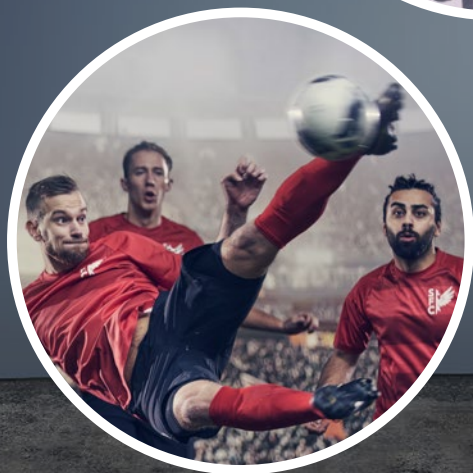


AB TRAV OCH GALOPP

ANNUAL AND SUSTAINABILITY REPORT 2022





CONTENTS

ABOUT AB TRAV OCH GALOPP

ATG in brief	2
2022 in brief	3
Message from the CEO	4
Drivers and trends	7
A sustainable business	8

STRATEGY

How ATG generates value for society	10
Mission:	
The engine of the horse racing industry	11
The gaming industry's compass	13
Values and corporate culture	16
The customer promise	19
Strategic focus areas and goals	20
Vision	22

MARKET

The Swedish gambling market	24
The Danish gambling market	25
Our brands	26
Our venues	27

OPERATIONS

Horse betting	29
Sport betting	31
Casino games	32

The IT platform	33
Production company Kanal 75	34
Danish subsidiary 25syv	36

ADMINISTRATION REPORT

Administration Report	38
Risks and risk management	42
Multi-year review	47
Message from the Chairman and Deputy Chairman of the Board	49
Corporate governance report	51
Board of Directors	57
Group management	58

FINANCIAL STATEMENTS

Group	60
Parent Company	64
Accounting policies	68
Notes	75
Board's signatures	95
Auditor's Report	96

SUSTAINABILITY

Sustainability notes	100
Sustainability report	100
GRI content index	117

GLOSSARY

Definitions and glossary	121
--------------------------	-----





1

About ATG

ATG IN BRIEF

AB Trav och Galopp (ATG) is owned by the Swedish Trotting Association and the Swedish Jockey Club. ATG's task is to safeguard the long-term development of trotting and thoroughbred racing by offering responsible gambling. Since it was founded in 1974, ATG has financed trotting and thoroughbred racing with approximately BSEK 53. ATG has two subsidiaries: the media company Kanal 75 and the Danish gambling company 25syv.

The Group has approximately 1.3 million active customers. In 2022, the ATG Group had total revenue of BSEK 6.0. Betting on Swedish and international horse racing is the heart of the business. ATG offers betting on Swedish horse racing internationally through local gambling industry partners. Sales take place in Sweden and Denmark digitally and through about 1,600 store agents as well as at trotting and thoroughbred racetracks. Saturdays are the

largest betting days with a gross turnover of over MSEK 100 and approximately 300 transactions per second.

The Group's most important sustainability topics are responsible gambling and horse welfare. Our goal is for all of our customers to enjoy their gambling and gamble for pleasure.



HORSE BETTING

During the year, ATG offers approximately 20,000 races on which bets can be placed. One of ATG's most well-known brands is V75®, Sweden's largest million betting game that attracts horse bettors from all over the world. Other popular brands are Harry Boy® and V86®.



SPORT BETTING

ATG offers betting on top-league games within sports such as football, ice hockey and basketball. Naturally, the offering includes the most popular leagues, such as Premier League, Champions League, Allsvenskan and SHL. In October 2022, Big 9®, a new pool betting system for European football, celebrated its first anniversary.



CASINO GAMES

ATG offers live casino in an in-house designed studio with roulette, blackjack and lightning roulette (launched in November 2022) games with Swedish-speaking croupiers. This also includes slot machines and table games. What sets ATG's casino games apart is a larger focus on responsible gambling, with obligatory time and loss limits.

Approximately
1,600
agents, of which
approximately 100
in Denmark

Approximately
500
employees in Sweden
and in Denmark

Kanal 75
broadcasts approximately
2,500
race meetings
every year

2022 IN BRIEF

For those of you short on time – here is a condensed version of the past year.

ATG retains its strong position in horse betting and continues to grow in sport betting and casino games.

ATG's sport betting grew

8%

in 2022. ATG is now number two for sport betting in Sweden.

5 MILLION

monthly viewers were reached through Nyhetsmorgon TV4 with Per Skoglund and program formats like "Bli vän med V75®" (Eng: "Get to know V75.")



The Följ Spel function was launched for computers and tablets. Följ Spel shows the horses they have bet on as TV graphics during the race.

31

for this year's e-NPS figure (employee willingness to recommend ATG as an employer).

ATG enjoys

30%

of the Swedish commercial gambling market.

TWO CUSTOMERS

won SEK 28,682,371 and SEK 27,082,615, respectively, when V75 was decided in Halmstad on 23 April. The latter customer's stake was SEK 90.

MSEK 5,224

in net gambling revenue during the year. The operating profit was MSEK 1,686, with an operating margin of 28 per cent.

86%

of the customers who completed a self-assessment test rank as green customers, meaning they have a low risk for developing problem gambling.

DID YOU KNOW THAT...

...V75® is the largest pool betting system in Sweden?

...our horse betting customers had 202 million-krona wins?

...all surpluses from ATG go to the horse industry?

MESSAGE FROM THE CEO:**A GAMBLING YEAR AFFECTED BY A TURBULENT OPERATING ENVIRONMENT**

ATG has retained its position as the largest gambling company in the commercial licence market. We noted strong growth for sport betting and casino games. But the turbulence in our operating environment also impacted us and our customers.

When the Board of ATG in autumn 2021 decided on the business plan and budget for 2022 there was little sign of the reality we are now all experiencing.

Our hope then was to achieve the same level of net gambling revenue as the previous year.

From a historic perspective, the gambling industry has been less sensitive to economic downturns than many other industries, but at the end of the third quarter of 2022 we noted a significant impact, particularly on revenue from horse betting. While interest from our customers remains considerable, high inflation, rising interest rates and other unrest in our macro environment meant customers cut back on their betting wallet.

Net gambling revenue for year amounted to MSEK 5,224, down almost 1 per cent.

A brief summary of the past year:

The impact of the recession on horse betting was compensated for by gains in market shares in sport betting and casino games.

Appropriation of profits to our owners

In response to events in the world around us, we also introduced a number of measures to reduce

our variable costs and streamline the operations. Some of these measures had a direct impact in 2022 but will be increasingly visible from 2023 and onward. Our operating profit decreased 12 per cent to MSEK 1,686 and the Parent Company's earnings (before transactions with owners) amounted to MSEK 2,252, a decrease of 11 per cent.

In tough times, there is even greater focus on our assignment to create long-term prospects for our owners, the Swedish Trotting Association and the Swedish Jockey Club, and by extension to the entire Swedish horse industry. The Board has therefore decided to make a temporary exception to the dividend policy and disburse Group contributions to the Swedish Trotting Association as budgeted. This is so that the impact of the downward change in ATG's earnings can be better offset.

Strong offering

Despite the negative figures, I feel confident that our offering of exciting, responsible and smooth gaming experiences stands strong. Customer interest is considerable – we had 1.3 million customers in Sweden during the year. ATG remains the largest gambling company in the commercial

licence market in Sweden and 25syv, our Danish gambling company, noted a highly positive trend in 2022. And compared with 2019 – the most recent “normal” year without a pandemic or turbulent operating environment – we can see growth.

150 million-krona wins in V75®

Net gambling revenue for the horse betting product area fell 6 per cent. V75® remained the most popular brand and retained its position as Sweden's largest pool betting system. V75 was also the brand that gave most million-krona wins in Sweden – as many as 150. In total, 202 million-krona wins were paid to our horse betting customers in Sweden.

Revenue from our international horse betting partners rose 6 per cent.

During the year, the unique Följ spel service was also launched for computers and tablets. Följ Spel allows you to track the horses you have bet on via atg.se through virtual graphics in the TV broadcast while the racing is taking place. We also made the gaming experience more convenient by integrating the ATG Play service into atg.se.

Number two for sport betting in Sweden

The sport betting product area continued its strong trend and net gambling revenue increased 8 per cent. ATG is currently the second biggest company in sport betting in Sweden. Much of this was due to the investment in editorial content, including tips programmes and streamed live matches (more than 20,000 matches in 2022).

During the autumn, Big 9® pool betting was also launched for the men's Champions League



Hasse Lord Skarplöth
CEO

matches and the World Cup. Even our Danish subsidiary 25syv now offers Big 9® to its customers. In terms of turnover, Big 9® has not quite reached the level we had hoped. But our journey with Big 9® has just begun, and we can see that customers appreciate the gaming experience. We will further develop Big 9® in 2023.

Strong growth in Casino games

The net gambling revenue for the Casino games product area rose 49 per cent. One reason for this was the withdrawal on 14 November 2021 of the temporary regulation for casino games that included a deposit limit of SEK 5,000. We subsequently witnessed growth both in revenue and in customers.

MESSAGE FROM THE CEO, CONTINUED

Online casino is the form of betting that has the highest risk factors for problem gambling. It was therefore gratifying to note that growth is from a higher number of customers and that revenue per customer remained at a stable level even after 14 November.

During the year, we launched several gaming suppliers, jackpot games and ATG Lightning Roulette. Our goal is to create an entertaining and safe casino experience at all times.

...and in Denmark

Our Danish subsidiary 25syv reported strong growth. Net gambling revenue rose to MSEK 283, growth by a full 45 per cent. All product areas – Horse betting, Sport and Casino – reported growth and the company is the market leader in horse betting in Denmark.

During spring 2022, collaboration started with Dansk Hestevæddeløb (DHV), the Danish equiv-

alent to the Swedish trotting and thoroughbred racing organisations. The collaboration with DHV entails a takeover of the exclusive rights to the production and distribution of sound and images from the Danish trotting and thoroughbred racetracks.

Shortly after new year 2023, the new TV studio in Århus was opened. The broadcasts can be seen on derby25.dk.

Our most important sustainability topic

We want our customers to enjoy their gambling and gamble for pleasure. We are aware that gambling for some customers can lead to addiction. And without customer well-being, we have no business. Responsible gambling is therefore our most important sustainability topic from both a humanitarian and a commercial perspective.

For example, ATG has chosen not to offer bonuses nor market casino games broadly in media.

We introduced a mandatory loss and time limit back in 2020 for our casino games. In 2022, we also introduced an option for our customers to block themselves from gambling with the individual product areas Horse betting, Sport and Casino.

Greater transparency in the gambling industry

Responsible gambling is constantly evolving. We learn new things, research is progressing, and our tools and processes are being refined to detect customers with problem gambling. We continuously monitor our customers' gambling patterns. We conduct outreach conversations with customers who show signs of problem gambling. During the year, we continued to focus on care calls to younger sport betting customers (18–25 year-olds).

We measure and report our responsible gambling efforts through the share of green customers (now 86 per cent) and in green turnover (now 79 per cent). Key performance measures are based on self-assessment tests carried out by customers and their actual gambling behaviour. A total of 152,263 unique customers have carried out a self-assessment test since 1 January 2019.

In November, we jointly announced with Kindred and Svenska Spel that we will publicly begin to report four shared KPIs starting in January 2023. The four KPIs show how each company works with responsible gambling contacts with the group of customers who exhibit signs of risky gambling and the effect of these contacts. I see this as a first step in further increasing transparency in the gambling industry and hope more gambling companies follow our example.

Sustainability within the UN programme

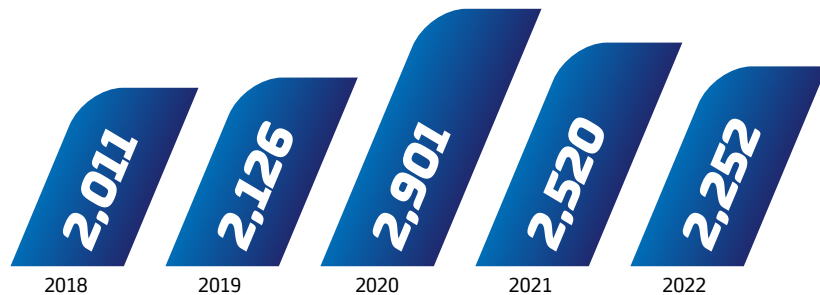
In addition to responsible gambling, ATG's sustainability initiatives cover several areas. In 2022, ATG adopted an updated sustainability strategy that will guide us until 2026. The strategy is based on the UN Sustainable Development Goals and through this we strengthened our sustainability initiatives in a number of ways this year. We began preparing for stricter EU legislation for sustainability reporting and due diligence. We are now intensifying efforts together with our suppliers to ensure that ATG's activities do not damage the environment or breach human rights. During the year, we carried out several detailed supplier follow-ups and initiated audits in accordance with our Code of Conduct.

Happily, this year ATG joined two UN programmes aimed at further accelerating the pace of our sustainability initiatives in climate and gender equality: The UN Climate Ambition Accelerator programme and the UN Target Gender Equality programme. We are now planning for the next phase.

It is important to emphasise that ATG has for many years been a signatory to the Global Compact, the UN initiative for sustainable business, which means that we act according to the ten principles involved. Our sustainability reporting follows the GRI Standard's framework, which was updated in this report.

Initiative for Spelpaus 2.0

2022 was also an eventful year for gambling policy. The "minister for gambling" in the new government is the Minister for Financial Markets, Niklas Wykman.

PARENT COMPANY'S PROFIT BEFORE TRANSACTIONS WITH OWNERS, JAN–DEC MSEK

The “En förstärkt spelreglering” (Stronger betting regulation) proposal was approved by the Swedish Riksdag. It is now up to the Swedish Gambling Authority to demonstrate whether the legislation can make any real difference in stopping unlicensed gambling.

ATG’s mission is of course to be the gaming industry’s compass. We want to create a gambling market that is better tomorrow than it is today. In February 2022, we announced a roundtable discussion with several actors in the gambling industry to discuss the self-exclusion register Spelpaus. The service is admirable – over 86,000 players have excluded themselves – but it lacks feedback to those who have excluded themselves. Together, we decided to submit a proposal to the government whereby the Helpline would contact those who have excluded themselves via Spelpaus. The Swedish Gambling Authority has now been tasked with investigating the issue.

Analysis tool for channelisation

At the end of the year, our analysis department completed its work on the tool, which I believe is the first real tracking tool for analysing channelisation in the Swedish market. The analysis is based on actual visitor traffic from Sweden to unlicensed gambling companies abroad. We presented the tool and the analysis to politicians, authorities and gambling addiction groups and look forward to continuing dialogue on the issue.

Another issue we began to pursue in 2022 is a ban on bonuses. In addition to the responsible gambling aspect, there are also other reasons

why a ban on bonuses should be introduced. Our advocacy activities on this issue will continue for the good of the industry and customers.

In November, the Swedish Gambling Authority issued a warning and fined ATG MSEK 6 for deficiencies in our AML work. We do not share the Swedish Gambling Authority’s opinion and have therefore appealed the ruling to the Administrative Court.

An uncertain 2023 ahead

There was great uncertainty last autumn when we looked ahead to 2023. As already noted, ATG has in the past fared well during recessions. But we are now facing a reality when the negative macro-economic factors are impacting everyone’s wallet. In business plan and budget work we therefore decided to replace consultants with new employees and to cut back on marketing in 2023. A strong focus remains on providing a competitive offering to our customers.

For me and my employees, 2022 was a year when we endeavoured to adapt our internal work methods. Generally, dividing time between the office and home office has worked very well. The e-NPS, which reflects employee willingness to recommend ATG as an employer, was 31 in this autumn survey, which is well above the benchmark (16). The survey shows that employees have a high level of commitment and leadership received a high rating, which is very gratifying.

As I write this, we have come some way into 2023. We are still living in a turbulent world and are yet to see light on the horizon. But I feel confident that our offering of exciting, responsible



ATG is Elitloppet’s principal sponsor. Elitloppet celebrated its 70 anniversary in 2022 – 19,591 people were in attendance and saw the French horse Etonnant win this year’s Elitloppet.

and smooth gaming experiences will stand strong even in tough times. And we have passionate, knowledgeable and professional employees who have shown that they can deliver excellent results even in difficult circumstances.

Hasse Lord Skarplöth
CEO AB Trav och Galopp

DRIVERS AND TRENDS IN THE GAMBLING MARKET

Many factors influence the gambling industry. The strongest factor that correlates with turnover development in the gambling industry is change in disposable household income. There are several other factors that impact the industry. Regulatory changes, both national and international, have created and continue to create new conditions. Changes to consumption patterns, expectations and attitudes are part of a playing field undergoing constant change.



Internationalisation and consolidation

The trend with acquisitions and consolidations in the gambling market continues, particularly at international level. This is going on in the wake of an increasingly internationalised gambling market where more markets are now regulated and operators and suppliers are looking for new opportunities. Turnover in the Swedish licenced market is concentrated to fewer but larger operators. This trend is expected to continue over the next few years.



Changed media consumption

Media and entertainment consumption is changing, and the behaviour of the younger generation is completely different to the older. New platforms are gaining ground on traditional media. Ultimately this will have substantial implications for communication about gambling, how gaming experiences are distributed and how gaming experiences become part of a social context.



Increased expectations for memorable entertainment

Competition from other forms of entertainment, such as gaming, e-sport betting (competitions in a virtual environment) and streaming services is a challenge for the gambling industry. New technology, faster connections and digital platforms are driving the trend toward more content rich, convenient, personalised and constantly available entertainment. This entails new requirements for the industry's ability to create competitive experiences to win over existing customers and future generations.



Sustainability topics increasingly important

Sustainability topics, in particular the climate issue, are becoming increasingly important in society. Companies are expected to go above and beyond mere compliance. The most important sustainability topic for the gambling industry is responsible gambling. This requires proactively limiting excessive gambling and increasing collaboration in the industry around responsible gambling. Increasing the gambling industry's credibility requires taking clear responsibility for problem gambling, match fixing, money laundering and horse welfare.

SUSTAINABILITY:**A SUCCESSFUL BUSINESS IS A SUSTAINABLE BUSINESS**

Sustainability and risk management are integrated into ATG's operations. A new strategy was prepared during the year to strengthen sustainability initiatives. The aim is achieved more positive and less negative impact on people, the environment and society.

ATG developed a new sustainability strategy building on the mission to be the engine of the horse racing industry and the gaming industry's compass. The strategy will apply between 2022 and 2026 and can be summarised in four focus areas: Long-term customer relationships, Fair sport – Fair betting, Sustainable business and For a better society.

The foundation of the sustainability strategy is the stakeholder and materiality analysis ATG conducted in 2021. The analysis showed that stakeholders ranked the well-being of the horses highly as well as responsible gambling and work to prevent corruption and money laundering.

Using the stakeholder analysis, areas were prioritised where ATG has the greatest material impact on the surrounding world. In 2023, ATG will further develop this materiality analysis to ensure double materiality – how sustainability risks in the surrounding world impact the business. This is part of preparation to work and report in line with the EU's new Corporate Sustainability Reporting Directive (CSRD).

**Long-term customer relationships**

Responsible gambling is ATG's most important sustainability area. Customers are to enjoy their gambling and gamble for pleasure. Responsible gambling is constantly evolving and allows customers to make active decisions for healthy gambling. Special focus is placed on care of young sport betting customers between the ages of 18 and 25. ATG collaborates with the Swedish Gambling Association (Sper) for a healthy and sustainable gambling industry.

**Sustainable business**

Through good business ethics and integrated risk management, ATG is working for a sustainable business that creates long-term prospects for sustainable trotting and thoroughbred racing. The operations work to prevent money laundering, to reduce the risk of human rights breaches and to reduce our impact on the environment and the climate. During the year, collaboration with suppliers was intensified to ensure compliance with future legal requirements for sustainable supply chains. ATG participated in two UN programmes, one to increase the pace of work to combat climate change and the other to promote gender equality. One important goal is to be an inclusive and responsible gambling company where employees enjoy their work and thrive.

**Fair sport – Fair betting**

Healthy horses and betting on equal terms are central to offering horse betting and sport betting. The well-being of the horses is also the most prioritised sustainability topic for our customers. Doping tests and monitoring stables and so forth are used in efforts to ensure fair horse racing. Well-founded decisions are made on an ongoing basis to combat match fixing in all gambling offerings, through close collaboration with the International Betting Integrity Association (IBIA).

**For a better society**

All of ATG's financial surplus is returned to the owners and the horse industry, thus creating new jobs, and biodiversity is encouraged through open landscapes. There are approximately 38,000 jobs in the horse industry. ATG provides a responsible gambling offering and actively promotes a more sustainable gambling industry. During the year, we pushed for industry-wide key performance measures for sustainability. Through commitment and sponsorship, ATG contributes to diversity, gender equality and inclusion.

Stakeholder priorities

Stakeholder	Sustainability topics in focus
Customers	Horse welfare, data protection and combating doping and match fixing.
Agents	Problem gambling, data protection and problem gambling among 18–25 year-olds.
Owners	Horse welfare, climate impact and problem gambling.
Employees	Labour conditions, economic contribution to horse racing, healthy and satisfied employees, and horse welfare and problem gambling.
Active horse racing participants and racetracks	Economic contribution to horse racing and horse welfare and combating doping and match fixing.
Suppliers	Climate impact, financial contribution to horse racing and responsible supply chains.
Organisations focused on responsible gambling	Problem gambling, responsible and moderate marketing as well as problem gambling among 18–25 year-olds.



HOW ATG GENERATES VALUE FOR SOCIETY

ATG's task is to safeguard the long-term development of trotting and thoroughbred racing by offering responsible gambling. ATG has gambling licences in Sweden and Denmark for horse and sport betting and casino games.

BUSINESS ENVIRONMENT AND TRENDS

- Internationalisation and consolidation
 - Changed media consumption
 - Increased expectations for memorable entertainment
 - Sustainability topics increasingly important
- Read more on page 7.

