



**2021**

**ANNUAL REPORT**

**SUSTAINABILITY REPORT**

**AUDITED FINANCIAL STATEMENTS**

ANGLER GAMING PLC, REG. NUMBER C55255, MALTA

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# ANNUAL REPORT

## ABOUT ANGLER GAMING PLC

### General

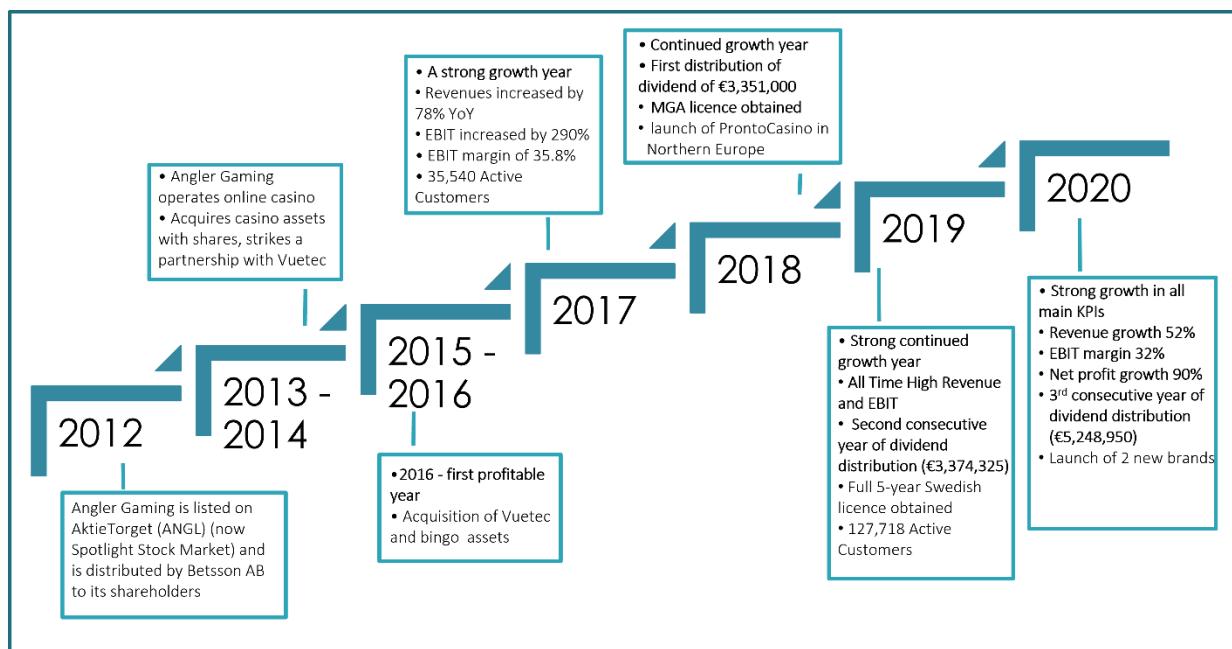
Angler Gaming plc ('Angler Gaming') is a Maltese holding company listed on the Spotlight Stock Market - Stockholm, (ANGL), that invests in companies which provide gaming services over the internet. Angler Gaming has been amongst the very first few companies to have been accepted to the Next Segment (premium 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.

The Group of Angler Gaming ('the Group') operates through its operational subsidiaries, which collectively provide predominantly a mix of B2C and B2B gaming services, offered via several brands.

All subsidiaries of Angler Gaming, except the joint venture in the field of affiliate marketing for South American markets where the Groups owns 80%, are fully owned and Angler Group (being Angler Gaming itself and its subsidiaries) are debt free.

### History Highlights



## 2021 HIGHLIGHTS – A CHALLENGING YEAR

The year started very strong with Q1 2021 by far being the quarter with highest quarterly revenues in the Group's history. From mid-March 2021 the player activity and revenues started to slow down and this trend continued during 2021 which effected all the important KPI's for 2021 negatively (all figures are compared to 2020):

Revenue decrease in 2021 <b>-0.2%</b>	EBIT decrease in 2021 <b>-44.4%</b>	Earnings per Share decrease in 2021 <b>-37.8%</b>
EBIT Margin decrease in 2021 <b>-44.3%</b>	Net Profit decrease In 2021 <b>-37.8%</b>	
Customer Deposits decrease in 2021 <b>-0.01%</b>	EBIT per employee in 2021 <b>€166,905</b>	New Depositing Customers decrease in 2021 <b>-30.08%</b>

Due to the relatively poor figures, on the 12<sup>th</sup> of July 2021 the Board of Directors published a trading update stating that both the revenues and EBIT to be lower than previously expected. The main driver for lower revenues in Q2 was lower customer activity due to that UEFA European Championship 2020 (played in 2021 due to COVID-19) and CONMEBOL Copa America 2021 drove players away to established sportsbook operators. There were also other indicators that started to be concerning, such as the cost of player acquisition and conversion particularly in the newly launched sportsbook vertical. The Group therefore initiated a more detailed analysis and review of all the significant revenue drivers and cost drivers within subsidiaries owned by the Group. This review project was led by the Group's CEO which resulted in devising a detailed action plan that started to be implemented with full force by the end of 2021. In brief, the plan is focusing on future growth of revenues and increased profit through improved management of cost. The main areas of the plan are:

- New operational structure with a strengthen organisation.
- Re-engineering and strengthening of the affiliate sales department.
- Re-design of the customer retention program.
- Strengthening the payment department.
- Improving casino offer.
- Aggressive plan to roll-out a strong sportsbook offer.



- Strengthen SEO activities and organising them in a more optimised manner.
- Daily follow ups on cost drivers and improvement actions within mainly Cost of Sales.

In Q1 2022 the Group CEO took an additional role of Acting Operational CEO to lead the execution of the improvement action plan for 6 months.

### **Delivering Value to Shareholders**

Earnings per share in Angler Gaming in 2021 amounted to €0.0959. Moreover, 2021 was the fourth consecutive year in which Angler Gaming distributed dividends to its shareholders: based on the results of financial year 2020, the amount distributed in 2021 was €8,998,200.

### **New Sportsbook Vertical**

Always striving to provide to its customers the best product mix in terms of choice and quality, in mid-2021 the Group added a new vertical offering the customers a Sportsbook in addition to the existing Casino and Bingo offer. The Sportsbook is based on a 3<sup>rd</sup> party supplier (BetBy) and the vertical started to generate revenues as from late Q2 2021.

### **New Business Area**

The Group ventured into the affiliation business line in the South American market, forming a corporate venture with a partner experienced in this field. The Group owns 80% of this venture. Several Tier 1 operators have been signed up for this affiliate network. The venture is expected to start generating revenues in H2 2022.

### **New Subsidiary and New Licence**

The Group set up a new subsidiary PremierGaming (IOM) Ltd which obtained a B2B I-Gaming licence from the Isle of Man Gambling Supervision Commission, which further strengthen the Group's offer in the area of B2B.

### **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, continued to be an area of focus.

### **PremierGaming Ltd Performance**

PremierGaming Ltd, a subsidiary of the Group with a Swedish and a Malta gaming licence, represented 11% of the Group's revenues in 2021.



## 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:

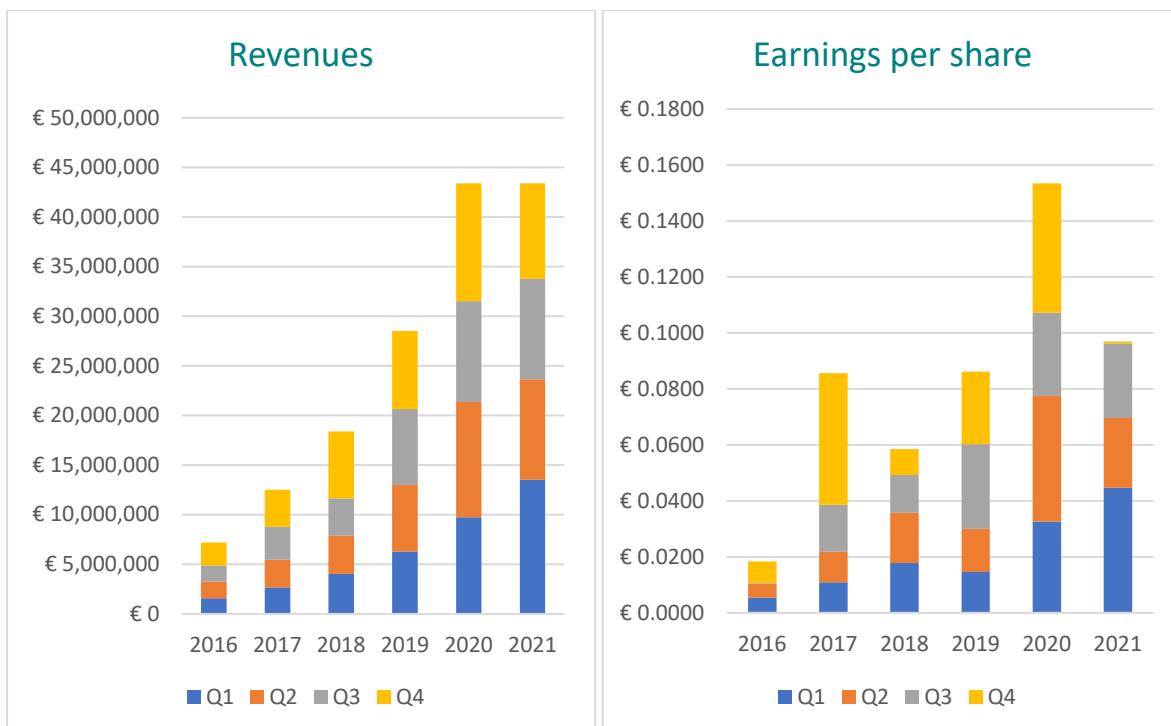
- ✓ Maintaining competitive advantage and differentiation by utilising proprietary fully-owned and fully-managed Gaming Platform, which is continuously updated with the latest functionality and the latest technologies;
- ✓ Maintaining low operational cost for both B2C and B2B business segments, thus 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 and Sportsbook 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.
- ✓ Utilizing growth opportunities in the area of affiliate marketing.

