



COMPANY UPDATE

Consumer Discretionary & Staples

Fair value: SEK4.2–5.3

Share price: SEK3.30

Angler Gaming

Temporary drop in Hold ratio explains deviation – Q2 review

Research analysts:

Rikard Engberg
DNB Carnegie Investment Bank AB


Angler Gaming reported weaker Q2 2025 sales and marginally lower EBIT than our estimates. While we see encouraging signs, especially the strong gross margin highlighting a successful renegotiation of B2B agreements, the trading update revealed Q/Q growth below our expectation. Due to our estimate revisions, we change our fair value to SEK4.2–5.3 (5.8–7.6).

Renegotiation of B2B agreements affects growth. Revenue was EUR6.6m, down 35% Y/Y and EUR1.9m below our estimate. The decline is explained by the renegotiation of B2B agreements, resulting in a higher gross margin at 42% versus 36% in Q2 2024. EBIT was EUR0.9m (EUR0.5m below our estimate), corresponding to a margin of 13.6%. Average daily net gaming revenue at the start of Q3 indicates growth of 3.2% Q/Q, lower than we expected.

Estimates reflect some recovery in Hold ratio. We lower our sales estimates by 14.3% for 2025 and an average of 12.0% for 2026–27. We argue the Hold ratio (net game win /deposits) should recover in H2, supporting a growth rate of 3.5% Q/Q in Q3 2025. The Hold ratio ranged between 55% and 63% in 2024–Q1 2025, making Q2 2025's 47% a clear outlier. We cut our EBIT estimates by EUR1.5m for 2025 and an average of EUR1.3m for 2026–27.

Revenue hiccup does not affect equity story. We believe the Y/Y revenue decline in Q2 should be temporary and can be explained by the low Hold ratio, a KPI that tends to fluctuate over time. Apart from this, we see the strong gross margin during the quarter as a sign that the renegotiation of B2B agreements has been successful.

Fair value lowered to SEK4.2–5.3, reflecting lower estimates as well as a lower peer valuation.

Changes in this report				Key figures (EUR)					Share price – 5-year	
	From	To	Chg		2024	2025e	2026e	2027e		
EPS adj. 2025e	0.09	0.06	-30%	Sales (m)	40	31	36	41		
EPS adj. 2026e	0.10	0.09	-13%	EBITDA (m)	6	5	7	8		
EPS adj. 2027e	0.11	0.10	-10%	EBIT (m)	6	5	7	8		
Upcoming events				EPS	0.03	0.06	0.09	0.10		
Q3 Report		12 Nov 2025		EPS adj.	0.03	0.06	0.09	0.10		
Q4 Report		19 Feb 2026		DPS	0.00	0.00	0.00	0.00		
Key facts				Sales growth Y/Y	3%	-24%	20%	11%		
No. shares (m)		75.0		EPS adj. growth Y/Y	13%	90%	49%	14%		
Market cap. (USDm)		26		EBIT margin	14.1%	17.8%	19.0%	19.5%		
Market cap. (SEKm)		247		P/E adj.	9.3	4.9	3.3	2.9		
Net IB Debt. (SEKm)		-49		EV/EBIT	5.0	3.3	1.8	0.8	High/Low (12M) SEK4.9/3.3	
Adjustments (SEKm)		0		EV/EBITA	5.0	3.3	1.8	0.8		
EV (2025e) (SEKm)		198		EV/EBITDA	5.0	3.3	1.8	0.8		
Free float		0.0%		P/BV	2.3	1.6	1.1	0.8		
Avg. daily vol. ('000)		106		Dividend yield	0.6%	0.7%	0.7%	0.8%		
BBG		ANGL SS		FCF yield	-10.0%	10.6%	23.1%	29.7%		
Fiscal year end		December		Equity/Total Assets	66.2%	85.0%	87.5%	89.6%		
Share price as of (CET)	20 Aug 2025 17:24			ROCE	65.1%	46.4%	40.5%	32.7%		
				ROE adj.	28.6%	38.7%	39.3%	31.7%		
				Net IB debt/EBITDA	-0.2	-0.8	-1.3	-2.0		

Source: DNB Carnegie (estimates), FactSet, Infront & company data

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Equity story

Near term: within 12M

We argue that the main catalyst for Angler Gaming's share price is a continuous strong operational performance. We believe the company can be agile and find new opportunities in the global gaming market. One potential catalyst for the share price could be if PremierGaming, the subsidiary focusing on regulated markets, shows a high growth rate. This since regulated revenue tends to be valued at a premium by the market.

