



# AnglerGaming

## **Interim report for 2<sup>nd</sup> quarter 2022**

1<sup>st</sup> April to 30<sup>th</sup> June 2022

Angler Gaming plc, reg. no. C55255, Malta

# ANGLER GAMING PLC

## Financial report for the period 1<sup>st</sup> of January to 30<sup>th</sup> of June 2022

### Key Facts for the 2<sup>nd</sup> Quarter 2022 (1<sup>st</sup> April 2022 – 30<sup>th</sup> June 2022)

#### Challenging quarter, encouraging start of Q3

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

- Revenues decreased by 31.67% to €6,927,414 (€10,137,563)
- Negative EBIT of -€626,662 (€1,923,368)
- Negative EBIT margin of -9.05% (18.97%)
- Customer deposits decreased by 34.74% to €15,202,758 (€23,297,001)
- 91,142 new registered customers (58,078), increase of 56.93%.
- 14,344 new depositing customers (17,982), decrease of 20.23%.
- Negative Earnings per share of -€0.0159 (€0.0249).
  
- Premiergaming Ltd, the Group's subsidiary focusing on Northern Europe, represented 16.5% of the Group's revenues in Q2 2022.

#### Trading update Q3 2022

The trading update is an indication how the third quarter has started, it is not a revenue forecast for the quarter. Preliminary figures for July 2022:

- Revenues €2,921,059
- EBIT €614,743
- EBIT margin 21%

The average daily revenue for the first 39 days in Q3 2022 is 31% higher compared to the average daily revenue in Q2 2022. The revenue for the first 39 days in Q3 2022 is 10% lower compared to the first 39 days in Q3 2021.

#### Events during the Q2 quarter

- The Group's improvement program, communicated in earlier reports, was fully implemented into the organisation and continues with full force. Compared to the previous quarter (Q1 2022) in Q2 2022 the Group saw an improvement in the following two key performance indicators:
  - 14,344 new depositing customers compared to 13,185 in Q1, an increase of 8.8%. This KPI is an indicator of future revenues.
  - 76,785 active customers compared to 68,245 in Q1, an increase of 12.5%, This KPI is an indicator of re-activation of existing customers.
  
- In June 2022 €6,373,725 was distributed to the shareholders by way of dividend for the fiscal year 2021, which corresponds to €0.085 per share.
  
- During the quarter non-profitable affiliate partnerships were terminated continuing affecting the revenues in the quarter. In addition, higher customer winnings than normal were recorded towards the end of the quarter.

- Due to a lower than initially projected financial results of Angler Gaming plc Group in H1 2022 and the resulting lower reserves of the Company, Angler Gaming plc, as communicated on 20<sup>th</sup> June 2022, has taken a short-term loan facility of €1,000,000 in order to ease a cashflow pressure.

### Events after the quarter

- The two B-to-B partnerships that were signed during H1 2022 are expected to be launched and start generating revenues in late Q3/early Q4 2022.
- The Group's venture in the field of affiliate marketing for South American markets, where the Group owns 80% and the local party owns 20%, after starting generating revenues from its casino customer acquisition product in Q2, has embarked on building its second product, this time for the acquisition of sportsbook customer, to be launched before the 2022 Soccer World Cup.

### Key Facts for half-yearly 2022 (1<sup>st</sup> January 2022 – 30<sup>th</sup> June 2022)

*All figures are compared to half-yearly 2021 if not explicitly stated otherwise*

- Revenues decreased by 37.53% to €14,776,411 (€23,652,673).
- Negative EBIT of -€209,423 (€5,702,425).
- Negative EBIT margin of -1.42% (24.11%).
- Customer deposits decreased by 35.4% to €32,439,683 (€50,215,045).
- 27.82% increase in new registered customers to 165,893 (129,787).
- 27,529 new depositing customers (47,795), decrease of 42.40%.
- Negative Earnings per share of -€0.0157 (€0.0696).

### Key Performance Indicators (EUR)

	Q2 2022	Q2 2021	Jan-Jun 2022	Jan-Jun 2021
Customer Deposits	€ 15 202 758	€ 23 297 001	€ 32 439 683	€ 50 215 045
Active Customers	76 785	65 882	145 030	125 051
New Registered Customers	91 142	58 078	165 893	129 787
New Depositing Customers	14 344	17 982	27 529	47 795
Gross Game Win	€ 8 341 651	€ 12 715 984	€ 17 591 900	€ 28 611 353
Net Game Win	€ 7 876 639	€ 11 679 267	€ 16 633 475	€ 26 593 153
Hold	51.8%	50.1%	53.0%	51.3%