## INVESTMENT CASE

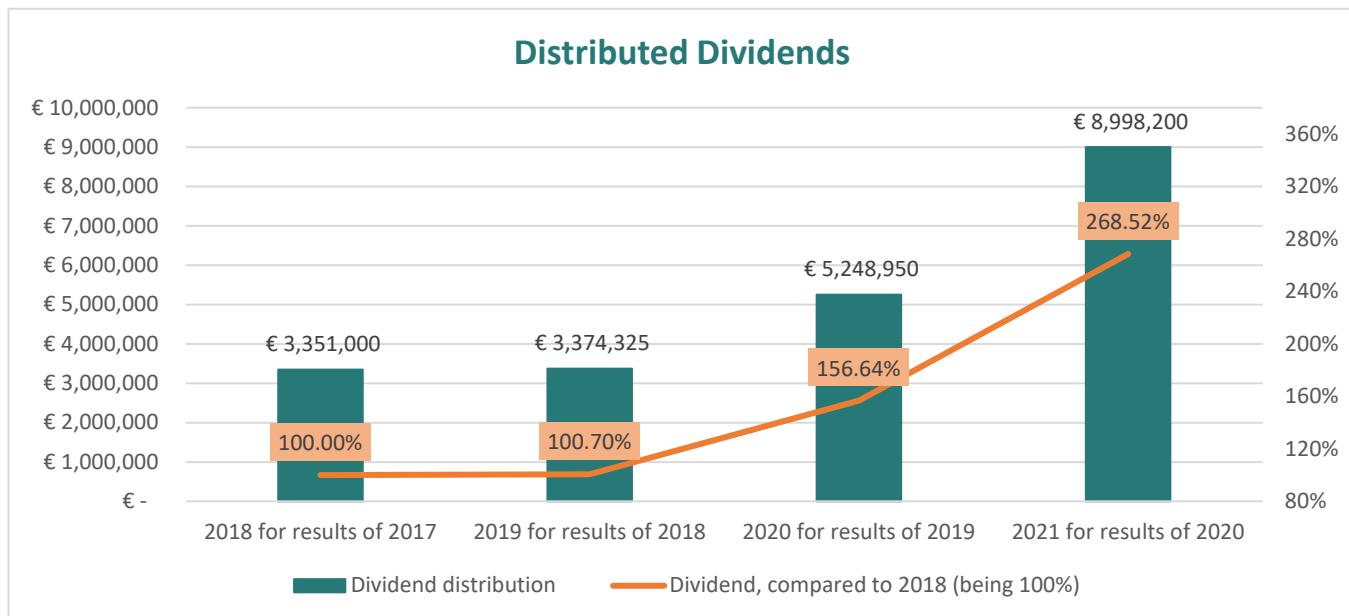
### Strong Track Record in Delivering Shareholder Value

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 2021

The Board of Directors propose to the Annual General Meeting a distribution to shareholders of €6,373,725 by way of dividend on the basis of financial results of fiscal year 2021 (2020: €8,998,200), which corresponds to €0.085 per share (2020: €0.12). Angler Gaming plc will not compensate for currency exchange cost.

### Share Structure and Ownership

At the end of 2021, 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 15,000 shareholders.

### Share Price Trend





## Risks

When considering an investment in Angler Gaming plc one should be aware of risks connected with the iGaming sector. 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 laws and regulations surrounding the online gambling industry are complex, frequently being introduced or amended in various countries which may have an adverse effect on the Company, including its business, financial condition and the results of its operations. 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.

## 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, as 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 Malta's Companies Act, the Swedish Corporate Governance Code ('the Code'), the Spotlight Market's Regulations (including the rules applicable to companies listed in the Spotlight Market's Next Segment), the International Financial Reporting Standards (IFRS), and the applicable European Union legislation, including the Market Abuse Regulations ('MAR'). With respect to the Code, it is of note that it is a self-regulatory instrument, so that the 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 report every deviation, describe the alternative solution they have chosen and explain their reasons for doing so.

In addition to the external regulatory framework, internally, the regulatory framework consists primarily of the Company's Articles of Association ('the Articles'), the Charter of the Board of Directors, the CEO instructions, the Insider Policy and various internal policies and procedures. 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**

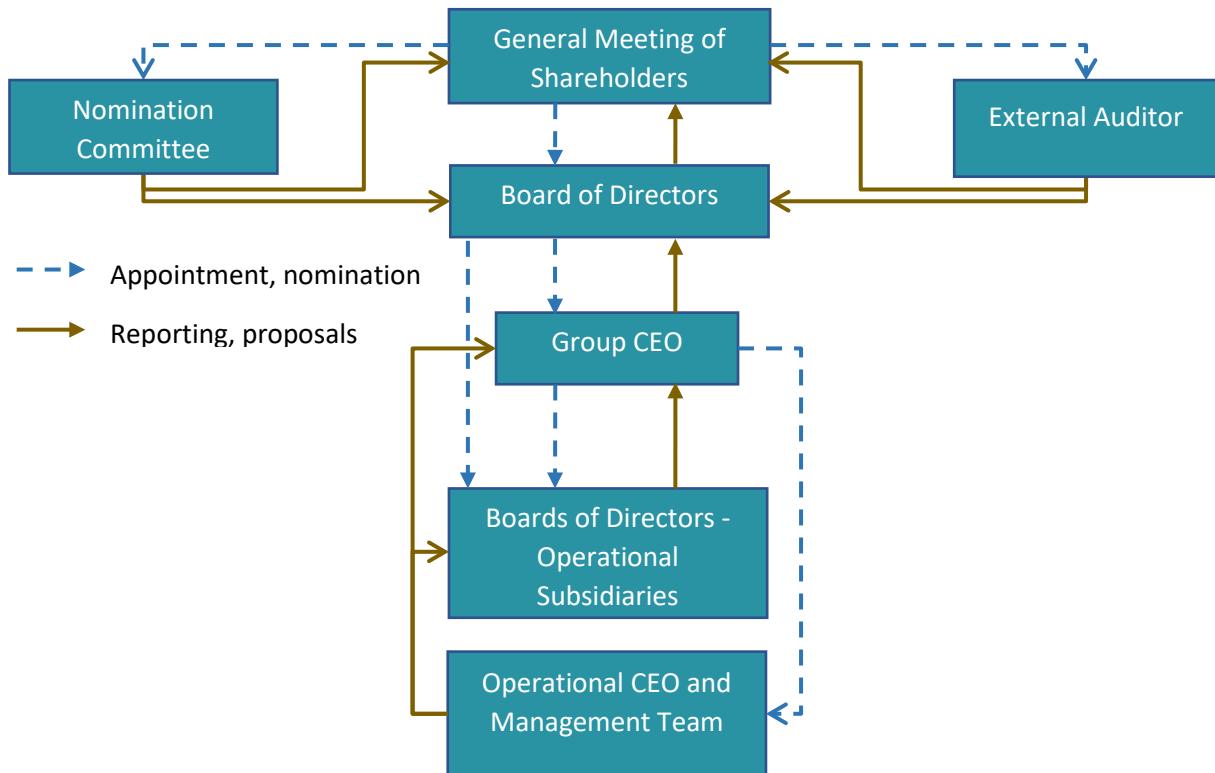
Articles of Association are the principal constitutional document of Angler Gaming. The Articles govern the regulation of internal affairs of the Company, including the procedure for summoning and conducting annual general meetings and extraordinary general meetings, composition of the board, including the minimum and maximum number of directors, the rules for the appointment and removal of board members, the rules applicable to adoption of resolutions, the rules and procedures of the 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**

The shareholders of the Company exercise their powers on the Company at General Meetings of Shareholders, the Company's highest decision-making body. The influence of shareholders on the affairs of the Company is yielded primarily through electing the Board members and voting at the Company's General Meetings of Shareholders on the matters within their powers. As a general principle, the Board of Directors is vested with all the powers of the Company that are not reserved to the General Meeting of Shareholders under the Companies Act or the Memorandum or Articles of Association of Angler Gaming. The Board of Directors' main responsibility is for the Company's organisations structure and the overall vision of the Company, while the CEO's responsibility is the management of the Company. Angler Gaming acts through two principal organs: the general meeting of shareholders and the Board of Directors.

## Corporate governance model at Angler Gaming plc



### 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 of Directors, as well as appoint the external auditor for the Company. 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.

### **2021 Annual General Meeting**

The 2021 Annual General Meeting of Angler Gaming was held on 18<sup>th</sup> June 2021 in Malta and via video conferencing, due to COVID-19 situation. At the meeting, shareholders representing 5.76% of the issued shares and voting rights were present in person or by proxy. All proposed ordinary resolutions were 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 2020;
- approval of distribution of the final ordinary gross dividend distribution of € 8,998,200 (€ 0.12 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 2020;
- re-election of all members of the Board standing for re-election, i.e. Ralf Feldt, Olga Finkel, Thomas Kalita and James Scicluna, and re-election of Olga Finkel as the Board's Chairperson, - all for the period until the end of the next Annual General Meeting;
- reappointment of Walter Rizzo & Associates as the Company's auditor and Walter Rizzo as the auditor in charge; and
- allocation of the amount not exceeding €160,000 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.

