



AnglerGaming

Annual report and Audited Financial Statements 2019

Angler Gaming plc, reg. no. C55255, Malta

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About Angler Gaming plc

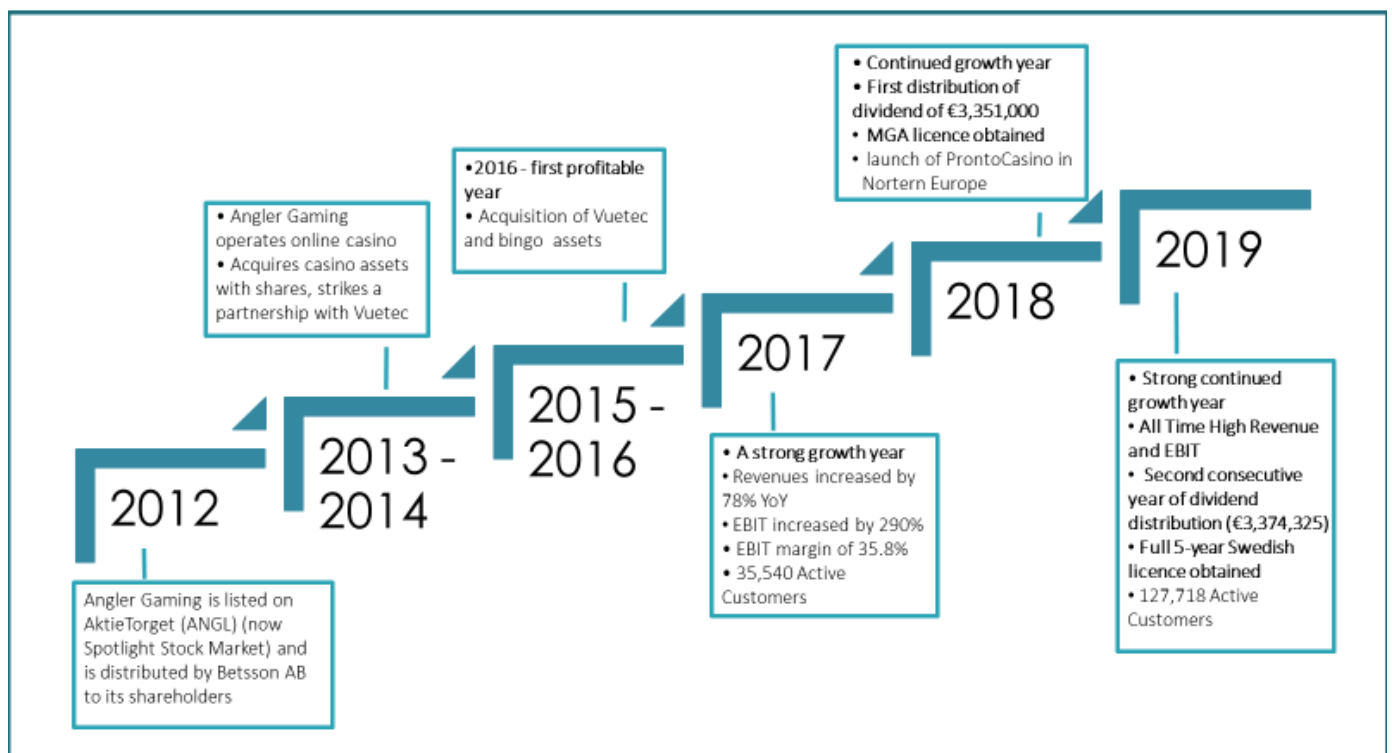
General

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

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

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

History Highlights



- **2019 – strong continued growth for Angler Gaming Group in revenues and profit:**
 - Strong continued growth in Revenues and Profit
 - Second consecutive dividends (€3,374,325) distributed to the shareholders on the basis of financial results of 2018
 - In January 2019 PremierGaming Ltd was granted a full five-year licence to conduct online gaming in Sweden. The Licence includes Online Casino, Online Sportsbetting and Online Bingo
 - Strengthened compliance team and strong policies and procedures across the Group with respect to Anti-Money Laundering and Responsible Gaming
 - Launch of ProntoLive brand in Sweden in Q4 focusing on Live Casino
 - Premiergaming Ltd represented 25% of the Group's revenues in 2019.

Investment Case

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

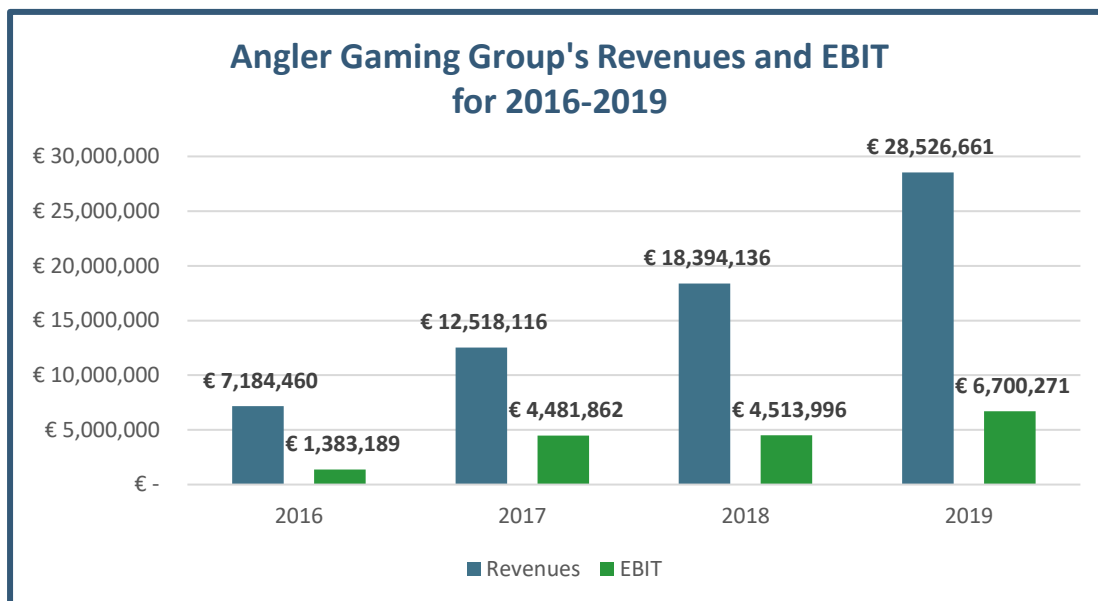
It is an exciting and fast growing industry where Angler Gaming works hard to become a bigger player.

Generic industry growth drivers:

- New technology and local regulation drives growth.
- Continued shift from offline to online gaming.
- The global gaming market is expected to grow.