Long-term outlook: 5Y+

We believe the long-term investment case in Angler Gaming rests on the shift from offline to online gambling. As the online market grows, driven by behavioural and regulatory shifts, so does the market for online operators.

Key risks:

- Since we have limited knowledge of Angler Gaming's geographical exposure, we see a risk for revenue from jurisdictions where online gambling is prohibited.
- Due to the limited information about geographical exposure, we deem there to be certain foreign exchange risks.
- Increased local regulations can affect margins in the short term.

Company description

Angler Gaming plc is a Maltese holding company listed on the Swedish stock exchange, Spotlight Stock Market, that invests in companies providing gaming services over the internet. Angler Gaming's core business is to own and administer shareholdings in internet gambling companies that directly or through partners offer games to end-users via the internet. The company owns and operates the Swedish Prontocasino brand.

Key industry drivers

- Shift from offline to online gambling.
- New markets are opening up due to regulation.
- Increased share of marketing budgets online.

Industry outlook

- Latin America and North America are showing high structural growth.
- European market is stable, local reregulation could hurt customer intake in the short run.

Largest shareholders, capital

Avanza Pension	10.4%
Svenska Handelsbanken AB	9.5%
Thomas Kalita	8.6%

Cyclicality

Cyclicality: No
Not cyclical

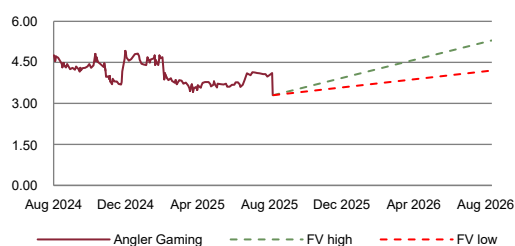
Key peers

Betsson, Kambi, Flutter, Entain, Evoke.

Valuation and methodology

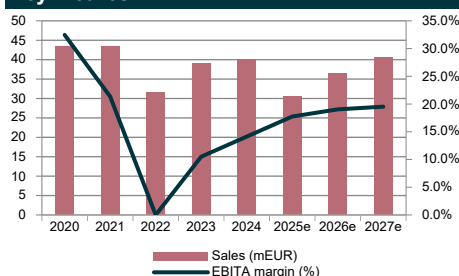
We use a peer-based valuation methodology for Angler Gaming, using 2026e EV/EBIT. The low end of our fair value range is determined looking at Angler Gaming's historical EV/EBIT NTM valuation for 2020–25, and applying a 12% discount because of lower growth in our estimates than the historical numbers. For the high end of our fair value range, we have used the median valuation during the same time span of Angler Gaming's closest peer, Betsson, and applied an 8% discount to reflect a lower share of revenue from regulated markets.

Fair value range 12M

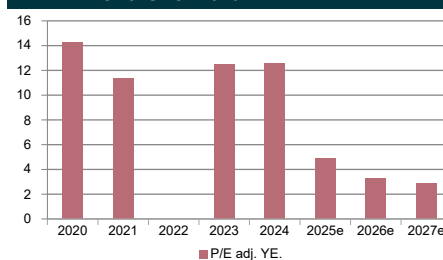


In our view, the main driver towards the higher end of our fair value range is a continuous improvement in operational KPIs, indicating that the turnaround for Angler Gaming is continuous. In this scenario, we see growth from regulated markets as higher than grey markets. We believe the main driver towards the lower end of our fair value range is continuous growth, but where grey markets grow at a higher rate than regulated markets.