### **2022 Annual General Meeting**

The upcoming Annual General Meeting of Angler Gaming plc will be held on 17<sup>th</sup> June 2022. The date of the 2022 Annual General Meeting had been published in the interim report and, together with the relevant information on the Nomination Committee and the submission of any shareholder proposals, was published on the Company's website. In view of the fact that the pandemic-related travel and public gathering limitations or additional requirements are still relevant, the Board has decided to hold the Annual General Meeting in Malta, with shareholders viewing the meeting remotely through video conferencing. The shareholders are reminded that 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.



Shareholders who will not be participating in the Annual General Meeting by attending in person or by means of a proxy attending in person, will only be able to exercise their voting rights by postal vote submitted prior to the Annual General Meeting. More information will be stated in the Notice of the Annual General Meeting.

Shareholders who would like to attend the Annual General Meeting must be entered as direct shareholders in the register of shareholders maintained by Euroclear Sweden on 10<sup>th</sup> June 2022 (the record date) and must notify the Company of their intention to attend, in accordance with the Notice of the Annual General Meeting.

Notice of the 2022 Annual General Meeting, forms for appointing a proxy and further information about the Annual General 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 Dagens Industri.

### **Corporate Calendar 2022**

The interim quarterly reports for 2022 will be published as follows:

- Q1 2022 report will be published on 12<sup>th</sup> May 2022
- Q2 2022 report will be published on 16<sup>th</sup> August 2022
- Q3 2022 report will be published on 10<sup>th</sup> November 2022
- Q4 and the year end 2022 report will be published on 16<sup>th</sup> February 2023.

### **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 presents proposals for a chair for the annual general meeting and the election and remuneration of the statutory auditor, as well as any recommendations for the next nomination committee. Nomination Committee's recommendations will be reported in the Notice to the AGM 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 promote the common interests of all shareholders. In its proposal to the shareholders general meeting, the Nomination Committee follows the requirements of the Swedish Corporate Governance Code. In particular, with respect to the recommendations on the candidates for the post of chair and members of the Board of Directors, Nomination Committee gives particular consideration to the requirements of breadth and versatility of the Board, as well as the requirement to strive for gender balance.



Nomination Committee ahead of the 2022 Annual General Meeting was appointed and constituted as follows:

- Robert Zammit, appointed by Knojt Ltd; Chairman of the Nomination Committee;
- Peter Hamberg, appointed by the family Hamberg and associated entities;
- Johan Öhman, appointed by Draconia A.B.;
- Olga Finkel, Chairperson of the Board of Angler Gaming plc.

### **BOARD OF DIRECTORS**

The Board of Directors 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 goals of the Company, identifies sustainability issues' impact on the business of the Company, ensures the existence and the monitoring of an appropriate system for controls over the Company's operations and its risks, as well as of the external communications of the Company and their conformity to the standards of openness, reliability, accuracy and relevancy. Moreover, the Board is responsible for the appointment, evaluation and, if necessary, dismissal of the Chief Executive Officer (CEO) and the overseeing of the performance of the CEO and executive management and the evaluation of 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 2 and not more than 5 directors. The Swedish Corporate Governance Code requires a company to have not less than 3 directors. Angler Gaming currently has 4 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 18<sup>th</sup> June 2021, the shareholders have re-elected Ralf Feldt, Olga Finkel, Thomas Kalita and James Scicluna as Board members for the period until the end of the next Annual General Meeting. One director, Michael Bennett, did not stand for re-election due to retirement.

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. Three directors (Olga Finkel, Ralf Feldt and James Scicluna) are independent from the Company's principal shareholders.

<b>Members of the Board of Directors elected by the 2021 Annual General Meeting</b>	Olga Finkel	Ralf Feldt	Thomas Kalita	James Scicluna
<b>Position</b>	<b>Chairperson of the Board</b>	<b>Board Member</b>	<b>Board Member CEO</b>	<b>Board Member</b>
Board members since	2020	2016	2019	2016
Independence in relation to the Company and senior management	Yes	Yes	No	Yes
Independence in relation to major shareholders	Yes	Yes	No	Yes
Own and related parties' shareholding & votes	300,000	60,000	5,000,000	-
	0.40%	0.08%	6.67%	0.00%
Attendance at Board meetings	8 out of 8	8 out of 8	8 out of 8	8 out of 8

### **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 2021 Annual General Meeting Olga Finkel was re-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 2021, the Board of the Company held eight 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, including Angler Gaming's key performance indicators, major developments within the Group, as well as to discuss strategic matters. The Company's interim reports are approved quarterly.

The Company's auditors report to the Board on their findings.



The Annual Report is approved at the board meeting convened for this purpose.

### **Remuneration Committee**

According to the Code, the Board is either required to establish a remuneration committee or, if the Board considers it 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.

### **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 for the Board's review and approval. 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**

In 2021, the Board and the CEO were evaluated through an evaluation questionnaire and assessment with the aim of developing the Board's working methods and efficiency. The evaluation was focused on assessing the skills, competence of the board members, the appraisal of the CEO and the efficiency, timeliness and quality of the information flow between the Board and the CEO. The results of this evaluation were discussed by the Board and reported to the Nomination Committee to guide it in its work of proposing candidates to the Board of Directors.

### **REMUNERATION**

The principles that the Company and Angler Gaming Group applies to remuneration for members of the Board and the executive management 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 effects for the Company's operations. Any variable remuneration is to be linked to pre-determined and measurable performance criteria aimed at promoting the Company's long-term value creation, paid only if said criteria have been



satisfied and, if paid other than in share-based incentives, is to be subject to pre-determined limits regarding the total outcome.

Any share-based incentives are to be designed with the aim to align the interests of participating individuals and the Company's shareholders and to be approved, in all their principal terms, by a general shareholders meeting.

### **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. Unless the Annual General Meeting decides otherwise, 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 18<sup>th</sup> June 2021, the shareholders have resolved to allocate the amount not exceeding €160,000 per annum for Board's remuneration covering the ordinary duties of directors, to be distributed as follows: €80,000 to the Chairperson of the Board and €40,000 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

### **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 for 2021. 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.

In the latest evaluation of this matter by the Board, a decision was taken to establish the internal audit function by mid-2022. The internal audit function shall be tasked with ensuring compliance with established principles of financial reporting and 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 2021, the Company prepared its six-months' financial report (Jan-Jun 2021) which had been reviewed by the Company's auditor and formed part of Q2 2021 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.



## AnglerGaming

### 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:** 5,000,000 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



**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, customer 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.

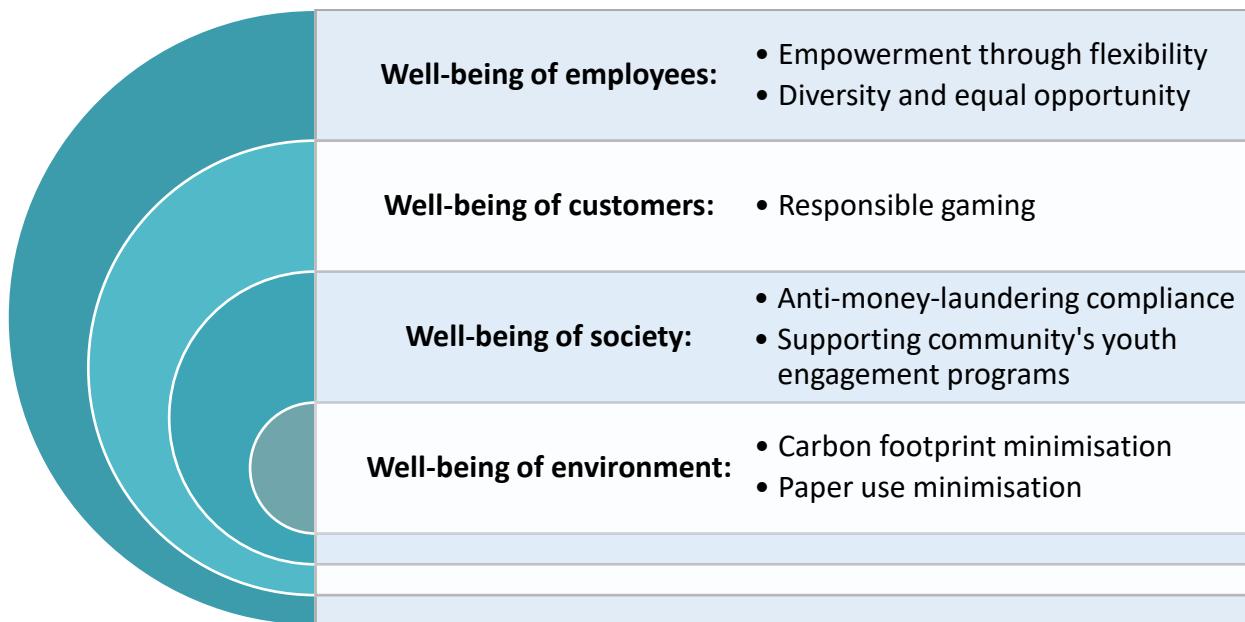
Achieving and preserving long-term sustainability is a multi-faceted undertaking. The sustainability framework of Angler Gaming revolves around four key areas:





## 2021 Sustainability Priorities

In 2021, Angler Gaming continued to focus of the priority areas identified in the previous year, which were:



## OUTCOMES FOR EACH PRIORITY AREA

### **Employees' empowerment through flexibility**

In 2021, even though the restrictions relating to COVID-19 pandemic were gradually being lifted, the Group continued focusing on ensuring health and safety of its employees. The Group transitioned into the 'new normal', where hybrid working conditions and flexibility of work were maintained and enhanced. All employees have flexibility of working within the hybrid environment, combining remote work and in-office work, thus allowing the most efficient and safe remote work, while at the same time reaping the benefits of working together as a team at the office, strengthening the Company's corporate culture and values. 100% of the Group workforce are benefiting from the hybrid working environment and are in control of their preferred mode of working.