Angler Gaming's positioning within the industry:

- Angler Gaming enters new markets and segments around the world.
- Angler Gaming is debt-free and has a positive cash flow.
- Angler Gaming has invested in a strong business model:
 - ✓ Fully owned and managed Gaming Platform updated with the latest functionality and technology gives low operational cost for both B2C and B2B business segments and enables multi-brand strategy, data driven marketing and CRM. Scalable to lower incremental cost.
 - ✓ 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.
 - ✓ Easy, fast and cost efficient to launch of White Label Solutions (B2B) and inhouse brands (B2C).
 - ✓ Small and efficient organisation (EBIT per employee 2019: approximately €240,000 Euro). An international Group with highly qualified employees from more than 10 Countries.
 - ✓ 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 month after signed agreement.
 - ✓ Using affiliates as a marketing channel give low risk in 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 minimize investment risk and boost growth.
 - ✓ Focusing on both B2C and B2B give us better understanding for customers and changes in customer behaviour.
 - ✓ Strong Casino Product both in Mobile and Desktop. SportsBook and Bingo also form part of the offer when applicable.
 - ✓ Active in 23 markets. Constantly evaluates new products, markets and acquisitions.
 - ✓ Strong track record:



Annual General Meeting 2020 and reporting dates

The Annual General Meeting will be held on Thursday the 11th June 2020 at 13.00 CEST.

Due to COVID-19 pandemic and reasons of public health, the Board has decided to change the previously announced place of the Annual General Meeting and hold the meeting in Malta, instead of Stockholm as was announced previously. Shareholders are encouraged to use their right to appoint the Chairman of the AGM, or any other person, as their proxy to attend the meeting and vote on their behalf. Angler Gaming looks forward to engaging with shareholders in person as soon as the circumstances allow it. Further details about the time, venue and means to attend and cast votes at the meeting will be provided in the notice of the Annual General Meeting.

The interim quarterly reports for 2020 will be published as follows:

Q1 2020 report will be published on 12th of May 2020.

Q2 2020 report will be published on 12th of August 2020.

Q3 2020 report will be published on 11th November 2020.

Q4 and the annual report 2020 report will be published on 18th February 2021.

Financial performance in 2019 - All-time high in revenues and EBIT

2019 was yet another great year for Angler Gaming plc with all-time high in revenues and EBIT:

All figures are compared to 1st January to 31st December 2018 if not explicitly stated otherwise

- Revenues increased by 55.09% to €28,526,661 (€18,394,136).
- EBIT increased by 48.43% to €6,700,271 (€4,513,996).
- EBIT Margin of 23.49% (24.54%).
- Customer deposits increased by 72.83% to €72,292,951 (€41,828,434).
- 29.47% increase in new registered customers to 180,547 (139,452).
- 78,934 new depositing customers (50,712), an increase of 55.65%.
- 127,718 active customers (79,902).
- Earnings per share of €0.0814 (€0.0584), an increase of 39.38%.

Proposed Dividend

The Board of Directors proposes distribution of €5,248,950 on the basis of financial results of 2019 (€3,374,325 was distributed with respect to 2018) by way of a dividend to shareholders, which corresponds to €0.07 per share (€0.045 per share was distributed for 2018). Angler Gaming will not compensate for currency exchange costs.

CEO Message



Thomas Kalita, CEO Angler Gaming plc

“2019 was yet another record year in the Angler Gaming plc’s history, both as regards revenues and EBIT. At the same time, we have managed to continue to invest in an excellent and fully owned gaming platform, new functions, new technology, new brands and markets. The Board of Directors propose an increase of dividend to shareholders of 55,65% for 2019 compared to 2018.”

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

Both our B2B partners and our B2C brands continue to deliver, resulting in an all-time high Revenues and Net Profit for the Group. At the same time, we continue to invest in an enhanced gaming experience for the benefit of all our customers in more than 20 markets. We have greatly improved the generic gaming

platform which is fully owned by the Angler Gaming Group, and we have also added products from many third party suppliers to our offering during the year to further improve the user experience and offer a wide and competitive offering to our customers.

While we recognise the extraordinary challenges surrounding the COVID-19 situation, our staff, mainly working from home, have continued to serve customers and have kept all operations going. We are mindful that in case of persistence of the pandemic, the business environment outlook over the long term may present higher than normal levels of uncertainty, and a clear determination of the overall financial impact cannot be made at this early stage. Currently, however, there have been no observable negative effects on the business. The Group has already taken and will continue taking steps to safeguard the business, and the strategic priority remains the long-term sustainability of the Group with a focus on growing the business.

As regards Responsible Gaming and Anti-Money Laundering ('AML') matters, two very important factors for the long-term sustainability of the industry, the Group have invested heavily in resources, policy, procedures and automated systems. As an example, the Group has implemented a system throughout the Group that calculates and analyses daily the risk profile for each customer from the Responsible Gaming and AML points of view. The system calculates and analyses many variables and parameters. For instance, from Responsible Gaming point of view, customers are automatically coded daily into three risk levels using the 'traffic light system', where 'Green' means low risk, 'Yellow' means to monitor the customer, while 'Red' indicates that the customer is more prone to gaming problems and accordingly necessary actions are promptly taken by the Group.

In summary 2019, started a bit slow but the second half of the year have been very encouraging with excellent momentum as regards both growth and Net Profit. And as stated in the Q4 report 2019 the average daily Net Gaming Revenue for the 43 first days of Q1 2020 was 18% higher compared to the average daily Net Gaming Revenue in Q4 2019. And Q4 2019 was the best quarter in terms of revenues in the history of Group. Our Constant work to focus on revenues and profits continues to pay off! Our strong growth the last couple of years have been 100% organic. We have analysed many targets to acquire, but so far, we have not seen the right match in price and structure. We will intensify our search for acquisition targets in 2020.

The Audited Financial Statements For 2019

The audited Financial Statements for financial year ending 31 December 2019, approved by the Board of Directors on 29 April 2020, are enclosed with this report.

Corporate Governance Report 2019

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 and other stakeholders.

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

Overview of the regulatory framework

The principal sources of the corporate rules for the Company are the Companies Act, the Company's Articles of Association ('the Articles'), Spotlight Market's Regulations and the Swedish Corporate Governance Code ('the Code'), which the Company started applying since November 2019, as it became accepted into the Next Segment of Spotlight Market. It is of note that companies are not obliged to comply with every rule in the Code at all times, but are allowed the freedom to choose alternative solutions which they feel are better suited to their particular circumstances, as long as they openly report every deviation, describe the alternative solution they have chosen and explain their reasons for doing so. In addition to the Companies Act, the Articles, Spotlight Market's Regulations and the Code, the Company has adopted internal rules, namely the Charter of the Board and the CEO Instructions. These documents are to be reviewed and approved by the Company's Board annually.