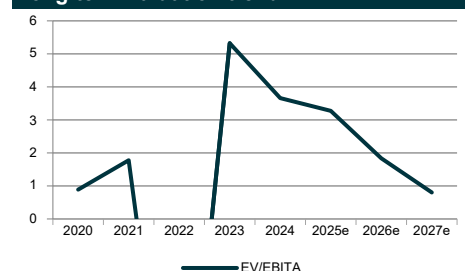
Key metrics



P/E 12-months forward



Long-term valuation trend

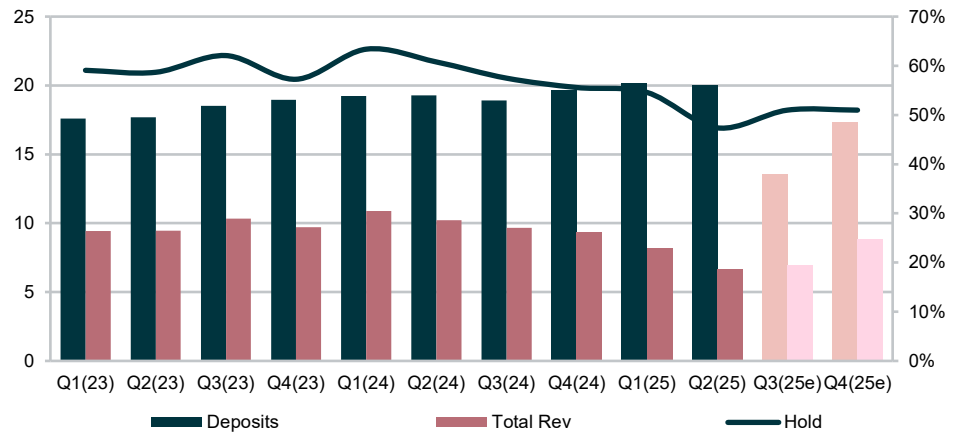


Source: DNB Carnegie (estimates) & company data

Angler Gaming in charts

Deposits and revenue (EURm), Hold (%)

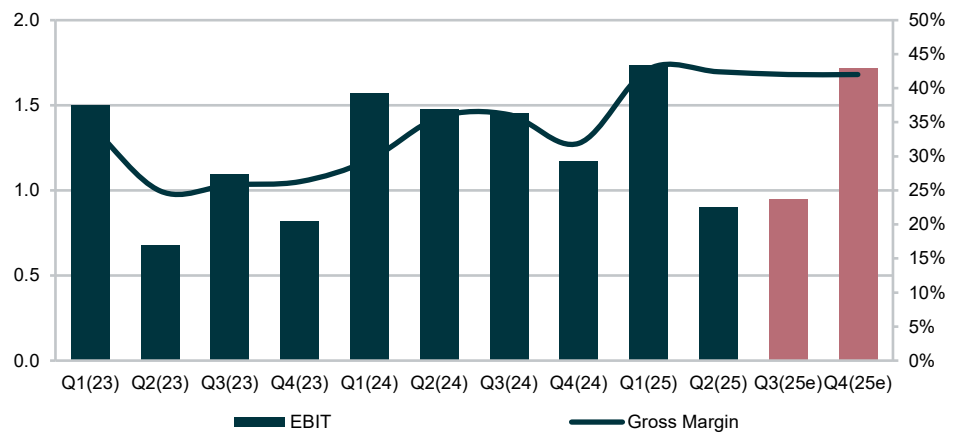
We argue the Hold ratio should improve in H2 2025...



Source: DNB Carnegie (estimates) & company data

EBIT (EURm) and gross margin (%)

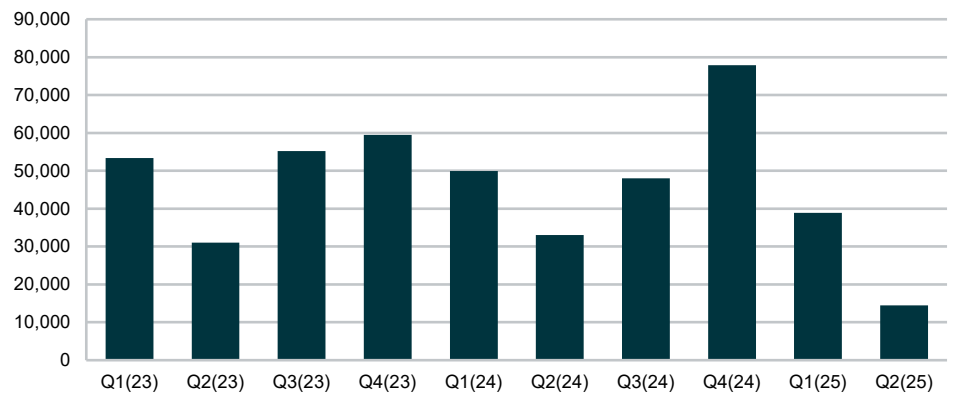
...leading to small growth in EBIT in Q3 2025 and a strong finish of the year