### **Diversity and equal opportunity**

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

In 2021, the Group employed personnel of **12 different nationalities**.

The Group is striving to improve gender diversity overall and increase the engagement of women in managerial and senior positions in particular. In 2021, the **number of women amongst the employees of the Group grew by 60%** comparing to 2020. Moreover, comparing also to previous year, the **number of women in senior positions increased in 2021 by 100%**.



## Responsible gaming

Angler Gaming firmly believes that gaming should be a safe entertainment activity and problem gaming should be detected and, as much as possible, pre-empted. When pre-emption is not possible, offering players all the support they need to assist them in overcoming the gambling problem is the first and over-arching priority. Putting customers first in this important area of responsible gaming is one of the fundamental pillars of ensuring sustainability of the business overall.

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 2021, as a result of an efficient detection of problems, strengthened by combined implementation of automated preventive measures and the actions of our operational team in educating the customers in the availability of responsible gaming tools, in 2021 the **use by customers of self-limitation and self-exclusion tools increased by 23%**, and we report with satisfaction that as a result of our continuous customer-well-being efforts, the **number of customers with gambling problems remained very low, within 1%**.

## Anti-money laundering compliance function

In 2021 the Group further strengthened its anti-laundering and combatting of funding of terrorism (AML/CFT) function. Engaging additional competent personnel, training of employees, especially on specific gaming-related risk areas, deploying best in class tools, improving and further automating such important areas as customer due diligence, customer risk assessment, suspicious transaction reporting and the overall business risk assessment against the money-laundering risks and implementation of appropriate mitigating measures have been carried out by the Group.

## Giving back to the community - supporting youth engagement programs

In 2021 Angler Gaming supported the Duke of Edinburgh International Award – Malta Foundation, a youth's community engagement and development program in Malta, in the Foundation's reaching-out efforts in Malta schools.

## Minimisation of climate change and environment impact

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

In 2021, even though the pandemic-related restrictions had gradually been lifted, Angler Gaming continued to apply 'business travel as exception, not the rule' approach, keeping its carbon footprint very low, keeping business travel to levels at levels comparable with the previous year.



## AUDITED FINANCIAL STATEMENTS 2021

The audited Financial Statements for financial year ending 31 December 2021, approved by the Board of Directors on 28 April 2022, are enclosed with this report.

# **ANGLER GAMING PLC**

**Report and financial statements  
for the year 1 January to 31 December 2021**

**Malta Company Registration Number: C55255**

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# ANGLER GAMING PLC

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

## Board of Directors and other Company Information

### Directors

Olga Finkel (Chairperson)  
Thomas Kalita  
James Scicluna  
Ralf Feldt  
Michael Daniel Bennett (resigned on 18 June 2021)

### Company Secretary

Robert Zammit

### Independent Auditors

MGI Malta  
Central Business Centre,  
Level 1, Suite 2, Mdina Road,  
Zebbug,  
Malta - EU

As from 1 July 2021, Walter Rizzo & Associates have joined MGI Malta who form part of an international network of audit, tax, accounting and consulting firms MGI Worldwide with CPA Associates International. Mr. Walter Rizzo remains auditor in charge.

### Company Number

C55255

### Registered Office

Office 1 / 3327,  
Level G, Quantum House,  
75 Abate Rigord Street,  
Ta' Xbiex,  
Malta - EU

### Legal Advisers

WH Partners  
Level 5, Quantum House,  
75 Abate Rigord Street,  
Ta' Xbiex,  
Malta - EU

## Report of the Board of Directors

The Directors present their tenth annual report together with the audited financial statements of the consolidated entity, being Angler Gaming plc ("the Company") and its controlled entities ("the Group") covering the year from 1 January 2021 up to 31 December 2021.

### Principal activity of the holding company

The Company's principal activities are to invest and to hold shares, participations, investments, interests and debentures in related undertakings and to own manage and administer property of any kind belonging to it.

The Company, as parent company, is listed on the Spotlight Stock Market, Klarabergsviadukten 63, 9th floor, 101 23 Stockholm, Sweden ("Spotlight"). In November 2019 the Company has been amongst the very first few companies to have been accepted to the Next Segment (premium segment) of the Spotlight.

### Group structure and other activities within the group

The Company has nine subsidiary undertaking companies, namely, Starfish Media N.V. ("Starfish"), Starpay Limited ("Starpay"), Delta Services Limited ("Delta"), Premiergaming Ltd ("Premier"), Hipponut Ltd ("Hipponut"), DSL Sofia Ltd ("DSL"), Starspay Limited (formerly known as Foxpay Ltd) ("Starspay"), Premiergaming (IOM) Limited ("PGL IOM") and Fiebre Ltd ("FL").

Starfish holds a Curaçao gaming licence authorising it to provide internet gaming, services and products. Starfish is licensed by a sub-liscence from Curaçao eGaming, a company registered in Curaçao holder of Master Gaming License #1668/JAZ, to provide online gambling services. The company has an agreement with Curaçao eGaming outlining the sublicensing which in turn is regulated by the licensing authority in Curaçao. The Sole Director of Starfish is responsible for, and ensures, the compliance of the Group with the requirements of the licensing authority in Curaçao and other related laws and regulations.

Starfish has its own subsidiary company, Starpay which primarily carries out the business of facilitating and assisting the parent company in processing of payments through gateways for and on behalf of its parent company, Starfish. On the basis of the Starpay's application request for authorization of 7 October 2019, on 7 February 2020 the Company obtained the consent of the Maltese Registrar of Companies to be continued under the laws of Cyprus in terms of the Continuation of Companies Regulations 2002 issued under the Maltese Companies Act, 1995. Starpay ceased in Malta, and continuation in Cyprus took effect, on 20 October 2020.

Delta was incorporated in Malta in 2015 and provides the Group with managerial and administrative support services as well as consultancy services. Delta has two fully owned subsidiary companies - Hipponut Ltd and DSL Sofia Ltd which were registered in Sofia, Bulgaria in October 2019 for technology services and associated purposes. In addition, during the year 2021, Delta established a new jointly owned company, Fiebre Ltd, where the Group controls 80% and a minority shareholder holds 20%. The company operates in the field of affiliate marketing for South American markets and the total investment in the project will be EUR 300,000.

## **Report of the Board of Directors (continued)**

Premier was incorporated in Malta in 2017, is licensed and regulated by the Malta Gaming Authority ("MGA") under licence number MGA/B2C/430/2017 and is authorised to offer casino games. In January 2019 Premier also received a full five-year license to conduct online gaming in Sweden under licence reference number 18Li10415, offering online casino, online sportsbetting and online bingo.

Starspay Limited was incorporated in London, England in 2019 principally for software development and other information technology-related services. Starspay also carries out the business of facilitating and assisting the parent company in processing of payments through gateways for and on behalf of its parent company and its controlled entities.

Premiergaming (IOM) Limited was incorporated in Douglas, Isle of Man in 2021 and has obtained a B2B iGaming Licence from the Isle of Man Gambling Supervision Commission.

### **Overall performance of the group**

In the year under review, Group registered a profit on ordinary activities before taxation of EUR 7,248,757 as compared to EUR 11,884,995 in 2020. Profit after taxation was EUR 7,189,946 whereas in 2020 a profit of EUR 11,564,819 was registered. As at the end of the year under review, the total assets of the Group were EUR 19,067,005 (2020: EUR 20,598,172) and the net assets were EUR 14,674,908 (2020: EUR 16,483,161).

### **Group financial position, development and performance**

The financial position, development and performance of the Group as presented in these financial statements show that 2021 has seen a decline in figures. The Group revenues in 2021 marginally reduced over 2020 reaching EUR 43,404,095 (2020: EUR 43,487,631) and resulting in a decrease in gross profits at EUR 14,797,548 (2020: EUR 19,405,766) in absolute terms. Operating results further worsened in 2021 at EUR 7,844,577 (2020: EUR 14,119,681).

### **COVID-19 and financial and operational performance**

Following the outbreak of the COVID-19 pandemic, the Group embarked upon an exercise which saw it implement a number of initiatives aimed at ensuring continuity of service and at the mitigation of a potential negative impact on business. Despite the challenges presented by the outbreak of this pandemic, the Group has managed to mitigate any significant impact on its operations and performance to date, taking cognisance of the Group's financial results for the year. 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.

## Report of the Board of Directors (continued)

### Principal Risks and Uncertainties faced by the Company and its controlled entities

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. The laws and regulations surrounding the online gambling industry are complex, frequently being introduced or amended in various countries which may lead to prohibiting or restricting operations or altering operating conditions therein. Future changes to laws and regulations, could have a material adverse effect on the Group's business, financial condition and the results of its operations. The Company has been in operation for a limited number of years and its investments are in their majority still in an early growth stage. The Company's performance is highly dependent on the performance of one of its main investments, a fully owned subsidiary, since a substantial part of its revenues are generated from this particular provider of services within the iGaming industry.

In addition to the above, the Directors also consider the following risks as being relevant to the Company and its controlled entities:

- 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 risks are not an exhaustive list of potential risks and uncertainties 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.

### Financial Risk Management

Information on the financial risks and uncertainties faced by the company are disclosed in Note 3.