RESOURCES

Relationship capital

- Approx. 1.3 million customers
- Approx. 1,600 agents, approx. 30 international partners
- Approx. 5 million TV viewers per month
- Contractual rights with trotting and thoroughbred racing
- Large number of active trotting and horse racing participants and a large number of participants in human sports
- Approx. 355,000 horses in Sweden

Intangible capital

- Some 50 protected brands, such as V75®
- Proprietary gambling systems

Human capital

- 510 – average number of employees

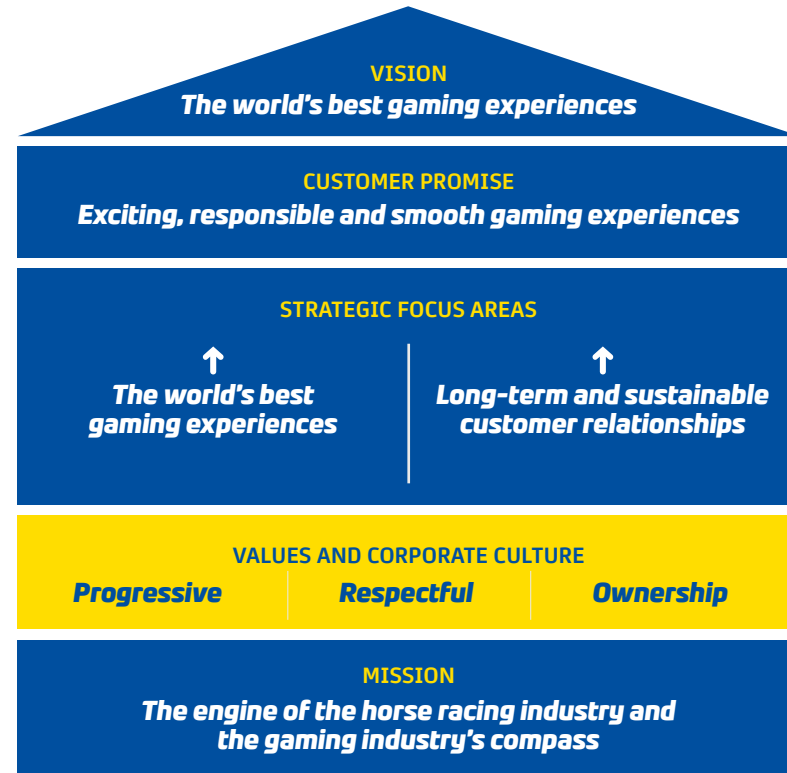
Structural resources

- ATG's Manifesto containing vision, mission, customer promise and values
- IT systems and processes for gambling and customers
- Monitoring of match fixing
- Policies and guidelines

Environmental resources

- Approx. 535 tonnes CO₂e emissions
- Approx. 222 tonnes of paper

VISION AND STRATEGY



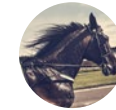
OUR OFFERING

ATG develops and markets exciting horse betting, sport betting and casino games, as well as producing TV entertainment with a focus on horse racing and betting.

Gambling is offered through store agents and digitally in Sweden and Denmark. Horse betting is sold internationally to partners.

Horse betting

Brief description of horse betting on p. 29.



Sport betting

Brief description of sport betting on p. 31.



Casino games

Brief description of casino games on p. 32.



IMPACT

The owners: The Swedish Trotting Association and the Swedish Jockey Club

- Long-term financing of trotting and thoroughbred racing
- Read more on page 11.

Customers

- 211 million-krona wins to customers
 - 9 for customer satisfaction (NPS)
 - Approx. 152,000 individual customers have conducted a self-assessment test since 1 January 2019, of which 86 per cent are green in their gambling
- Read more on page 20–21.

Employees

- Committed employees: Employee index 86 and e-NPS 31
 - Gender equality in management positions
- Read more on page 21 and 112.

Society

- Paid gambling tax: MSEK 1,072
- Approx. 38,000 jobs in the horse industry
- Collaboration with the owners in animal welfare issues nationally and internationally
- Revenue for international horse racing through partners' betting
- Contracts with the Swedish Trotting Association and the Swedish Jockey Club: MSEK 564
- Sponsorship, ATG Drömfond and other commitments: MSEK 77

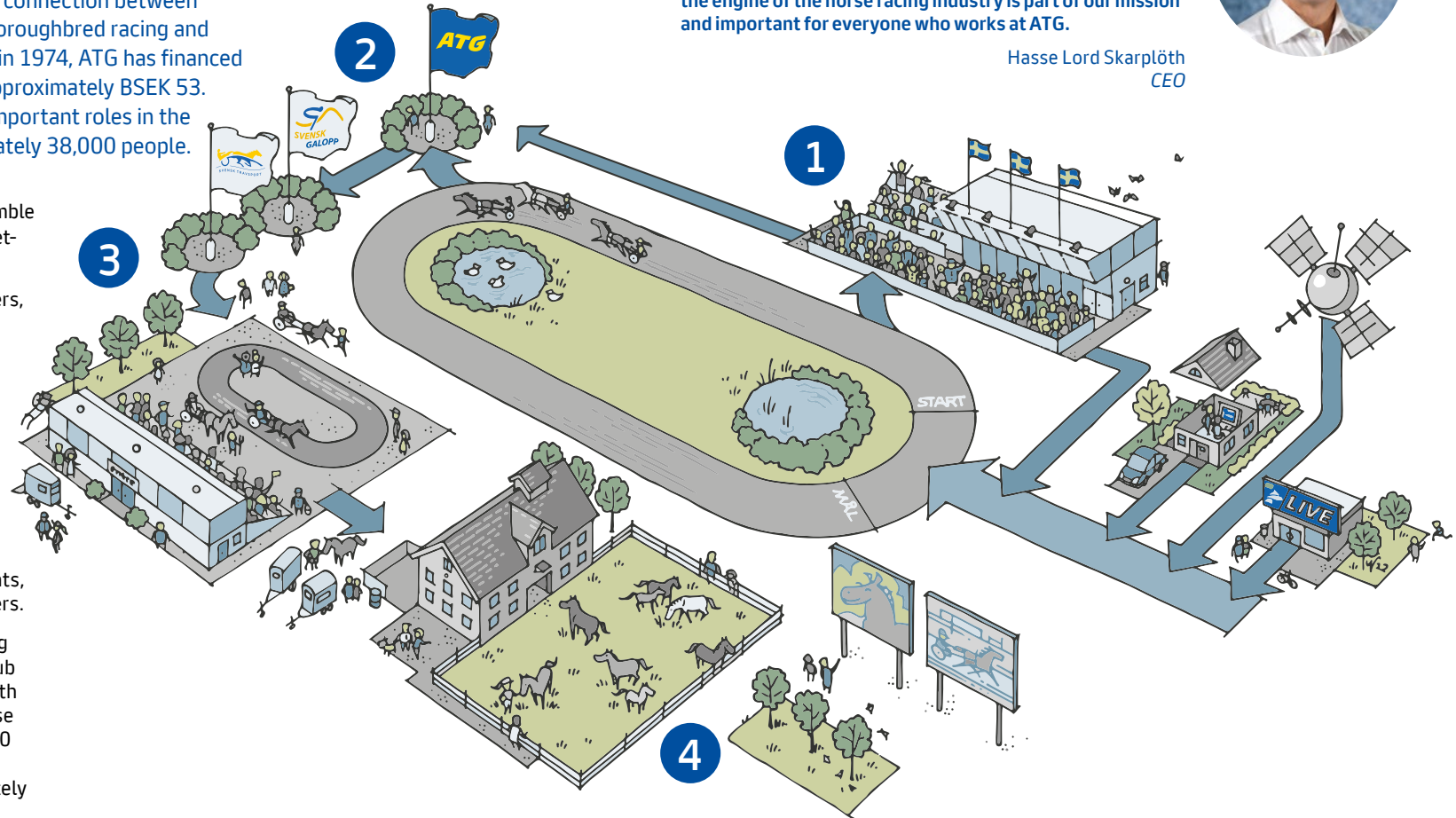
Environment

- Increased CO₂e emissions by 63 tonnes (13%)
 - Reduced paper use 88 tonnes (-29%)
- Read more on page 119

MISSION:**WITH THE DRIVE TO REMAIN THE ENGINE OF THE HORSE RACING INDUSTRY**

ATG's business model is built on a strong connection between customers, the company, trotting and thoroughbred racing and the horse industry. Since it was founded in 1974, ATG has financed trotting and thoroughbred racing with approximately BSEK 53. Trotting and thoroughbred racing have important roles in the horse industry, which employs approximately 38,000 people.

- 1 Approximately 1.3 million customers gamble regularly with ATG on horse and sport betting and casino games.
- 2 The surplus from ATG goes to the owners, the Swedish Trotting Association and the Swedish Jockey Club.
- 3 The Swedish Trotting Association and the Swedish Jockey Club distribute the money to the trotting and horse racing tracks throughout the country. A total of 9,154 races are arranged over some 365 days a year. Approx. 9,500 trotting and racing horses are in training. The money is also used for prizes for active horse racing participants, research and training, as well as breeders.
- 4 The financing from the Swedish Trotting Association and the Swedish Jockey Club means more horses, open landscape with active land management, effective horse welfare and – not least – around 38,000 jobs in the horse industry. The Swedish horse industry accounts for approximately 0.5 per cent of Sweden's total GDP.



Our goal is to continue to grow, with cost awareness and efficiency, by investing to offer the world's best gaming experiences. The surplus goes to the Swedish Trotting Association and the Swedish Jockey Club, which in turn creates opportunities for the entire horse industry. Being the engine of the horse racing industry is part of our mission and important for everyone who works at ATG.



Hasse Lord Skarplöth
CEO

MISSION:**HOW ATG CONTRIBUTES TO THE ENTIRE HORSE INDUSTRY**

As the horse racing industry's gambling company, ATG works with – and for – horses 52 weeks a year. Below are some of the horse initiatives beyond ATG's funding for trotting and thoroughbred racetracks.

**ATG Talang**

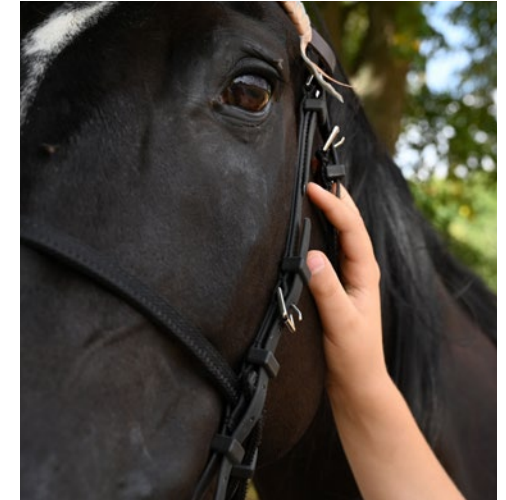
As the horse industry's largest sponsor, ATG focuses on developing talent within the industry. The ATG Talang initiative allows ATG to support a development programme encompassing trotting and thoroughbred racing as well as riders in dressage, show jumping and cross-country who have their sights set on championships. A high-level investment in para dressage is included in the initiative.

**ATG Riders League**

ATG sponsors the ATG Riders League, a high-quality national competition at fence heights of 1.35 m and 1.50 m. This is as beneficial for committed young riders on experienced horses as it is for established elite riders on younger, talented horses. To expand the experience for the public as well as riders and event arrangers, ATG offers gambling on this show jumping series that is also tailored for ATG's V5 betting product.

**Horse-related activities**

Research shows that people feel better after spending time with horses. This sense of well-being takes many forms. Bringing people together with horses is a core issue for ATG, which supports operations like Stall 43 and Stall Kungsgården. Stall 43 is a non-profit organisation for children and young people on the autism spectrum as well as their loved ones. Stall Kungsgården is a resource and knowledge centre that works with horse-related initiatives that include educational and health-promoting activities.

**Life After Racing**

It is of the utmost importance that horses are well taken care of before, during and after their careers. The Life After Racing fundraising organisation creates opportunities and conditions for more trotting and race horses to have a good life after their racing career. By contributing to the organisation, ATG wants to create a culture where taking responsibility for a horse throughout its entire lifetime is self-evident.

MISSION: THE GAMING INDUSTRY'S COMPASS

We aim to be a pioneer and a role model in the gambling industry. That contributes to a gambling market that is healthier tomorrow than today. We achieve this by being a proactive and innovative leader in our solutions.

Taking this role ensures that focus in the organisation is on the issues that are the most important for the industry. ATG drives issues to positively develop the industry by staying visible in the debate and having a strong, committed voice – a voice that competitors, industry organisations and politicians listen to. Topics we are driving:



RISK CLASSIFICATION OF GAMBLING

Over time, ATG has argued in favour of a risk classification of gambling, so that the riskier forms of gambling would be surrounded by higher requirements for responsible gambling measures than gambling with lower risk. Something that is unanimously supported by research.



SPELPAUS 2.0

In 2022, ATG initiated a call regarding Spelpaus. Gambling addiction groups, industry organisations, Helplines and researchers were among the invited. The basic idea is that exclusion through Spelpaus would not, as today, lead to complete silence but that what is needed is a follow-up contact for advice and support. The Swedish Gambling Authority is now considering the issue.



INDUSTRY-WIDE KEY PERFORMANCE MEASURES FOR SUSTAINABILITY

During the year, ATG worked together with Kindred and Svenska Spel to identify industry-wide key performance indicators for healthy gambling. Building on a few selected key performance measures from the Swedish Gambling Authority's half-yearly reporting, shared definitions were prepared and these will be reported every six months.



BAN ON BONUSES

ATG offers no bonuses. Research shows that bonus offers contribute to problem developments and relapse into gambling for customers with problem gambling. During 2022, we therefore raised the issue of a total ban on bonuses in the Swedish gambling market in our contacts with politicians and authorities.

“Our mission to serve as the gaming industry's compass is an important part of our day-to-day work. Through our initiatives, we want to contribute to a gambling market that is healthier tomorrow than today.”

Lotta Nilsson Viitala
CFO



MISSION:**CARE FOR CUSTOMERS, HORSES AND SOCIETY**

ATG wants its customers to enjoy their gambling and gamble for pleasure. As the horse racing industry's gambling company, horse welfare is constantly in focus. Offering gaming experiences that are free from match fixing and doping is self-evidently important. ATG leads the debate in the public sphere to develop industry standards and legislation to contribute to a gambling market that is healthier tomorrow than today. All measures are intended to support taking responsibility for creating a long-term sustainable gambling industry. This is how ATG offers responsible entertainment.

LONG-TERM CUSTOMER RELATIONSHIPS

- All employees, agents and prioritised partners are trained in responsible gambling, anti-money laundering and data protection.
- ATG works systematically with preventive measures to identify the risk of problem gambling. Customers that display signs of problem gambling are contacted by specially trained employees in order to increase the customers' awareness of their behaviour. In the conversation, the customer is encouraged to conduct a self-assessment test, set boundaries for their gambling and if necessary exclude themselves from one gambling area or from all of their gambling, with ATG and at spelpaus.se.
- At ATG.se, there is a self-assessment test that customers are encouraged to take to increase their awareness of their own gambling. The self-assessment test, combined with the analysis of gambling behaviour, provides an



overall image of whether the customer risks developing problem gambling.

- All casino games players have to set a time and loss limit before they start gambling. ATG has no functions in casino games that give customers the feeling that they can influence the outcome of the game, such as a stop button or autospin.
- The Gambling Act has requirements for moderation in marketing. Additionally, ATG follows the marketing guidelines from the Swedish National Gambling Association (SPER).
- ATG is active in the debate and drives development of central issues in the industry, such as responsible gambling and risk classification of gambling.
- ATG follows customers' perception of the company and gaming experiences through the key performance indicator NPS (Net Promoter Score).

FAIR SPORT – FAIR BETTING

- The work to safeguard the well-being of the horses and combat doping is monitored in various ways. Track veterinarians, appointed by the Swedish Board of Agriculture, attend every race. Inspections are performed at races and for licensed trotting and thoroughbred racing trainers.
- Counteracting match fixing in all sport is of the utmost importance to ATG. ATG has chosen not to offer sport betting where there is a high risk of match fixing, such as betting on football matches in the lower divisions, individual yellow cards and ITF tennis, as well as head-to-head betting on horses.
- ATG is a member of the International Betting Integrity Association (IBIA) – the world's leading organisation in the fight against



match fixing in sport. This membership provides access to the match fixing alerts that the IBIA issues.

- ATG has a representative in Matchfixningsrådet (Eng: Match Fixing Council), a forum for collaborative efforts to combat match fixing led by the Swedish Gambling Authority. The Swedish Prosecution Authority, the Swedish Police Authority, the Swedish Government Offices, industry organisations, gambling companies and the Swedish Sports Confederation. The exchange of information aims to reduce the risk of match fixing.
- ATG monitors gambling patterns to ensure betting on equal terms.



OTHER CONTRIBUTIONS TO A BETTER SOCIETY

Since its founding, ATG has contributed to the horse industry, society and sport through various forms of sponsorship and other involvement. One important commitment is through ATG Drömfond, which since its launch in 2017 has provided support to various associations focused on the thrill and community engendered by sports. Here are some examples of various partnerships that took place in 2022.



Support to Ukraine

In early March, ATG donated MSEK 2 through the Red Cross to those affected by the war in Ukraine. A matter of course since ATG has employees from and in Ukraine. Employees have also become involved in a private capacity, for example, by offering temporary accommodation for those who have fled from the war.



Mustaschkampen

As main partner in the Swedish Prostate Cancer Federation, ATG and trotting raised a record SEK 1,244,769 during the Mustaschkamp month of November. The money came from three different initiatives: Sales of Mustasch-Harry Boy, internal step contests by ATG employees and fund raising by trotting schools – all to fight against prostate cancer, the most common form of cancer in Sweden.



Disc golf for everyone

During the year, the ATG Drömfond contributed to help the Östra Ryds IF association offer more people access to social interaction, sports pleasure and disc golf. The association can now level out the terrain and remove obstacles, so that even people with disabilities can enjoy the sport and access the course.



Trotting

An ongoing effort is being carried out at the country's trotting and horse racing tracks to make them more welcoming. Trotting schools have a particularly important role to play in this work and in 2022 ATG Drömfond contributed custom-made sulkies for wheelchair users at trotting schools. Another step in allowing more people to find their place in the sulky, in the stables and on the racetrack.



Gym classes for seniors

Älvdalens Atletklubb has offered free gym training for pensioners since 2014 and creates a healthy and social environment between different generations. The contribution from ATG Drömfond offers seniors a much-needed reboot with a context, community and laughter following the restrictions of the pandemic.



Swedish Handball Federation

As main sponsor of the Swedish Handball Federation, ATG contributes to increased investments at general and elite levels as well as contributing to handball's initiatives in gender equality, sustainability and diversity. ATG and the Swedish Handball Federation work together to develop the experience both on and off the handball court. ATG Svenska Cupen is one of several examples.



Swedish Parasport Federation and the Swedish Paralympic Committee

For several years, ATG has been a proud sponsor of the Swedish Parasport Federation and the Swedish Paralympic Committee. Including through annual Paralympic trotting, which in 2022 generated approximately MSEK 2 to parasport. ATG also took part in the Parasport gala, which was arranged at Åbytravet the day before the Paralympic trotting final.



Swedish national biathlon team

ATG has been main sponsor of the Swedish national biathlon team since 2018. In 2022, the My Life as a biathlete (Mitt liv som skidskytt) was produced and broadcast on C More and Sportkanalen.

VALUES AND CORPORATE CULTURE: EMPLOYEES' COMMITMENT ESSENTIAL FOR REACHING OUR GOALS

Helping create the world's best gaming experiences and being encouraged towards constant growth – this is what every employee can expect from working at ATG. ATG's manifesto helps employees take the company to new levels.

ATG's manifesto explains the company's vision, mission, customer promise and values. It creates clarity and energy in the organisation. It permeates everyday work in everything from business plans and activities to decisions and KPI monitoring. The company carries out regular manifesto meetings to provide employees with information to increase commitment based on the company's goals.

Join the game

ATG's employee value proposition is "Join the game – help create the world's best gaming experiences." Each employee is to be encouraged to develop and to have the right conditions for a work-life balance. ATG wants to be able to say that employees are participating in something big and exciting and that ATG values its employees' personal development and well-being.

The employee value proposition, corporate culture and core values are tightly interwoven and are essential for motivation, commitment and well-being.

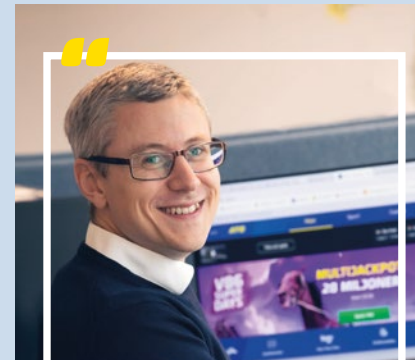
ATG is a knowledge company that depends on its employees' continuous development. Employ-

ees are encouraged to pursue an internal career. ATG regularly recruits for the entire organisation but the most challenging task is finding the right IT expertise since this is in short supply both in Sweden and abroad. An individual skills ladder is available to retain existing IT expertise and encourage more applicants for IT roles. ATG has conducted trainee programmes for several years. This is strategically important and aims to attract and introduce new expertise to ATG.

ATG's leaders are the key to driving development in operations by fostering participation and commitment among employees. To develop managers, various forums and courses are arranged regularly.

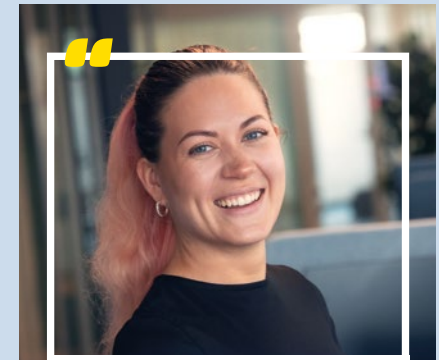
Inclusive and learning organisation

ATG works deliberately to create and constantly develop an inclusive and welcoming corporate culture. In addition to information meetings and courses, all employees are invited to health forums, guest lectures and innovation days. ATG's investment in innovation means that the company researches new ideas to develop the world's best gaming experiences. These investments are



NICKLAS JONSSON
HEAD OF HORSE BETTING

Det bästa med ATG är att vi vågar utmana oss själva att prova nya saker men även att det är okej att misslyckas. Dessutom satsar företaget verkligen på sin personal. Jag är otroligt tacksam för de chanser som jag har fått på ATG genom åren. Personligen så känner jag mig också väldigt stolt att jobba för ATG med vårt högre syfte där vårt hårda arbete bidrar till att finansiera hästnäringen i Sverige.



JACQUELINE KARLSSON
DATA SCIENTIST

ATG är verkligen ett toppenföretag när det kommer till att få chansen att följa sina drömmar. Känslan av att vara spelbranschens kompass och föra marknaden framåt gör att jag känner ett stort driv varje dag. Det finns mycket som gör att jag stortrivs - framför allt kollegorna och chansen till karriärsutveckling. Jag är väldigt tacksam över vår flexibla arbetsmiljö, möjligheten att arbeta både hemma och på kontoret.