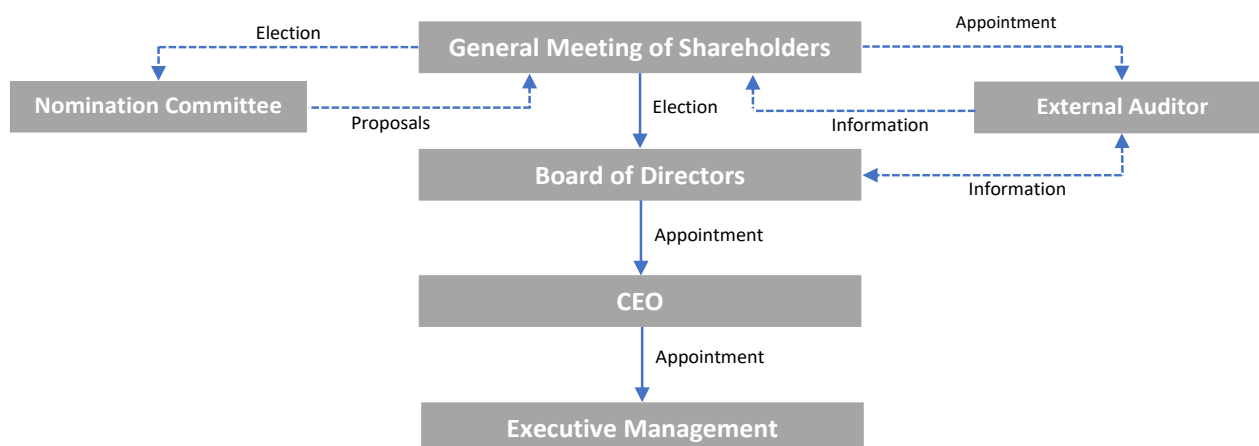
Articles of Association of the Company

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

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

Division of Authority among the Company's organs

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



Shareholders

General meetings of shareholders

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

Each shareholder enjoys number of rights in connection with general meetings, including the right to participate and vote, the right to receive a notice of a general meeting, and the right to demand a poll at the meeting. Some of the most significant powers reserved to the general meeting of shareholders are the power to appoint and remove board members, to alter the memorandum and articles of

association, to increase share capital, to approve annual financial statements, to declare dividends (not exceeding the amount recommended by the Board), and the power to appoint and remove auditors.

Decisions at the general meetings of the company are normally taken by the shareholders by a simple majority of votes, with each share giving a shareholder the right to one vote at any general meeting. However, certain decisions prescribed under the Companies Act and the memorandum and articles of association of the Company must to 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.

2019 Annual General Meeting

The 2019 Annual General Meeting of Angler Gaming was held on 7th June 2019 in Stockholm, Sweden. At the meeting, shareholders representing 20% of the issued share capital and votes were present in person or by proxy. James Scicluna, chairman of the Board, assumed the function of the chairman of the meeting. All proposed resolutions have been unanimously approved at the Annual General Meeting. In summary, the resolutions adopted by the general meeting comprised of:

- approval of the Audited Accounts of the Company and the Group for the financial year ending 31st December 2018;
- approval of the dividend distribution of €3,374,325 (€0.045 per share) to the shareholders of the Company on the basis of the financial results in the financial year ending 31st December 2018;
- reappointment of all members of the Board and the chairman of the Board for the period until the end of the next Annual General Meeting;
- reappointment of Walter Rizzo & Associates as the Company's auditor; and
- allocation of the amount not exceeding €150,000 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.

2020 Annual General Meeting

The upcoming Annual General Meeting of Angler Gaming will be held on Thursday 11th June 2020. The date and location of the 2020 Annual General Meeting had been published in the interim report for the third quarter 2019. This information, together with the latest date for shareholders to make proposals to the Nomination Committee, was also published on the Company's website, although without stating that that the same date applies to any other shareholders' proposal for the inclusion in the notice of the annual general meeting. While the latter is a deviation from the Code, one is to note that the Code did not yet apply to the Company at the time of third quarter report publication.

As the situation with Covid-19 evolves, the Board continues to closely monitor governments' and public health authorities' recommendations and instructions on holding public gatherings, as well as travel restrictions. In view of this, the Board has decided to change the previously announced place of the Annual General Meeting and hold the meeting in Malta, instead of Sweden. Further details about the time and venue of the meeting will be provided in the notice of the Annual General Meeting.

In light of the Covid-19 pandemic, shareholders are strongly encouraged to observe governments' and public health authorities' recommendations and instructions before deciding whether to attend the Annual General Meeting in person. Shareholders are encouraged to use their right to appoint the Chairman of the AGM, or any other person, as their proxy to attend the meeting and vote on their behalf. Angler Gaming looks forward to engaging with shareholders in person as soon as the circumstances

allow it. Notice of the 2020 Annual General Meeting, forms for appointing a proxy and further information about the meeting will be published on the Company's website (www.anglergaming.com/investor-relations/) 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.

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

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 chair and other members of the Board, as well as fees and other remuneration to each member of the board. Additionally, Nomination Committee also presents proposals on the election and remuneration of the statutory auditor. Nomination Committee's recommendations will be reported in the AGM notice and on the Company's website. Angler Gaming's Nomination Committee is composed of four members, of whom three represent the Company's largest shareholders, and the fourth is the chairman of the Board. Regardless of how the Nomination Committee's members are appointed, they shall promote the common interests of all shareholders.

Nomination Committee ahead of the 2020 Annual General Meeting was appointed and consists of the following persons:

- Niclas Eriksson, appointed by Eriksson family members and their associated companies;
- Johan Öhman, appointed by Draconia AB;
- Olga Finkel, appointed by Knojt Ltd; and
- James Scicluna, Chairman of the Board of Angler Gaming plc.

Board of Directors and CEO

The Board is ultimately responsible for the general governance of Angler Gaming, its proper administration and management and general supervision of its affairs. The Board is continuously overseeing the performance of the duties of the CEO and executive management and evaluating 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

The Articles of Angler Gaming require that the Board consists of not less than two and not more than five directors. The members of the Board are usually appointed by the 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 Angler Gaming and the Companies Act.

At the Annual General Meeting of the Company held on 7th June 2019, the shareholders have reappointed James Scicluna, Michael Bennett, Ralf Feldt and Thomas Kalita as Board members for the period until the end of the next Annual General Meeting. James Scicluna has been reappointed as Chairman of the Board for another year. More information about the members of the Board is presented in the annual report on page 18 and on the Company's website (<https://www.anglergaming.com/team-list/>).

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 2019, the Board of the Company held eight Board meetings. The Board meetings were convened to oversee the Company's business, continuously monitor the financial performance, major developments and Angler Gaming's key performance indicators.

Name	Position	Board member since	Independent of the Company and executive management	Independent of the Company's principal shareholders	Meeting attendance in 2019
James Scicluna	Chairman of the Board	2016	Yes	Yes	8/8
Michael Bennett	Board member	2012	No	Yes	8/8
Ralf Feldt	Board member	2016	Yes	Yes	8/8
Thomas Kalita⁽¹⁾	Board member	2019	No	No	6/6
David Gray⁽²⁾	Board member	2012	No	Yes	0/1

1) Thomas Kalita has been elected as Board member on 12th April 2019, fulfilling a casual vacancy that has arisen due to the demise of David Gray
2) David Gray passed away on 18th February 2019

CEO of Angler Gaming

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

Evaluation of the Board and the CEO

The work of the Board during the previous year will be evaluated through a board evaluation questionnaire prior to the 2020 Annual General Meeting of the Company, with the aim of developing the Board's working methods and efficiency. The results of this evaluation will be reported to the Nomination Committee. The Board further intends to formally evaluate the work of the CEO prior to the Annual General Meeting without presence of the CEO or any members of the executive management.

Remuneration and incentive programs

Board remuneration

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

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

At the Annual General Meeting of the Company held on 7th June 2019, the shareholders have resolved to allocate the amount not exceeding €150,000 per annum for Board's remuneration covering the ordinary duties of directors.

After the last share options have been exercised by the option holders of Angler Gaming in May 2018, there are no active share option incentive schemes and no outstanding share options which remain to be exercised.