Source: DNB Carnegie (estimates) & company data

Newly registered customers

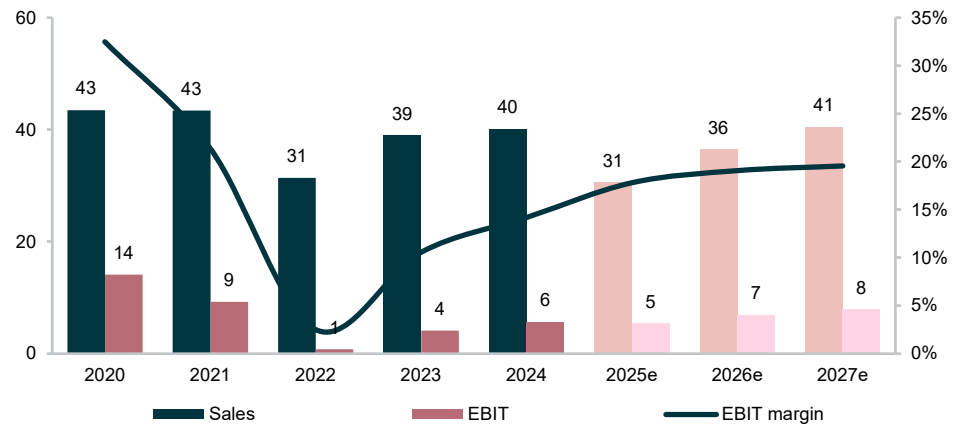
Q2 is usually a low quarter in terms of newly registered customers



Source: Company Data

We estimate EBIT margin expansion Y/Y in 2025, followed by similar levels in 2026–27e. We see this as key in the equity story

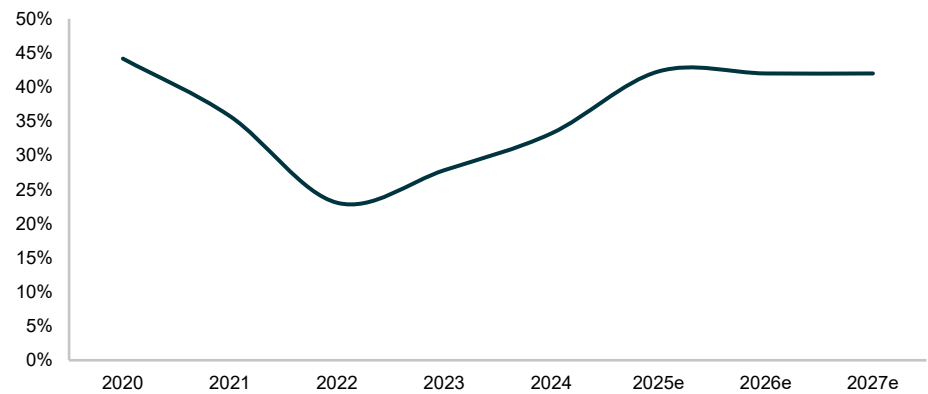
Sales and EBIT (EURm)



Source: DNB Carnegie (estimates) & company data

We estimate the gross margin will stabilise at current levels

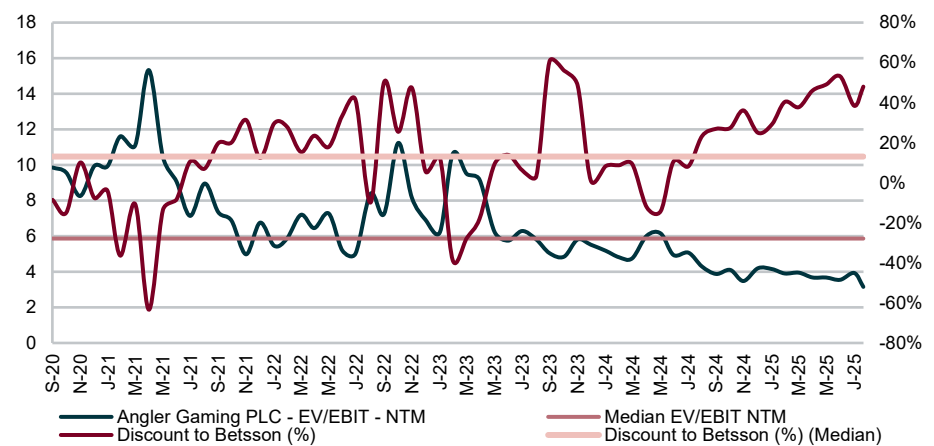
Gross Margin (%)



Source: DNB Carnegie (estimates) & company data

Discount to Betsson based on FactSet consensus multiples at an all-time high despite strong operational KPIs