"Join the game – help create the world's best gaming experiences" is ATG's employee value proposition. The employee value proposition was launched both internally and externally in 2022.

made to ensure ATG's future competitiveness. The basis for this work is the continued importance of the office in corporate culture as an environment that creates the conditions for collaboration, community and creativity. We want to enable a flexible way of working and employees may work remotely depending on the operation's needs and the role.

Our office was renovated to ensure the premises are as pleasant and attractive as possible for employees. The sustainability aspect is central and the premises are adapted to the operation's new, flexible work methods.

Annual employee survey

The annual employee survey, with an 88 per cent response rate, shows great commitment to be involved and influence and make their voice heard. The Employee Engagement Index rose to 86 and the Leadership Index to 87, evidence that employees and managers are all highly motivated. We also measure eNPS, which was 31 (benchmark 16) where the question is: How likely is it that you would recommend us as an employer to your friends? The result was high compared with the benchmark. This provides us with an insight into where we should continue to focus in order to become an even more attractive employer.

Diversity and equality

ATG strives actively to promote equal treatment and to increase diversity and equality. ATG is

aiming to achieve an even distribution between women and men in all areas of the business. ATG's group of managers has gender parity. No employee may be bullied, discriminated against or harassed. ATG's values guide us in all work and collaboration within the company, and all employees are responsible for complying with these values.

Continued health investments

ATG invests in health and fitness through providing a sports floor, gym and a full-time employed company trainer. All employees are offered training sessions, coaching and inspiration for healthy habits. We are committed to the health of our employees and see a strong link between healthy habits, work-life balance and positive results at work. Starting this year, we therefore offer all our employees a wellness allowance. All employees are automatically members of our internal sports association that encourages exercise and supports preventive health through various activities in and outside the workplace.

These include skiing and outdoor trips, golf, climbing and padel. ATG also collaborates with an external occupational health company. Since research shows that there is a correlation between oxygen uptake capacity, well-being and performance, employees' oxygen uptake capacity is a key performance indicator for the company. The measurements are voluntary and many employees have chosen to participate. This year's measurements showed that we remain at a high level.



JIMMY ÅKERMAN
MANAGER GROWTH

Det bästa med ATG är mina kollegor, tillgång till träning på arbetstid och de stora möjligheterna att testa nya spännande arbetsuppgifter. Vi jobbar ständigt med ledarskapet och att utvecklas, och man ansvarar och styr själv över sin tid. ATG som arbetsgivare tar hand om vårt välmående och fokuserar på medarbetaren. Man kan jobba här och samtidigt "leva livet"!

KATARINA BORG
FIELD SALES REPRESENTATIVE

Jag har verkligen världens roligaste jobb! Jag har helt fantastiska kollegor, och en chef som ser sina medarbetare som sina stjärnor. Lägg där till att få jobba med tydliga mål, att få utmana mig själv och mina butiker, och att kunna överträffa satta mål - samt att vi har högt i tak och alltid så kul i vårt team. Riktigt bra personalförhållanden bidrar också till glädjen att gå till jobbet. Jag är stolt över att vara en ambassadör för ATG.

ATG's eNPS (Employer Net Promoter Score) was 31 during the year (benchmark 16).



Vinnie at ATG's office in Hästsportens Hus at Solvalla.

SELECTION FROM ATG'S EMPLOYEE PROMISE: JOIN THE GAME – HELP CREATE THE WORLD'S BEST GAMING EXPERIENCES.”

DD We are a gambling company that wants to create the world's best gaming experiences. Gambling, sports, excitement and experiences are our passion. With many well-known products, we offer world-class gaming experiences to customers all over the world.

We want to be the creative hub that drives the gambling industry forward. That is why we encourage each other to innovate and try new things. We are in the middle of a digital transformation and are working with modern solutions.

Through a combination of curiosity, a clear path forward and a heart that beats for our colleagues, customers and all of the country's trotting and race horses, we are driving our soon 50-year history forward. Our various backgrounds, experiences and personalities allow us to grow together. Everyone who works for us is expected to work actively in their roles to take the company to new levels.

We take gambling seriously. This includes our customers' expectations and well-being as well as our employees' personal development and health. **DD**

Facts about Vinnie

Vinnie is ATG's own horse. He is a ten-year-old American miniature horse and loves the spotlight, including being filmed and photographed. Vinnie lives with his horse friends on a farm in Sörmland, where they get up to mischief in the paddock and go wild snacking on carrots and apples on Saturdays.

CUSTOMER PROMISE: **EXCITING, RESPONSIBLE AND SMOOTH GAMING EXPERIENCES**

With a clear customer promise to deliver exciting, responsible and smooth gaming experiences, the way forward is clear for employees. We are convinced that if ATG can deliver on its customer promise, customers will choose ATG over its competitors.

OUR FOUR ACES IN THE CUSTOMER PROMISE:

EXCITING GAMING EXPERIENCES RESPONSIBLE SMOOTH

EXCITING

ATG puts excitement and entertainment in the driver's seat. We are to be a gambling company that provides the greatest possible excitement and positive emotions to all customers, regardless of their preferred type of gambling.

GAMING EXPERIENCES

ATG aims to do more than just offer gambling – we are to create engaging experiences before, during and after gambling.

RESPONSIBLE

ATG is the responsible gambling company. Our business is built on customer well-being, long-lasting customer relationships and horses that remain healthy both during and after their careers. We take responsibility and guide our customers in a responsible gaming experience.

SMOOTH

At ATG, everything is smooth and easy. We will provide a cutting-edge, seamless user experience. Everyone should feel welcome to us, and it should be easy to understand and take part in our gambling.



Examples of launches in 2022

- Följ Spel is an innovative solution for desktop and tablet to follow your horses live when the race is still running.
- Expanded offering in casino games, including ATG Lightning Casino.
- ATG Play as integrated part of atg.se.
- Introduction of voluntary loss limits in sport betting and horse betting. For casino games, ATG already requires customers to set a loss limit.
- Expanded offering of live matches to more than 20,000 matches on atg.se.
- The Big 9 pool betting during the men's Champions League and World Cup.
- Digital voice assistant to present horse betting results.
- The How trotting works (Så funkår trav) TV series that explains terminology used in trotting.

CUSTOMER PROMISE: STRATEGIC FOCUS AREAS AND GOALS

ATG acts on the basis of two strategic focus areas to live up to its customer promise of “exciting, responsible and smooth gaming experiences.”

1. The world’s best gaming experiences

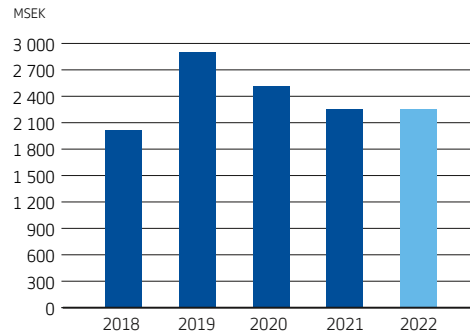
ATG offers a broad gaming range with high betting pools and many million-krona wins – and with world-class TV entertainment. With new betting, products and services, ATG wants to offer the world’s best gaming experiences – with a focus on the customer’s well-being at all times.

2. Long-term and sustainable customer relationships

Care for the customers is central to the company’s operations. ATG has 1.3 million customers and naturally, wants to increase that number. Accordingly, it is important to constantly develop the offering and the customer interaction so that the customers want to remain customers for a long time.

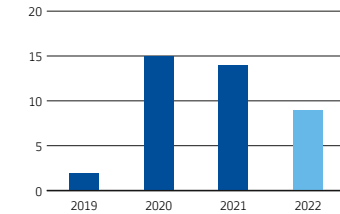
The focus areas are the basis of the company’s overall objectives. The strategic goals are monitored and reported regularly to all employees. All employees have individual goals that support the company’s overall goals.

PARENT COMPANY’S PROFIT BEFORE TRANSACTIONS WITH OWNERS



- Profit before transactions with owners is the company’s operating profit before the costs for horse racing information and data purchased by ST and SG and which are a requirement for operating horse betting. **Change -11%**
- ATG’s assignment is to safeguard the long-term financing of the Swedish horse industry – a key part of the company’s mission. Growth and efficient operations create the opportunity for a surplus. Since the start in 1974, ATG has contributed more than BSEK 53 to the horse industry.
- Earnings declined for the second consecutive year due to the effect of lower net gambling revenue and higher costs following the substantial increase in earnings during the first year of the pandemic, in 2020.

CUSTOMER SATISFACTION (NPS)

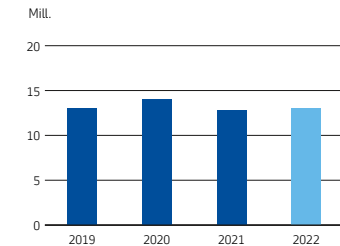


- NPS (Net Promoter Score) measures customer satisfaction, that is, the customer’s willingness to recommend ATG. NPS 9 (14).

NPS, 2022
9

- The aim is that customer satisfaction should be at a high and increasing level. Through a high NPS, ATG wants to create the conditions for continued growth.

NUMBER OF ACTIVE CUSTOMERS



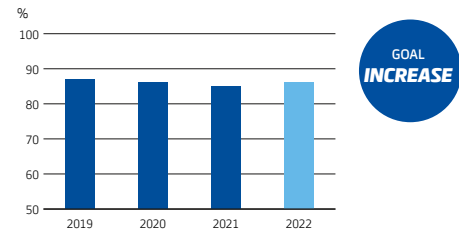
- An active customer has made at least one bet in the past 12 months.

Change
0%

- It is an essential central factor that the company retain its existing active customers. ATG also wants to gain new customers and this was successful during the year.

CUSTOMER PROMISE: STRATEGIC FOCUS AREAS AND GOALS

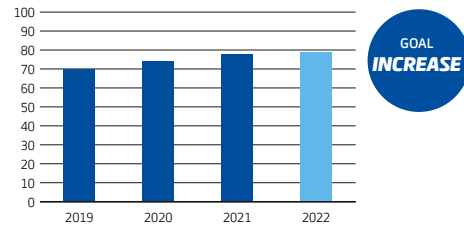
SHARE OF GREEN CUSTOMERS OF THOSE WHO HAVE COMPLETED A SELF-ASSESSMENT TEST



- The number measures the proportion of customers who have completed a self-assessment test that have healthy gambling, called “green gambling.”
- Share of green customers has risen to 86% (85).

green customers
86%

SHARE OF GREEN TURNOVER FOR CUSTOMERS WHO HAVE COMPLETED A SELF-ASSESSMENT TEST

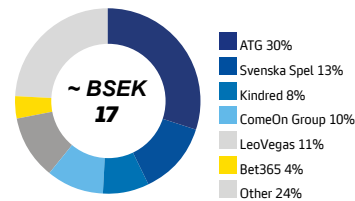


- The number indicates the proportion of turnover from customers who have completed a self-assessment test that have green gambling and has risen to 79% (77).

green turnover
79%

152,263 unique customers have completed the self-assessment test since it was introduced on 1 January 2019. Information is sent to prioritised groups to increase the number of self-assessment tests carried out. These are young customers, aged 18–25, and customers with a net annual loss over SEK 10,000. ATG focuses on the self-assessment test for these customer groups since they are assumed to be in most need of completing the test. A completed self-assessment test is a prerequisite for the company to measure healthy gambling. Customers who have completed a self-assessment test without changing their gambling behaviour are poorly motivated to redo the test, and green customers and green turnover is therefore calculated using self-assessment tests from 2019 to 2022. More information is presented in the sustainability notes.

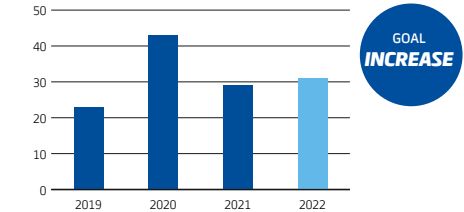
MARKET SHARES



- The outcome shows the share of the licence market’s total net turnover represented by ATG.
- ATG is the largest operator in horse betting, and that is where the largest focus will remain. The competition is intensifying in horse betting, meaning the market share could shrink over time. Building awareness about and capturing market shares in sport betting and casino games is important for the creation of long-term sustainable and profitable growth.
- In 2023, total growth in the gambling industry was in casino games. ATG has a low share of this market which together with the decrease in horse betting are behind the lower market share. See also page 24.

Change
-3%

E-NPS



- e-NPS (Employee Net Promoter Score) measures employee willingness to recommend ATG as an employer.
- In order to continue to develop the company with ambitious targets, it is important that employees are committed and proud of the business. Accordingly, the goal is to continue increasing the e-NPS.
- e-NPS improved last year. The benchmark is 16. During the year, approximately 80 employees started in the Group.

e-NPS
31

VISION: **THE WORLD'S BEST GAMING EXPERIENCES**

ATG wants to reach further than any other gambling company – we want to offer the world's best gaming experiences. Our vision reminds us that everything we do must begin and end with the customer and enables us to constantly raise the bar for what we can achieve. Our goal is for all of our customers to enjoy their gambling and gamble for pleasure. All of ATG's customers contribute to Swedish trotting and thoroughbred racing and by extension to the entire Swedish horse industry.

Examples of what we mean when we refer to the “world's best gaming experiences”:

A broad product portfolio with popular brands and exciting gambling, with high availability in stores and digitally.

Solid approach to responsible gambling, data production, good animal welfare and sport that is free from match fixing and doping.

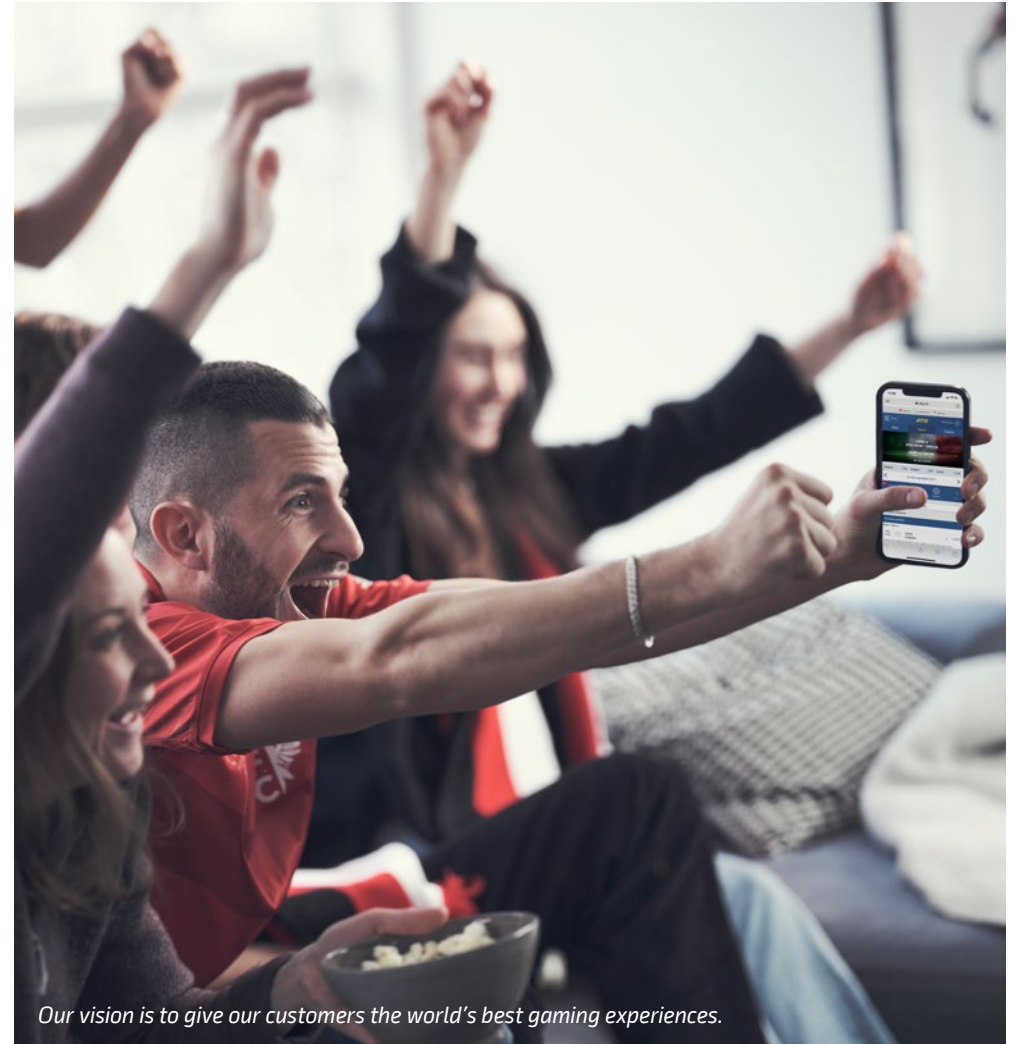
Innovative investments to deliver what the customer wants in the future.

High-quality TV entertainment.

Increased consumer protection.

Safe and secure payment options and correct disbursements of winnings.

Inspiring and responsible marketing for clear customer communication.



Our vision is to give our customers the world's best gaming experiences.





THE SWEDISH GAMBLING MARKET IS GROWING

The Swedish gambling market is growing. ATG is the largest player in horse betting and is growing in sport betting and casino games.

The Swedish gambling market comprises six different licence areas where ATG operates in the market for commercial online games and betting, of which two licence areas, betting and commercial online games, comprise the commercial gambling market. ATG has a licence for these two areas. A total of 70 companies are licenced to organise gambling in Sweden in betting and commercial online games distributed between a total of 106 licences.

Continued growth

The Swedish gambling market as a whole grew 5 per cent in 2022. The section of the market in which ATG operates, the licenced market for betting and online games, grew 6 per cent. This section of the market amounted to 63 per cent of the total market, corresponding to approximately BSEK 17 (16).

Casino games noted the largest growth in the licenced market. The increase in 2022 was largely attributable to the cancellation in 2021 of the temporary regulation including mandatory compulsory deposit limits that was introduced in the wake of Covid in 2020.

Horse and sport betting declined slightly in 2022. During the second half of 2022, the economic situation had a negative impact on gambling.

Market position and competitors

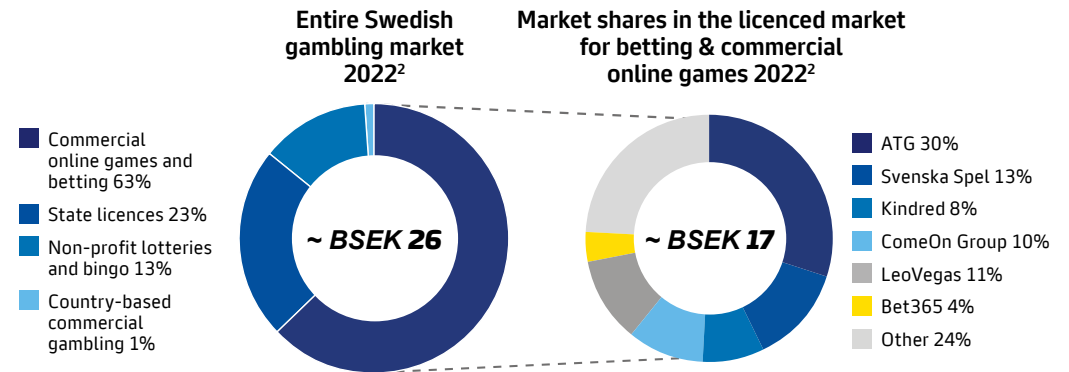
At year end, ATG remained the largest operator in the Swedish market for betting and online games, with a market share amounting to 30 per cent (33). In terms of ATG's foremost priority, trotting and thoroughbred racing, the strong level of competitiveness was retained.

ATG has continued to gain market shares in the sport betting category. The largest sport betting operators, by size, are Svenska Spel, ATG, Bet365 and Kindred.

The online games market is distributed among many operators, with Leo Vegas, ComeOn Group and Kindred among the largest.

Duty of care for offering gambling

All licenced gambling companies in the Swedish gambling market are subject to the Gambling Act, which entails, for example, a duty of care. The purpose of the duty of care is to protect



² Source: The Swedish Gambling Authority, Swedish Tax Agency and the companies' financial reports, as well as ATG's processing (net turnover, excluding fees for participating in bets).

consumers from risky gambling and setting requirements for gambling companies to monitor their customers' gambling patterns and to take action in the case of suspected problem gambling. It is the Swedish Gambling Authority that exercises supervision of the gambling market and is to ensure that the duty of care is fulfilled.



THE DANISH GAMBLING MARKET: LESS SPORT BETTING, MORE CASINO GAMES

The size of the Danish licenced market was largely unchanged in 2022. 25syv gained market shares and reported growth in all product areas, see also page 36.

ATG operates in the Danish market through its subsidiary 25syv, which holds a licence to organise horse and sport betting, as well as online casino. The Danish gambling market has developed favourably since the licence system was introduced in 2012 but during the preceding year the sport betting market, which includes horse betting, shrank while online casino noted slight growth. The licenced markets for betting and online casino have grown more than 153 per cent since re-regulation. A total of 45 companies hold licences to organise gambling in the Danish market. Companies can apply for several different types of gambling licences, including: betting, online casino, physical slot machines and land-based casinos.

Developments in 2022 were marked by a slight decrease in the sport betting market and a slight growth in the casino market. There is growing debate and political involvement in the companies' efforts in terms of problem gambling and responsible gambling.

