any committee of the Board, or who otherwise performs services which in the opinion of the Board are outside the scope of the ordinary duties of a Board member, may be paid such extra remuneration or may receive such other benefits as the Board may determine.

At the Annual General Meeting of the Company held on 11<sup>th</sup> June 2020, the shareholders have resolved to allocate the amount not exceeding €200,000 per annum for Board's remuneration covering the ordinary duties of directors, to be distributed as follows: EUR 80,000 to the Chairperson of the Board and EUR40,000 to each Board member who is not employed by the Group.

There are no active share option incentive schemes and no outstanding share options which remain to be exercised available to the Board members.

### **CEO and Management Remuneration**

Remuneration and other terms of employment of the Management of the Group, including the CEO, are designed with the aim of ensuring that the Company has access to the competence required at a cost appropriate to the Company, and that they have the intended effect for the Company's operations. The remuneration consists of the fixed portion and the performance-based variable portion. Variable remuneration is currently in the form of a performance bonus linked to pre-determined and measurable performance criteria, with pre-determined limits regarding the total outcome, aimed at promoting the Company's long-term value creation. Variable remuneration for the Management currently does not include any share or share-price related incentives.



## INTERNAL CONTROLS

### **Board's internal control function**

The objective of Angler Gaming's internal control measures is primarily to ensure that reliable and accurate financial reporting takes place and that the Company's financial reports are produced in accordance with law, applicable accounting standards and other requirements for listed companies, as well as that the Company's assets are protected and that regulatory requirements are complied with.

In light of the size of the Company and relatively small number of employees across the Group, the Company did not establish a separate internal audit function. The Board is ultimately responsible for internal control and risk management of Angler Gaming. The Board regularly evaluates the information provided by the CEO and the Company's management, in particular prior to the publication of the interim reports and the annual report of the Company. The evaluation process involves monitoring profits and revenues and analysis of key figures, information and developments. While the Board bears the ultimate responsibility for the internal controls, certain responsibilities have been delegated to the CEO and the management team of the Company. The Company's CEO regularly provides the Board with the information required to monitor the Company's financial position. Furthermore, annual reports and interim reports are prepared by the CEO and the management team and reviewed and approved by the Board prior to their publication.

The Board has good communication with the Company's external auditor and meets the auditor at least annually without presence of the CEO or management to gain direct insight on the auditor's perspective of the Company's internal controls.

### **The Auditor**

The auditor of Angler Gaming is appointed by the shareholders at the general meeting of the Company. Among other duties, the auditor of the Company is reviewing the Company's annual accounts and accounting practices. Following each financial year, the auditor submits an audit report and a consolidated audit report to the Annual General Meeting of the Company.

The auditor has been however communicating regularly with the members of the Board, in particular prior to the publication of the annual report.

In 2020, the Company prepared its nine-month's financial report (Jan-Sep 2020) which had been reviewed by the Company's auditor and formed part of Q3 2020 interim report.

Angler Gaming's auditor is Walter Rizzo & Associates, with Mr Walter Rizzo as the auditor in charge. Mr Rizzo is certified public accountant and registered auditor under the Accountancy Profession Act. He is a fellow member of the ACCA and fellow member of the Malta Institute of Accountants.

## INVESTORS RELATIONS

Angler Gaming strives to uphold good communication with its shareholders. The Company communicates the relevant information to the market primarily through the annual reports, interim reports, and press releases which are published on the Company's website (<https://www.anglergaming.com/>) and on Spotlight Market's website, in accordance with the Market Abuse Regulation and Spotlight's Regulations.

## BOARD OF DIRECTORS OF ANGLER GAMING PLC



**OLGA FINKEL** (Chairperson of the Board)

**Board member since:** 2020

**Year of birth:** 1967

**Principal education:** LLD (law) from the University of Malta; MSc (IT and Economics) from the Academy of Economics, Kharkov, Ukraine.

**Principal professional experience:** Over 20 years' experience in gambling and technology law, corporate governance, investments.