Remuneration committee

According to the Code, the Board is either required to establish a remuneration committee or, if the Board considers it is more appropriate, the entire Board may perform the remuneration committee's tasks, on condition that no Board member who is also a member of the executive management participates in this work. Considering the relatively small number of employees across the Group and that there are no active share 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.

Internal controls

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

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

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.

According to the Code, the auditor should take part in at least one Board meeting a year without management present. As the Code only recently became applicable to the Company, Angler Gaming presently deviates from the Code on this point. The auditor has been however communicating regularly with the members of the Board, in particular prior to the publication of the annual report.

The Code further requires that the Company's six- or nine-month report is reviewed by the statutory auditor. Since the Code became applicable on the Company after the interim nine-month report had been already published, the Company presently deviates from the Code on this point, but the Board intends to comply with the Code and ask the statutory auditor to review the Company's six- or nine-month report for 2020.

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.

Investor relations

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

Board of Directors of Angler Gaming



James Scicluna (Chairman of the Board)

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: James is an experienced lawyer, specialising in gambling regulation and licensing, commercial strategy in regulated markets, public affairs, intellectual property, joint ventures and M&As, amongst others areas. He is an experienced board member, having served as a director in a number of remote gaming companies. James has held the position of Chief of Regulatory and Corporate Affairs with the Betcltic Group as well as having been General Counsel of Betcltic and Expekt, two of the Betcltic Group's brands. Prior to that he was a foreign lawyer and then a solicitor with London firm Jeffrey Green Russell's (now Gordon Dadds) Company and Commercial team.

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.



Michael Bennett (Board Member)

Board member since: 2012

Year of birth: 1945

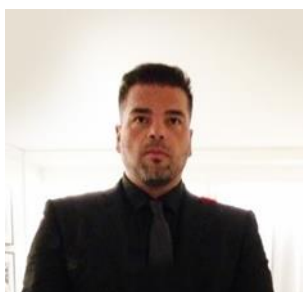
Principal education: GCE 'O' Levels - UK

Principal professional experience: Michael has over 50 years senior management experience in both Casinos and the Online Betting industries on a world-wide stage covering the Far East, Australia, the Caribbean, Europe, Africa and the UK - including well-known casinos, such as the London Playboy Club, Wrest Point Casino, Adelaide

Casino, Morula Sun and the Knightsbridge Sporting Club. During the 90's Michael served on the boards of some eighteen companies within the UK Ladbrokes betting/leisure group. Michael has worked exclusively in online gaming since 2000, was a director of several Malta-based licensed gambling companies, most notably GTECH/IGT.

Other current assignments: N/A

Shareholding in the Company: 125,648 shares



Ralf Feldt (Board Member)

Board member since: 2016

Year of birth: 1976

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

Principal professional experience: As an iGaming consultant, Ralf Feldt started in the iGaming industry based in Costa Rica in 1999. Since then he has worked for several American and European iGaming companies, including BetCris, NetEnt, Cherry and Betsson.

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



Thomas Kalita (Board Member and the CEO of Angler Gaming)

Board member since: 2019

Year of birth: 1969

Principal education: Master of Science Degree in Business Administration and Economics (specialisation in IT-Management) from Stockholm University.

Principal professional experience: Thomas has over 20 years' experience in leading positions within successful Internet-focused companies, including the last 12 years from his working in the iGaming industry based in Malta. Between 2007 and 2009 he

was the CEO of Betsson AB's operational subsidiaries with overall responsibility for their financial performance for all the global brands and products, including Casino, Sportsbook, Poker, Financial Betting, Scratch Cards and other games, offered to many geographical markets around the world. Prior to that he worked as a Product Director and Marketing Director for Betsson AB's operational subsidiaries. Thomas spent the last 12 years working from Malta. Since 2009 he has been an entrepreneur and investor in the iGaming industry with many successful launches and investments.

Other current assignments: owner and director of Knojt Ltd, a company investing in Internet businesses.

Shareholding in the Company: Through Knojt Ltd, Thomas owns 7,901,603 shares in Angler Gaming



Olga Finkel (Company Secretary)

Company Secretary since: 2012

Year of birth: 1967

Principal education: Doctor of Laws degree from the University of Malta and a Master of Science degree in IT and Economics from the Academy of Economics, Kharkov, Ukraine.

Principal professional experience: Olga is a lawyer, widely regarded for her knowledge of gambling and technology law, as well as corporate governance matters, in particular as applicable to listed and regulated companies. Olga is Co-managing Partner at WH Partners and a lecturer in gaming law at the University of Malta.

ANGLER GAMING PLC

**Report and financial statements
for the year 1 January to 31 December 2019**

Malta Company Registration Number: C55255

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Board of Directors and other Company Information

Directors

James Scicluna

Michael Daniel Bennett

Thomas Kalita

Ralf Feldt

Company Secretary

Olga Finkel LL.D.

Independent Auditors

Walter Rizzo & Associates

30, Id-Dwejra,

Triq Il-Gejza,

Swieqi,

Malta - EU

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 seventh 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 2019 up to 31 December 2019.

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. In May 2018, Aktietorget changed its name to Spotlight Stock Market (“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 seven 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”) and Starspay Limited (formerly known as Foxpay Ltd) (“Starspay”).

Starfish holds a Curaçao gaming licence authorising it to provide internet gaming, services and products. Starfish is licensed by a sub-licence 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 is a Maltese registered company, that 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 in October 2019, in February 2020 Starpay obtained the consent of the Maltese Registrar of Companies to be continued under the laws of Cyprus. Upon receipt by the Maltese Registrar of Companies from the relevant Cypriot authorities of a copy of the instrument confirming the continuation of the company in Cyprus (which instrument has not yet been received by the date of approval of these financial statements), Starpay shall be deemed to have ceased to be Malta company and shall become a Cyprus company.

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 online trading and associated purposes. Both these companies were inactive up to 31 December 2019.

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.

Premier launched its brand ProntoCasino in October 2018, initially focused on the Northern European market. The successful launch of the ProntoCasino in Sweden prompted Premier to apply for the Swedish gaming license, which was granted in January 2019. The Swedish license covers the following brands and domains: Prontocasino.com, Prontocasino.se, Premierlivecasino.com, Premierlivecasino.se, Prontobingo.com, Prontobingo.se, Prontodds.com and Prontodds.se.

In Q4 2019 Premier, launched a new brand ProntoLive focusing on live casino, temporarily increasing the marketing expenditure (through TV-advertising), which in Q1 2020 reverted to a more operational marketing mix.

On 26 July 2019 Angler incorporated Starspay Limited in London, England for principally software development and other information technology. An application with the HM Revenue & Customs 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.

Review of the business

In the year under review, Group registered a profit on ordinary activities before taxation of EUR 6,262,896 as compared to EUR 4,478,967 in 2018. Profit after taxation was EUR 6,101,572 whereas in 2018 a profit of EUR 4,373,318 was registered. The total assets of the Group were EUR 12,117,730 (2018: EUR 9,024,129) and the net assets were EUR 10,167,292 (2018: EUR 7,440,045).