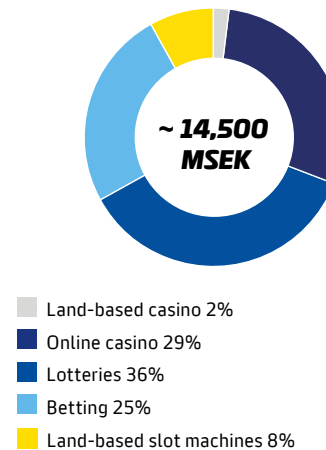
Changed regulations

Regulations continuously change in the Danish market and included an increase in the Danish

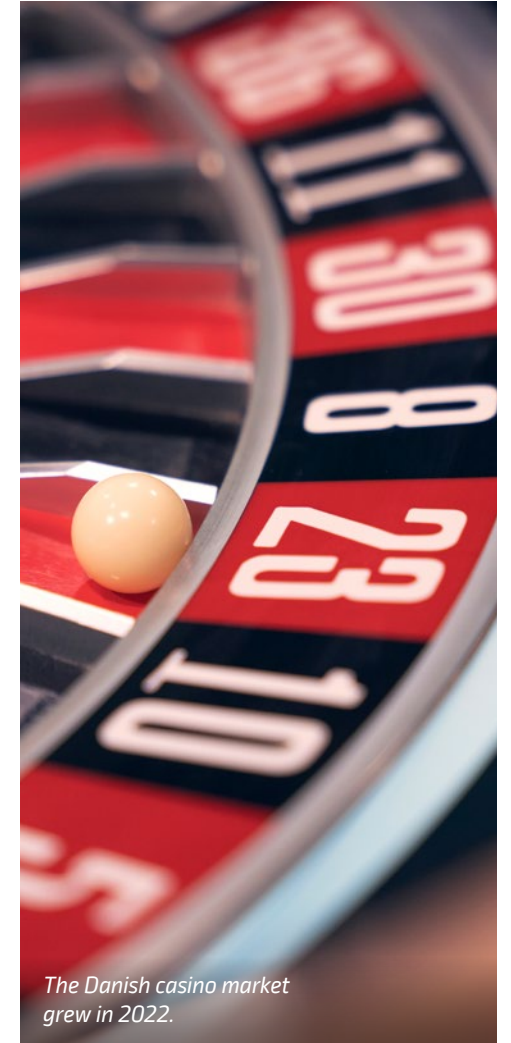
gambling tax from 20 to 28 per cent from the beginning of 2021, which had an impact on the margins. The tax increase in combination with stricter regulation entailed lower channelisation in Denmark. Several companies have left the Danish licenced market and continue to conduct their business from abroad, which has reduced consumer protection. During the year, a report was published indicating increasing problem gambling among the Danish population, that was used in discussions about the companies' efforts in terms of problem gambling and responsible gambling. The authorities are now planning to introduce a ban on gambling advertising during sports broadcasts and ban the use of celebrities in marketing. The licenced gambling companies are obliged to take action to reduce problem gambling. For example, the companies must have deposit limits, marketing guidelines, membership of the national exclusion system and a responsible gambling policy.

In 2023, stores and racetracks will also be subject to the legal requirement for registered bets.

The Danish gambling market
by licence area



Source: Danish Gambling Authority 2021.



The Danish casino market
grew in 2022.

OUR BRANDS



With brands such as V75® and Harry Boy®, betting on some 30 different sports and classic casino games, such as blackjack and roulette in Swedish, ATG offers a broad range of gambling in Sweden.

HORSE BETTING



SPORT BETTING



CASINO GAMES



25syv offers Danish customers a broad range of gambling through four different brands in the Horse betting, Sport betting and Casino games product areas.

HORSE BETTING



SPORT BETTING



CASINO GAMES



OUR VENUES



With more than 1,500 agents in Sweden, direct broadcasting of horse races on TV and a strong media presence, ATG has a given place in Swedish life and the public sphere. Digital betting is growing. Many customers also choose to bet at agents, who give ATG a large amount of visibility and presence throughout the country.

Responsibility permeates all of our customer interactions.

- Agents: more than 1,500 ATG agents
- Trotting and thoroughbred racetracks: 36 race-tracks
- Digital: atg.se and apps
- TV broadcasts/channels: TV4 and ATG Live through Allente and Tele2
- Customer service: open 365 days a year

25syv has almost 75 agents in Denmark including racetracks, direct broadcasting of horse races online and on TV and a strong media presence.

Digital betting is growing; many customers also choose to bet at agents.

Responsibility permeates all of our customer interactions.

- Agents: approx. 75 ATG agents including racetracks
- Trotting and thoroughbred racetracks: 8 race-tracks
- Digital: 25syv.dk, derby25.dk, bet25.dk, casinogo.dk & rod25.dk
- Streaming: derby25.dk
- Customer service: open 365 days a year



The pink hat is strongly associated with Elitloppet, which is always held on the last Sunday in May at Solvalla.



4

Operations

HORSE BETTING: SUBSTANTIAL CUSTOMER INTEREST BUT REDUCED REVENUE

Horse betting is the heart of ATG's operations. Most popular is V75, Sweden's largest million betting game. During the year, horse betting decreased 6 per cent in the Group.

Interest in horse betting remains strong, which is reflected in the largely unchanged number of active customers per week compared with 2021. Inflation, electricity prices, interest rates and a turbulent macro environment have had a negative impact on spending per customer in the latter half of 2022. Total net revenue from horse betting fell 6 per cent.

A convenient gaming experience, excitement, strong brands and interesting forms of betting are the basis of ATG's horse betting offering. The offering has created the preconditions for receiving a large number of new customers and retaining them. ATG offers betting on trotting and thoroughbred races nationally and internationally. The betting is offered through agents and digital channels, as well as at trotting and thoroughbred racetracks.

Continued development of gaming experiences

In 2022, focus remained on further improvements to gaming experiences.

This included the launch of the Följ Spel function for desktop and tablets. The function allows customers to following their own bets as TV graphics.

In October 2022, Startbevakningar was launched – an initiative that provides customers with an opportunity to monitor specific horses. When the chosen horse is about to start the customer receives a text or e-mail notification containing a link to the starting list in question. The V64 Xpress concept on Fridays, which was tested in autumn 2021, was appreciated by customers and was therefore expanded to the May to December period in 2022.

One change to the betting offering during the year took place when Solvalla compressed its Kriteriehelg event to Saturday 24 September (rather than Saturday and Sunday in previous years) and offered an excellent sporting event. Jackpots from a number of V75 meetings during the summer were aggregated into one pot in order to offer customers an even more exciting gaming experience. The term Drömjackpot (Eng. Dream Jackpot) could be used for the first time as the amount offered to a single winner with 7 correct on V75 was MSEK 112. V75 turnover amounted to just over MSEK 174 – the highest turnover since 2018.

In addition, the betting tips on the starting lists was expanded to include statistics from TR Media.

International horse welfare

ATG collaborates with, and makes demands on, its owners, the Swedish Trotting Association and the Swedish Jockey Club, in efforts to promote good horse welfare. The welfare of the horses is a central issue for ATG. During 2022, ATG participated in several international conferences and highlighted the importance of horse welfare for ATG's customers.



ATG'S INTERNATIONAL BUSINESS EXPANDS

ATG's Swedish customers are given the opportunity to bet on horse racing from large parts of the world. In addition to this, Swedish horse racing is offered to ATG's international partners. Revenue increased 6 per cent.

Norway and Finland remain the major countries in ATG's international business, where there are many customers who take an interest in Swedish horse racing.

To be able to offer Swedish customers a large and varied offering of horse betting, ATG imports a large number of foreign races. Nordic collaboration is at the core of ATG's international business, with Norway as the most significant import country. ATG also imports races from countries that include France, the UK, South Africa, the US and Hong Kong. In this way, Swedish customers gain the opportunity to bet on major international races that include the Prix d'Amérique in France and the Hambletonian Stakes in the US.

Launch of Big 9

Through ATG's export of horse betting, foreign partners are able to offer their customers betting on Swedish trotting and thoroughbred races. During the year, some 30 gambling companies from nearly 20 different countries bet regularly on Swedish meetings. The international sales contribute to increased turnover of the Swedish betting pools, which generates larger competition in the gambling market.

In 2022, development was ongoing to enable

international participation in the Big 9 sport pool. When the football league season started in autumn 2022, ATG's Danish subsidiary 25syv played the first combination in the Big 9 sport pool.

A particular focus for ATG looking ahead is to enable existing partners to also offer Big 9 and to discuss collaboration with new gambling companies throughout the world.

Performance during the year

During the year, ATG's export of horse betting had a turnover of BSEK 3.5 (gross). Revenue increased 5 per cent.

The number of international partners offering betting on Swedish racing also increased during the year. These included Churchill Downs and Expressbet from the US and Ladbrokes from Belgium. One challenge is to interest foreign customers in pool betting, such as V75. Even if the pools in Sweden are large, interest in single-race bets is still greater due to tradition. Only the Nordic countries are used to forms of betting that include more than one race.

Responsibility across national boundaries

A key aspect of ATG's international collaboration is the safeguarding of responsible gambling and

animal welfare. Ahead of contract negotiations, ATG performs an analysis of the potential partner. The analysis entails, for example, reviewing the partners' ownership structure, licences, betting and information security, responsible gambling efforts and management of anti-money laundering.

International horse welfare also in focus

Good horse husbandry and betting on equal terms are paramount for ATG to be able to arrange betting on horses. ATG offers horse betting from several countries and sets high requirements for all of its partners in an import policy.

The import policy contains a number of areas that must be addressed, in terms of horse welfare, among other aspects, so that meetings can be imported from the country in question. If any area is deemed to be inadequate, the starting point is to make an effort to exert influence if this is assessed to be the best way forward.

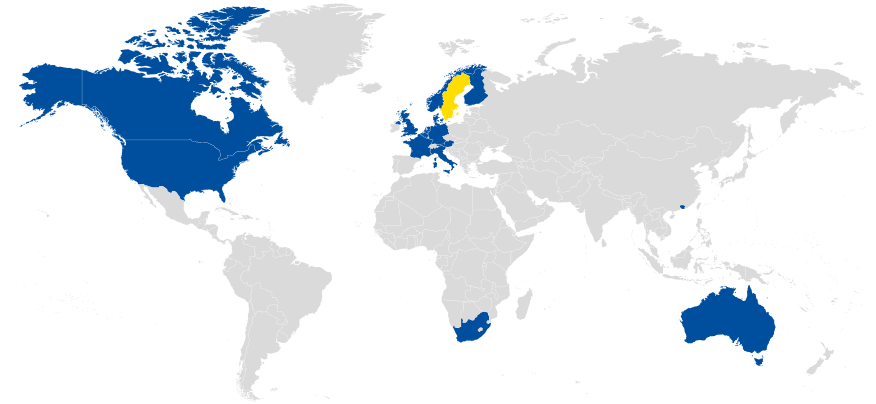
ATG works together with the Swedish Trotting Association and the Swedish Jockey Club

to influence horse welfare in other countries through continuous dialogue with international organisations.

ATG is a member of the World Tote Association (WoTA), which is a collective of the operators who offer betting on horse races throughout the world in accordance with the member countries' national rules. Initiatives and collaboration against match fixing are also central to the international business. ATG collaborates with the European Horse Integrity Project (EHIIP) in the fight against match fixing.

International partners:

Norway	US
Finland/Åland	Malta
Denmark	Austria
France	Italy
Netherlands	UK
Belgium	South Africa
Germany	Hong Kong
Australia	Canada



SPORT BETTING: SECOND-LARGEST COMPANY IN THE SWEDISH MARKET

More and more people are discovering and appreciating ATG's sport betting offering. ATG is now number two for sport betting in Sweden. Net revenue increased 8 per cent in 2022.

The interest in ATG's sport betting offering has continued to grow and ATG has become the second-largest company in sport betting in the Swedish market. During the year, sport betting continued to expand. The number of customers and their participation in sport odds and sport pools increased. Net gambling revenue grew 8 per cent during the year to MSEK 650.

From football to Let's Dance

ATG offers betting in various sports from around the world, with football being the largest, followed by ice hockey, tennis and basketball. In the various sports, there is a broad range of leagues, cups and competitions. The most popular forms of betting are on match odds (home win, draw or away win), followed by betting on the number of goals scored.

In addition to sport betting, ATG offers betting on forms of entertainment, such as the Swedish Melodifestivalen and the Eurovision Song Contest, the Oscars ceremony, Let's Dance, and also certain political events.

Investment in direct broadcasting of matches and Big 9

During 2022, the number of direct broadcasting of matches on atg.se doubled to more than

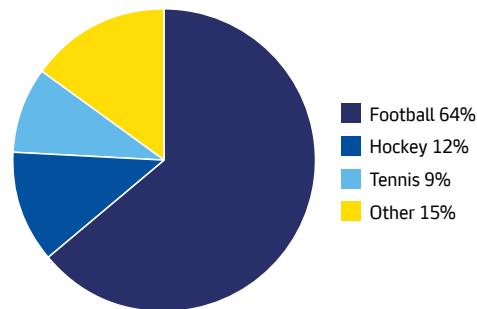
20,000. The offering included matches from Serie A, La Liga, NHL, NBA and tennis from ATP, WTA and Grand Slams.

During the year, Big 9 pool betting was expanded and is now also available internationally in Denmark. During the group stage of this autumn's Champions League, a Big 9 betting slip was offered for each round, a total of six times, and during the football World Cup there were seven Big 9 betting slips during the month-long tournament. In December, we launched the possibility of gambling on own combinations by using wall screens in stores.

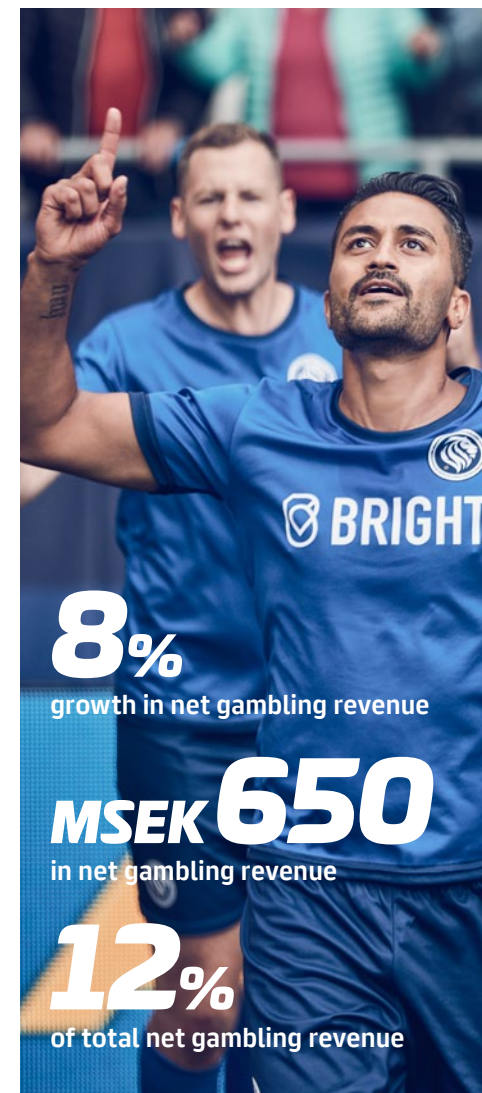
Match fixing and responsible gambling

One of the greatest challenges in sport betting is match fixing. ATG has a zero vision for offering sport betting exposed to match fixing. ATG has clear rules and procedures to ensure superior betting security and the integrity of all betting objects. ATG has a close partnership with the International Betting Integrity Association (IBIA) and has been a member of the Swedish Gambling Authority's match fixing council since 2021. ATG continuously reviews its offering and does not offer betting that is at a greater risk of match fixing, such as betting on individual yellow cards,

Largest sport betting at ATG



Swedish division 2 and 3 football matches and tennis at a lower level. In the case of irregular betting patterns, there are procedures to halt betting on the relevant betting object, investigate, report and repay bets to the players. ATG takes additional responsibility for sport betting customers aged between 18 and 25. This entails that ATG's responsible gambling specialists contact certain customers for preventive purposes. Care contacts are based on such factors as limits for a customer's losses. By contacting customers at an early stage, ATG wants to contribute to customers making a conscious choice for sustainable gambling.



CASINO GAMES: HIGH QUALITY WHILE CARING FOR THE CUSTOMER

ATG's online casino offers a broad selection of quality betting on live casino games, slot machines, bingo and virtual sports from established partners. Everything with a focus on care for the customer. Net gambling revenue increased 49 per cent in 2022.

ATG casino offers slot machines, live casino games, bingo and virtual sport betting. The casino games are streamed live with Swedish-speaking croupiers from an ATG studio. Where the offering includes Roulette, Lightning Roulette, Blackjack and Baccarat. In addition to classic casino games, there is the possibility to play online bingo. During the year, net gambling revenue rose to MSEK 530, an increase of 49 per cent. One reason for the high level of growth was the withdrawal on 14 November 2021 of the temporary responsible gambling regulation introduced during the pandemic.

Premier for ATG Lightning Casino

To increase competitiveness in casino games, ATG constantly endeavours to offer its customers exclusive gambling and unique gaming experiences. During the year, some 20 games were launched exclusively for ATG before the games were made available to other gambling companies. The games offering was expanded with several new suppliers. An in-house version of the popular live casino Lightning Roulette, with Swedish-speaking croupiers, was launched

in autumn 2022. The extended games offering is part of ATG's work to further develop the digital gaming experience.

ATG has several measures to counteract problem gambling, with the ambition that its consumer protection must be stronger than regulatory requirements.

For example, the autospin and stop button functions are not available to avoid giving the customer the feeling of being able to impact the outcome of the game. ATG applies mandatory loss limits to casino games, low stakes levels and mandatory gambling time limits. ATG does not provide bonuses for new customers or other offers on casino games that could encourage increased gambling. The risk level of all products is tested using the responsible gambling tool. ATG has chosen not to market online casino games in broad media such as television, radio or outdoor billboards.

A research study conducted together with researchers from the Karolinska Institute and Stockholm University to investigate the effect of autospins on gambling is nearing completion.



WORLD-CLASS IT PLATFORM



IT – the heart of the game

A high level of availability and security is decisive for the customer experience. Accordingly, ATG makes large investments in IT skills, security, innovation and effectiveness. ATG has a well-developed IT programme, which maintains a high technological standard. The strengths of the IT platform are both cost-effectiveness and the capacity for continuous development. Prior to re-regulation of the gambling market in 2019, the number of bets placed per week was an average of four million compared with today's approximately 20 million betting.

IT security

ATG is continuing to develop its security work and is pursuing an initiative involving security testing of ATG's IT environment. The initiative was successful and led, for example, to a reduction in the time lapse from critical vulnerability being reported to action being taken. This also entailed that the awareness and knowledge of IT security were strengthened within the organisation.

Improved lifecycle management of IT hardware

During the year, the lifecycle management of personal computers and other hardware continued to improve. ATG has a collaboration with suppliers to facilitate re-use and recycling. The need for internal IT infrastructure is evaluated at regular intervals; ATG works actively to close down unused infrastructure.

KANAL 75 – THE PRODUCTION COMPANY THAT TAKES TV SPORT BETTING TO NEW LEVELS

Kanal 75 is the media company that fills the TV programming with horse and sport betting entertainment. The ATG Live TV channel is broadcast from morning to evening on all days of the week, in both Swedish and English, to some 20 countries.

ATG's wholly owned subsidiary, Kanal 75, produces TV entertainment and editorial material that is distributed over ATG.se, TV4's various channels, ATG's agents and through the proprietary TV channels, ATG Live. ATG Live is included in the basic offering in more than 2.5 million TV households in Sweden. The channel reported a very strong trend during the year, and has approximately 30,000 viewers on average for Saturday's V75 broadcasts.

On ATG Live, there are live broadcasts of meetings at lunchtimes, in afternoons and evenings, as well as tips, interviews and other sport betting and gambling information.

Half a million V75 viewers

In Sweden, TV4 has been the outward face of trotting and thoroughbred racing on TV for many years. Today, Kanal 75 produces approximately 17 hours of trotting and thoroughbred racing per week, which is broadcast on TV4's channels.

The trend in the number of viewers who follow trotting and thoroughbred racing on TV has been positive in recent years. General viewing figures



Mikael Nybrink, Jennifer Tillman and Per Skoglund in the V75 Direkt studio.

for linear television channels have been falling for many years, while on-demand viewing has steadily grown. TV viewing for Kanal 75's productions fell slightly in 2022 compared with the pandemic years, but remains strong compared with the "normal" years before. The V75 broadcasts on Saturdays remain the flagship of our TV selection, with approximately half a million viewers who watch at least 3 minutes of the broadcast.

The primary objective of the production is to make sure that trotting and thoroughbred racing broadcasts reach as many people as possible and to be a positive contribution to the sport betting and gaming experience.

Focus on broad entertainment

Kanal 75 is making a major investment in establishing ATG's brand for sport betting, including news updates and brief magazine formats for ice hockey, football, biathlon and handball.

Kanal 75 also owns the broadcasting rights to Svenska Cupen in handball. Live TV advertising is also produced in conjunction with sports broadcasts on TV4 and Viaplay.

A key part of Kanal 75's assignment is to create programmes that are entertaining and do not encourage gambling. A good example of this is the Hästliv (horse life) series on LjuvaTun, with trotting personality Simon Wall. The series focused on the well-being of the horses and had an average of about 400,000 viewers on TV4.

Kanal 75 also produces training films for ATG. During 2022, films were produced about ATG's responsible gambling tool, with a challenge to take a self-assessment test. To achieve maximum viewer frequency, the films were distributed through ATG Live, through social media, on atg.se and by direct mailings to customers.

**APPROX. 2,500
RACE MEETINGS**

covered by Kanal 75 each year. Nearly 1,000 of these are Swedish trotting and thoroughbred races. In addition, there are broadcasts by channels from the other Nordic countries, France, Australia, Hong Kong, the US, South Africa, etc.

APPROX. 900 HOURS

are broadcast by Kanal 75 on TV4's channels (TV4, TV12 and Sport betting) and approximately 3,500 hours of live broadcast trotting and thoroughbred races on ATG Live. In addition, the channel broadcasts approximately 2,500 hours to international partners, plus an additional approximately 1,000 hours of trotting and thoroughbred racing, which are broadcast on separate streaming channels.

KANAL 75

broadcasts trotting and thoroughbred racing from across the globe, with live broadcasts from all of the races for which ATG operates betting.

APPROX. 5 MILLION

monthly viewers are reached, for example, through Nyhetsmorgon TV4 with Per Skoglund and program formats like "Bli vän med V75" (Eng: "Get to know V75.")



25SYV – DANISH GAMBLING COMPANY WITH STRONG GROWTH

ATG's subsidiary 25syv offers Danish customers horse betting, sport betting and casino games, with such brands as Derby25 and Bet25. As market leader in the Danish horse betting market, our goal is to develop and increase interest in betting on horses. Net gambling revenue grew 45 per cent in 2022.

ATG's wholly owned subsidiary, 25syv Group A/S, was established in Denmark in 2014. 25syv is a Danish licenced gambling group that provides betting on horses, sport betting and casino games.

25syv comprises the subsidiaries 25syv A/S and Ecosys Ltd and offers betting through the brands Derby25 (horse betting), Bet25 (sport betting and virtual sport betting), Rød25 (online casino) and CasinoGo (online casino).

During the year, 25syv launched the sport pool betting system Big 9 in the Danish market. 25syv's net gambling revenue in 2022 amounted to MSEK 283 (195), an increase of 45 per cent. 25syv has approximately 30 employees.

25syv's vision is to offer its customers the most engaging and secure gaming experiences. The company's overall goal is to increase the market for horse betting, both domestic Danish horse racing and imported horse racing from Sweden. 25syv's share of the Danish horse betting market is approximately 60 per cent.

Exclusive rights for production and distribution

Danish trotting and thoroughbred racing is deemed to have growth potential. In Denmark, approximately 1,800 trotting races are arranged annually

at eight racetracks and approximately 270 thoroughbred races at four thoroughbred racetracks.