## **Report of the Board of Directors (continued)**

### **Results and Dividends**

The consolidated and parent results for the year are set out on page 11. The Board of Directors recommends the payment of a final gross ordinary dividend of EUR 6,373,725 (2020: EUR 8,998,200) to shareholders. This dividend corresponds to EUR 0.085 (2020: EUR 0.12) per share. The dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

### **Share Capital**

Share capital information of the Group and the Company is disclosed in Note 17 to the financial statements. Each share gives the right to one vote and shares shall rank pari passu for all intents and purposes of the law.

	<b>Number of Ordinary Shares</b>	<b>Total Shares EUR</b>
<b>Authorised</b> Ordinary shares of EUR 0.01 each, as at 31 December 2021 and 31 December 2020	<b>84,498,570</b>	<b>844,986</b>
<b>Issued and fully paid up</b> Ordinary shares of EUR 0.01 each, as at 31 December 2021 and 31 December 2020	<b>74,984,995</b>	<b>749,849</b>

### **Memorandum and Articles of Association**

There were no changes to the Memorandum and Articles of Association of the Company during the year 2021.

The rules governing the appointment or election of directors are contained in Articles 51 to 56 of the Articles of Association. An extraordinary resolution approved by the shareholders in the general meeting is required to amend the Articles of Association.

The powers of Directors are outlined in Articles 69 to 74 of the Company's Articles of Association.

# ANGLER GAMING PLC

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

## Report of the Board of Directors (continued)

### Board of Directors

The Board of Directors of the Company who held office throughout/during the year 2021, were:

Olga Finkel	Chairperson – Director
Thomas Kalita	Chief Executive Officer – Director
James Scicluna	Director
Ralf Feldt	Director
Michael Daniel Bennett	Director (resigned on 18 June 2021)

The Articles of Association require Directors to retire after one year in office, but they are eligible for re-appointment.

### Directors' interests in Shares

The beneficial interests of each of the Directors in the ordinary share capital of the company as of 31 December 2021 are shown below:

	Number of issued ordinary shares of EUR 0.01 each
Olga Finkel	300,000
Thomas Kalita (through a company he controls)	4,000,000
James Scicluna	NIL
Ralf Feldt	60,000

On 17 February 2022 Angler Gaming plc's CEO/Director, Thomas Kalita, via a company he controls, bought 1,000,000 shares in the Company at the average price of SEK 6.79931 (total value SEK 6,799,310). After this acquisition, Thomas Kalita holds, via a company he controls, 5,000,000 shares in Angler Gaming plc.

### Directors' interests in Contracts

The directors are aware that their primary responsibility is always to act in the interest of the Company and its shareholders as a whole. The directors are also aware that acting in the interest of the Company includes an obligation to avoid conflicts of interest. No director had a material interest in any contract, other than an employment related contract, that was significant in relation to the Group's business at any time during the year.

### Going Concern

At the time of approving the financial statements, the Board of Directors determined that there is reasonable expectation that the Group and the Company has adequate resources to continue operating for the foreseeable future. In considering going concern and liquidity risk, the directors have reviewed the Group's future cash requirements and earnings prospects and have also considered the impact of a range of potential changes to trading performance. For this reason, the Directors have adopted the going concern basis in preparing the financial statements.

# ANGLER GAMING PLC

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

## Report of the Board of Directors (continued)

### Events after the Reporting Period

The values of assets and liabilities at the year-end are adjusted if there is evidence that subsequent adjusting events warrant a modification of these values. These adjustments are made up to the date of approval of the financial statements by the Board of Directors.

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.

### Future developments

The new subsidiary company, Fiebre Ltd, where the Group controls 80% and a minority shareholder holds 20%, that operates in the field of affiliate marketing for South American markets has a total investment in the project of EUR 300,000.

As stated elsewhere in this Report, the Board has reviewed the activities of the Group with the intention of safeguarding the business, and the strategic priority remains the long-term sustainability of the Group with a focus on growing the business.

### Auditors

As from 1 July 2021, Walter Rizzo & Associates have joined MGI Malta who form part of an international network of audit, tax, accounting and consulting firms MGI Worldwide with CPA Associates International. Mr. Walter Rizzo remains auditor in charge.

MGI Malta have expressed their willingness to continue in office. A resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

*On behalf of the Board*



**Olga Finkel**

Chairperson - Director



**Thomas Kalita**

Chief Executive Officer – Director

### Registered office:

Office 1 / 3327, Level G, Quantum House, 75 Abate Rigord Street, Ta' Xbiex, Malta - EU

Date: 28 April 2022

## **Statement of Directors' Responsibilities**

Angler Gaming plc has to abide by the Companies Act, 1995 (CAP 386 of the Laws of Malta) and the rules associated with a listing on Spotlight Stock Market. The Group/Company will also operate in compliance with the rules and regulations listed in the Articles of Association. These are available on the Company's website.

The directors are required by the Companies Act, 1995 to prepare financial statements which give a true and fair view of the state of affairs of the group and the parent at the end of each financial period and of its profit or loss for that period.

In preparing the financial statements, the directors are responsible for:

- Ensuring that the financial statements have been drawn up in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union;
- Selecting and applying appropriate accounting policies;
- Making accounting estimates that are reasonable in the circumstances;
- Ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Group/Company will continue in business as a going concern.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and the parent and to enable them to ensure that the financial statements comply with the Companies Act. The directors are also responsible for ensuring that an appropriate system of internal control is in operation to provide them with assurance that the assets of the group and the parent are being properly safeguarded and that fraud and other irregularities will be prevented or detected.

The financial statements of Angler Gaming plc for the year ended 31 December 2021 are included in the Annual Report and Statutory Financial Statements, which is published in hard copy printed form and available on the Company's website. The directors are responsible for the maintenance and integrity of the Annual Report on the website in view of their responsibility for the controls over, and the security of, the website. Access to information published on the Company's website is available in other countries and jurisdictions, where legislation governing the preparation and dissemination of financial statements may differ from requirements or practice in Malta.

**INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of Angler Gaming plc

**Report on the Audit of the Consolidated Financial Statements**

We have audited the consolidated and stand-alone parent company financial statements of Angler Gaming plc and its subsidiaries ("the Group"), which comprise the consolidated and parent company statement of financial position as at 31 December 2021, and the consolidated and parent company statement of comprehensive income, consolidated and parent company statement of changes in equity and consolidated and parent company statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

**Opinion**

In our opinion, the accompanying Group financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information in the Annual Report**

The directors are responsible for the Other Information. The Other Information comprises all the information in the 2021 annual report other than the Group financial statements and our auditor's report thereon ("the Other Information"). Our opinion on the financial statements does not cover this information, other than in the case of the directors' report on which we report separately below, we do not express any form of conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Directors' Report, we also considered whether the Directors' Report includes the disclosures required by Article 177 of the Maltese Companies Act (Cap. 386). Pursuant to Article 179(3) of the Maltese Companies Act, based on the work we have performed, in our opinion:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with the Maltese Companies Act (Cap.386).

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the directors' report. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of Angler Gaming plc

**Responsibilities of the Directors**

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITOR'S REPORT**  
To the Shareholders of Angler Gaming plc

**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

Under articles 179(10) and 179(11) of the Maltese Companies Act (Cap. 386) we are required to report to you if, in our opinion:

- We have not received all the information and explanations we require for our audit.
- Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.

We have nothing to report to you in respect of these responsibilities.



Walter Rizzo  
For and on behalf of  
**MGI Malta**  
Certified Public Accountants  
Central Business Centre  
Level 1, Suite 2, Mdina Road  
Zebbug ZBG 9015  
Malta

Date: 28 April 2022

# ANGLER GAMING PLC

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

## Statement of Comprehensive Income for the year ended 31 December 2021

	Note	Group 2021 EUR	Company 2021 EUR	Group 2020 EUR	Company 2020 EUR
Revenue	6	43,404,095	12,568,992	43,487,631	7,904,853
Direct costs		(28,606,547)	-	(24,081,865)	-
<b>Gross profit</b>		<b>14,797,548</b>	<b>12,568,992</b>	<b>19,405,766</b>	<b>7,904,853</b>
Direct wages costs	7	(1,815,734)	-	(1,263,948)	-
Administrative expenses		(2,734,929)	(378,214)	(1,629,762)	(346,540)
ICT & Hosting Expenses		(780,895)	-	(511,874)	-
Marketing and sales expenses		(1,613,801)	(120,460)	(1,874,681)	(95,603)
Depreciation		(7,612)	(96)	(5,820)	(96)
<b>Operating profit</b>	8	<b>7,844,577</b>	<b>12,070,222</b>	<b>14,119,681</b>	<b>7,462,614</b>
Finance cost	9	(595,820)	(4,922)	(2,234,686)	(2,107)
Finance income	9	-	-	-	-
<b>Profit before taxation</b>		<b>7,248,757</b>	<b>12,065,300</b>	<b>11,884,995</b>	<b>7,460,507</b>
Taxation	10	(58,811)	-	(320,176)	-
<b>Profit and total comprehensive income for the financial year</b>		<b>7,189,946</b>	<b>12,065,300</b>	<b>11,564,819</b>	<b>7,460,507</b>
<b>Basic earnings per share based on net results for the year</b>	11	<b>0.0959</b>	<b>0.1609</b>	<b>0.1542</b>	<b>0.0995</b>

The accounting policies and explanatory notes on pages 16 to 36 are an integral part of these financial statements.