The financial position, development and performance of the Company and the Group as presented in these financial statements show that 2019 has seen a continued improvement in figures. The group revenues in 2019 increased over 2018 reaching EUR 28,526,661 (2018: EUR 18,394,136) and resulting in another improvement in gross profits at EUR 12,135,962 (2018: EUR 7,993,790) in absolute terms. Operating results further improved in 2019: EUR 6,700,271 and 2018: EUR 4,513,996.

Report of the Board of Directors (continued)

Future developments

In Q4 2019 Premier, launched a new brand ProntoLive focusing on live casino, temporarily increasing the marketing expenditure (through TV-advertising), which in Q1 2020 reverted to a more operational marketing mix.

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.

Dividend

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 5,248,950 (2018: EUR 3,374,325) to shareholders. This 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.

	Number of Ordinary Shares	Total Shares EUR
Authorised		
Ordinary shares of EUR 0.01 each, as at 31 December 2018 and 31 December 2019	84,498,570	844,986
Issued and fully paid up		
Ordinary shares of EUR 0.01 each, as at 1 January 2018	74,464,995	744,649
Issued and fully paid up		
on 16 February 2018 – share options exercised	225,000	2,250
on 28 May 2018 – share options exercised	295,000	2,950
Ordinary shares of EUR 0.01 each, as at 31 December 2018 and 31 December 2019	74,984,995	749,849

Memorandum and Articles of Association

There were no changes to the Memorandum and Articles of Association of the Company during the year 2019.

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.

Report of the Board of Directors (continued)

Board of Directors

The Board of Directors of the Company who held office throughout/during the year 2019, were:

James Scicluna	Chairman – Director
Thomas Kalita (appointed on 12 April 2019)	Chief Executive Officer – Director
Michael Daniel Bennett	Director
Ralf Feldt	Director

David Michael Gray, passed away on 18 February 2019.

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 2019 are shown below:

	Number of issued ordinary shares of EUR 0.01 each
Michael Daniel Bennett	165,648
Ralf Feldt	90,000
Thomas Kalita (through a company he controls)	7,901,603

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 contract, that was significant in relation to the Group’s business at any time during the year.

Share Option Scheme

In line with previous authorisation by the shareholders, the Company put in place the share option scheme for persons engaged with the Company and its controlled entities (‘the Group’) who make valuable contributions to the business of the Group. Each share option entitles the option holder to receive, upon exercise of the option, one ordinary share in the Company of EUR 0.01 at the pre-determined strike price.

Under the share options scheme of 1,485,000 options, 1,460,000 have been exercised and 25,000 lapsed in prior years. There are no more share options available to the Directors.

Report of the Board of Directors (continued)

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.

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.

While the Directors recognise the extraordinary challenges surrounding the COVID-19 situation, so far at the Company and the Angler Gaming plc Group of which it forms part, staff have continued to serve customers and have kept all operations going. The Directors are mindful that in case of protracted persistence of the pandemic, the business environment outlook over the long term may present higher than normal levels of uncertainty, and a clear determination of the overall financial impact cannot be made at this early stage. Currently, however, there have been no observable negative effects on the business. The Group has already taken and will continue taking steps to safeguard the business, and the strategic priority remains the long-term sustainability of the Group with a focus on growing the business.

There were no other 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.

Auditors

Walter Rizzo & Associates have expressed their willingness to continue in office and a resolution for their appointment will be proposed at the Annual General Meeting.

On behalf of the Board



James Scicluna
Chairman - 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: 29 April 2020

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 2019 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 2019, 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 2019, 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 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 2019 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, including the directors' report. 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). 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 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.



This copy of the audit report has been signed by
Walter Rizzo (Partner) for and on behalf of
WALTER RIZZO & ASSOCIATES
Certified Public Accountants

30, Id-Dwejra,
Triq il-Gejza,
Swieqi,
Malta - EU

Date: 29 April 2020

**Consolidated Statement of Comprehensive Income
for the year ended 31 December 2019**

	Note	Group 2019 EUR	Company 2019 EUR	Group 2018 EUR	Company 2018 EUR
Revenue	6	28,526,661	5,174,204	18,394,136	6,518,409
Direct costs		(16,390,699)	-	(10,400,346)	-
Gross profit		12,135,962	5,174,204	7,993,790	6,518,409
Direct wages costs	7	(995,703)	-	(695,404)	(18,116)
Administrative expenses		(980,016)	(208,419)	(916,693)	(312,280)
ICT & Hosting Expenses		(273,651)	-	(57,804)	-
Marketing and sales expenses		(3,126,426)	(38,535)	(1,691,251)	(34,171)
Depreciation		(59,895)	(96)	(118,642)	(95)
Operating profit	8	6,700,271	4,927,154	4,513,996	6,153,747
Finance costs	9	(441,699)	(1,625)	(39,264)	(2,204)
Finance income	9	4,324	-	4,235	-
Profit before taxation		6,262,896	4,925,529	4,478,967	6,151,543
Taxation	10	(161,324)	-	(105,649)	-
Profit and total comprehensive income for the financial year		6,101,572	4,925,529	4,373,318	6,151,543
Basic and diluted earnings per share based on net results for the year	11	0.0814	0.0657	0.0584	0.0822
Basic and diluted earnings per share excluding extraordinary item arising	11	0.0814	0.0657	0.0584	0.0822

The accounting policies and explanatory notes on pages 15 to 36 are an integral part of these financial statements.

**Consolidated Statement of Financial Position
at 31 December 2019**

	Note	Group 2019 EUR	Company 2019 EUR	Group 2018 EUR	Company 2018 EUR
Assets					
Non-current assets					
Investments in subsidiaries	12	-	101,998	-	101,997
Intangible assets	13	1,182,347	-	1,236,331	-
Property, plant and equipment	14	20,708	292	19,886	388
Total non-current assets		1,203,055	102,290	1,256,217	102,385
Current assets					
Trade and other receivables	15	6,401,068	12,551,232	4,914,677	6,770,442
Cash and cash equivalents	16	4,513,607	24,982	2,853,235	21,544
Total current assets		10,914,675	12,576,214	7,767,912	6,791,986
Total assets		12,117,730	12,678,504	9,024,129	6,894,371
Equity and liabilities					
Capital and reserves					
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		7,424,552	2,676,391	4,697,305	1,125,187
		10,167,292	5,242,043	7,440,045	3,690,839
Current liabilities					
Trade and other payables	20	1,789,114	7,436,461	1,478,435	3,203,532
Taxation	10	161,324	-	105,649	-
Total liabilities		1,950,438	7,436,461	1,584,084	3,203,532
Total equity and liabilities		12,117,730	12,678,504	9,024,129	6,894,371

The financial statements on pages 11 to 36 were approved and signed by the Directors on 29 April 2020.



James Scicluna
Chairman - Director



Thomas Kalita
Chief Executive Officer – Director

The accounting policies and explanatory notes on pages 15 to 36 are an integral part of these financial statements.