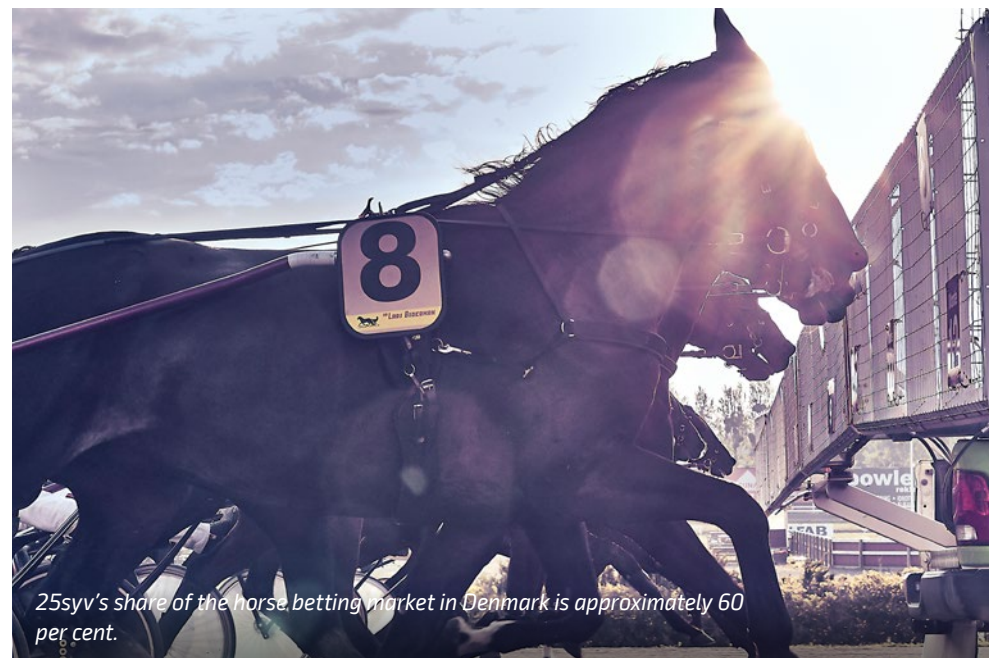
At the beginning of 2022, 25syv entered an advanced partnership with DHV, corresponding to the Swedish trotting and thoroughbred racing organisations.

The collaboration with DHV entails a takeover of the exclusive rights to the production and distribution of sound and images from the Danish trotting and thoroughbred racetracks.

The collaboration is part of the effort to jointly secure a long-term positive development for sport and betting for Danish horse racing. The collaboration also entails increased responsibility for betting at the racetracks, whereby 25syv and the track organizations have jointly successfully introduced entirely digital betting on four racetracks.

Responsible gambling – our most important sustainability topic

The operations are now preparing for the introduction of new registration and identification requirements for all betting, which will become a legal requirement from spring 2023. During 2022, all employees were trained in anti-money laundering, responsible gambling and data pro-



25syv's share of the horse betting market in Denmark is approximately 60 per cent.

tection. In addition, all agents have been trained in anti-money laundry measures.

25syv is subject to the Group's sustainability initiatives. The company steers its operations toward sustainable development, with priority assigned to responsible gambling, anti-money laundering and the well-being of employees.

Responsible gambling is the most important sustainability topic and the operations place great importance on increasing knowledge of the risks and negative impact of gambling.

During the year, the responsible gambling policy was updated and a new responsible gambling

tool was implemented, which helps the company to identify customers showing an elevated risk in their betting habits. The system is based on artificial intelligence and neuroscience, which automatically identifies problematic gambling behaviour.

Improved work environment

The well-being of employees is decisive for the company's success. The ambition is for the workplace to remain healthy and enjoyable. An employee survey was conducted during the year and systematic work was conducted on the objective, evaluation and follow-up of the results.



5

Administration Report

ADMINISTRATION REPORT

The Board of Directors and the Chief Executive Officer (CEO) of AB Trav och Galopp (ATG), with its registered office in Stockholm, Sweden and Corp. Reg. No. 556180-4161, hereby submit the annual report for the financial year of 1 January 2022–31 December 2022 for the Parent Company and the Group.

Information on operations

The Group comprises the Parent Company Aktiebolaget Trav och Galopp (556180-4161), the wholly owned subsidiary Kanal 75 AB (Corp. Reg. No. 556578-3965) and the wholly owned 25Sylv Group A/S (Corp. Reg. No. 30556372), with its wholly owned subsidiaries 25Sylv A/S (Corp. Reg. No. 30897765) and Ecosys Ltd (Corp. Reg. No. C53354).

The operations of the Parent Company ATG intend to safeguard the long-term development of trotting and thoroughbred racing through a responsible gambling offering. The mission has been formulated by our owners, the Swedish trotting and thoroughbred racing associations, and the State, and the company's operations are regulated in an agreement between these parties. To further clarify the Group's assignment, the Board of Directors resolved in 2021 on an instruction for the appropriation of profits, while allowing the company to maintain an equity/assets ratio over 35 per cent, which results in 98 per cent of the company's disposable earnings being distributed to owners.

ATG holds a Swedish gambling licence and offer horse betting, sport betting and casino games. The licence period extends for five years

and is renewable ahead of 2024.

The operations of the subsidiary Kanal 75 AB are aimed at increasing and stimulating interest in trotting and thoroughbred racing and other sport by satisfying the need for betting and sports information through various forms of media — print, the Internet, television, mobile devices and other distribution formats available in the media market. All trotting and thoroughbred races for which ATG accepts bets in Sweden during the year were covered by Kanal 75.

The Group includes the Danish gaming group 25sylv. The 25sylv Group is active with four brands in sport betting, horse betting and casino games in stores and online.

Significant events during 2022.

- During the year, the Swedish Riksdag voted in favour of two bills that would mean, as of 1 January 2023, the introduction of an extended advertising ban for unlicensed gambling and a ban on promoting unlicensed gambling, and that as of 1 July 2023, a licence will be required for gambling software (B2B licence).
- Many restrictions were lifted on 9 February, when Covid-19 was reclassified as a disease that is no longer a danger to society. The open-

ing of society has negatively impacted ATG's revenue from horse betting as competition from other recreational activities has increased.

- Due to Russia's invasion of Ukraine, it was determined that the Group has consultants in Ukraine and employees from Ukraine. This had no material impact on operations during the year.
- ATG conducted its annual Sustainability and Responsible Gambling thematic weeks, when each workday begins with a talk aimed at deepening employee knowledge within these areas.
- During the year, several of the sports associations with which ATG collaborates achieved major sporting successes.
- The subsidiary 25Sylv took over the broadcasting and TV production rights for Danish trotting and thoroughbred racing.
- After two years of pandemic restrictions, horse racing's premier event Elitloppet and Nationaldagsgaloppen could be held in front of a large and enthusiastic audience.
- Since 1973, the company name Aktiebolaget Trav och Galopp has been registered for ATG with the Swedish Companies Registration Office. In autumn 2020, when Svenska Spel

launched horse betting, it chose to use the phrase "Trav & Galopp" together with its logotype as a brand and in its marketing. ATG sued Svenska Spel for infringement of ATG's company name. The claim was decided in May in the Swedish Patent and Market Court with ATG winning the dispute. The decision has been appealed.

- On 24 September, ATG held Drömjackpot® where one single winner could win MSEK 110. Many players shared the winnings.
- On five occasions during the year, a single winner has won Grand Slam 75® with guaranteed winnings of MSEK 10.
- During 2021, the Swedish Gambling Authority initiated a supervisory matter regarding ATG's work with KYC. A ruling on the matter was announced on 23 November and entailed a warning and a fine of MSEK 6. The decision has been appealed.

Significant events after the balance-sheet date

- On 3 February, the Swedish Patent and Market Court announced its ruling in favour of ATG in a dispute concerning the infringement of ATG's brand. The defendants are Dressman AB, Lee-Wrangler Sweden AB and Wrangler Apparel Corp.

Revenue

The Group's net gambling revenue for the year was MSEK 5,224 (5,256), down 1 per cent. The Danish Group 25syv impacted the Group's net gambling revenue by MSEK 283 (195) during the year, an increase of 45 per cent.

The Group's net gambling revenue from horse betting decreased MSEK 256, down 6 per cent, sport betting increased MSEK 50, up 8 per cent, and casino games increased MSEK 174, up 49 per cent.

The year had one extra Saturday with V75® and three more jackpots than the comparative period. The decrease in horse betting was an effect of increased competition from other recreational activities following the pandemic.

Gross turnover for Swedish horse betting amounted to MSEK 13,011 (13,922), down 7 per cent. International gross turnover amounted to MSEK 3,508 (3,354), up approximately 5 per cent. Total gross turnover for horse betting (Swedish and international) was MSEK 16,519 (17,276), down 4 per cent.

During the year, ATG had agent revenue of MSEK 234 (253) and other operating income, i.e., income from activities other than gambling, of MSEK 584 (607). The other revenue derives mainly from commissions for international sales, TV production and agent sales of partner products in stores.

Costs

Gambling tax for the year amounted to MSEK 1,072 (1,061). Operating expenses for the year amounted to MSEK 3,284 (3,135).

Other external expenses includes the single largest expense item, which is for services that ATG has agreed to provide to horse racing, relating to payment for horse racing information, rights and sponsorship. This expense totalled MSEK 564 (591) for the year. Other significant expense items include IT systems and operations, marketing and sales and transaction-related expenses. During the year, operating expenses increased as a result of higher personnel expenses, the continued establishment of pool betting in sport betting, Big 9® and other variable costs linked to changes in net gambling revenue, that is changes to the product mix.

Depreciation of fixed assets amounted to MSEK 304 (302).

Gambling tax

The Swedish gambling tax of 18 per cent of gambling profits (stakes plus any cost of participating less winnings). Gambling tax in Denmark is 28 per cent of the gambling profits. Gambling tax for the year amounted to MSEK 1,072 (1,061).

Operating profit and profit for the year

Operating profit for the year amounted to MSEK 1,686 (1,920). Profit for the year totalled MSEK 1,352 MSEK (1,521).



Parent Company's profit before transactions with owners

The Parent Company's profit before transactions with owners (see definition on page 123) totalled MSEK 2,252 (2,520) for the year. The KPI indicates the company's profitability before corporation tax and costs for the rights and information acquired by the owners. The KPI was prepared to enable comparison of the company's results from re-regulation in 2019 with previous years and with competitors in the gambling market.

Financing and liquidity

At year end, the Group's total assets amounted to MSEK 2,643 (2,731). Cash flow from operating activities amounted to MSEK 2,010 (2,100). Cash flow from investing activities amounted to an outflow of MSEK 254 (outflow: 244). Cash flow from financing activities amounted to an outflow of MSEK 1,776 (outflow: 2,369). Cash flow for the year amounted to an outflow of MSEK 20 (outflow: 513). Closing cash and cash equivalents amounted to MSEK 866 (886). At year end, total shareholders' equity amounted to MSEK 946 (1,042) and the equity/assets ratio was 36 per cent (38).

Investments and trends

All investments made are assessed on the basis of expected life and financial viability. The investments during the year mainly related to the development of technical platforms and

software for gambling systems for existing and future gambling products among other items, and to further development of the digital channels and development of gambling products. The allocation of the company's investments in the three gambling products reflects future revenue expectations. In addition to the above investments during the year, ATG invests continuously in the IT operating environment, betting safety and in enhancing the customer experience.

Seasonal effects

Sales have historically shown certain seasonal variation. There are several reasons for these variations, including the trotting and thoroughbred horse racing calendar, the number of V75® Saturdays during the period, the dates of public holidays and the company's market offerings.

Employees

The average number of employees in the Group during the year was 510 (496), of which 31 (29) in Denmark. During the year, some consultants were replaced with employees. In recent years, ATG has used consultants for permanent operational needs due to intense competition in the labour market. A decision was taken to replace consultants to improve cost efficiency by reducing the total cost of staffing.

Sustainability Report

ATG is subject to the requirements for sustainability reporting in accordance with the Annual

Accounts Act. The Group has elected to prepare its Sustainability Report in accordance with the Global Reporting Initiative's GRI Standards. ATG has performed a materiality assessment to identify material sustainability topics. In 2021, a stakeholder dialogue was conducted to increase knowledge of the stakeholders' view of the company's sustainability initiatives. A new sustainability strategy has been prepared that is based on the materiality assessment, including the stakeholder dialogue. This forms the basis for sustainability initiatives, which comprise an integrated component of ATG's business model and strategy. The Sustainability Report is presented separately, meaning that it is not included in the Administration Report. A list of contents for the statutory sustainability report is available on Page 100. The risk analysis pertaining to sustainability topics is included in the combined risk section on pages 42–46.

Significant risks and uncertainties

ATG's operations entail risks and uncertainties that, to varying degrees, can impact the company negatively. Risk management is an integral part of the process for planning, implementing and monitoring operations within ATG.

The regulatory measures that affect the market are a significant uncertainty. Responsible gambling is ATG's most important sustainability topic in fulfilling our customer promise of fair play and, therefore a number of tools are provided to ensure customers enjoy their gambling.

For a comprehensive description of ATG's risks and uncertainties and the management of these, refer to pages 42–46.

Outlook

In the long term, the strongest correlating factor with the gambling market's turnover growth is a change in household disposable income. The ongoing recession, with high inflation, has a negative impact on funds available for recreation, which impacts spending on gambling.

The prevailing economic conditions mean it is even more important to continue working with clearly formulated goals and focusing on our customer promises so we can achieve long-term growth both in revenue and in earnings. Continuous development of and investment in gambling products comprises an important component of this. All to ensure that ATG can deliver on its assignment and mission to be the engine of the horse racing industry and the gaming industry's compass.

Proposed allocation of the company's profit

ATG's Board has resolved to provide a Group contribution of MSEK 1,631 (1,705) to the Swedish Trotting Association, which is a departure from the instruction regarding the appropriation of profits, and proposes that earnings for 2022 be appropriated as follows.

Unappropriated earnings at the disposal of the Annual General Meeting amount to:**SEK**

Retained earnings	202,542,233
Profit for the year	55,973,570
TOTAL	258,515,803
Dividend to shareholders	-160,000,000
RETAINED EARNINGS	98,515,803

The Board proposes distribution of a dividend of MSEK 160 to the owner of the preference shares, the Swedish Jockey Club, and that no dividend be distributed to the owners of ordinary shares. The unappropriated retained earnings will be carried forward. The Parent Company has a development costs reserve amounting to MSEK 759 (755).

This reserve is included in restricted equity. The Parent Company's shareholders' equity totalled MSEK 1,066 (1,160).

Parent Company's profit before transactions with owners

AMOUNTS IN MSEK	2018	2019	2020	2021	2022
Operating profit	3,466	1,548	2,282	1,929	1,688
Lottery tax	-1,455	-	-	-	-
Costs for horse racing information, rights and sponsorship	-	578	619	591	564
TOTAL	2,011	2,126	2,901	2,520	2,252



RISKS AND RISK MANAGEMENT

ATG's operations are associated with risk in various ways. Correctly managed, balanced risk-taking may result in long-term value creation when both opportunities and risks are taken into account. ATG continuously strives to identify, analyse, manage and monitor risks that could impact ATG's ability to achieve established goals.

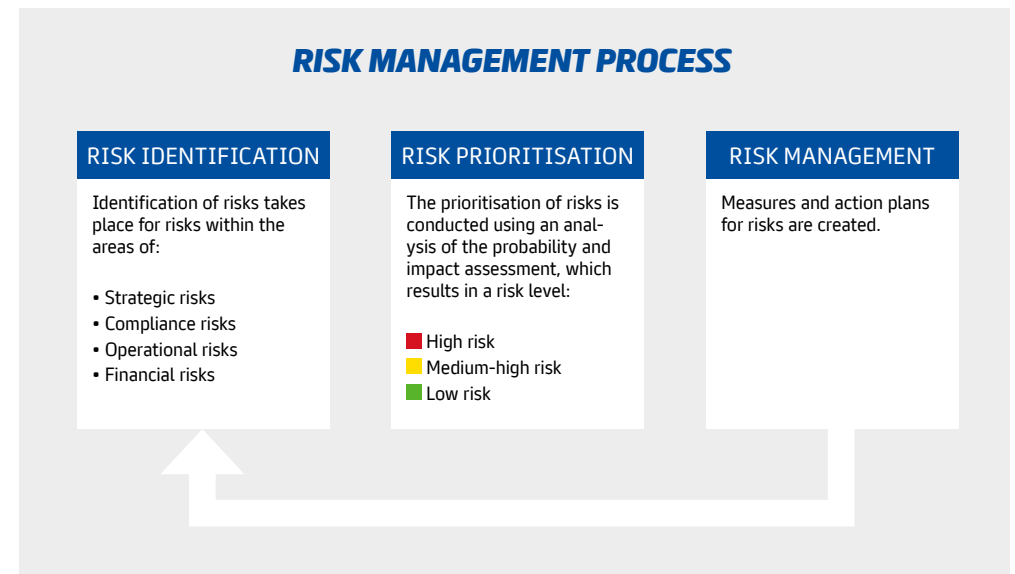
Identifying risks and uncertainties that can impact ATG's ability to fulfil its mandate and realise its established goals are of vital importance to the company's short- and long-term success. Risk management is an integral part of the process for planning and monitoring operations within ATG. Group management performs systematic risk assessments and presents these for the Board for its prioritisation.

ATG works consistently and systematically to ensure that risks are identified in ample time, so that necessary actions can be taken and good internal control can be ensured. Risk management is conducted in accordance with the COSO

framework and ATG's Management system for information security, which is based on ISO/IEC 27001 and ISO/IEC 27002.




As part of ATG's systematic sustainability initiatives, analysis is made of how ATG risks affecting the company's stakeholders in the areas of environment, respect for human rights, personnel and social conditions and anti-corruption work.

One important part of upholding and developing good internal control is to continuously ensure that process owners in the organisation have a distinct ownership of the operation's processes. The Group's most material risk areas are presented below.




STRATEGIC RISKS

Strategic risks mainly originate in factors outside ATG's operations.

Risk and risk level	Risk description	Risk management
Competitive risks 	<p>The gambling legislation entails that ATG can have a broad product offering within gambling and commercial online games. The risks relate to ATG failing to capture or retain market shares in the company's product offerings, which could have an adverse impact on profit.</p>	<p>Competition risks are managed, inter alia, through continuous analyses of the market situation. The analysis includes bases for decisions on the development of the offering and geographic distribution. Moreover, the risk is managed through continuous investment in and development of existing and new gambling offerings, and ATG's sales channels to remain highly competitive.</p>
Economic risks 	<p>Demand for ATG's products is dependent on economic developments. The strongest factor that correlates with the gambling market's growth is the increase in disposable household income. An economic slowdown could have a negative impact on the Group's revenue and profitability.</p>	<p>The Group works continuously to ensure good cost effectiveness and solvency, and utilises liquidity planning to be able to resist economic fluctuations. Continuing to develop the offering to customers to remain an attractive and relevant company in the market is one way of managing risk.</p>
Regulatory risks 	<p>Political decisions that create regulatory change of the gaming sector such as austerity measures and marketing limitations for companies.</p>	<p>ATG monitors and actively participates in the societal debate to be able to influence and educate. In the event of political decisions, the capacity is in place to quickly adapt operations and systems to new conditions.</p>





COMPLIANCE RISKS

Compliance risks comprise the risk of sanctions and fines from government authorities, significant economic loss or loss of reputation as a result of the organisation's failure to comply with regulations contained in laws, directives, rules, self-regulatory industry guidelines and codes of conduct that apply to its operations. Compliance risks are risks that are mainly within ATG's control.

Risk and risk level	Risk description	Risk management
Legal and regulatory compliance 	<p>Compliance with laws and regulations governing gambling operations, including responsible gambling, the processing of personal data and countering money laundering, is a prerequisite for operating in the gambling market. Failure to comply with these regulatory frameworks, or with changes in the application or interpretation of existing laws and regulations, could result in ATG incurring fines and losing the confidence of its customers. If ATG breaches gambling legislation, the company risks losing its gambling licence.</p>	<p>ATG has processes and procedures in place to ensure compliance with applicable laws and regulations. ATG monitors its customers' gambling behaviour to identify deviating gambling patterns and also has procedures for actions in the event of such a discovery. To ensure regulatory compliance, key functions have been established, including the CEO's consultative body, the Responsibility Council, which handles questions on an ongoing basis that affect the entire organisation from a responsibility and compliance perspective. Questions include, for example, customer and agent knowledge based on data protection from a money laundering perspective and from a responsible gambling perspective. ATG's compliance department is an independent control function tasked with managing internal compliance and identifying, evaluating and reporting compliance risks. Compliance also reports regularly to ATG's Board of Directors and CEO and serves as a point of contact with the Swedish Gambling Authority and the Swedish Authority for Privacy Protection.</p>

OPERATIONAL RISKS

Operational risks are risks that are mainly within ATG's control. Operating and IT problems as well as shortcomings in financial, social and environmental responsibilities are examples of risks linked to ATG's daily operations.





Risk and risk level	Risk description	Risk management
IT environment and operation 	<p>ATG's operations are dependent on a functional IT environment and appropriate procedures that develop alongside of the operations.</p> <p>ATG utilises third-party suppliers that provide such IT services as payments, gambling products, login systems, agent environments and the national self-exclusion register (spelpaus.se).</p> <p>In connection with disruptions in its IT systems or third-party services, ATG is at risk of reduced revenue and weakened customer confidence.</p>	<p>ATG works continuously to adapt and improve monitoring of the IT environment and services as well as to organise staffing and contingency planning.</p> <p>Through proactive work both in the development and delivery processes to identify and reduce possible threats, the risk decreases of operational disturbances, data hacking and loss of information.</p> <p>Where possible, ATG uses several service providers for critical IT services.</p> <p>Checks and tests according to established procedures are conducted when implementing new functions, systems or third-party services. After a disruption has been managed, thorough investigations are conducted to improve work methods and processes in order to minimise the risk of recurring disruptions.</p>
Information security 	<p>Cyberattacks aimed at ATG's operations such as data hacking, data leakage, ransomware and denial-of-service attacks are increasing. Changed methods of working remotely are changing the threat assessment.</p>	<p>All staff are provided training in information security with the aim of increasing knowledge and vigilance against attempted intrusions of various kinds. Moreover, the risk of cyberattacks is reduced, for example, by external hackers being tasked with continually trying to access ATG's IT environments and through a management system for information security with expanded controls. These controls improve, for example, protection against ransomware, denial-of-service attacks and traceability in the IT system.</p>
Anti-corruption 	<p>Since ATG is a company with a high intensity of financial transactions as well as many customers, agents and suppliers, operations are at risk of corruption.</p> <p>Since ATG offers sport betting, corruption in the form of match fixing and doping is a risk for operations.</p>	<p>The Group has a high standard of ethics and zero tolerance towards all forms of corruption, bribery, money laundering, disloyal anti-competitive behaviour and other irregularities. ATG complies with the Swedish Anti-Corruption Institute's Code on Gifts, Rewards and other Benefits in Business. All partners and suppliers are to act in accordance with the Group-wide Code of Conduct. Employees act in accordance with the Group's anti-corruption policy.</p> <p>Through internal processes and procedures as well as collaboration with the sportsbook provider International Betting Integrity Association (IBIA) and the Swedish Gambling Authority's Matchfixningsrådet (Eng: Match Fixing Council), ATG works actively to identify, report and reduce the risk of betting on manipulated events.</p>
Brand 	<p>As a leading gambling operator in horse betting, ATG offers various forms of betting with strong brands. This means a risk exists that brands degenerate which may lead to these brands being used by competitors and becoming public domain.</p>	<p>ATG works actively on issues linked to trademark protection and has a strategy for brand management. External expertise is engaged to monitor and protect the Group's brands. Selected functions within the organisation are trained in trademark law.</p>

OPERATIONAL RISKS, cont.