**ANGLER GAMING PLC**

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

**Statement of Financial Position  
at 31 December 2021**

	<b>Note</b>	<b>Group 2021 EUR</b>	<b>Company 2021 EUR</b>	<b>Group 2020 EUR</b>	<b>Company 2020 EUR</b>
<b>Assets</b>					
<b>Non-current assets</b>					
Investments in subsidiaries	12	-	101,999	-	101,998
Intangible assets	13	1,216,051	-	1,184,304	-
Property, plant and equipment	14	15,811	100	15,500	196
<b>Total non-current assets</b>		<b>1,231,862</b>	<b>102,099</b>	<b>1,199,804</b>	<b>102,194</b>
<b>Current assets</b>					
Trade and other receivables	15	12,175,445	10,394,273	9,813,105	7,315,521
Cash and cash equivalents	16	5,659,698	25,491	9,585,263	52,060
<b>Total current assets</b>		<b>17,835,143</b>	<b>10,419,764</b>	<b>19,398,368</b>	<b>7,367,581</b>
<b>Total assets</b>		<b>19,067,005</b>	<b>10,521,863</b>	<b>20,598,172</b>	<b>7,469,775</b>
<b>Equity and liabilities</b>					
<b>Capital and reserves</b>					
Paid up capital	17	749,849	749,849	749,849	749,849
Share premium	18	1,815,803	1,815,803	1,815,803	1,815,803
Non-refundable shareholder contribution	19	177,088	-	177,088	-
Retained earnings		11,932,168	7,955,049	13,740,421	4,887,948
		<b>14,674,908</b>	<b>10,520,701</b>	<b>16,483,161</b>	<b>7,453,600</b>
<b>Current liabilities</b>					
Trade and other payables	20	3,966,109	1,162	3,633,511	16,175
Taxation		425,988	-	481,500	-
<b>Total liabilities</b>		<b>4,392,097</b>	<b>1,162</b>	<b>4,115,011</b>	<b>16,175</b>
<b>Total equity and liabilities</b>		<b>19,067,005</b>	<b>10,521,863</b>	<b>20,598,172</b>	<b>7,469,775</b>

The financial statements on pages 11 to 36 were approved and signed by the Directors on 28 April 2022:

**Olga Finkel**  
Chairperson - Director

**Thomas Kalita**  
Chief Executive Officer – Director

The accounting policies and explanatory notes on pages 16 to 36 are an integral part of these financial statements.

**ANGLER GAMING PLC**

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

**Statement of changes in equity  
for the year ended 31 December 2021**

	Share capital EUR	Retained earnings EUR	Non-refundable shareholder contribution EUR	Share premium EUR	Group Total EUR
<b>Balance at 1 January 2020</b>	<b>749,849</b>	<b>7,424,552</b>	<b>177,088</b>	<b>1,815,803</b>	<b>10,167,292</b>
Profit and total comprehensive income for the financial year	-	11,564,819	-	-	11,564,819
Dividend paid on equity shares	-	(5,248,950)	-	-	(5,248,950)
<b>Balance at 31 December 2020</b>	<b>749,849</b>	<b>13,740,421</b>	<b>177,088</b>	<b>1,815,803</b>	<b>16,483,161</b>
<b>Balance at 1 January 2021</b>	<b>749,849</b>	<b>13,740,421</b>	<b>177,088</b>	<b>1,815,803</b>	<b>16,483,161</b>
Profit and total comprehensive income for the financial year	-	7,189,946	-	-	7,189,946
Dividend paid on equity shares	-	(8,998,199)	-	-	(8,998,199)
<b>Balance at 31 December 2021</b>	<b>749,849</b>	<b>11,932,168</b>	<b>177,088</b>	<b>1,815,803</b>	<b>14,674,908</b>

The accounting policies and explanatory notes on pages 16 to 36 are an integral part of these financial statements.

**ANGLER GAMING PLC**

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

**Statement of Cash Flows  
for the year ended 31 December 2021**

	<b>Group</b> <b>2021</b> <b>EUR</b>	<b>Company</b> <b>2021</b> <b>EUR</b>	<b>Group</b> <b>2020</b> <b>EUR</b>	<b>Company</b> <b>2020</b> <b>EUR</b>
<b>Cash flows from operating activities</b>				
<b>Profit before taxation</b>	7,248,757	12,065,300	11,884,995	7,460,507
Reconciliation to cash generated from operations:				
Depreciation	7,612	96	5,820	96
<b>Operating profit before working capital changes</b>	<b>7,256,369</b>	<b>12,065,396</b>	<b>11,890,815</b>	<b>7,460,603</b>
Movement in debtors	(2,362,340)	(15,600)	(3,412,037)	18,184
Movement in creditors	218,275	(15,013)	1,844,397	10,072
<b>Net cash generated from operating activities</b>	<b>5,112,304</b>	<b>12,034,783</b>	<b>10,323,175</b>	<b>7,488,859</b>
<b>Cash flows from investing activities</b>				
Investment in subsidiary	-	(1)	-	-
Intangible/tangible fixed assets	(39,670)	-	(2,569)	-
<b>Net cash (absorbed by)/generated from investing activities</b>	<b>(39,670)</b>	<b>(1)</b>	<b>(2,569)</b>	<b>-</b>
<b>Cash flows from financing activities</b>				
Dividend paid on equity shares	(8,998,199)	(8,998,199)	(5,248,950)	(5,248,950)
Intra-group finance	-	(3,063,152)	-	(2,212,831)
<b>Net cash generated from financing activities</b>	<b>(8,998,199)</b>	<b>(12,061,351)</b>	<b>(5,248,950)</b>	<b>(7,461,781)</b>
Net movement in cash and cash equivalents in the year	(3,925,565)	(26,569)	5,071,656	27,078
Cash and cash equivalents at beginning of year	9,585,263	52,060	4,513,607	24,982
<b>Cash and cash equivalents at end of year (Note 16)</b>	<b>5,659,698</b>	<b>25,491</b>	<b>9,585,263</b>	<b>52,060</b>

The accounting policies and explanatory notes on pages 16 to 36 are an integral part of these financial statements.

## Notes to the 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. These consolidated and stand-alone parent company financial statements were approved for issue by the Board of Directors on 28 April 2022.

#### ***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 has been amongst the very first few companies to have been accepted to the Next Segment (premium segment) of the Spotlight.

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

Name	Shareholding
Starfish Media N.V.	100%
Starpay Limited	100%
Starspay Limited	100%
Premiergaming Ltd	100%
Premiergaming (IOM) Limited	100%
Delta Services Limited	100%
DSL Sofia Ltd	100%
Hipponut Ltd	100%
Fiebre Ltd	80%

### 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated and stand-alone parent company financial statements are set out below.

#### ***Basis of preparation and statement of compliance***

The financial statements are prepared under the historical cost convention and are in accordance with:

- International Financial Reporting Standards (IFRSs) as adopted by the EU;
- Companies Act, 1995 (CAP 386 of the Laws of Malta) and
- the requirements of the Spotlight Stock Market Connection Agreement.

**Notes to the financial statements (continued)****2 Summary of significant accounting policies (continued)*****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.

***Basis of consolidation******(i) Subsidiaries***

The Group financial statements consolidate those of the parent company and all of its subsidiary undertakings drawn up to 31 December 2021. Subsidiaries are all entities over which the Group has the power to control the financial and operating policies. The Group obtains and exercises control through more than half of the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the group. All subsidiaries have a reporting date of 31 December.

***(ii) Transactions eliminated on consolidation.***

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

***Revenue recognition***

Revenues earned by the Group are recognised on the following bases:

***(i) Casino Revenue***

Under IFRS 15 Revenue from contracts with customers, revenue is to be recognised when the customer assumes control over the sold item or service and has the ability to use and obtain benefit from those items or services.

Casino gaming revenue represents bet - win - jackpot contribution - bonus cost - loyalty points - manual adjustments user balances. Cost of sales includes payment processing fees to payment suppliers, affiliate expenses, gaming license fees for products, software licence fees and affiliate costs.

***(ii) Dividend income***

Dividend income is recognized when the right to receive payment is established.

***(iii) Interest income***

Interest income is recognised on a time proportion basis using the effective interest method.

**Notes to the financial statements (continued)****2 Summary of significant accounting policies (continued)*****Foreign currency translation******(i) Functional and presentation currency***

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'euro currency' (€), which is the Group's presentation currency.

***(ii) Transactions and balances***

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

***Property, plant and equipment***

Property, plant and equipment comprise mainly computer equipment. This is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

The Company and the Group do not have title to other property, plant and equipment.

***Intangible assets – computer software***

Costs associated with maintaining computer software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- expenditure attributable to software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

**Notes to the financial statements (continued)****2 Summary of significant accounting policies (continued)*****Intangible assets – computer software (continued)***

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

***Depreciation***

Depreciation is calculated to write off the cost of fixed assets on a straight-line basis over the expected useful lives of the assets concerned having regard to their residual value. The annual rates used for this purpose, which are applied consistently, are:

	Useful life	%
Computer equipment	48 months	25.00
Office furniture	120 months	10.00
Furniture and fittings	120 months	10.00

***Intangible assets amortisation***

Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight-line basis over its estimated useful life as follows:

	Useful life	%
Software	72 months	16.67

Brand and domain have an indefinite life and are not amortized, but rather evaluated for impairment annually.

***Employee benefits***

Contributions towards the state pension are made in accordance with local legislation. The only obligation is to make the required contributions. Costs are expensed in the period in which they are incurred.

***Current and deferred income tax***

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**Notes to the financial statements (continued)****2 Summary of significant accounting policies (continued)**

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

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 Group'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.

***Trade receivables***

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount, being the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income.

***Share capital***

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or for the acquisition of a business, are included in the cost of acquisition as part of the purchase consideration.

Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statements in the period in which the dividends are approved by the company's shareholders. Interim dividends are approved by the directors and recognised when paid.