**Consolidated Statement of changes in equity
for the year ended 31 December 2019**

	Share capital EUR	Retained earnings EUR	Share premium EUR	Group Total EUR
Balance at 1 January 2018	744,649	3,674,987	1,713,353	6,132,989
Issue for shares – options exercised	5,200	-	102,450	107,650
Profit and total comprehensive income for the financial year	-	4,373,318	-	4,373,318
Dividend paid on equity shares	-	(3,351,000)	-	(3,351,000)
Balance at 31 December 2018	749,849	4,697,305	1,815,803	7,262,957
Balance at 1 January 2019	749,849	4,697,305	1,815,803	7,262,957
Profit and total comprehensive income for the financial year	-	6,101,572	-	6,101,572
Dividend paid on equity shares	-	(3,374,325)	-	(3,374,325)
Balance at 31 December 2019	749,849	7,424,552	1,815,803	9,990,204

The accounting policies and explanatory notes on pages 15 to 36 are an integral part of these financial statements.

**Statement of Cash Flows
for the year ended 31 December 2019**

	Group 2019 EUR	Company 2019 EUR	Group 2018 EUR	Company 2018 EUR
Cash flows from operating activities				
Profit before taxation	6,262,896	4,925,529	4,478,967	6,151,543
Reconciliation to cash generated from operations:				
Taxation	(105,649)	-	(133,104)	-
Depreciation	59,895	96	118,642	95
Reorganisation extraordinary income	-	-	-	-
Operating profit before working capital changes	6,217,142	4,925,625	4,464,505	6,151,638
Movement in debtors	(1,486,391)	(52,070)	(2,703,971)	18,585
Movement in creditors	310,678	(42,071)	612,266	26,495
Net cash generated from operating activities	5,041,429	4,831,484	2,372,800	6,196,718
Cash flows from investing activities				
Cash Issue for shares	-	-	107,650	107,650
Investment in subsidiary	-	(1)	-	(98,835)
Tangible fixed assets	(6,732)	-	(2,916)	-
Net cash (absorbed by)/generated from investing activities	(6,732)	(1)	104,734	8,815
Cash flows from financing activities				
Dividend paid on equity shares	(3,374,325)	(3,374,325)	(3,351,000)	(3,351,000)
Short term loans	-	-	-	-
Intra-group finance	-	(1,453,720)	-	(2,926,469)
Net cash generated from financing activities	(3,374,325)	(4,828,045)	(3,351,000)	(6,277,469)
Net movement in cash and cash equivalents in the year	1,660,372	3,438	(873,466)	(71,936)
Cash and cash equivalents at beginning of year	2,853,235	21,544	3,726,701	93,480
Cash and cash equivalents at end of year (Note 16)	4,513,607	24,982	2,853,235	21,544

The accounting policies and explanatory notes on pages 15 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 29 April 2020.

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. (stock symbol: ANGL) In May 2018, Aktietorget changed its name to Spotlight Stock Market. 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%
Delta Services Limited	100%
Hipponut Ltd	100%
DSL Sofia Ltd	100%

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these 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.

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.

Notes to the financial statements (continued)

2 Summary of significant accounting policies (continued)

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 2019. 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

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. Prior year classifications have been updated with this definition of Revenue and Cost of Services Sold for easier comparison. Certain prior year comparatives have been reclassified to conform to the current year's presentation.

(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.

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.

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

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.

Notes to the financial statements (continued)

2 Summary of significant accounting policies (continued)

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
Vuetec Player Database	36 months	33.33
With effect from 1 January 2017 based on assessment made by the Board of Directors in line with Group policy on value allocation for acquired assets.		
Bingo Assets	36 months	33.33
With effect from 2016 based on assessment made by the Board of Directors in line with Group policy on value allocation for acquired assets.		

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 that 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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions are not expected to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

In the opinion of management, the accounting estimates, judgements and assumptions made in the course of preparing these financial statements are not difficult, subjective, or complex to a degree which would warrant their description as ‘critical’ in terms of IAS 1 (revised) ‘Presentation of Financial Statements’.

6 Revenue

	Group	Company	Group	Company
	2019	2019	2018	2018
	EUR	EUR	EUR	EUR
Casino revenue	28,526,661	-	18,394,136	-
Dividend received	-	5,174,204	-	6,518,409

Notes to the financial statements (continued)

7 Employee benefit expense

	Group 2019 EUR	Company 2019 EUR	Group 2018 EUR	Company 2018 EUR
Wages and salaries	932,575	-	644,546	18,094
Malta Social Security costs	56,824	-	44,099	-
Other employee related expenses	6,304	-	6,759	22
	995,703	-	695,404	18,116

The Group is treated as providing a taxable fringe benefit if and every time that the eligible employee exercises his option on shares and actually acquires shares in the Angler Gaming plc group. The value of the benefit is the excess, if any, of the market value of the shares at the time when the shares are transferred over the price paid for those shares by the employee. The tax on this value is charged at the flat rate of 15%.

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

	Group 2019	Company 2019	Group 2018	Company 2018
Management and administration	4	1	4	1
Software development and customer support	33	-	26	-
	37	1	30	1

Notes to the financial statements (continued)

8 Operating profit

	Group 2019 EUR	Company 2019 EUR	Group 2018 EUR	Company 2018 EUR
Operating profit for the financial year is stated after charging:				
Directors' remuneration and other emoluments:				
to the directors of the parent company	112,814	112,814	136,437	136,437
to the directors of the subsidiaries including for company management and administration services	220,070	-	180,064	-
Fees payable to the group's auditors:				
for the annual statutory audit	10,000	7,000	10,000	7,000
for other assurance services	6,750	-	6,750	-
Impairment/asset write-off	369,870	-	-	-
Provision for bad and doubtful debts	54,000	-	54,009	-

The Group is treated as providing a taxable fringe benefit if and every time that a Director exercises his option on shares and actually acquires shares in the Angler Gaming plc group. The value of the benefit is the excess, if any, of the market value of the shares at the time when the shares are transferred over the price paid for those shares by the director. The tax on this value is charged at the flat rate of 15%.

9 Finance (Costs)/Income

	Group 2019 EUR	Company 2019 EUR	Group 2018 EUR	Company 2018 EUR
Finance (costs)/income arising as follows:				
Interest paid to banks	-	-	-	-
Other interest paid	-	-	-	-
Bank charges	(349,920)	(1,625)	(39,264)	(2,204)
Realised and unrealised gains and losses on exchange	(91,779)	-	-	-
	(441,699)	(1,625)	(39,264)	(2,204)
Interest received from banks	4,324	-	4,235	-
	(437,375)	(1,625)	(35,029)	(2,204)

Notes to the financial statements (continued)

10 Income tax

	2019	2018
	EUR	EUR
Current tax:		
Taxation at domestic income tax rates for company profits	<u>161,324</u>	<u>105,649</u>

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.

Starpay Limited

Starpay 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.

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.

Notes to the financial statements (continued)

10 Income tax (continued)

Starfish Media N.V.

As from 1 July 2018, the Curaçao E-zone is limited to trade in goods (although repair and maintenance services can be provided within the E-zone under certain circumstances). Goods can enter the E-zone without being subject to import duties and turnover tax. Companies that no longer meet the requirements to remain in the E-zone (for services) may be able to apply for the new tax regime offering a profit tax exemption for income derived from foreign sources.

The company considers that it would be tax exempt starting 1 July 2018 and has prepared and filed a request for a ruling in this regard for the tax exempt status which is also valid for the financial year 2019; and is currently waiting for a confirmation/ruling number for the tax status. Once the request for a lower preliminary profit tax return is accepted by the Curaçao Tax Authorities, they will reply with a confirmation to file a NIL tax return.