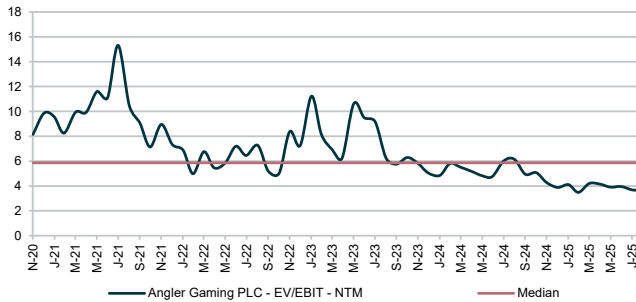
EV/EBIT NTM (LH) and discount to Betsson (RH) 2020-2025



Source: FactSet

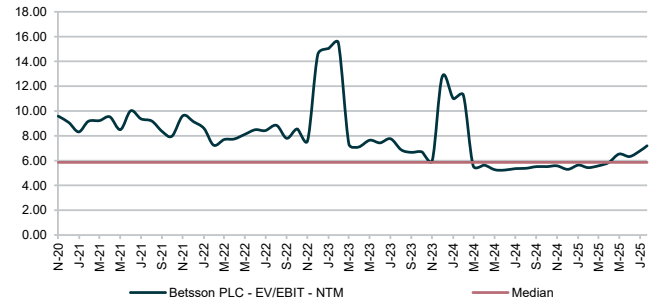
Valuation

Angler Gaming EV/EBIT NTM 2020-2025



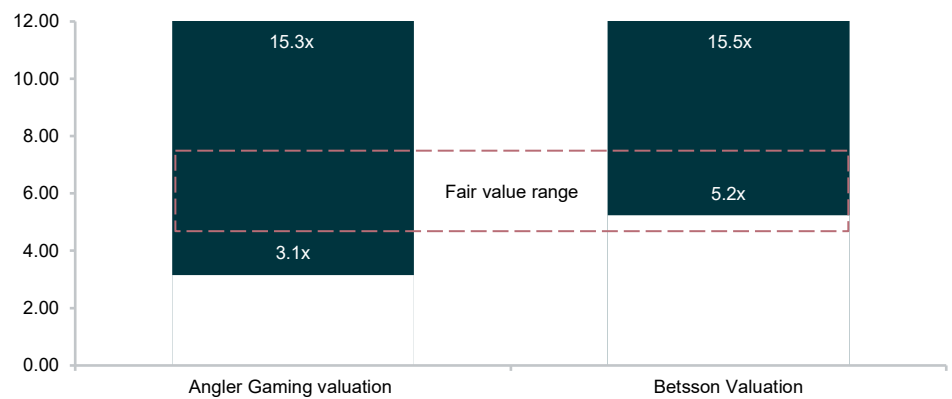
Source: DNB Carnegie (estimates) & Factset

Betsson Gaming EV/EBIT NTM



Source: DNB Carnegie (estimates) & company, FactSet

Angler Gaming and Betsson EV/EBIT NTM (2020-2025)



Source: DNB Carnegie (estimates) & company data, Factset

Risks

Grey market risk: Since we have limited knowledge of what markets the majority of Angler Gaming's revenue originates from, we see a potential risk that it could lose revenue due to regulation, being geo-blocked or for other reasons ceasing to operate in certain markets.

FX risk: We believe it is plausible to assume that Angler Gaming has revenue in currencies other than EUR, its reporting currency. This could give rise to increased volatility.

Increased local regulation: While we see increased regulation of the igaming market as a positive long-term trend, boosting conversion from offline to online gambling, changes in regulation regarding marketing or tax rates could potentially affect revenues in the short term.