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

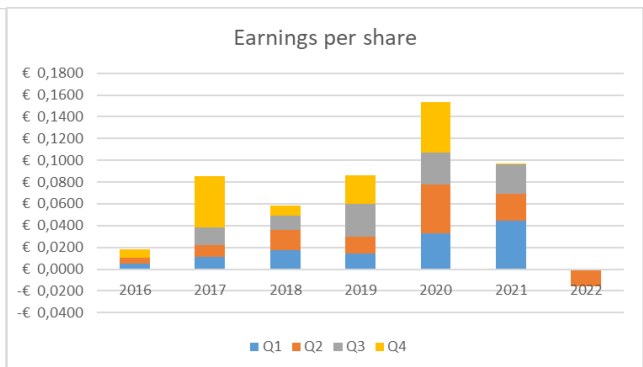
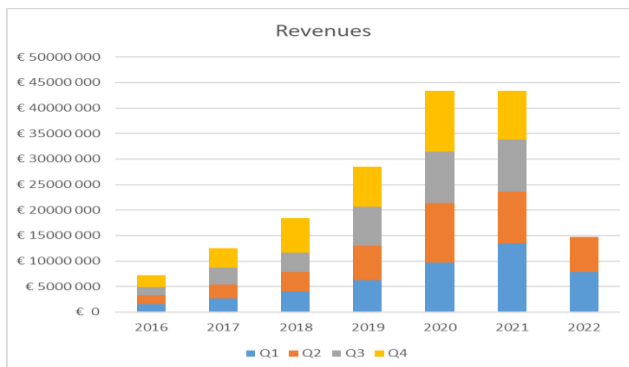
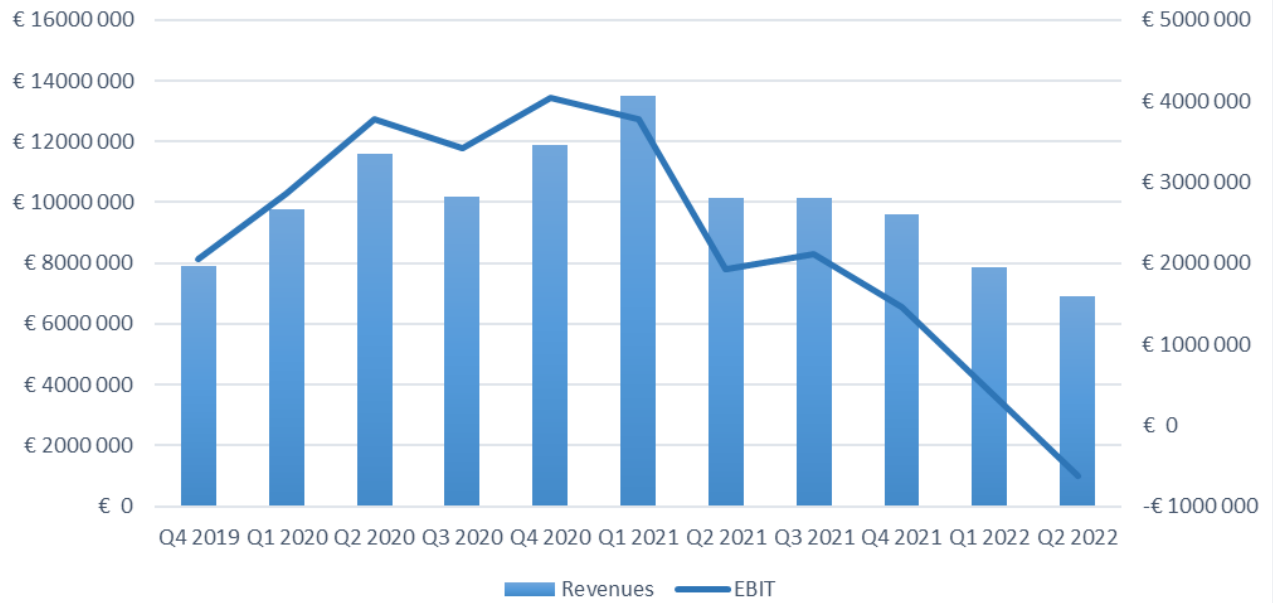
\*\* Definition New Registered Customer: A new customer registered in the indicated period

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

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

\*\*\*\*\* Definition Hold: Net Game Win / Customer Deposits

## Quarterly Revenues and EBIT



## Comments from the CEO



**Thomas Kalita, CEO**  
**Angler Gaming plc**

Q2 2022 was another challenging quarter in terms of Revenues and EBIT. Our improvement program is now fully implemented and on-going. I am proud of the strengthened management team and all the co-workers for understanding and adapting to the new processes and functions aiming at operational excellence with the focus of getting the Group back on growth track with a decent profit margin.