On the basis that such confirmation had not yet been received by the date of approval of these financial statements, the company has calculated profit tax at 2% on the basis of reported profit.

This exemption applies under the profit tax legislation that is currently in effect for the financial year 2019. There have been further legislative amendments recently and for the year 2020 this is still in effect but has various elements and requirements that need to be considered and analyzed when determining if the company can make use of this tax facility to be tax exempt (0%) in the financial year 2020. Following the (recent) review of the OECD; Curaçao is now amending this tax system to comply with its commitment towards the EU.

Hipponut Ltd and DSL Sofia Ltd

Both the companies were registered in October 2019 and were both inactive up to 31 December 2019. No tax provision has been made in view that there was no chargeable income.

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.

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.

Notes to the financial statements (continued)

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 (2018: 74,836,406).

There is no significant difference between the basic and diluted earnings per share.

12 Investments in subsidiaries

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

	Group	Company	Group	Company
	2019	2019	2018	2018
	EUR	EUR	EUR	EUR
Cost and net book value				
At 1 January	-	101,997	-	3,162
Addition	-	1	-	98,835
At 31 December	<u>-</u>	<u>101,998</u>	<u>-</u>	<u>101,997</u>

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 2019. To this end no impairment provision on the value of investment in the controlled entities is included in these financial statements.

Notes to the financial statements (continued)

12 Investments in subsidiaries (continued)

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
2019 and 2018			
Starfish Media N.V. (Curaçao Co. Reg. No. 125528)	Curaçao	Ordinary	100%
Starpay Limited (Malta Co. Reg. No. C56562)	Malta	Ordinary	100%
Delta Services Limited (Malta Co. Reg. No. C69559)	Malta	Ordinary	100%
Premiergaming Ltd (Malta Co. Reg. No. C82415)	Malta	Ordinary	100%
2019 additions			
Starpay 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%

Registered office and other relevant information as regard the subsidiary undertakings:

- Starfish Media N.V.: Kaya Richard J. Beaujon z/n, Landhuis Joonchie II, Curaçao
- Starpay Limited, Delta Services Limited and Premiergaming Ltd: Office 1 / 3327, Level G, Quantum House, 75 Abate Rigord Street, Ta' Xbiex, Malta – EU
- Starpay Limited: 71-75 Shelton Street, Covent Garden, London, England, WC2H 9JQ. An application with the HM Revenue & Customs 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.

Hipponut Ltd and DSL Sofia Ltd: Floor 3, Hristo Botev Blvd, Triaditsa Borough 28, 1000 Sofia, Bulgaria. Both these companies were registered in October 2019 and were both inactive up to 31 December 2019.

Notes to the financial statements (continued)

13 Intangible assets

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

	Software EUR
Gross carrying amount	
At 1 January and 31 December 2018	<u>2,101,533</u>
Amortisation and impairment	
At 1 January 2018	(750,794)
Amortisation	(114,408)
Impairment losses	-
At 31 December 2018	<u>(865,202)</u>
Carrying amount at 31 December 2018	<u>1,236,331</u>
Gross carrying amount	
At 1 January and 31 December 2019	<u>2,101,533</u>
Amortisation and impairment	
At 1 January 2019	(865,201)
Amortisation	(53,985)
Impairment losses	-
At 31 December 2019	<u>(919,186)</u>
Carrying amount at 31 December 2019	<u>1,182,347</u>

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
Gross carrying amount		
At 1 January 2018	164,752	1,882
Additions	2,916	-
At 31 December 2018	167,668	1,882
Depreciation and impairment		
At 1 January 2018	(143,548)	(1,399)
Depreciation	(4,234)	(95)
Impairment losses	-	-
At 31 December 2018	(147,782)	(1,494)
Carrying amount at 31 December 2018	19,886	388
Gross carrying amount		
At 1 January 2019	167,668	1,882
Additions	6,732	-
At 31 December 2019	174,400	1,882
Depreciation and impairment		
At 1 January 2019	(147,782)	(1,494)
Depreciation	(5,910)	(96)
Impairment losses	-	-
At 31 December 2019	(153,692)	(1,590)
Carrying amount at 31 December 2019	20,708	292

Notes to the financial statements (continued)

15 Trade and other receivables

	Group	Company	Group	Company
	2019	2019	2018	2018
	EUR	EUR	EUR	EUR
Receivable from payment processors	4,987,788	-	3,904,693	-
Rolling reserve	829,639	-	574,545	-
Security deposit	8,386	-	8,386	-
Other receivables	203,535	42,045	73,929	1,032
Prepayments	371,720	12,972	353,124	1,915
Intra-group amount – Starfish Media N.V.	-	11,657,003	-	6,435,717
Intra-group amount – Delta Services Limited	-	35,354	-	27,920
Intra-group amount – Premiargaming Ltd	-	803,858	-	303,858
At 31 December	6,401,068	12,551,232	4,914,677	6,770,442

Included in the Payment Processors balance are amounts receivable with a carrying amount of EUR 618,319 (2018: EUR 1,065,345) which are past due at the end of both the reporting periods for which the Group has not recognised an allowance for doubtful receivables since Starfish’s Sole Director considers that the amounts are still considered recoverable. If events or circumstances develop adversely, the carrying amount may not be fully recoverable. In addition, a further EUR 174,912 (2018: EUR 290,792) was in the process of receipt and clearance. The company does not hold any collateral over any of these balances.

Included in the Other receivables balance is VAT refundable with a carrying amount of EUR 155,700 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	Company	Group	Company
	2019	2019	2018	2018
	EUR	EUR	EUR	EUR
Bank balances	4,513,607	24,982	2,853,235	21,544

Notes to the financial statements (continued)

17 Share capital

	Number of Ordinary Shares	Total Shares EUR
Authorised		
Ordinary shares of EUR 0.01 each, as at 31 December 2018 and 31 December 2019	84,498,570	844,986
Issued and fully paid up		
Ordinary shares of EUR 0.01 each, as at 1 January 2018	74,464,995	744,649
Issued and fully paid up		
on 16 February 2018 – share options exercised	225,000	2,250
on 28 May 2018 – share options exercised	295,000	2,950
Ordinary shares of EUR 0.01 each, as at 31 December 2018 and 31 December 2019	74,984,995	749,849

Share Option Scheme

In line with previous authorisation by the shareholders, the Company put in place the share option scheme for persons engaged with the Company and its controlled entities ('the Group') who make valuable contributions to the business of the Group. Each share options entitles the option holder to receive, upon exercise of the option, one ordinary share in the Company of EUR 0.01 at the pre-determined strike price. At the date of approval for issue of the financial statements by the Board of Directors under the share options scheme of 1,485,000 options, 1,460,000 have been exercised and 25,000 lapsed. There are no more share options available to the Directors.

Share Options granted and exercised

Number of granted and exercised share options

Directors	765,000
Others	695,000

Share Options exercised during 2018

Number of issued ordinary shares of EUR 0.01 each

Directors	255,000
Others	240,000

Taxability

The Group is treated as providing a taxable fringe benefit in Malta if and every time that the eligible holder exercises his option on shares and actually acquires shares in the Group. The value of the benefit is the excess, if any, of the market value of the shares at the time when the shares are transferred over the price paid for those shares by the holder. The tax on this value is charged at the flat rate of 15%.