Risk and risk level	Risk description	Risk management
Responsible gambling 	<p>Responsible gambling is the foundation of ATG's long-term customer relationships. It is of the utmost importance that ATG's customers enjoy their gambling and gamble for pleasure. Not assuming a major responsibility for customer well-being would entail the risk of losing customers and falling net gambling turnover.</p>	<p>ATG works systematically so that our customers enjoy their gambling and gamble for pleasure. The work is conducted pursuant to regulatory requirements and voluntary standards. ATG works on the basis of independent research to provide customers with information and responsible gambling tools. ATG trains all employees and agents as well as relevant suppliers so they can prevent problem gambling in an adequate manner. ATG's responsible gambling tools are gathered at atg.se/atgcheck.</p>
Personnel, skills and recruitment 	<p>Skilled and committed employees are important contributors to ATG's ability to realise its strategies and achieved established goals. If ATG were to fail to offer an attractive and healthy work environment, this would have a negative impact on staff and the company's ability to attract, engage and retain qualified employees. Mobility has increased in the labour market, where certain skills are in short supply and ATG competes with other companies for the same skills. The greatest challenge is to recruit expertise in IT.</p>	<p>ATG works actively to be an inclusive employer and to achieve a good balance between work and leisure with initiatives in healthcare, leadership development and career opportunities in the company.</p> <p>Digital and physical training sessions and presentations with a holistic perspective are offered that establish focus on health and movement.</p> <p>ATG recruits employees from across Sweden, which provides a wider range of candidates. Employee attitude to ATG is followed up on continually through dialogue and employee surveys.</p>
Supply chain responsibility 	<p>There is a risk that a negative impact in the environment, labour conditions, human rights and corruption could occur among ATG's suppliers. ATG risks contributing to this impact through purchases of goods and services. If ATG's suppliers were to violate international regulations or fail in some other way in their sustainability initiatives, there is the risk of an effect on people and the environment. It could also impact ATG's reputation and result in legal penalties.</p>	<p>The responsibility in the supply chain is based on ATG's Supplier Code of Conduct through agreement. The Code of Conduct covers such areas as human rights, labour conditions and the environment, anti-corruption and stipulates the minimum requirement for its suppliers' sustainability initiatives. ATG works systematically to identify risks among suppliers through supplier assessments and industry risk analyses.</p> <p>There are continuous checks and follow-ups among ATG's suppliers for the value chain to minimise risks.</p>
Climate impact 	<p>Climate change is now one of the greatest global challenges and affects all of us. Climate impact from ATG's operations arises from energy consumption, paper consumption and business trips. There is also a risk that climate change could impact ATG's operations through infrastructure in society and global supply chains that operations are dependent on.</p>	<p>ATG works with continuous improvements to reduce the company's energy consumption and greenhouse gas emissions. All electricity purchased for ATG's offices is renewable and the offices are heated using district heating. Emissions from electricity and heating as well as business travel are monitored on an annual basis. ATG is continuously evolving its operations to reduce the use of paper, mainly in stores but also in the office.</p>
Poor horse welfare 	<p>Good horse husbandry is paramount for ATG to be able to arrange betting on horses, and is also highly prioritised by stakeholder groups. Poor animal husbandry entails a risk that horses suffer. Should the well-being of the horses not be met, the reputation of horse racing risks being tarnished, which would have a direct negative impact on ATG's brand and profitability.</p>	<p>Compared internationally, Sweden's regulation of animal husbandry contains very strict requirements. ATG engages in close dialogue and monitoring with the owners, the Swedish Trotting Association and the Swedish Jockey Club, about horse welfare. ST's and SG's rules and regulations for racing are being developed continuously and set stringent standards for good horse husbandry, before, during and after a race. A separate policy to be followed by the race organiser applies for international horse races that ATG offers betting on.</p>

FINANCIAL RISKS

Financial risks mainly originate in factors that are found outside of ATG's operations and pertain to risks in the form of changed financial conditions. For a more detailed description and quantification of financial risks, see Note 13. The financial risk management for the Group is governed by the instruction for financing activities adopted by the Board of Directors.

Risk and risk level	Risk description	Risk management
Liquidity risk 	Liquidity risk pertains to the risk that the Group will not have disposable funds to meet its commitments. Negative development of the Group's net gambling revenue and/or profitability may impact the Group's access to liquidity. Increased requirements are being imposed by financial institutions for ESG factors and their reporting, which entails corresponding requirements for ATG for external financing.	<p>The Group works systematically with operational efficiency to maintain good earnings as well as with liquidity planning and follow-up.</p> <p>The Group has good liquidity and MSEK 400 of the current credit facility of MSEK 775 is utilised, providing unutilised credit facilities of MSEK 375.</p>
Interest-rate risk 	Interest-rate risk is the risk that interest-rate changes will have a negative impact on the Group's net interest income and/or cash flow.	The risk is managed through effective capital planning and a relevant financing strategy. ATG has interest-bearing liabilities and aims to primarily use surplus liquidity for the repayment of loans.
Currency risk 	Currency risk is the risk that changes in foreign currency will have a negative effect on the Group's earnings. Currency risks may also be due to transaction exposure or translation exposure.	ATG's transaction exposure in operating activities is limited. In addition, the instruction adopted by the Board stipulates that any investments are to be denominated in SEK.
Credit risk 	Credit risk pertains to the risk that the Group is exposed to if a customer or an ATG agent fails to pay on the appointed date or cancels payments. In exceptional cases, credit risks also arise in conjunction with contracts being signed with suppliers.	The risk is primarily managed through thorough auditing of ATG agents and suppliers, as well as subsequent checks in accordance with instruction for ATG agent credits. ATG has no credit sales to gambling customers. Routines for the approval of an agent are clear-cut and based on defined requirements and risk assessments of agents. Funds are collected every week by direct debit. Measures are taken for agents where direct debt payments were not possible, including the temporary suspension of terminals until payment is received, collateral is requested or the agreement with the agent is terminated.

Following inspiration from the Task Force on Climate related Financial Disclosures (TCFD), ATG has conducted an analysis of how the risk of climate change and society's transition for adapting to and combating climate change may impact the Group's financial results. In the process of identifying risks, ATG has taken account of suppliers, primary services and products as well as

regulations in the market. As a service company, ATG has a limited impact on the environment. ATG measures and reports GHG emissions in accordance with the GHG Protocol.

The most distinct connection we have to a changed climate is through suppliers, mainly through horse race racetracks, which are ex-

posed to climate change. To date, ATG has identified a minor financial impact in connection with weather events that have impacted being able to conduct horse races, even if races have needed to move track due to the impact of weather on the surface and power outages, and in some cases have been cancelled. Other general risks that are connected to climate change are increased

raw material and energy prices or component shortages in, for example, the IT sector. The overall assessment is that physical risks are not material in the short term. ATG is not currently covered by regulations for climate adaptation or the transition. Therefore, transitional risks are not assessed to be material for operations. ATG monitors and analyses risks on an ongoing basis in consultation with its suppliers.

MULTI-YEAR REVIEW

Group					
<i>MULTI-YEAR REVIEW AND KPIS</i>	2022	2021	2020	2019 ²⁾	2018 ²⁾
KPIs under IFRS;					
Profit for the year, MSEK	1,352	1,521	1,749	1,162	-127
Earnings per share for the year, SEK	3,380	3,803	4,373	2,905	-318
KPIs not calculated in accordance with IFRS					
Net gambling revenue, MSEK	5,224	5,256	5,359	4,435	4,162
Total revenue, MSEK	6,042	6,116	6,331	5,306	5,210
EBITDA, MSEK	1,990	2,222	2,520	1,696	3,589
Operating profit, MSEK	1,686	1,920	2,240	1,501	3,467
Operating margin, %	28%	31%	35%	28%	67%
Debt/equity ratio, multiple	1.8	1.6	3.1	3.2	2.8
Profit before tax, MSEK	1,709	1,921	2,242	1,504	1,328
Equity/assets ratio, %	36%	38%	25%	24%	26%
Shareholders' equity, MSEK	946	1,042	850	773	544
Shareholders' equity per share, SEK	2,365	2,605	2,125	1,932	1,360
Cash flow from operating activities, MSEK	2,010	2,100	2,609	1,596	140
Cash flow from operating activities per share, SEK	5,025	5,250	6,523	3,990	349

MULTI-YEAR REVIEW cont.

Group					
MULTI-YEAR REVIEW AND KPIS	2022	2021	2020	2019 ¹⁾	2018 ²⁾
KPIs, operations					
Share of green turnover, % ³⁾	79%	77%	74%	70%	–
Share of green customers, % ³⁾	86%	85%	86%	87%	–
Number of active customers, million	1.3	1.3	1.4	1.3	1.0
Average number of employees	510	496	468	433	353
KPIs, Parent Company					
Net gambling revenue	4,941	5,061	5,205	4,346	4,162
Operating profit	1,688	1,929	2,282	1,548	3,466
Lottery tax	–	–	–	–	-1,455
Costs for horse racing information, rights and sponsorship	564	591	619	578	–
Parent Company's profit before transactions with owners ⁴⁾	2,252	2,520	2,901	2,126	2,011

1) 25syv Group was consolidated into the ATG Group from 1 April 2019. Certain KPIs were impacted in 2019 by the introduction of IFRS 16.

2) The re-regulated gambling market from 1 January 2019 has impacted ATG's financial statements in several respects, which is why a direct comparison between the years before and after regulation cannot be made. One of the changes is that funds to trotting and thoroughbred racing have been eliminated. ATG instead purchases rights and services from the Swedish Trotting Association and the Swedish Jockey Club and pays dividends and Group contributions in accordance with customary company law and tax regulations.

3) Share of green customers and share of green turnover for customers who have completed a self-assessment test. Aggregated from 1 January 2019, 152,000 customers have completed a self-assessment test.

4) The Parent Company's profit before transactions with owners is calculated as operating profit less lottery tax plus costs for horse racing information, rights and sponsorship. Lottery tax was not applied after 2018.

Message from the Chairman and Deputy Chairman of the Board

DESPITE THE TURBULENT TIMES ATG STANDS STRONG

In a year when ATG's earnings were impacted by the effects of the war in Ukraine, high inflation and an emerging recession, customer interest remains high and ATG's offering stands strong.



Bo Netz
Chairman



Anders Källström
Vice Chairman

2022 was supposed to be the year conditions normalised after two pandemic-dominated years that resulted in a very strong revenue trend for ATG and thus a positive trend in terms of funds for horse racing. The pandemic restrictions in 2020–2021 meant increased interest in betting on horses due to the lack of other entertainment options. Instead, other extreme situations arose in 2022, starting with the escalating war in Ukraine and then the initial phase of a recession together with high inflation. All of this strongly affects both ATG and the horse industry.

ATG has delivered world-class entertainment to millions of customers since 1974. The company's DNA comprises a healthy horse industry and a broad betting range. Our goal from the start has been that our customers should bet for pleasure and remain with us for a long time. The company's mission is to be the engine of the horse racing industry and the gaming industry's compass. The means that the company maintains a high level of responsible gambling, which is an important starting point for product range and business development. On the one hand, the company offers a large product range with broad marketing, and on the other hand, the company works with extra responsible gambling measures and easily accessible tools for customers to maintain checks on their gambling. This balance is one aspect that the company continually

strives for, and which makes chairmanship of ATG extra inspiring. The mission of being the engine of the horse racing industry also entails that ATG engages in close dialogue with the Swedish Trotting Association (ST) and the Swedish Jockey Club about horse welfare. The rules and regulations for racing place high demands on good horse husbandry, before, during and after a race. ATG also places high demands on its international partners with the aim of safeguarding horse welfare.

The company was formed by the Swedish Trotting Association and the Swedish Jockey Club to secure the long-term financing of Swedish trotting and thoroughbred racing. The company was assigned, and still has as a fully owned company, a considerable responsibility for the financing of trotting and thoroughbred racing through the revenue from horse betting, and also through revenue from betting on other sport and online gambling.

The company's surplus is returned to horse racing. The horse industry creates about 16,900 full-time equivalents. If the spread-over effects are included, total employment amounts to about 38,000 (Source: The Swedish Horse Council Foundation). This also contributes to us in Sweden having a vibrant countryside, with many horses in the paddocks, which in turn contributes to biological diversity.

MESSAGE FROM THE CHAIRMAN AND DEPUTY CHAIRMAN OF THE BOARD, CONTINUED

ATG has unique corporate governance, by which the government appoints half of the Board of Directors, including the Chairman, through an agreement between the state and the owners. The Board's work entails shared responsibility for ATG's strategic development and during the year, the Board has supported the company's strategic development in several important areas, not least in the area of sustainability.

Moreover, the Board work focused on continuing to develop the company's internal control and governance as well as risk management, particularly due to the short- and long-term changes in the legislator's control of the gambling market. The Board has also worked on managing the effects of the recession that began during the year. To help reduce the effects of the recession in the short term, the Board has decided to make a larger Group contribution to the Swedish Trotting Association than that stipulated in the instructions for appropriation of earnings.

The impact of the coronavirus pandemic on the company was increasingly muted in 2022, while the first months of the year were dominated by restrictions, these were subsequently removed and the public was happily welcomed back to all horse racing events.

However, while net gaming revenue for the year was on a par with 2021, earnings declined due to lower horse betting revenue. In relation to the entire commercial gambling market, the company has a strong offering and customer interest remains high. This provides us with confidence for continued healthy revenue moving forward, which given how hard it is being hit by inflation, is important for horse racing.

We are proud of the company and look forward to working together to continue safeguarding the long-term financing of trotting and thoroughbred racing.

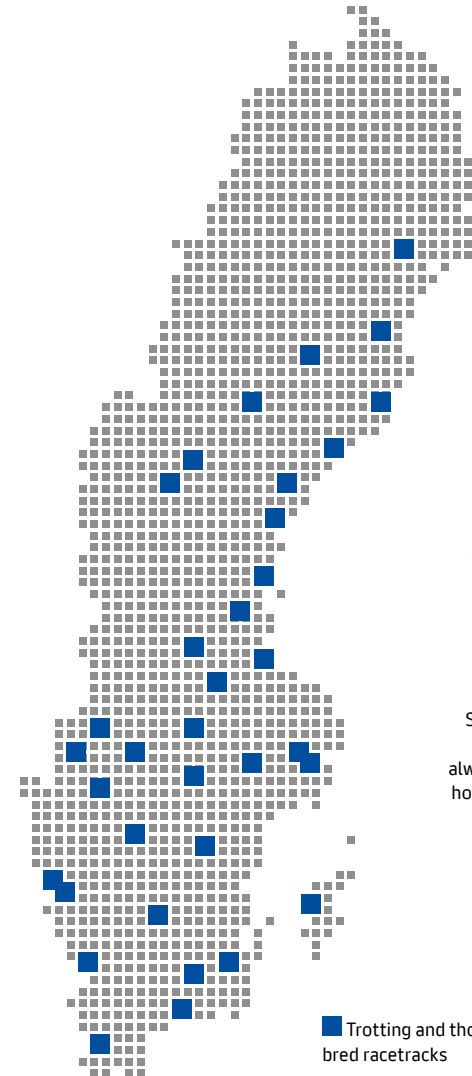
Stockholm, 16 March 2023

Bo Netz

Chairman

Anders Källström

Vice Chairman



■ Trotting and thoroughbred racetracks

Racetracks from north to south

There are trotting and thoroughbred racetracks from Boden in the north to Malmö in the south. During the year, some 9,000 races with betting were arranged at the 36 racetracks.

Social interaction beyond differences

Horses foster camaraderie. People gather around the horse on equal terms around an interest that provides meaning and cohesion.

Focus on horse welfare

Sweden is highly advanced in terms of animal welfare. The well-being of the horses must always be in focus. This covers everything from how the horses are handled to Sweden's active efforts to combat doping.

Number of horses

There are about 355,000 horses in Sweden. That is more than the number of dairy cows.

Source: HNS

CORPORATE GOVERNANCE REPORT

About AB Trav och Galopp

AB Trav och Galopp, hereinafter referred to as "ATG," is a Swedish company with its registered head office in Stockholm. The company is the Parent Company of the ATG Group. The company is owned by the Swedish Trotting Association and the Swedish Jockey Club and is a gambling company with a Swedish licence that offers commercial online games, horse betting and sport betting. The company was formed in 1974 and solely offered horse betting until 31 December 2018. This report describes the company's governance in 2022.

Governance

ATG's corporate governance is regulated by Swedish legislation, including the Gambling Act (2018:1138) and the Act on Measures to Prevent Money Laundering and the Financing of Terrorism (2017:630). ATG is also regulated by the Swedish Gambling Authority's regulations on Measures to Prevent Money Laundering and the Financing of Terrorism (LIFS 2018:11) and the agreement between the State and the owners. ATG is not subject to the Swedish Code of Corporate Governance (the Code), but elects to provide a corporate governance report that is in accordance with the Code.

The Gambling Act (2018:1138) came into effect on 1 January 2019. The law involves a na-

tional licence system whereby all companies that are active in the Swedish gambling market must have the appropriate permit, a licence, which is granted by the Swedish Gambling Authority, the supervisory authority. Gambling companies that are adjudged to have the knowledge, experience and organisation required for conducting operations in accordance with laws and other regulations governing the operations are granted a licence. ATG was granted a licence on 27 November 2018 for commercial online games and betting, which were the two possible licences. Operations permitted by the two licences were launched in the market on 1 January 2019.

In addition to external laws and regulations, the Articles of Association constitute a key document in respect of the governance of the Group. Other governing documents for corporate governance are the rules of procedure for the Board, instructions for the CEO, operational instruction, policies, processes, handbooks and manuals.

ATG's current Articles of Association were adopted on 21 September 2022 and approved by the government on 22 June 2022. The Articles of Association define the company's operations, the composition of the Board and the government's influence over the appointment of Board members. The members are elected by the Annual General Meeting (AGM) for the period until the next AGM. The Articles of Association

contain provisions on share classes, namely that not more than 39,999 preference shares and not more than 760,001 ordinary shares may be issued, and that preference shares have preferential rights over ordinary shares in the event of resolutions by the general meeting to distribute profits. The preference shares have preferential rights to MSEK 160 for each financial year, with the amount to be adjusted upwards in line with the consumer price index every five years. The Articles of Association contain provisions regarding audits, general meetings and financial years. The Articles of Association also contain a pre-emption clause, as well as a rule stating that the company must immediately be liquidated if the agreement between the State and the Swedish Trotting Association (ST) and the Swedish Jockey Club (SG) were to be terminated. Any surplus arising from liquidation is to be allocated by the owners in a manner determined by the government. The Articles of Association may not be changed without permission from the government.

Agreement with the State

There is an agreement between the owners, ST and SG and the Swedish State, the purpose of which is to regulate and reflect the responsibilities between ATG, ST and SG as well as the Swedish State. The current agreement was



signed on 29 November 2018 and applies from 1 January 2019 with an annual extension if no party has cancelled the agreement for renegotiation no later than the end of September of the relevant year. The agreement states that ATG is responsible, in addition to betting operations, for placing financial resources at the disposal of horse racing to ensure its long-term, positive development.

The agreement includes provisions regarding the composition of the Board and that the Articles of Association may not be changed without permission from the government, and that the owners undertake not to transfer shares in the company to anyone who is not an existing shareholder in the company without government permission.

Owners

ATG is owned by the Swedish Trotting Association, which holds 360,001 shares (just over 90 per cent), and the Swedish Jockey Club, which holds 39,999 shares (just under 10 per cent). The two owners are both central organisations for their respective sports, and they organise associations and stakeholders within trotting and thoroughbred racing.

Annual General Meeting

The Annual General Meeting (AGM) is the company’s highest decision-making body, through which the shareholders exercise their influence over the company. The AGM’s most important tasks include adopting the company’s balance sheet and income statement, deciding on the

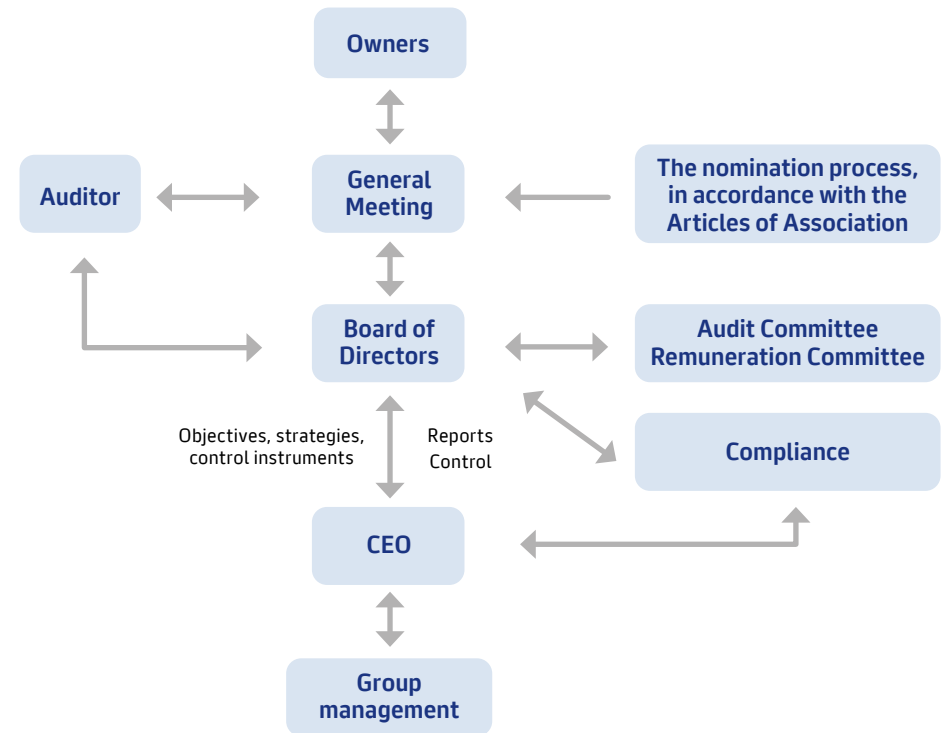
allocation of profits and whether to discharge the Board and CEO from liability, the election of Board members and auditors and the remuneration of Board members and auditors.