It is particularly encouraging that such important KPI's as New Depositing Customers and Active Customers have improved compared to Q1 2022. In addition, the relatively speaking positive start of Q3 both in terms of revenues and EBIT is another inspiring indicator that we are improving, and that the improvement program works.

Operational excellent is key to our future success in a competitive industry, but it is also important that we retain and enhance our innovative approach for even greater potential future success. At the moment we have four emerging areas such that each of them, should they be fully successful, has a great potential impact on our future performance:

1. **The ongoing Sportsbook project** – it takes a lot of effort to build up a competitive sportsbook offer. We feel confident that our existing sportsbook has evolved into a competitive product and we are looking forward to the more active sportsbook season that kicks-off with the start of all the major soccer leagues and this year's soccer world cup as an additional sportsbook driver.
2. **The Group's joint venture in the field of affiliate marketing for the South American market** – we are aware of that with this joint venture we have entered a completely new business area. It normally takes some time to build up a successful affiliate company. We are closely following the development of this venture with very strict cost control amongst one of the most important parameters. We do believe that the product we have developed and continue to develop, in addition to the potential of the emerging South American market, has all the ingredients for potential future success.
3. **B-to-B project focusing on improving the total end customer experience that is planned to be launched in the end of Q3** – together with our B-to-B partner we are raising the Group's proprietary technology-based internet gaming platform to the next level. All with the aim of creating a totally new gaming experience for the end user.
4. **B-to-B project with the aim to position the end product towards end customers normally not targeted today within this segment and planned to be launched in the beginning of Q4** – here the focus is on a new customer interface within a growing segment of the existing market.

## Consolidated Income Statement Euro

30 June 2022'

	Q2 Group	Q2 Group	Full year Group	Group	Group	Q2 Angler Gaming PLC	Q2 Angler Gaming PLC
	Apr - Jun	Apr - Jun	Jan - Dec	Jan - Jun	Jan - Jun	2022	2021
	2022	2021	2021	2022	2021	2022	2021
	€	€	€	€	€	€	€
<b>Revenue</b>	6 927 414	10 137 563	43 404 095	14 776 411	23 652 673		
Cost of services sold	(5 897 427)	(6 855 520)	(27 889 724)	(11 514 429)	(15 138 228)		
<b>Gross profit / (loss)</b>	1 029 987	3 282 043	15 514 371	3 261 982	8 514 445	-	-
Marketing expenses	(389 367)	(313 032)	(1 592 144)	(892 330)	(731 077)	(16 090)	(34 356)
Personnel expenses	(584 717)	(552 223)	(2 381 258)	(1 231 246)	(1 101 906)	(73 172)	(83 624)
Other external expenses	(680 345)	(491 818)	(2 262 756)	(1 343 315)	(975 813)	(14 326)	(31 345)
Depreciation, amortization	(2 220)	(1 302)	(8 324)	(4 514)	(2 604)	(24)	(24)
Other operating income/expenses	-	(300)	(2 585)	-	(620)	9 900	9 600
<b>Operating expenses</b>	(1 656 649)	(1 358 675)	(6 247 067)	(3 471 405)	(2 812 020)	(93 712)	(139 749)
Operating profit / (loss)	(626 662)	1 923 368	9 267 304	(209 423)	5 702 425	(93 712)	(139 749)
Financial income / (expenses)	(564 113)	(126 598)	(741 545)	(965 026)	(456 085)	(1 142)	(1 636)
<b>Income / (Loss) before tax</b>	(1 190 775)	1 796 770	8 525 759	(1 174 449)	5 246 340	(94 854)	(141 385)
Extraordinary events	-	-	(1 197 232)	-	-	-	-
<b>Total Income / (Loss) before tax</b>	(1 190 775)	1 796 770	7 328 527	(1 174 449)	5 246 340		
Tax	(648)	72 778	(59 119)	(1 931)	(27 707)	-	-
<b>Net income / (loss) for the period</b>	(1 191 423)	1 869 548	7 269 408	(1 176 380)	5 218 633	(94 854)	(141 385)
<b>No of shares</b>	74 984 995	74 984 995	74 984 995	74 984 995	74 984 995		
<b>Basic and dilute earnings per share</b>	(0,0159)	0,0249	0,0969	(0,0157)	0,0696		

\*Definition of Revenue: 'Bet - win - jackpot contribution - bonus cost - loyalty points - manual adjustments user balances'.