Estimate changes

Angler Gaming (EURm)	New estimates			Old estimates			Abs. Changes			% changes		
	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e
Sales	31	36	41	36	42	46	-5.1	-5.2	-5.3	-14%	-13%	-12%
COGS	-18	-21	-23	-21	-24	-27	3.0	3.2	3.3	-14%	-13%	-12%
Gross Profit	13	15	17	15	17	19	-2.1	-2.0	-2.0	-14%	-11%	-10%
Other External Costs	-4	-4	-5	-5	-5	-6	0.7	0.9	1.1	-14%	-17%	-18%
Cost of Staff	-3	-4	-4	-3	-4	-4	-0.1	0.0	0.0	2%	0%	0%
EBITDA	5	7	8	7	8	9	-1.5	-1.1	-0.9	-22%	-13%	-10%
D&A	0	0	0	0	0	0	0.0	0.0	0.0	32%	0%	0%
EBIT	5	7	8	7	8	9	-1.5	-1.1	-0.9	-22%	-13%	-10%
Finacials	-1	0	0	0	0	0	-0.4	0.0	0.0	116%	0%	0%
EBT	5	7	8	7	8	9	-2.0	-1.1	-0.9	-30%	-13%	-10%
Tax	0	0	0	0	0	0	0.1	0.0	0.0	-45%	-13%	-10%
Net Income	5	7	8	6	8	9	-1.9	-1.0	-0.8	-30%	-13%	-10%
Revenue Growth Y/Y	-23.9%	19.6%	11.1%	-11.2%	17.1%	9.8%	-0 bps	+0 bps	+0 bps	113%	14%	12%
Gross Profit margin	42.3%	42.0%	42.0%	42.2%	41.5%	41.5%	+0 bps	+0 bps	+0 bps	0%	1%	1%
EBIT margin	17.8%	19.0%	19.5%	19.5%	19.2%	19.2%	-0 bps	-0 bps	+0 bps	-9%	-1%	2%

Source: DNB Carnegie (estimates) & company

Interim figures

Angler Gaming (EURm)	2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3e	Q4e
Sales	10.9	10.2	9.7	9.4	8.2	6.6	6.9	8.8
COGS	-7.7	-6.6	-6.2	-6.4	-4.7	-3.8	-4.0	-5.1
Gross Profit	3.2	3.6	3.5	3.0	3.5	2.8	2.9	3.7
Other External Costs	-0.9	-1.4	-1.2	-0.9	-0.9	-1.1	-1.0	-1.1
Cost of Staff	-0.7	-0.8	-0.8	-0.9	-0.8	-0.9	-0.8	-0.9
EBITDA	1.6	1.5	1.5	1.2	1.7	0.9	1.1	1.7
D&A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	1.6	1.5	1.5	1.2	1.7	0.9	1.1	1.7
Finacials	-0.7	-0.8	-0.7	-1.0	-0.4	-0.4	0.0	0.0
EBT	0.8	0.7	0.7	0.1	1.4	0.5	1.1	1.7
Tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1
Net Income	0.8	0.7	0.7	0.1	1.4	0.5	1.0	1.7
Revenue Growth Y/Y	15.5%	7.9%	-6.5%	-3.7%	-24.8%	-35.0%	-28.9%	-5.8%
Gross Profit margin	29.5%	35.7%	36.1%	31.9%	42.8%	42.4%	42.0%	42.0%
EBIT margin	14.4%	14.4%	15.0%	12.5%	21.2%	13.6%	15.5%	19.4%