***Non-refundable shareholder contribution***

The previous shareholding company contributed a non-refundable financial amount before the company was listed on Spotlight Stock Market. This amount is free from any security, obligation, or repayment.

***Trade and other payables***

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**Notes to the financial statements (continued)****2 Summary of significant accounting policies (continued)*****Provisions***

Provisions are recognised when the Company has a present or constructive obligation as a result of past events, it is more likely than not an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

***Cash and cash equivalents***

Cash and cash equivalents include cash and deposits held at call banks.

***Earnings per share***

The group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding at the end of the period.

**3 Financial risk management*****Financial risk factors***

The company'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 company's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the company's financial performance. The Board provides principles for overall risk management, as well as policies covering risks referred to above and specific areas such as investment of excess liquidity. The company 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 Company to manage these risks are discussed below:

***Market Risk******(i) Foreign exchange risk***

The company's operating revenues, operating expenditure and financing are mainly denominated in euro. Accordingly, the company's 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 company has no significant interest-bearing assets and liabilities, the Company's 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 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 company does not hold any collateral as security in this respect. The company banks only with financial institutions with high quality standing or rating.

***Liquidity risk***

The company 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 Company'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 Company's functional currency. The Company is exposed to foreign exchange risk arising from various currency exposures. The Company's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly. In general, the company 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 Company'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 Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

**Notes to the 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 Company 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 Company 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 Company 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 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 many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

Management's assessments related to the tax currently payable is based on taxable profit for the year. 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.

# ANGLER GAMING PLC

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

## Notes to the financial statements (continued)

### 6 Revenue

	Group 2021 EUR	Company 2021 EUR	Group 2020 EUR	Company 2020 EUR
Casino revenue	<b>42,653,603</b>	-	<b>42,717,482</b>	-
Marketing and SEO revenue	<b>750,492</b>	-	<b>770,149</b>	-
Dividend received	-	<b>12,568,992</b>	-	<b>7,904,853</b>

### 7 Employee benefit expense

	Group 2021 EUR	Company 2021 EUR	Group 2020 EUR	Company 2020 EUR
Wages and salaries - Malta	1,429,082	-	1,131,075	-
Social Security costs – Malta	69,437	-	63,470	-
Wages and salaries - Bulgaria	273,543	-	54,308	-
Social Security costs - Bulgaria	41,580	-	8,110	-
Other employee related expenses	2,092	-	6,985	-
	<b>1,815,734</b>	-	<b>1,263,948</b>	-

The average number of employees employed by the Group during the year was:

	Group 2021	Company 2021	Group 2020	Company 2020
Management and administration	5	4	5	1
Software development and customer support	42	-	38	-
	<b>47</b>	<b>4</b>	<b>43</b>	<b>1</b>

**Notes to the financial statements (continued)****8 Operating profit**

Operating profit for the financial year is stated after charging:

	<b>Group</b> <b>2021</b> <b>EUR</b>	<b>Company</b> <b>2021</b> <b>EUR</b>	<b>Group</b> <b>2020</b> <b>EUR</b>	<b>Company</b> <b>2020</b> <b>EUR</b>
Directors' remuneration and other emoluments				
The parent company				
- Directors' fees	171,932	171,932	126,088	126,088
- Other emoluments payable to directors for management and administration of the parent and subsidiaries, whether directly or via controlled companies	480,065	136,687	347,040	90,569
The subsidiaries				
- Directors' remuneration, including directors' fee and emoluments for company management and administration services	239,841	-	251,883	-
Fees payable to the group's auditors				
for the annual statutory audit	10,000	7,000	10,000	7,000
for review of condensed consolidated interim financial statements	3,500	-	3,500	-
for other assurance services	6,750	-	6,750	-
Impairment/asset write-off	315,423	-	-	-
Provision for bad and doubtful debts	-	-	270,711	-

The company highlights that during the year ended 31 December 2021, the company has written off receivables of EUR 315,423 (2020: NIL). No further movements were necessary as at 31 December 2021 following a review carried out in accordance with the company's accounting policies.

# ANGLER GAMING PLC

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

## Notes to the financial statements (continued)

### 9 Finance (Cost)/Income

	Group 2021 EUR	Company 2021 EUR	Group 2020 EUR	Company 2020 EUR
Finance (cost)/income arising as follows:				
Interest paid to banks	-	-	-	-
Bank charges	(383,503)	(2,410)	(433,485)	(2,107)
Realised and unrealised gains and losses on exchange	(212,317)	(2,512)	(1,801,201)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Interest received from banks	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>(595,820)</b>	<b>(4,922)</b>	<b>(2,234,686)</b>	<b>(2,107)</b>

In Q3 2020 the subsidiaries of the company experienced unusually high financial costs emanating from foreign exchange fluctuations and has subsequently implemented adequate mitigating measures.

### 10 Income tax

	2021 EUR	2020 EUR
Current tax:		
Taxation at domestic income tax rates for company profits	<hr/> <b>58,811</b>	<hr/> <b>320,176</b>

#### ***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.

#### ***Starpay Limited***

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

**Notes to the financial statements (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.

***Starspay Limited***

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

***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.

***Deferred tax***

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

**11 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 year. The weighted average number of ordinary shares outstanding during the year amounted to 74,984,995 (2020: 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 consolidated financial statements.

# ANGLER GAMING PLC

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

## Notes to the financial statements (continued)

### 12 Investments in subsidiaries

In the separate financial statements shares in subsidiary undertakings are accounted for at cost.

	Group 2021 EUR	Company 2021 EUR	Group 2020 EUR	Company 2020 EUR
<b>Cost and net book value</b>				
At 1 January	-	101,998	-	101,998
Additions	-	1	-	-
<b>At 31 December</b>	<b>-</b>	<b>101,999</b>	<b>-</b>	<b>101,998</b>

The carrying amount for the investment in controlled entities reflects the value of the investment by the ultimate parent, Angler Gaming plc. The Directors are of the opinion that based on future cashflows of the controlled entities, the value in use is equal or exceeds the carrying amount in the financial statements as at 31 December 2021. To this end no impairment provision on the value of investment in the controlled entities is included in these financial statements.

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
<b>2021 and 2020</b>			
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%
<b>Additions in 2021</b>			
Premiergaming (IOM) Limited (IOM Co. Reg. No 018701V)	Isle of Man	Ordinary	100%
Fiebre Ltd (Malta Co. Reg. No. C99792)	Malta	Ordinary	80%

**Notes to the financial statements (continued)****12 Investments in subsidiaries (continued)**

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.

**13 Intangible assets**

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

	<b>Software</b> <b>EUR</b>
<b>Gross carrying amount</b>	
At 1 January 2020	<b>2,101,533</b>
Additions	2,569
At 31 December 2020	<b><u>2,104,102</u></b>
<b>Amortisation and impairment</b>	
At 1 January 2020	(919,186)
Amortisation	(612)
At 31 December 2020	<b><u>(919,798)</u></b>
Carrying amount at 31 December 2020	<b><u>1,184,304</u></b>
<b>Gross carrying amount</b>	
At 1 January 2021	<b>2,104,102</b>
Additions	31,747
At 31 December 2021	<b><u>2,135,849</u></b>
<b>Amortisation and impairment</b>	
At 1 January 2021	(919,798)
Amortisation	-
At 31 December 2021	<b><u>(919,798)</u></b>
Carrying amount at 31 December 2021	<b><u>1,216,051</u></b>

**Notes to the financial statements (continued)****14 Property, plant and equipment**

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

	Group EUR	Company EUR
<b>Gross carrying amount</b>		
At 1 January 2020	174,400	1,882
Additions	-	-
At 31 December 2020	<b>174,400</b>	<b>1,882</b>
<b>Depreciation and impairment</b>		
At 1 January 2020	(153,692)	(1,590)
Depreciation	(5,208)	(96)
Impairment losses	-	-
At 31 December 2020	<b>(158,900)</b>	<b>(1,686)</b>
Carrying amount at 31 December 2020	<b>15,500</b>	<b>196</b>
<b>Gross carrying amount</b>		
At 1 January 2021	174,400	1,882
Additions	7,923	-
At 31 December 2021	<b>182,323</b>	<b>1,882</b>
<b>Depreciation and impairment</b>		
At 1 January 2021	(158,900)	(1,686)
Depreciation	(7,612)	(96)
Impairment losses	-	-
At 31 December 2021	<b>(166,512)</b>	<b>(1,782)</b>
Carrying amount at 31 December 2021	<b>15,811</b>	<b>100</b>

# ANGLER GAMING PLC

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

## Notes to the financial statements (continued)

### 15 Trade and other receivables

	Group 2021 EUR	Company 2021 EUR	Group 2020 EUR	Company 2020 EUR
Trade receivables	1,177,776	-	94,047	-
Receivable from payment processors	7,997,554	-	6,598,304	-
Rolling reserve	2,364,129	-	2,582,689	-
Security deposit	8,386	-	8,386	-
Other receivables	211,225	35,733	253,230	22,699
Prepayments	416,375	16,700	276,449	14,134
Intra-group amount – Starpay Limited	-	10,333,548	-	7,270,396
Intra-group amount – Hipponut Ltd	-	4,516	-	4,516
Intra-group amount – DSL Sofia Ltd	-	3,776	-	3,776
 At 31 December	 <b>12,175,445</b>	 <b>10,394,273</b>	 <b>9,813,105</b>	 <b>7,315,521</b>

Payment Processors balances include amounts receivable of EUR 38,258 (2020: EUR 192,746) which are past due at the end of both the reporting periods for which the Company has not recognised a loss allowance since the Company considers that the amounts are still recoverable. If events or circumstances develop adversely, the carrying amount may not be fully recoverable. The Company believes that, based on historic default rates, adequate allowance for all doubtful receivables as necessary exists as at year end.