**Other current assignments:** Co-managing partner at WH Partners, lecturer at the University of Malta

**Shareholding in the Company:** 300,000 shares



**THOMAS KALITA** (Board Member and the CEO of Angler Gaming)

**Board member since:** 2019

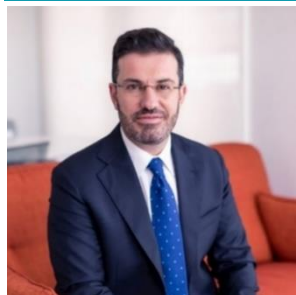
**Year of birth:** 1969

**Principal education:** Master's Degree in Business Administration and Economics (specialisation in IT-Management) from Stockholm University

**Principal professional experience:** Over 20 years' experience in leading positions within successful Internet-focused companies, including 13 years working in the iGaming industry based in Malta. An entrepreneur since 2009, investor in the iGaming industry with many successful launches and investments.

**Other current assignments:** owner and director of Knojt Ltd, an investment company

**Shareholding in the Company:** 4,000,000 shares (indirectly)



**JAMES SCICLUNA** (Board Member)

**Board member since:** 2016

**Year of birth:** 1979

**Principal education:** LLM in International Business Law from University College London, Doctor of Laws degree and a Bachelor of Arts in Law & Sociology from the University of Malta

**Principal professional experience:** gambling regulation and licensing, commercial strategy in regulated markets, public affairs, intellectual property, joint ventures and M&As.

**Other current assignments:** Co-managing Partner at WH Partners, lecturer in gaming law at the University of Malta

**Shareholding in the Company:** No shares in the Company



## AnglerGaming



### **MICHAEL BENNETT** (Board Member)

**Board member since:** 2012

**Year of birth:** 1945

**Principal education:** GCE 'O' Levels - UK

**Principal professional experience:** Michael is an experienced board member in gaming companies and a freelance writer. He has over 50 years senior management experience in both casinos and online betting industry worldwide, covering Far East, Australia, Caribbean, Europe, Africa and the U.K. He has worked exclusively in remote gaming since 2000, was a director of several Malta-based licensed gambling companies, most notably GTECH/IGT.

**Other current assignments:** N/A

**Shareholding in the Company:** 50,648 shares



### **RALF FELDT** (Board Member)

**Board member since:** 2016

**Year of birth:** 1976

**Principal education:** Bachelor's Degree in Communication of Marketing and in Public Relations

**Principal professional experience:** iGaming consultant since 1999. Worked for several American and European iGaming companies.

**Other current assignments:** As a consultant, Ralf is helping start-up companies, affiliates and operators within the iGaming industry, including with customer support management and providing outsourced remote online customer support services.