2022 AGM

The most recent AGM was held on 7 June 2022 at Solvalla in Stockholm, Sweden. The Meeting was attended by representatives of the owners, who accounted for 100 per cent of the votes and the capital. At the proposal of the owners and the government, the AGM re-elected board members Agneta Gille, Urban Karlström, Anders Källström, Anders Lilius, Birgitta Losman, Bo Netz, Mats Norberg, Susanna Rystedt and Johan Carlson as well as elected Boris Lennerhov and Kerstin Peterson-Brodda as new Board members. The company’s trade union Unionen is represented on the Board by Marianne Martinsson as an ordinary member, with Christer Utterberg as deputy, and Akademikerförbundet is represented by Fabian Rivière as deputy.

Bo Netz was elected Chairman of the Board and Anders Källström was elected Deputy Chairman. The AGM resolved to pay Board fees of SEK 350,000 to the Chairman, SEK 220,000 to the Deputy Chairman and SEK 160,000 to each member not employed by the company. In addition, a fee of SEK 2,500 is to be paid per member for each extraordinary meeting. A fee of SEK 30,000 is payable to Chair Susanna Rystedt and to Mats Norberg for membership of the Audit Committee. A fee of SEK 10,000 is payable to the Chair of the Remuneration Committee, Bo Netz. No fee is payable to the employee representatives.

CORPORATE GOVERNANCE



- External control instruments**
- Swedish Companies Act
 - Swedish Annual Accounts Act
 - Agreement between the owners and the State
 - Swedish Code of Corporate Governance

- Internal control instruments**
- Articles of Association
 - The Board’s rules of procedure
 - CEO instruction
 - Operational instruction
 - Policies (such as Internal Control Policy)

- Code of Conduct for suppliers and employees
- Instructions
- Objectives and strategies
- Process descriptions
- Handbooks

The AGM adopted the 2021 income statement and balance sheet and the allocation of profit for the year and retained earnings, in accordance with the Board's proposals. The AGM also discharged the Board members from liability for their administration in 2021.

Extraordinary General Meeting

An Extraordinary General Meeting was conducted per capsulam on 21 September 2022 at which new Articles of Association were adopted. The new Articles of Association include provisions pertaining to classes of shares, see page 51.

Corporate governance model

ATG's operations are governed, managed and monitored in accordance with policies and instructions adopted by the Board and the CEO.

2023 AGM

The AGM for the 2022 financial year will be held at the company's premises in Hästsportens Hus, Solvalla, Stockholm, Sweden on 7 June 2023. The Annual Report will be available from 23 March 2023 on the company's website: atg.se

Nomination process

ATG does not have a nomination committee, which is a deviation from the Code. The process described in Section 5 of the Articles of Association is a substitute for the nomination committee function. Shareholder representatives at the AGM are appointed by each owner's Board. The Board submits proposals for:

- Chairman of the AGM.
- Election of auditor and deputy auditor (when applicable).

Four members are nominated to represent the Swedish Trotting Association (ST), one member is nominated to represent the Swedish Jockey Club (SG) and six members are nominated to represent the government. The government also appoints the Chairman of the company. In addition, the company's trade union organisations nominate one member and two deputies. In 2022, 42 per cent of the ordinary members of the Board of ATG were women and 58 per cent were men.

Board of Directors

Responsibilities of the Board of Directors

ATG's Board is responsible for the company's organisation and for management of the company's affairs, such as the company's business focus and opportunities, risks including sustainability topics and how the risks impact business opportunities, follow-up and capital structure. The Board is also responsible for preparing and evaluating overall and long-term strategies and objectives; determining the budget, business plans and financial statements; and making decisions on issues concerning major investments and significant changes to ATG's organisation and operations. The Board must ensure that there are appropriate systems in place for the follow-up and control of the company's operations and its risks. The Board adopts overarching instructions, including written rules of procedure at the statutory Board meeting, which regulate matters such as the division of work between the Board and the CEO. The Board appoints the CEO and Group President, and adopts the CEO's instructions. The Board determines the salary and remuneration



paid to the CEO. The Board proposes the election of auditor and audit fee to the AGM, and the Audit Committee is responsible for ongoing contact with the company's auditor. The Board must always promote the interests of the company and all of its shareholders and work to uphold the agreement between the owners and State. While the Board is empowered to delegate tasks, it always has ultimate responsibility for the company's organisation and management, and for control of the company's financial position.

Composition of the Board

ATG's Board comprises 12 ordinary members and two deputies; five members are appointed by the owners, six by the government and one ordinary member and two deputies by the local branches of the Unionen and Akademikerförbundet trade unions. The CEO is not a member of the Board. Instead the CEO participates to give reports. Other officials of the Group also participate in a reporting function both continuously and as needed. For a more detailed description of Board members, see page 57.

The Swedish government has a controlling influence over the work of the Board since the Chairman of the Board has the casting vote in the event of a tied vote.

Chairman of the Board's responsibilities

The Chairman of the Board, who is appointed by the government, has a special responsibility for ensuring that the work of the Board is conducted efficiently and is well organised. The Chairman directs the Board's work and monitors the operations in dialogue with the CEO. The Chairman is responsible for ensuring that other members receive adequate information and decision support and the necessary training. The Chairman coordinates the annual evaluation of the Board's and the CEO's performance. The evaluation, which takes the form of a written questionnaire, is compiled and presented at the following Board meeting.

Bo Netz has been Chairman of the Board since the 2018 AGM. He has been a Board member since 2011.

The Board's work in 2022

During the 2022 financial year, the Board held 11 ordinary meetings, including one statutory meeting, and five extraordinary meetings. At these meetings, the Board addressed and made decisions on issues related to licence and regulatory issues, the prioritisation of risks including sustainability risks, other sustainability topics with a substantial focus on responsible gambling, business conditions, market conditions, financial reporting, the budget, forecasts and projects. It also analysed and approved overall strategic

issues including the company's focus, product range, competitive environment and growth opportunities. The CEO, CFO, CEO of the Swedish Trotting Association and CEO of the Swedish Jockey Club present reports at all Board meetings, except in the case of issues concerning evaluation of the Board's and the CEO's administration and the remuneration of senior executives. The CFO is also the Secretary of the Board.

Department heads and other responsible senior executives attended several Board meetings during the year.

In October 2021, Marcus Persson stepped down from the Board and also from the Board of the Swedish Trotting Association. This meant the Board was not at full strength until the AGM on 7 June 2022.

Committees

The Board has established two committees from among its members, an Audit Committee and a Remuneration Committee.

Audit Committee

The Audit Committee's assignments are described in the Instruction for the Audit Committee. The Audit Committee is responsible for preparing the work of the Board in quality assurance of the Group's financial reporting, monitoring the efficiency of internal control and risk management. In addition, the Committee maintains a dialogue with, and informs the Board about, the external auditors' work and conclusions of the audit, and submits recommendations to the Board's proposal to the AGM on the election of the audit firm.

The Audit Committee consists of two members, who are elected annually by the Board at the statutory meeting. At the 2022 AGM, Susanna Rystedt was re-elected as the Chairman and Mats Norberg as a member of the Committee, both members have relevant qualifications and experience for the assignment. The Audit Committee held seven meetings during the year. During the year, the company's external auditor participated in the Committee's meetings on every occasion. The CFO participates in a reporting function in the Committee's meetings. The Chief accounting officer is secretary of the meetings. In addition, other representatives from the organisation participated in a reporting function when necessary. After every meeting, the Audit Committee reports to the entire Board.

In 2021, the Audit Committee completed the procurement of auditing services for the Group.

Remuneration Committee

The Remuneration Committee's assignments are described in the Instruction for the Remuneration Committee. The Remuneration Committee consists of two members, who are elected annually by the Board at the statutory meeting. At the 2022 AGM, Bo Netz was re-elected Chairman and Anders Källström was elected as a new Committee member. The CEO participates in a reporting function and the CFO as secretary in committee meetings. The Remuneration Committee is responsible for preparing and recommending the CEO's terms and conditions, including salary for decision by the Board, for consulting with the CEO on the terms and conditions for the CEO's immediate subordinates,

including salary, appointment and dismissal, and preparing and evaluating guidelines for remuneration of senior executives. The Remuneration Committee held two meetings during the year and reported each meeting to the Board.

Group Management

In addition to the CEO, Group Management consists of the people appointed by the CEO. Management serves as a sounding board for the CEO and manages overall operational, development and policy issues in the Group. The management holds minuted meetings at least every other week.

CEO and Group President

The CEO, who is also Group President, directs the operations within the parameters set by the Board. The CEO provides information and decision-making support in order to present a fair and accurate view of the Group to Board meetings. The CEO or CEO's representative is the Board's secretary. The CEO keeps the Board and the Chairman continuously informed of the company's financial position and performance. The Board evaluates the CEO's work methods and performance annually.

Compliance

The Compliance function is responsible for identifying, evaluating, reviewing and reporting compliance risks in ATG's operations. The Compliance function is independent in relation to the company's ongoing operations. The function works on assignment from the CEO and the Board and presents a written report on

BOARD OF DIRECTORS – COMPOSITION AND ATTENDANCE

Member	Elected	Position	Attendance	Independent to the company and executive management	Independent in relation to the owner
Bo Netz	2011	Chairman of the Board	16/16	Yes	Yes
Marjaana Alaviuhkola*	2014	Deputy Chairman	6/6	Yes	No
Johan Carlson	2021	Member	14/16	Yes	Yes
Anders Källström	2019	Deputy Chairman**	16/16	Yes	No
Boris Lennerhov***	2022	Member	10/10	Yes	Yes
Agneta Gille	2018	Member	15/16	Yes	Yes
Anders Lilius	2020	Member	14/16	Yes	No
Urban Karlström	2018	Member	15/16	Yes	Yes
Birgitta Losman	2018	Member	16/16	Yes	Yes
Mats Norberg	2017	Member	16/16	Yes	Yes
Kerstin Peterson-Brodda***	2022	Member	10/10	Yes	No
Susanna Rystedt	2009	Member	16/16	Yes	Yes
Employee representative					
Marianne Martinsson	2010	Member	15/16	Yes	Yes
Fabian Rivière	2013	Deputy Board member	12/14	Yes	Yes
Christer Utterberg	2017	Deputy Board member	10/14	Yes	Yes

* Stepped down at the AGM on 7 June 2022

** New position 7 June 2022

*** Elected at the AGM on 7 June 2022

its work ahead of each Board meeting. Its work is conducted proactively and on the basis of information, support, control and monitoring in particular in the areas of consumer protection, market conduct, money laundering, GDPR and licencing and supervision. The aim is to ensure that the company's operations comply with regulations and that public confidence in the operations is upheld and strengthened.

Auditors

The 2022 AGM appointed the accounting firm Ernst & Young AB with Mikael Sjölander as auditor-in-charge for a period of one year. Mikael Sjölander, who is an authorised public accountant and partner at Ernst & Young, replaces Åsa Lundvall, also from Ernst & Young. ATG has established that Mikael Sjölander has no relationships with ATG or related companies that could affect the auditor's independence in relation to the company and he is considered to have the requisite competence to perform the assignment. During the year, Åsa Lundvall, Mikael Sjölander or the assistant auditor participated in every meeting of the Audit Committee and at one Board meeting as well as presented written audit reports on two occasions. The auditor has also met the Board without the presence of Group Management.

Internal control and risk management

The Board is responsible for internal control, which is regulated in the Swedish Companies Act and the Swedish Code of Corporate Governance. The Group's risk management and internal control is based on the COSO Internal Control – Integrated Framework 2013.

The COSO framework as method and model promotes achievement of the goals of 1) operational efficiency, 2) reliability in financial reporting 3) compliance with applicable laws and regulations. COSO is based on five components: control environment, risk assessment, control activities, information and communication as well as monitoring activities. The components are to form the basis of and promote an effective control environment.

Control environment

The Board annually adopts governing documents that form the basis of and promote an effective control environment. Within ATG, there are instructions, policies, the Code of Conduct for suppliers, process descriptions and handbooks adopted by the Board and the CEO, as well as by ATG's Management Group. These documents, together with ATG's process-oriented working approach, ensure efficient operations characterised by sound internal controls, as well as reliable financial reporting.

In addition to governing documents, the control environment also includes the Board's and management's signals and messages in the area.

Furthermore, the Board's work is intended to ensure that the organisation is structured and transparent in respect of the allocation of responsibility and processes that promote effective management of operational risks and enable the fulfilment of objectives. The control environment is to be permeated by the company's values in compliance with laws and regulations and that the company acts in a confidence-building and responsible manner.

Endeavours to enhance efficiency and develop processes and checks remains a work in progress to ensure sound internal controls.

Risk management

Each year, the Board decides on the Group's risk appetite. The risk appetite is updated annually to act as a governing parameter for the Group's risk management and in business planning work. ATG's risk management is built on identifying potential risks in ample time and ensuring that processes and procedures exist to prevent and rectify problems in operations. This work is to be systematic, targeted and use a risk-based approach. At ATG, risk assessment is designed to identify and evaluate significant risks that could impact the Group's opportunities to meet set targets for operations.

In the event of material changes in risks, ongoing measures are presented by the respective risk owner. Risk management is an integrated part of the company's operations. Risk assessment and risk management is conducted within the framework for operating activities.

Information and communication

The Group's governing documentation in the form of instructions, policies and manuals are continuously updated and communicated via the intranet, internal meetings and other internal communication. The CEO is responsible for ensuring that the Board's instructions are disseminated in the organisation. The CEO is also responsible for reporting to the Board in accordance with the Board's rules of procedure and the CEO's instructions.

Control activities related to financial reporting

The material risks regarding financial reporting are managed through control activities for each main process. Its purpose is to prevent, detect and correct any shortcomings or deviations in the financial reporting and to prevent irregularities from occurring. In connection with shortcomings, action plans are continuously reported to the Board, the Audit Committee and Group Management. One important element in ATG's control environment related to access management and change management is general IT controls.

Every month, documented processes are followed using systematic key controls to verify the quality of financial reporting.

Monitoring activities

The Board continuously keeps abreast of ATG's financial reporting in order to monitor target fulfilment and the action plans implemented. In conjunction with the Group's business planning work, the Board prioritises the most significant risks as identified by management. The Group's business plan includes a plan for risk management in the years ahead.

To safeguard and develop internal governance and control, ATG also works proactively with risk management, internal governance and internal control. Risk management is an integrated part of operations and prioritised risks are monitored during the year. The monitoring of financial reporting includes random inspections and self-assessments of the processes involved and of general IT controls.

Recommendations from external auditors who perform independent examinations of internal



controls are reported to management and the Board. These recommendations are monitored, and measures to control any risks are implemented if necessary.

Internal audit

The Board's annual assessment of the need for an internal audit led to the decision as things stand today, to not establish an internal function for this. This decision reflects the fact that the Group is following its established plan to develop internal controls and that it is clear what needs to be improved and developed in the next year.

The Board also resolved to instruct the Audit Committee to regularly consider the need for an independent examination of various areas.

One such examination was conducted during the year with regard to the framework for internal governance and control.

In respect of internal control and reporting of suspicious transactions in accordance with the Act on Measures to Prevent Money Laundering and the Financing of Terrorism (2017:630), the Gambling Act (2018:1138) as well as the Swedish Gambling Authority's regulations on Measures to Prevent Money Laundering and the Financing of Terrorism (LIFS 2018:11), ATG will continue to commission an external party to perform the duties of the independent examination function every year.

Stockholm, 16 March 2023
Board of Directors

BOARD OF DIRECTORS

ATG's Board of Directors is to comprise six members appointed by the State, five members appointed by the trotting and thoroughbred racing, one employee representative and two deputy employee representatives.



BO NETZ

Position: Chairman of the Board (State representative)

Elected: 2011

Born: 1962

Education: Economics degree

Other assignments: Senior Advisor to the Swedish Transport Administration, Chairman of Svenska Kraftnät and Board member of Swedish International Development Cooperation Agency

Background: Swedish International Development Cooperation Agency, Swedish Government Offices and Swedish National Audit Office



ANDERS KÄLLSTRÖM

Position: Deputy Chairman (the Swedish Trotting Association representative)

Elected: 2019

Born: 1959

Education: University degree Communication Programme

Other assignments: Chairman Swedish Trotting Association, High Coast Distillery AB, Setra Group AB and Agrostar/Biototal AB

Background: President and CEO of LRF, President and CEO of Allehanda Media and Municipal Commissioner Örnsköldsvik



JOHAN CARLSON

Position: Board member (State representative)

Elected: 2021

Born: 1954

Education: Physician and doctoral-level researcher in infectious diseases

Other assignments: Director General of the Public Health Agency of Sweden (until 31 Oct 2021), Board member of Systembolaget

Background: Clinical physician, post-graduate studies, National expert at the European Commission, Department Head at the National Board of Health and Welfare and Director General of the Swedish Institute for Communicable Disease Control



AGNETA GILLE

Position: Board member (State representative)

Elected: 2018

Born: 1956

Education: Child care attendant and leadership courses

Other assignments: Chairman of Uppsala City Theatre, Member of Uppsala City Council, Board assignments, Nomination Committee member of Systembolaget

Background: Child care attendant, Ombudsman, Deputy Party Secretary, Member of Parliament



URBAN KARLSTRÖM

Position: Board member (State representative)

Elected: 2018

Born: 1953

Education: Economics degree

Other assignments: Self-employed **Background:** Director General of the Swedish Fortifications Agency, among other assignments



BORIS LENNERHOV

Position: Board member (the Swedish Trotting Association representative)

Elected: 2022

Born: 1955

Education: Upper-secondary school studies in accounting and AMP program at Harvard Business School, Boston, USA

Other assignments: Chairman of Gekås AB Ullared, Hembergs AB Halmstad, Fastighetsbolaget Casmé Halmstad, Vesterhavsggruppen AB in Falkenberg, and others

Background: Several CEO roles and President and CEO of Gekås AB Ullared



ANDERS LILIUS

Position: Board member (thoroughbred racing representative)

Elected: 2020

Born: 1953

Education: Hotel management degree in Finland and France, courses at the Stockholm School of Economics

Other assignments: Premarin AB (Finland), Logonet Promotion AB (Finland)

Background: Hospitality industry



BIRGITTA LOSMAN

Position: Board member (State representative)

Elected: 2018

Born: 1972

Education: Peace and development research

Other assignments: Sustainability strategist at the University of Borås, government investigator and expert under the Delegationen för cirkulär ekonomi

Background: Regional advisor (industry and commerce), Board member of the Swedish Association of Local Authorities and Regions, international aid work, self-employed, commitments in horse riding



MARIANNE MARTINSSON

Position: Board member (employee representative)

Elected: 2010

Born: 1960

Education: Upper-secondary school studies in accounting

Other assignments: Accountant at ATG and Chairman of local branch of Unionen

Background: Accountant at TietoE-nator, Programmera AB and Sandrew Metronome



MATS NORBERG

Position: Board member (the Swedish Trotting Association representative)

Elected: 2017

Born: 1965

Education: Upper-secondary school studies in accounting

Other assignments: Self-employed

Background: Business consultant specialised in the equine sector. Various assignments involving trotting and horse ownership, and breeder



KERSTIN PETERSON-BRODDA

Position: Board member (the Swedish Trotting Association representative)

Elected: 2022

Born: 1951

Education: Pre-school teacher, head teacher training, labour law, etc.