Notes to the financial statements (continued)

18 Share premium

	Number of Ordinary Shares	Share premium EUR
Share premium arising on Ordinary shares of EUR 0.01 each issued in the year		
As at 1 January 2018	31,250,038	1,713,353
on 16 February 2018	225,000	40,500
on 28 May 2018	295,000	61,950
As at 31 December 2018 and 31 December 2019	31,770,038	1,815,803

19 Non-refundable shareholder contribution

	Group 2019 EUR	Company 2019 EUR	Group 2018 EUR	Company 2018 EUR
Cash funding	-	-	-	-
Software	177,088	-	177,088	-
As at 31 December	177,088	-	177,088	-

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.

Notes to the financial statements (continued)

20 Trade and other payables

	Group	Company	Group	Company
	2019	2019	2018	2018
	EUR	EUR	EUR	EUR
Trade payables	941,943	-	726,776	93
Accruals	847,171	6,103	751,659	48,081
Intra-group amount – Starfish Media N.V.	-	-	-	-
Intra-group amount – Starpay Limited		7,430,358	-	3,155,358
	1,789,114	7,436,461	1,478,435	3,203,532

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 2019 comprise mainly of loans advanced for working capital requirements.

	Company	Company
	2019	2018
	EUR	EUR
Intra-group amount due from Starfish Media N.V.	11,657,003	6,435,717
Intra-group amount due to Starpay Limited	(7,430,358)	(3,155,358)
Intra-group amount due from Delta Services Limited	35,354	27,920
Intra-group amount due from Premiargaming Ltd	803,858	303,858
At 31 December	5,065,857	3,612,137

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:

	Group 2019 EUR	Company 2019 EUR	Group 2018 EUR	Company 2018 EUR
Directors' remuneration and other emoluments				
• to the directors of the parent company	112,814	112,814	136,437	136,437
• to the directors of the subsidiaries including for company management and administration services				
	<u>220,070</u>	<u>-</u>	<u>180,064</u>	<u>-</u>

There were no Share Options exercised during 2019 and there are no more share options available to the Directors. Share Options exercised during 2018 (for comparative purposes) are as shown in note 17.

22 Commitments

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 the financial statements.

Notes to the financial statements (continued)**23 Events after the Accounting Period End**

While the Directors recognise the extraordinary challenges surrounding the COVID-19 situation, so far at the Company and the Angler Gaming plc Group of which it forms part, staff have continued to serve customers and have kept all operations going. The Directors are mindful that in case of protracted persistence of the pandemic, the business environment outlook, over the long term, may present higher than normal levels of uncertainty, and a clear determination of the overall financial impact cannot be made at this early stage. Currently, however, there have been no observable negative effects on the business. The Group has already taken and will continue taking steps to safeguard the business, and the strategic priority remains the long-term sustainability of the Group with a focus on growing the business.

There were no other 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.

24 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.

Supplementary attachments

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

Detailed Consolidated Statement of Comprehensive Income

	Group	Company	Group	Company
	2019	2019	2018	2018
	EUR	EUR	EUR	EUR
Casino Revenue	28,526,661	-	18,394,136	-
Dividend received	-	5,174,204	-	6,518,409
Total Revenue	28,526,661	5,174,204	18,394,136	6,518,409
Direct Costs				
Payment processing fees	(4,048,881)	-	(2,574,185)	-
Software Licence	(437,256)	-	(296,496)	-
Gaming Licence	(872,098)	-	(45,986)	-
Affiliate expenses	(5,537,036)	-	(3,446,605)	-
Royalties expenses	(5,071,558)	-	(3,983,065)	-
Impairment/asset write-off	(369,870)	-	-	-
Provision for bad debts	(54,000)	-	(54,009)	-
Total Direct Costs	(16,390,699)	-	(10,400,346)	-
Direct Wages Costs				
Wages and Salaries	(932,575)	-	(644,546)	(18,094)
Malta Social Security	(56,824)	-	(44,099)	-
Other personnel expenses	(6,304)	-	(6,759)	(22)
Total Direct Wages Costs	(995,703)	-	(695,404)	(18,116)
Administrative Expenses				
Directors' fees	(305,167)	(110,219)	(291,845)	(133,819)
Malta Social Security	(5,087)	(2,595)	(5,106)	(2,618)
Directors' Medical Insurances	(5,206)	(5,206)	(5,085)	(5,085)
Annual statutory audit	(10,000)	(7,000)	(10,000)	(7,000)
Other assurance services	(6,750)	-	(6,750)	-
Professional fees	(478,813)	(91,501)	(399,699)	(97,670)
Legal fees	(12,520)	(12,520)	(60,383)	(60,383)
Accountancy fees	(36,704)	(5,664)	(16,526)	(5,664)
Donation	(10,000)	(10,000)	-	-
Support services	(40,338)	-	(40,338)	-
Total Administrative Expense	(910,585)	(244,705)	(835,732)	(312,239)
Marketing and Sales Expenses				
Marketing expenses	(3,065,120)	(2,561)	(1,650,247)	(2,533)
Listing expenses	(33,641)	(33,641)	(28,240)	(28,240)
Representation and entertainment	-	-	-	-
Other travel expenses	(27,665)	(2,333)	(12,764)	(3,398)
Commissions	-	-	-	-
Total Marketing and Sales Expense	(3,126,426)	(38,535)	(1,691,251)	(34,171)

Detailed Consolidated Statement of Comprehensive Income (cont.)

	Group	Company	Group	Company
	2019	2019	2018	2018
	EUR	EUR	EUR	EUR
Office Expenses				
MFSA fees and penalties	(4,211)	-	-	-
Office rent	(40,607)	-	(35,002)	-
Office utilities, telephone and internet	(8,460)	-	(7,899)	-
Courier and postage expenses	-	-	-	-
Other office expenses	(16,153)	36,286	(38,060)	(41)
Total Office Expenses	(69,431)	36,286	(80,961)	(41)
ICT & Hosting Expenses				
Hosting expenses	-	-	-	-
ICT expenses	(273,651)	-	(57,804)	-
Total ICT & Hosting Expenses	(273,651)	-	(57,804)	-
Depreciation/amortisation				
Depreciation - equipment	-	-	(4,139)	-
Depreciation – furniture & fittings	(96)	(96)	(95)	(95)
Amortisation - software	(59,799)	-	(114,408)	-
	(59,895)	(96)	(118,642)	(95)
Finance Income				
Interest received on banks	4,324	-	4,235	-
Interest income	-	-	-	-
Finance Expenses				
Bank charges	(349,920)	(1,625)	(39,264)	(2,204)
Interest paid to third parties	-	-	-	-
Interest paid	-	-	-	-
Realized gain and losses on exchange differences				
Realized and unrealized gain and losses on exchange differences	(91,779)	-	-	-
Total Finance Income/(Expenses)	(437,375)	(1,625)	(35,029)	(2,204)
Total Expenses	(22,263,765)	(248,675)	(13,915,169)	(366,866)
Profit before taxation	6,262,896	4,925,529	4,478,967	6,151,543