Source: DNB Carnegie (estimates) & company

Financial statements

Profit & loss (EURm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	18	29	43	43	32	39	40	31	36	41
COGS	-10	-16	-24	-28	-26	-28	-27	-18	-21	-23
Gross profit	8	12	19	16	6	11	13	13	15	17
Other income & costs	-3	-5	-5	-6	-8	-7	-8	-7	-8	-9
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
EBITDA	5	7	14	9	-2	4	6	5	7	8
Depreciation PPE	0	0	0	0	0	0	0	0	0	0
Depreciation lease assets	0	0	0	0	0	0	0	0	0	0
Amortisation development costs	0	0	0	0	0	0	0	0	0	0
Amortisation other intangibles	0	0	0	0	0	0	0	0	0	0
Impairments / writedowns	0	0	0	0	0	0	0	0	0	0
EBITA	5	7	14	9	-2	4	6	5	7	8
Amortization acquisition related	0	0	0	0	0	0	0	0	0	0
Impairment acquisition related	0	0	0	0	0	0	0	0	0	0
EBIT	5	7	14	9	-2	4	6	5	7	8
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
Net financial items	0	0	-2	-2	-2	-2	-3	-1	0	0
of which interest income/expenses	0	0	-2	-2	-2	-2	-3	-1	0	0
of which interest on lease liabilities	0	0	0	0	0	0	0	0	0	0
of which other items	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	4	6	12	7	-4	2	2	5	7	8
Taxes	0	0	0	0	0	0	0	0	0	0
Post-tax minorities interest	0	0	0	0	0	0	0	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
Net profit	4	6	12	7	-3	2	2	5	7	8
Adjusted EBITDA	5	7	14	9	-2	4	6	5	7	8
Adjusted EBITA	5	7	14	9	-2	4	6	5	7	8
Adjusted EBIT	5	7	14	9	-2	4	6	5	7	8
Adjusted net profit	4	6	12	7	-3	2	2	5	7	8
Sales growth Y/Y	46.9%	55.1%	52.4%	-0.2%	-27.0%	23.0%	3.0%	-23.9%	19.6%	11.1%
EBITDA growth Y/Y	-0.6%	45.2%	109.9%	-34.3%	-chg	+chg	38.4%	-4.5%	28.0%	13.9%
EBITA growth Y/Y	0.7%	47.7%	111.7%	-34.4%	-chg	+chg	38.5%	-4.5%	28.3%	13.9%
EBIT growth Y/Y	0.7%	47.7%	111.7%	-34.4%	-chg	+chg	38.5%	-4.5%	28.3%	13.9%
EBITDA margin	25.2%	23.6%	32.5%	21.4%	-6.8%	10.6%	14.2%	17.8%	19.1%	19.6%
EBITA margin	24.5%	23.4%	32.5%	21.3%	nm	10.5%	14.1%	17.8%	19.0%	19.5%
EBIT margin	24.5%	23.4%	32.5%	21.3%	-6.9%	10.5%	14.1%	17.8%	19.0%	19.5%
Tax rate	2.4%	2.7%	2.6%	0.7%	10.8%	3.0%	3.0%	3.0%	3.0%	3.0%
Cash flow (EURm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	5	7	14	9	-2	4	6	5	7	8
Paid taxes	0	0	0	0	0	0	0	0	0	0
Change in NWC	-2	-2	-1	-2	5	-2	-1	-1	-2	-1
Interests paid	0	0	-2	-2	-2	-2	-3	-1	0	0
Actual lease payments	0	0	0	0	0	0	0	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
Total operating activities	2	4	10	5	1	0	1	3	5	7
Capex tangible assets	0	0	0	0	0	0	0	0	0	0
Capitalised development costs	0	0	0	0	0	0	0	0	0	0
Capex - other intangible assets	0	0	0	0	na	0	0	0	0	0
Acquisitions/divestments	0	0	0	0	0	0	0	0	0	0
Other non-cash adjustments	0	0	0	0	0	0	0	0	0	0
Total investing activities	0	0	0	0	0	0	0	0	0	0
Dividend paid and received	-3	-3	-5	-9	-6	0	0	0	0	0
Share issues & buybacks	0	0	0	0	0	0	0	0	0	0
Change in bank debt	0	0	0	0	1	0	0	0	0	0
Other cash flow items	0	0	0	0	0	0	0	0	0	0
Total financing activities	-3	-3	-5	-9	-5	0	0	0	0	0
Operating cash flow	2	4	10	5	1	0	1	3	5	7
Free cash flow	2	4	8	3	0	-2	-2	2	5	7
Net cash flow	-1	1	5	-4	-4	0	1	3	5	6
Change in net IB debt	-1	1	2	-6	-6	-2	-2	2	5	6
Capex / Sales	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
NWC / Sales	13.0%	14.1%	12.3%	16.6%	16.9%	10.3%	15.5%	24.7%	24.8%	25.7%

Source: DNB Carnegie (estimates) & company data

Financial statements, cont.