No interest is charged on trade and other receivables.

Included in Other Receivables balance is VAT refundable with a carrying amount of EUR 180,992 (2020: EUR 233,652) which are subject to verification and approval by the Malta VAT Department.

Intra-group balances are unsecured, bear no interest and have no fixed date of repayment. No expense has been recognised in these financial statements for bad or doubtful debts in respect of amounts due from the related parties.

### 16 Cash and cash equivalents

Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

	Group 2021 EUR	Company 2021 EUR	Group 2020 EUR	Company 2020 EUR
Bank balances	<b>5,659,698</b>	<b>25,491</b>	<b>9,585,263</b>	<b>52,060</b>

# ANGLER GAMING PLC

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

## Notes to the financial statements (continued)

### 17 Share capital

	Number of Ordinary Shares	Total Shares EUR
<b>Authorised</b> Ordinary shares of EUR 0.01 each, as at 31 December 2021 and 31 December 2020	<u>84,498,570</u>	<u>844,986</u>
<b>Issued and fully paid up</b> Ordinary shares of EUR 0.01 each, as at 31 December 2021 and 31 December 2020	<u>74,984,995</u>	<u>749,849</u>

### 18 Share premium

	Number of Ordinary Shares	Share premium EUR
<b>Share premium arising on Ordinary shares of EUR 0.01 each</b> As at 31 December 2021 and 31 December 2020	<u>31,770,038</u>	<u>1,815,803</u>

### 19 Non-refundable shareholder contribution

	Group 2021 EUR	Company 2021 EUR	Group 2020 EUR	Company 2020 EUR
Cash funding	-	-	-	-
Software	177,088	-	177,088	-
As at 31 December	<u>177,088</u>	<u>-</u>	<u>177,088</u>	<u>-</u>

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

# ANGLER GAMING PLC

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

## Notes to the financial statements (continued)

### 20 Trade and other payables

	Group 2021 EUR	Company 2021 EUR	Group 2020 EUR	Company 2020 EUR
Trade payables	1,629,734	-	1,830,944	-
Accruals	2,336,375	1,160	1,802,567	16,175
Intra-group amount – Starspay Limited	-	1	-	-
Intra-group amount – Premiergaming (IOM) Limited	-	1	-	-
	<b>3,966,109</b>	<b>1,162</b>	<b>3,633,511</b>	<b>16,175</b>

Intra-group balances are unsecured, bear no interest and have no fixed date of repayment.

### 21 Related party transactions

The holding company is the parent company of the undertakings described in Note 12. Transactions between the holding company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

#### Company

Transactions between the parent company and other group entities during the year ended 31 December 2021 comprise mainly of loans advanced for working capital requirements.

	Company 2021 EUR	Company 2020 EUR
Intra-group amount due from Starpay Limited	10,333,548	7,270,396
Intra-group amount due from Hipponut Ltd	4,516	4,516
Intra-group amount due from DSL Sofia Ltd	3,776	3,776
At 31 December	<b>10,341,840</b>	<b>7,278,688</b>

Intra-group balances are unsecured, bear no interest and have no fixed date of repayment. No guarantees were given or received. No expense has been recognised in the year for bad or doubtful debts in respect of amounts due by related parties.

**Notes to the financial statements (continued)****21 Related party transactions (continued)****Directors, Company Secretary and other key management**

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

	<b>Group 2021 EUR</b>	<b>Company 2021 EUR</b>	<b>Group 2020 EUR</b>	<b>Company 2020 EUR</b>
Directors' remuneration and other emoluments				
• fees to the directors of the parent company	171,932	171,932	126,088	126,088
• other emoluments payable to directors for management and administration of the parent and subsidiaries, whether directly or via controlled companies	480,065	136,687	347,040	90,569
• fees to the directors of the subsidiaries	213,833		-	228,977
• fees to the directors of the subsidiaries for company management and administration	26,008		-	22,906

**22 Commitments**

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

**23 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 financial statements (continued)****24 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.

**25 Comparative figures**

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

**26 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.

**ANGLER GAMING PLC**

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

**Supplementary attachments**

**The following pages do not form part of the statutory financial statements**

**ANGLER GAMING PLC**

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

**Detailed Consolidated Statement of Comprehensive Income**

	Group 2021 EUR	Company 2021 EUR	Group 2020 EUR	Company 2020 EUR
Casino Revenue	42,653,603	-	42,717,482	-
Marketing and SEO revenue	750,492	-	770,149	-
Dividend received	-	12,568,992	-	7,904,853
<b>Total Revenue</b>	<b>43,404,095</b>	<b>12,568,992</b>	<b>43,487,631</b>	<b>7,904,853</b>
<b>Direct Costs</b>				
Payment processing fees	(7,779,118)	-	(6,459,704)	-
Software Licence	(539,196)	-	(645,170)	-
Gaming Licence	(552,576)	-	(924,662)	-
Affiliate expenses	(11,057,214)	-	(8,845,831)	-
Royalties expenses	(8,141,420)	-	(6,935,787)	-
Other direct expenses	(537,023)	-	-	-
Provision for bad debts	-	-	(270,711)	-
<b>Total Direct Costs</b>	<b>(28,606,547)</b>	<b>-</b>	<b>(24,081,865)</b>	<b>-</b>
<b>Direct Wages Costs</b>				
Wages/Salaries - Malta	(1,429,082)	-	(1,131,075)	-
Social Security – Malta	(69,437)	-	(63,470)	-
Wages/Salaries - Bulgaria	(273,543)	-	(54,308)	-
Social Security costs - Bulgaria	(41,580)	-	(8,110)	-
Other personnel expenses	(2,092)	-	(6,985)	-
<b>Total Direct Wages Costs</b>	<b>(1,815,734)</b>	<b>-</b>	<b>(1,263,948)</b>	<b>-</b>
<b>Administrative Expenses</b>				
Directors' fees	(501,013)	(289,782)	(348,503)	(122,099)
Malta Social Security	(7,957)	(5,355)	(6,562)	(3,989)
Directors' Medical Insurances	(9,211)	(9,211)	(6,303)	(6,303)
Annual statutory audit	(10,000)	(7,000)	(10,000)	(7,000)
Other assurance services	(6,750)	-	(6,750)	-
Professional fees	(701,442)	(23,367)	(560,521)	(89,035)
Legal fees	(12,987)	(12,987)	(12,295)	(12,295)
Accountancy fees	(40,877)	(4,800)	(41,206)	(8,252)
Management fees	(539,189)	(13,482)	(198,664)	(90,569)
Consultancy fees	(445,143)	-	(116,430)	-
Other administrative expenses	(237,398)	(10,000)	(100,000)	-
<b>Total Administrative Expense</b>	<b>(2,511,967)</b>	<b>(375,984)</b>	<b>(1,407,234)</b>	<b>(339,542)</b>
<b>Marketing and Sales Expenses</b>				
Marketing expenses	(1,481,302)	-	(1,772,334)	-
Listing expenses	(120,460)	(120,460)	(95,603)	(95,603)
Other travel expenses	(12,039)	-	(6,744)	-
<b>Total Marketing and Sales Expense</b>	<b>(1,613,801)</b>	<b>(120,460)</b>	<b>(1,874,681)</b>	<b>(95,603)</b>

**ANGLER GAMING PLC**

Annual Report and Statutory Financial Statements for the year 1 January to 31 December 2021

**Detailed Consolidated Statement of Comprehensive Income (cont.)**

	Group 2021 EUR	Company 2021 EUR	Group 2020 EUR	Company 2020 EUR
<b>Office Expenses</b>				
Fines and penalties	(900)	(900)	(900)	(900)
Office rent	(45,417)	-	(45,304)	-
Office utilities, telephone, internet	-	-	(20,217)	-
Office and ancillary expenses	(176,645)	(1,330)	(156,107)	(6,098)
<b>Total Office Expenses</b>	<b>(222,962)</b>	<b>(2,230)</b>	<b>(222,528)</b>	<b>(6,998)</b>
<b>ICT &amp; Hosting Expenses</b>				
Hosting expenses	-	-	-	-
ICT expenses	(780,895)	-	(511,874)	-
<b>Total ICT &amp; Hosting Expenses</b>	<b>(780,895)</b>	<b>-</b>	<b>(511,874)</b>	<b>-</b>
<b>Depreciation &amp; Amortisation</b>				
Depreciation - equipment	(5,282)	-	(2,878)	-
Depreciation – furniture & fittings	(2,330)	(96)	(2,330)	(96)
Amortisation - software	-	-	(612)	-
<b>Total Depreciation &amp; Amortisation</b>	<b>(7,612)</b>	<b>(96)</b>	<b>(5,820)</b>	<b>(96)</b>
<b>Finance Income</b>				
Interest received on banks	-	-	-	-
Interest income	-	-	-	-
<b>Finance Expenses</b>				
Bank charges	(383,503)	(2,410)	(433,485)	(2,107)
Interest paid to third parties	-	-	-	-
Interest paid	-	-	-	-
<b>Realized gain and losses on exchange differences</b>				
Realized and unrealized gain and losses on exchange differences	(212,317)	(2,512)	(1,801,201)	-
<b>Total Finance Result</b>	<b>(595,820)</b>	<b>(4,922)</b>	<b>(2,234,686)</b>	<b>(2,107)</b>
<b>Total Expenses</b>	<b>(36,155,338)</b>	<b>(503,692)</b>	<b>(31,602,636)</b>	<b>(444,346)</b>
<b>Profit before taxation</b>	<b>7,248,757</b>	<b>12,065,300</b>	<b>11,884,995</b>	<b>7,460,507</b>