**Shareholding in the Company:** 60,000 shares



## SUSTAINABILITY REPORT

### SUSTAINABILITY FRAMEWORK

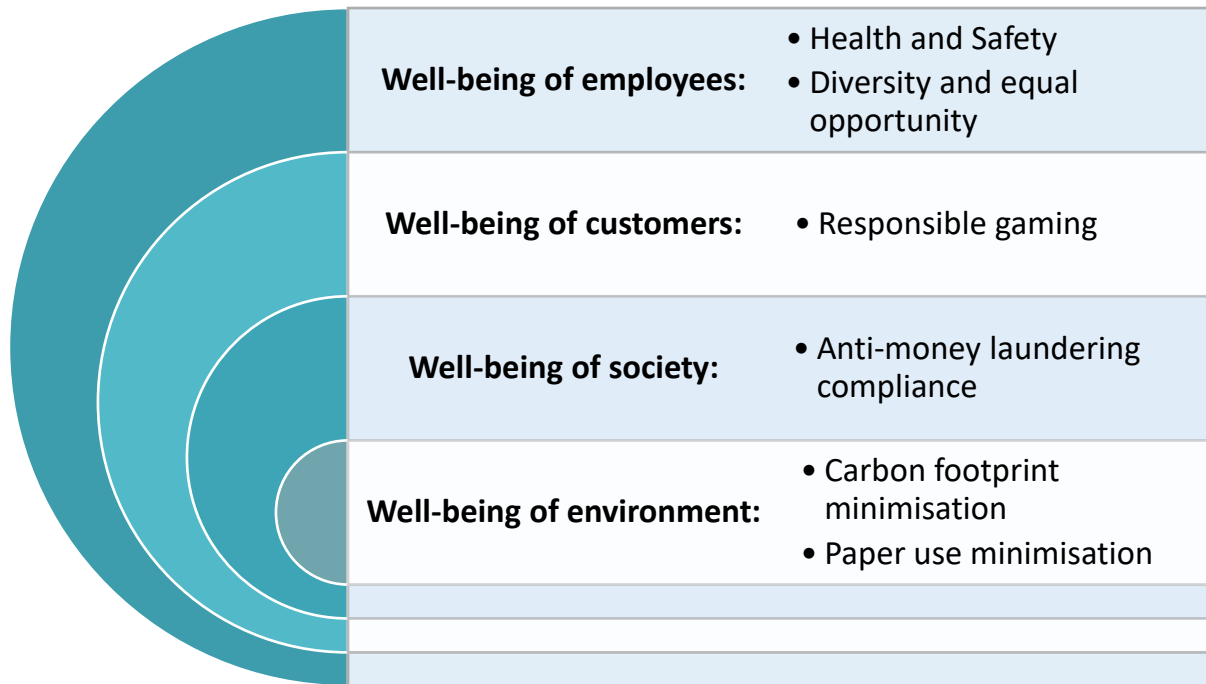
Angler Group strives to build a long-term value. Accordingly, looking after long-term well-being of its employees and all other stakeholders, as well as the environment and the communities the Group operates in, are the goals that form part and parcel of the Group's business strategy.

Achieving and preserving long-term sustainability is a multi-faceted undertaking. The sustainability framework of Angler Gaming revolves around four key areas:



## 2020 SUSTAINABILITY PRIORITIES

Each year Angler Gaming selects key priority areas to focus during that year. For 2020 the key priority areas for Angler Gaming were:



## OUTCOMES FOR EACH PRIORITY AREA

### Employees' health and safety

In 2020, in particular due to COVID-19 pandemic, the Group's top priority was to ensure health and safety of its employees. The Group implemented remote working for all employees very quickly. **100% of the Group workforce have been working remotely in 2020.** The Group successfully managed to adjust to the extraordinary conditions of the pandemic, and, despite all the challenges, the business expanded, and the performance improved overall.

### Diversity and equal opportunity

Angler Gaming is an equal opportunity employer and practices a total meritocracy and equal pay for equal work principle, regardless of race, gender, religion, age of background.

The Group is striving to improve gender diversity and increase the engagement of women in managerial and senior positions. **Number of women in senior positions increased in 2020 by 67%.**

### Well-being of customers: responsible gaming

Angler Gaming continuously invests in improvement and automation of responsible gaming tools, trains personnel to recognise the problematic customer behaviour and, in addition, strives to proactively pre-empt problems relating to potential gambling addiction. In 2020, our operational team made **799% more pre-emptive contacts with the customers** comparing to 2019, and we are proud to



report that the success rate of such contact increased, so that the **number of customers who took actions for self-limitation increased in 2020 by 591%** comparing to 2019.

Overall, as a result of placing responsible gaming at the core of our priorities, **the number of customers with gaming problems, even though already very low in 2019, further decreased in 2020 by 35%.**

### **Well-being of society – anti-money laundering compliance function**

Angler Gaming had invested additional resources in its anti-money laundering and combatting of funding of terrorism (AML/CFT) function. Training of employees, improved and automated customer due diligence, risk assessment and suspicious transaction reporting processes are in line with applicable regulations and industry's best practices.

### **Well-being of environment – minimisation of climate change and environment impact**

Angler Gaming has implemented a paper-free approach to operations, thus positively contributing to saving of forests and water.

In 2020, Angler Gaming also achieved an **87% reduction in air travel**, thus reducing its carbon footprint.



**AnglerGaming**

## AUDITED FINANCIAL STATEMENTS 2020

The audited Financial Statements for financial year ending 31 December 2020, approved by the Board of Directors on 29 April 2021, are enclosed with this report.