Balance sheet (EURm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Acquired intangible assets	0	0	0	0	0	0	0	0	0	0
Other fixed intangible assets	1	1	1	1	1	1	1	1	1	1
Capitalised development	0	0	0	0	0	0	0	0	0	0
Tangible assets	0	0	0	0	0	0	0	0	0	0
Lease assets	0	0	0	0	0	0	0	0	0	0
Other IB assets (1)	0	0	0	0	0	0	0	0	0	0
Other non-IB assets	0	0	0	0	0	0	0	0	0	0
Fixed assets	1	1	1	1	1	1	1	1	1	1
Inventories (2)	0	0	0	0	0	0	0	0	0	0
Receivables (2)	5	6	10	12	8	11	12	11	13	14
Prepaid exp. & other NWC items (2)	0	0	0	0	0	0	0	0	0	0
IB current assets (1)	0	0	0	0	0	0	0	0	0	0
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash & cash equivalents (1)	3	5	10	6	1	1	1	4	9	16
Current assets	8	11	19	18	9	13	13	15	22	30
Total assets	9	12	20	19	10	14	14	16	23	31
Shareholders' equity	7	10	16	15	5	7	9	14	20	28
Minorities	0	0	0	0	0	0	0	0	0	0
Other equity	0	0	0	0	0	0	0	0	0	0
Total equity	7	10	16	15	5	7	9	14	20	28
LT IB debt (1)	0	0	0	0	0	0	0	0	0	0
Other IB provisions (1)	0	0	0	0	0	0	0	0	0	0
Other non-IB liabilities	0	0	0	0	0	0	0	0	0	0
LT liabilities	0	0	0	0	0	0	0	0	0	0
ST IB debt (1)	0	0	0	0	0	1	0	0	0	0
Payables (2)	1	2	4	4	5	6	5	2	3	3
Accrued exp. & other NWC items (2)	0	0	0	0	0	0	0	0	0	0
Other ST non-IB liabilities	0	0	0	0	0	0	0	0	0	0
Liabilities - assets held for sale	0	0	0	0	0	0	0	0	0	0
Current liabilities	1	2	4	4	5	7	5	2	3	3
Total equity and liabilities	9	12	21	19	10	14	14	16	23	31
Net IB debt (=1)	-3	-5	-10	-6	-1	0	-1	-4	-9	-16
Net working capital (NWC) (=2)	3	5	6	8	2	6	7	8	10	11
Capital employed (CE)	7	10	16	15	5	8	9	14	20	28
Capital invested (CI)	5	6	7	10	4	7	8	9	11	12
Equity / Total assets	83%	84%	80%	77%	49%	52%	66%	85%	87%	90%
Net IB debt / EBITDA	-0.6	-0.7	-0.7	-0.6	0.6	-0.1	-0.2	-0.8	-1.3	-2.0
Per share data (EUR)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Adj. no. of shares in issue YE (m)	74.98	74.98	74.98	74.98	74.98	74.98	74.98	74.98	74.98	74.98
Diluted no. of Shares YE (m)	74.98	74.98	74.98	74.98	74.98	74.98	74.98	74.98	74.98	74.98
EPS	0.06	0.08	0.15	0.10	-0.04	0.03	0.03	0.06	0.09	0.10
EPS adj.	0.06	0.08	0.15	0.10	-0.04	0.03	0.03	0.06	0.09	0.10
CEPS	0.06	0.08	0.15	0.10	-0.04	0.03	0.03	0.06	0.09	0.10
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BVPS	0.10	0.14	0.22	0.20	0.07	0.10	0.13	0.18	0.27	0.37
Performance measures	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
ROE	63.5%	69.3%	86.6%	46.6%	-33.8%	35.1%	28.6%	38.7%	39.3%	31.7%
Adj. ROCE pre-tax	65.6%	75.7%	106.2%	59.4%	-22.1%	63.7%	65.1%	46.4%	40.5%	32.7%
Adj. ROIC after-tax	119.6%	124.0%	210.0%	109.5%	-29.5%	75.9%	73.8%	59.8%	65.7%	66.1%
Valuation	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
FCF yield	10.7%	17.6%	35.0%	14.3%	-0.5%	-8.3%	-10.0%	10.6%	23.1%	29.7%
Dividend yield YE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.7%	0.7%	0.8%
Dividend payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.7%	3.3%	2.4%	2.3%
Dividend + buy backs yield YE	7.9%	8.5%	5.5%	7.7%	0.0%	0.0%	0.5%	0.7%	0.7%	0.8%
EV/Sales YE	2.18	2.01	3.55	1.77	0.90	0.67	0.71	0.58	0.35	0.16
EV/EBITDA YE	8.7	8.5	10.9	8.3	neg.	6.3	5.0	3.3	1.8	0.8
EV/EBITA YE	8.9	8.6	10.9	8.3	neg.	6.4	5.0	3.3	1.8	0.8
EV/EBITA adj. YE	8.9	8.6	10.9	8.3	neg.	6.4	5.0	3.3	1.8	0.8
EV/EBIT YE	8.9	8.6	10.9	8.3	neg.	6.4	5.0	3.3	1.8	0.8
P/E YE	9.8	10.1	14.2	11.4	nm	12.5	12.5	4.9	3.3	2.9
P/E adj. YE	9.8	10.1	14.2	11.4	nm	12.5	12.5	4.9	3.3	2.9
P/BV YE	5.77	6.07	9.98	5.60	6.05	3.69	3.14	1.60	1.08	0.79
Share price YE (EUR)	0.57	0.82	2.19	1.10	0.40	0.35	0.40	0.30		

Source: DNB Carnegie (estimates) & company data

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