\*\*Definition of Cost of Services Sold: – Cost of sales includes: 'Payment processing fees to payment suppliers, affiliate expenses, Gaming License fees for products, software licence fees, gaming taxes and affiliate costs'

\*\*\* Financial income/expenses consist mainly of income/expenses related to fluctuations in currency rates

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

	<b>Group Period end June 2022</b>	<b>Group Period end June 2021</b>	<b>Angler Gaming plc Period end June 2022</b>	<b>Angler Gaming plc Period end June 2021</b>
	<b>Euro</b>	<b>Euro</b>	<b>Euro</b>	<b>Euro</b>
<b>Assets</b>				
<b>Non-current assets</b>				
Investment in subsidiaries **	-	-	101 999	101 998
Intangible assets	1 218 738	1 186 445	-	-
Property, plant and equipment	9 072	12 895	50	148
<b>Total non-current assets</b>	<b>1 227 810</b>	<b>1 199 340</b>	<b>102 049</b>	<b>102 146</b>
<b>Current assets</b>				
Trade and other receivables **	10 756 393	12 533 881	5 039 723	10 806 702
Cash and cash equivalents	978 721	2 583 283	4 051	32 289
<b>Total current assets</b>	<b>11 735 114</b>	<b>15 117 164</b>	<b>5 043 774</b>	<b>10 838 991</b>
<b>Total assets</b>	<b>12 962 924</b>	<b>16 316 504</b>	<b>5 145 823</b>	<b>10 941 137</b>
<b>Equity and liabilities</b>				
<b>Capital and reserves</b>				
Paid up capital **	749 849	749 849	749 849	749 849
Non-refundable shareholder contribution	177 088	177 088	177 089	177 089
Minority Interest	240			
Premium Capital **	1 815 803	1 815 803	1 815 802	1 815 802
Retained Earnings	4 360 900	9 960 856	1 387 516	8 190 923
	<b>7 103 880</b>	<b>12 703 596</b>	<b>4 130 256</b>	<b>10 933 663</b>
<b>Creditors : amounts falling due within one year</b>				
Trade and other payables **	5 446 016	3 227 732	1 015 567	7 474
Taxation payable	413 028	385 176	-	-
<b>Total liabilities</b>	<b>5 859 044</b>	<b>3 612 908</b>	<b>1 015 567</b>	<b>7 474</b>
<b>Total equity and liabilities</b>	<b>12 962 924</b>	<b>16 316 504</b>	<b>5 145 823</b>	<b>10 941 137</b>

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

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

	<b>Group Year end June 2022</b>	<b>Group Year end June 2021</b>	<b>Company Year end June 2022</b>	<b>Company Year end June 2021</b>
	<b>Euro</b>	<b>Euro</b>	<b>Euro</b>	<b>Euro</b>
<b>Cash flow from operating activities</b>				
<b>Profit / (Loss) before taxation</b>	(1 174 449)	5 246 340	(6 567 534)	3 302 978
Reconciliation to cash generated from operations:				
Depreciation	4 520	2 604	50	48
Minority Interest				
Taxation	-	(123 860)	-	-
Operating profit before working capital changes:	(1 169 929)	5 125 084	(6 567 484)	3 303 026
Movement in trade receivables	1 611 870	(1 318 768)	-	-
Movement in other debtors	(181 345)	(1 411 359)	5 516 850	(3 314 092)
Movement in trade payables	370 919	(606 983)	14 093	(590)
Movement in other creditors	1 061 725	210 421	1 015 102	(8 111)
Net cash used in operating activities	1 693 240	1 998 395	(21 439)	(19 767)
<b>Cash flow from investing activities</b>				
Cash issued by shareholders	-	-	-	-
Intangible fixed assets	(469)	(2 141)	-	-
Tangible fixed assets	-	-	-	-
Investment in subsidiaries	-	-	-	-
Net cash generated from/used in investing activities	(469)	(2 141)	-	-
<b>Cash flows from financing activities</b>				
Dividends proposed and paid	(6 373 725)	(8 998 199)	-	-
Short term loans	-	-	-	-
Intra-group finance	-	-	-	-
Net cash generated from financing activities	(6 373 725)	(8 998 199)	-	-
<b>Net movement in cash and cash equivalents in the year</b>	(4 680 954)	(7 001 945)	(21 439)	(19 767)
Cash and cash equivalents at beginning of the year	5 659 675	9 585 228	25 490	52 056
<b>Cash and cash equivalents at end of year</b>	978 721	2 583 283	4 051	32 289



## Other Information

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

Q3 2022 report will be published on 10th of November 2022.

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

Malta, 16<sup>th</sup> of August 2022

Board of Directors of Angler Gaming plc

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## Angler Gaming plc

ANGLER GAMING PLC (PUBL) IS A MALTESE HOLDING COMPANY LISTED ON THE SWEDISH STOCK EXCHANGE, SPOTLIGHT STOCK MARKET (ANGL), THAT INVESTS IN COMPANIES WHICH PROVIDE GAMING SERVICES OVER THE INTERNET. ANGLER GAMING'S CORE BUSINESS IS TO OWN AND ADMINISTER SHAREHOLDING IN INTERNET GAMBLING COMPANIES.