Other assignments: Board member of the Swedish Trotting Association and Flyinge/Strömsholm national equine centres and Chairman of Skånska Travskällskapet

Background: Horse owner and breeder



SUSANNA RYSTED

Position: Board member (State representative)

Elected: 2009

Born: 1964

Education: Business administration graduate

Other assignments: Chief Administrative Officer at AB Svensk Exportkredit

Background: Various positions at SEB, including Corporate Finance and as IT Manager at SEB Trygg Liv



FABIAN RIVIÈRE

Position: Deputy Board member (employee representative)

Elected: 2013

Born: 1965

Education: Bachelor's degree in computer and systems science

Other assignments: System Developer at ATG, shop steward at the Akademikerförbundet trade union at ATG and Kanal75

Background: System development at ATG and Unit Manager at Provobis



CHRISTER UTTERBERG

Position: Deputy Board member (employee representative)

Elected: 2017

Born: 1971

Education: Degree in Systems Science

Other assignments: Web developer at ATG, Shop steward of local branch of Unionen

Background: Web and system developer at Framfab, Volkswagen Sweden, Mandator and Ongame/Bwin

GROUP MANAGEMENT



HANS LORD SKARPLÖTH

Position: CEO

Employed: 2013

Born: 1972

Education: Bachelor's degree in accounting and bachelor's degree in commercial law from Mälardalen University College

Other assignments: Chairman of WoTA (World Tote Association), Board member of SPER, and Chairman of Kanal 75 AB and 25sylv

Background: Sales Director and CEO of Viasat Sweden, Head of Viasat Nordics, other roles within MTG/Viasat. Business Development Manager, Sales Director and other roles within Volvo Construction Equipment and Philip Morris



PATRIK BRISSMAN

Position: Chief Corporate Communications Officer

Employed: 2013

Born: 1964

Education: Upper-secondary school education, three-year accounting programme

Other assignments: No
Background: Journalist, Sports Editor at Expressen, Editor-in-Chief and Head of Editorial Staff at Golf Digest, Information Manager and Project Manager at TV3, Partner and Project Manager at OTW



CARIN KAPPE

Position: Chief Compliance Officer

Employed: 2016

Born: 1964

Education: Master of laws, Stockholm University

Other assignments: No
Background: Unit Manager, Swedish Consumer Agency, Specialist, Ministry of Agriculture, Unit and Department Head, Swedish Gambling Authority, Under-secretary, Ministry of Finance



MAGNUS LUNNER

Position: Chief Security and Quality Officer

Employed: 2000

Born: 1961

Education: The National Swedish Police College (Sörentorp, Solna), business administration graduate (Uppsala University)

Other assignments: No
Background: Police officer, Information Security Manager, Security Manager



TOBIAS MELIN

Position: Chief Analysis Officer

Employed: 2014

Born: 1971

Education: Master's degree in statistics and economics, Örebro University

Other assignments: No
Background: Head of the analysis section at ATG. Previously analyst at Svenska Spel and Reader's Digest



LOTTA NILSSON VIITALA

Position: Chief Financial Officer

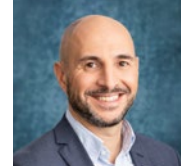
Employed: 2014

Born: 1971

Education: Business administration graduate from Uppsala University

Other assignments: Board member of Z5sylv and deputy Board member of Kanal 75 AB

Background: CFO of Poolia and Taxi 020 (currently Sverigetaxi), Management Consultant at Connecta, self-employed and various Board assignments



DANIEL SANTIKOS

Position: Chief Information Officer

Employed: 2018

Born: 1974

Education: MSc, Software engineering, KTH Royal Institute of Technology

Other assignments: No
Background: Head of IT Operations at ATG, management roles in IT development and operations at organisations including Cygate Telia and Rikspolisstyrelsen



PER TELLANDER

Position: CEO of Kanal 75

Employed: 2014

Born: 1967

Education: Economics and journalism at IFS, the Stockholm School of Economics
Other assignments: Deputy Board member of Green Squid Sthlm AB

Background: Management positions at MTG and SBS. Product development and other roles at Svenska Spel



KATARINA WIDMAN

Position: Chief Commercial Officer

Employed: 2014

Born: 1978

Education: Business administration graduate from the Stockholm School of Economics

Other assignments: Board Member of NF11 Holding AB and deputy Board member of PackMaster Sweden AB

Background: Head of Global Marketing, SAS. Management positions within marketing and sales at Viasat/MTG. Marketing Manager Sweden, Norwegian. Product Manager, L'Oréal Sweden



6

Financial statements

FINANCIAL STATEMENTS

Consolidated statement of comprehensive income

AMOUNTS IN MSEK	Note	2022	2021
Net gambling revenue	2	5,224	5,256
Agent revenue		234	253
Other revenue	3, 8	584	607
Total revenue		6,042	6,116
Gambling tax		-1,072	-1,061
Capitalised work for own account		65	69
Personnel expenses	4	-529	-495
Other external expenses	5, 8, 16	-2,509	-2,403
Other operating expenses		-7	-4
Depreciation, amortisation and impairment of PPE and intangible assets	9, 11	-304	-302
Operating profit		1,686	1,920
Financial income	6, 8	27	17
Financial expenses	6, 16	-4	-16
Profit from financial items		23	1
Profit before tax		1,709	1,921
Income tax ¹⁾	7	-357	-400
Profit for the year²⁾		1,352	1,521

AMOUNTS IN MSEK	Note	2022	2021
<i>Items that may be transferred to profit for the year</i>			
Translation differences, foreign subsidiaries		-3	-1
Other comprehensive income		-3	-1
Comprehensive income for the year²⁾		1,349	1,520
Earnings per share for the year, SEK			
Before and after dilution ³⁾		3,380	3,803
Number of shares, thousand			
Average number of shares outstanding		400	400

1) In accordance with IFRS, Group contributions paid of MSEK -1,631 (-1,705) and the associated tax effect of MSEK +336 (+351) were recognised in the consolidated statement of changes in equity. Net tax expense including this item therefore amounts to MSEK -21 (-49).

2) The profit for the year and the comprehensive income for the year are attributable in their entirety to the Parent Company's owners.

3) No dilution occurred during the reporting period.

Consolidated statement of financial position

<i>AMOUNTS IN MSEK</i>	<i>Note</i>	<i>2022</i>	<i>2021</i>
ASSETS			
Fixed assets			
Goodwill	9	35	32
Product brands	9	27	29
Other intangible assets	9	791	810
Property, plant and equipment	11, 16	392	418
Other long-term receivables	10	109	68
Deferred tax assets	7	-	-
Total fixed assets		1,354	1,357
Current assets			
Accounts receivable	12, 13	34	49
Receivables from Group companies	8, 13	23	14
Current tax receivable		27	-
Other receivables	13, 14	255	351
Prepaid expenses and accrued income	15	84	74
Cash and cash equivalents	13, 17	866	886
Total current assets		1,289	1,374
TOTAL ASSETS		2,643	2,731

<i>AMOUNTS IN MSEK</i>	<i>Note</i>	<i>2022</i>	<i>2021</i>
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders	18		
Share capital		40	40
Other contributed capital		-40	-40
Retained earnings, including profit for the year		946	1,042
Total shareholders' equity		946	1,042
Long-term liabilities			
Liabilities to credit institutions	13, 19	399	398
Lease liabilities	13, 19	72	79
Deferred tax liabilities	7	0	0
Other provisions	22	-	-
Total long-term liabilities		471	477
Current liabilities			
Liabilities to credit institutions	13	-	-
Lease liabilities	13, 16	11	12
Accounts payable	13	216	74
Liabilities to Group companies	13, 8	160	131
Liabilities, account customers	13	490	586
Current tax liabilities		0	4
Other current liabilities	13, 20	243	313
Accrued expenses and deferred income	21	106	92
Total current liabilities		1,226	1,212
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		2,643	2,731

Consolidated statement of changes in equity

AMOUNTS IN MSEK	<i>Share capital</i>	<i>Other contributed capital</i>	<i>Retained earnings</i>	<i>Translation reserve</i>	<i>Equity attributable to Parent Company shareholders</i>
Shareholders' equity, 1 January 2021	40	-40	849	1	850
Profit for the year			1,521		1,521
<i>Other comprehensive income</i>					
Translation differences, foreign subsidiaries				-1	-1
<i>Transactions with owners</i>					
Group contributions paid			-1,705		-1,705
Tax effect of Group contributions ¹⁾			551		551
Dividend			-174		-174
Shareholders' equity, 31 December 2021	40	-40	1,042	0	1,042

AMOUNTS IN MSEK	<i>Share capital</i>	<i>Other contributed capital</i>	<i>Retained earnings</i>	<i>Translation reserve</i>	<i>Equity attributable to Parent Company shareholders</i>
Shareholders' equity, 1 January 2022	40	-40	1,042	0	1,042
Profit for the year			1,352		1,352
<i>Other comprehensive income</i>					
Translation differences, foreign subsidiaries				-3	-3
<i>Transactions with owners</i>					
Group contributions paid			-1,631		-1,631
Tax effect of Group contributions			336		336
Dividend			-150		-150
Shareholders' equity, 31 December 2022	40	-40	949	-3	946

1) Of which MSEK 200 pertains to reversal of previous provisions for tax on Group contributions in 2019. For further information, refer to Note 7 in the Annual Report.

Consolidated statement of cash flow

AMOUNTS IN MSEK	Note	2022	2021
Operating activities			
Operating profit		1,686	1,920
<i>Adjustments for non-cash items</i>			
Depreciation, amortisation and impairment of PPE and intangible assets	9, 11	304	302
Other items		0	3
Interest received	6	27	15
Interest paid	6	-13	-17
Income tax paid	7	-52	-189
Cash flow from operating activities before changes in working capital		1,952	2,034
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in operating receivables		58	55
Increase (+)/Decrease (-) in operating liabilities		0	11
Cash flow from operating activities		2,010	2,100
Investing activities			
Investments in intangible assets	9	-181	-190
Investments in PPE	11	-74	-55
Decrease/increase in long-term receivables	10	1	1

AMOUNTS IN MSEK	Note	2022	2021
Cash flow from investing activities		-254	-244
Financing activities	19		
Loans raised	13, 16, 19	4	403
Repayment of loans	13, 16, 19	-12	-1,100
Loans to shareholders and Group contributions		-1,768	-1,672
Cash flow from financing activities		-1,776	-2,369
Cash flow for the year		-20	-513
Opening cash and cash equivalents		886	1,399
Exchange-rate difference in cash and cash equivalents		0	0
Cash flow for the year		-20	-513
Closing cash and cash equivalents ¹⁾	17	866	886

1) Of closing cash and cash equivalents, MSEK 460 (502) derived from funds held in trust that belong to account customers.

Parent Company income statement

<i>AMOUNTS IN MSEK</i>	<i>Note</i>	<i>2022</i>	<i>2021</i>
Net gambling revenue	2	4,941	5,061
Agent revenue		234	253
Other revenue	3	496	507
Total revenue		5,671	5,821
Gambling tax		-985	-1,002
Capitalised work for own account		65	69
Personnel expenses	4	-438	-415
Other external expenses	5, 8	-2,353	-2,296
Other operating expenses		-5	-4
Depreciation, amortisation and impairment of PPE and intangible assets	9, 11	-267	-244
Operating profit		1,688	1,929
Financial income	6, 8	30	16
Financial expenses	6	-10	-12
Profit from financial items		20	4

<i>AMOUNTS IN MSEK</i>	<i>Note</i>	<i>2022</i>	<i>2021</i>
Profit before appropriations and tax		1,708	1,933
Group contributions paid		-1,631	-1705
Profit before tax		77	228
Income tax ¹⁾	7	-21	152
Profit for the year		56	380

The Parent Company had no items in 2022 or 2021 that were recognised in other comprehensive income. Profit for the year for the Parent Company is thus the same as comprehensive income for the year. Accordingly, the Parent Company is not presenting a separate "Statement of comprehensive income."

1) Of income tax reported for the year, MSEK 0 (+200) pertains to the reversal of previous provisions for tax on Group contributions in 2019. For more information, refer to Note 7.

Parent Company balance sheet

<i>AMOUNTS IN MSEK</i>	<i>Note</i>	<i>2022</i>	<i>2021</i>
ASSETS			
Fixed assets			
Intangible assets	9	780	796
Property, plant and equipment	11	269	291
Participations in Group companies	24	79	79
Other long-term receivables	10, 13	208	175
Total fixed assets		1,336	1,341
Current assets			
Accounts receivable	12, 13	32	42
Receivables from Group companies	8, 13	30	42
Current tax receivable		27	-
Other receivables	13, 14	242	337
Prepaid expenses and accrued income	15	83	73
Cash and bank balances	13, 17	851	873
Total current assets		1,265	1,367
TOTAL ASSETS		2,601	2,708

<i>AMOUNTS IN MSEK</i>	<i>Note</i>	<i>2022</i>	<i>2021</i>
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	18		
<i>Restricted equity</i>			
Share capital		40	40
Statutory reserve		8	8
Development costs reserve		759	755
		807	803
<i>Non-restricted equity</i>			
Retained earnings		203	-23
Profit for the year		56	380
		259	357
Total shareholders' equity		1,066	1,160
Provisions	22	-	-
Long-term liabilities			
Liabilities to credit institutions	13, 19	399	398
Total long-term liabilities		399	398
Current liabilities			
Liabilities to credit institutions	13, 19	-	-
Accounts payable	13	175	53
Liabilities to Group companies	13	186	145
Liabilities, account customers	13	478	579
Current tax liabilities	7	-	3
Other current liabilities	13, 20	221	293
Accrued expenses and deferred income	21	76	77
Total current liabilities		1,136	1,150
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		2,601	2,708

Parent Company statement of changes in equity

<i>AMOUNTS IN MSEK</i>	<i>RESTRICTED EQUITY</i>			<i>NON-RESTRICTED EQUITY</i>	
	<i>Share capital (400,000 shares)</i>	<i>Statutory reserve</i>	<i>Development costs reserve</i>	<i>Retained earnings, includ- ing profit for the year</i>	<i>Total shareholders' equity</i>
Shareholders' equity, 1 January 2021	40	8	714	193	955
Profit for the year				380	380
The year's provision to the development costs reserve			184	-184	-
The year's reversal of the development costs reserve			-143	143	-
Dividend				-174	-174
Shareholders' equity, 31 December 2021	40	8	755	357	1,160

<i>AMOUNTS IN MSEK</i>	<i>RESTRICTED EQUITY</i>			<i>NON-RESTRICTED EQUITY</i>	
	<i>Share capital (400,000 shares)</i>	<i>Statutory reserve</i>	<i>Development costs reserve</i>	<i>Retained earnings, includ- ing profit for the year</i>	<i>Total shareholders' equity</i>
Shareholders' equity, 1 January 2022	40	8	755	357	1,160
Profit for the year				56	56
The year's provision to the development costs reserve			176	-176	-
The year's reversal of the development costs reserve			-172	172	-
Dividend				-150	-150
Shareholders' equity, 31 December 2022	40	8	759	259	1,066

Parent Company cash-flow statement

AMOUNTS IN MSEK	Note	2022	2021
Operating activities			
Operating profit		1,688	1,929
<i>Adjustments for non-cash items</i>			
Depreciation, amortisation and impairment of PPE and intangible assets	9, 11	267	244
Other items		0	2
Interest received	6	30	16
Interest paid	6	-11	-14
Income tax paid	7	-51	-189
Cash flow from operating activities before changes in working capital		1,923	1,988
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in operating receivables		82	50
Increase (+)/Decrease (-) in operating liabilities		-31	24
Cash flow from operating activities		1,974	2,062
Investing activities			
Investments in intangible assets	9	-179	-190
Investments in PPE	11	-50	-44
Increase (-)/Decrease (+) in long-term receivables	10	1	1

AMOUNTS IN MSEK	Note	2022	2021
Cash flow from investing activities			
		-228	-233
Financing activities			
Loans raised	19	-	400
Repayment of loans	19	-	-1,075
Loans to shareholders, Group contributions and dividend		-1,768	-1,672
Cash flow from financing activities		-1,768	-2,347
Cash flow for the year			
		-22	-518
Opening cash and cash equivalents			
		873	1,391
Exchange-rate difference in cash and cash equivalents		0	0
Cash flow for the year		-22	-518
Closing cash and cash equivalents ¹⁾	17	851	873

1) Of closing cash and cash equivalents, MSEK 449 (494) derived from funds held in trust that belong to account customers.

NOTE 1 ACCOUNTING POLICIES

GENERAL INFORMATION

The Annual Report and the consolidated financial statements were approved for publication by the Board of Directors on 16 March 2023 and will be presented for adoption to the Annual General Meeting in June 2023. Aktiebolaget Trav och Galopp (ATG), company registration number 556180-4161, is the Parent Company of the ATG Group. ATG has its registered office in Stockholm, under the address SE-161 89 Stockholm.

The operations of the Parent Company ATG intend to safeguard the long-term development of trotting and thoroughbred racing through a responsible gambling offering of horse betting, sport betting and casino games. The mission has been formulated by the company's owner, trotting and thoroughbred racetracks, and the State, which regulates the company's operations.

The Group comprises the Parent Company Aktiebolaget Trav och Galopp (556180-4161), the wholly owned subsidiary Kanal 75 AB (556578-3965) and the wholly owned 25syv Group with its Parent Company 25syv Group A/S (30556372), with the wholly owned subsidiaries 25syv A/S (30897765) and Ecosys Ltd (C53354).

The Swedish Trotting Association (802003-5575) owns 90 per cent of ATG. The remainder is owned by the Swedish Jockey Club (802001-1725).

Functional currency, amounts and dates

The Parent Company's functional currency is the Swedish krona (SEK), which is also the presentation currency for the Group. Amounts are stated in millions of Swedish kronor (MSEK), unless otherwise stated. Amounts within parentheses pertain to the preceding year. The statement of comprehensive income (income statement) refers to the 1 January to 31 December period and the statement of financial position (balance sheet) to 31 December.

COMPLIANCE WITH REGULATIONS AND STANDARDS

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the interpretations of the IFRS Interpretations Committee (IFRIC) as adopted by the EU, apart from the exceptions stated below.

Moreover, the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 1 "Supplementary Accounting Rules for Groups" have also been applied.

The Parent Company applies RFR 2, "Accounting for Legal Entities" and the Annual Accounts Act.

In cases where the Parent Company's accounting policies differ from those of the Group, this is specified separately at the end of this note.

NEW AND AMENDED ACCOUNTING POLICIES

No new or amended standards, and interpretations of existing standards, have to be applied for the first time for financial years beginning on 1 January 2022 and are relevant to the Group.

NEW AND AMENDED ACCOUNTING POLICIES NOT YET APPLIED

As of 1 January 2023, amendments to IAS 12 Income Taxes will be applied, which require the company to recognise deferred tax on transactions which on initial recognition give rise to equal amounts of taxable and deductible temporary differences. For the Group, the amendments will apply to recognition of leases. The amendment will be applicable as of 1 January 2023 when the accumulated effect of these adjustments totalling MSEK 1 will be recognised in retained earnings in shareholders' equity.

Basis for preparing the financial statements

The consolidated financial statements have been prepared using the cost method with the exception of derivatives, which have been recognised at fair value.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements encompass the Parent Company Aktiebolaget Trav och Galopp (556180-4161), the wholly owned subsidiary Kanal 75 AB (556578-3965) and the wholly owned 25syv Group with its Parent Company 25syv Group A/S (30556372), with the wholly owned subsidiaries 25syv A/S (30897765) and Ecosys Ltd (C53354).

Subsidiaries are included in the consolidated financial statements from the date on which the controlling influence is transferred to the Group. They are eliminated from the consolidated accounts as of the date the controlling influence ceases.

When preparing the consolidated financial statements, the financial statements of the Parent Company and its subsidiaries are merged item by item by means of a compilation of corresponding items for assets, liabilities, shareholders' equity, revenues and costs. To ensure that the consolidated financial statements are able to contain financial information about the Group as a financial entity, necessary adjustments are made.

The accounting policies for subsidiaries have, when applicable, been changed in order to guarantee consistent application of the Group's accounting policies.

ACQUISITION METHOD

The acquisition method is applied for recognition of the Group's acquisitions of subsidiaries. The cost of an acquisition corresponds to the fair value of the assets received as compensation, issued equity instruments and liabilities arising or assumed on the acquisition date. Acquisition-related costs are expensed in the periods in which they arise and when the services are obtained.

The acquisition date is the time at which the acquirer gains controlling influence over the acquired company. As per the acquisition date, the acquirer recognises, separated from goodwill, the identifiable acquired assets, the assumed liabilities and any non-controlling interests in the acquired company. Identifiable acquired assets and assumed liabilities and contingent liabilities in a business combination are initially measured at fair value on the acquisition date. The measurement period may not exceed 12 months from the acquisition date. The surplus comprising the difference between the cost and the fair value of the Group's share of identifiable acquired assets, liabilities and contingent liabilities is recognised as goodwill. If the cost is less than the fair value of the acquired subsidiary's assets, liabilities and contingent liabilities, the difference is recognised directly in the statement of comprehensive income.

Goodwill arising from a business combination is tested for impairment at least annually. Testing is conducted more frequently if there are indica-

tions of an impairment requirement. Implemented impairment losses are recognised in the statement of comprehensive income.

ELIMINATION OF INTRA-GROUP TRANSACTIONS

Intra-Group receivables, liabilities and transactions, including revenue and expenses, and unrealised gains or losses arising from transactions between Group companies, are eliminated in their entirety.

FOREIGN CURRENCY TRANSLATION

Transactions in foreign currency

Transactions in foreign currency are translated to the functional currency using the exchange rate at the transaction date. Monetary assets and liabilities in foreign currency are translated to the functional currency using the exchange rate at the balance-sheet date. Exchange-rate differences arising on translation are recognised in profit for the year. Exchange-rate differences in operating receivables and operating liabilities are included in operating profit, while exchange-rate differences attributable to financial items are reported in net financial items.

Translation of foreign operations

The assets and liabilities of foreign operations, including goodwill and other consolidated surplus and deficit values, are translated from the foreign operation's functional currency to the Group's presentation currency, Swedish kronor, using the exchange rate at the balance-sheet date. Income

and expenses in a foreign operation are translated into Swedish kronor at an average rate provided by an approximation of the exchange rates applying at the time of each transaction. Translation differences arising on foreign currency translation of operations abroad are recognised in other comprehensive income and accumulated in a separate component of shareholders' equity, referred to as Translation differences, foreign subsidiaries. When the controlling influence ceases for a foreign operation, the accumulated translation differences relating to the operations are realised, after which these are reclassified from the translation reserve in shareholders' equity to the profit for the year.

IMPORTANT ESTIMATES AND ASSUMPTIONS

The preparation of financial accounts and the application of various accounting standards are often based on judgements, assumptions and estimates by Group Management that are regarded as reasonable under prevailing conditions. These assumptions and estimates are usually based on historical experience but also on other factors, including expectations about future events. If other assumptions and estimates are made, the results could be different and the actual outcome could differ from the estimated outcome. Assump-

tions and estimates are reviewed regularly and any changes are recognised in the period in which the change is made if the change only affects that period, or in the period in which the change is made and future periods if the change affects the period in question and future periods.

Information about the Group's judgements in the application of IFRS that have a material impact on the financial statements and estimates made and that could entail significant adjustments of the financial statements of subsequent financial years is provided in connection with the particular note in which the items that they are assessed as affecting are addressed. The table below shows where these disclosures are presented.

REVENUE RECOGNITION

ATG Group's net gambling revenue consists of horse betting, casino games and sport betting. Revenue from the Group's betting operations is recognised net less the winnings returned to the players and bonus expenses. Revenue is recognised when the customer obtains control of the sold product or service and can use and benefit from the product or service. Revenue is recognised excluding VAT and discounts. The Group's gam-

Impairment testing of intangible assets and PPE

Notes 9 and 11 Intangible assets and PPE

Assumptions when measuring other receivables

Note 14 Other receivables

bling revenue is recognised at a point in time when the obligation/control is transferred to the customer at the same time as the service is delivered.

Horse betting revenue

The Group's horse betting revenue is derived from betting on horse racing and is recognised when the results of trotting and thoroughbred races have been confirmed following the completion of races, which is also the point at which the obligation to the customer is satisfied. The revenue is measured at the fair value of the sums received. The Group's horse betting revenue comprises a net amount (net gambling revenue), based on the players' stakes less winnings returned to the players.

Sport betting and casino games revenue

The Group's sport betting and casino games revenue is recognised as net gambling revenue in the period in which the betting event occurred. Net gambling revenue comprises the players' stakes (gross gambling revenue) less the winnings returned to the player. The revenue is measured at the fair value of the sums received. Gambling revenue from online casinos is recognised when payment is received as this coincides with the time the bet takes place and the obligation to the customer is thereby fulfilled.

Gambling revenue for sport betting is recognised when the position in relation to the customer is closed, whereupon the commitment to the customer is fulfilled. Sport betting transactions that are not settled by the end of the period have the nature of derivatives since the Group maintains

an open position, with fixed odds against the customer. These are defined as a Financial liability and recognised at fair value through profit or loss under IFRS 9 Financial instruments. On the balance-sheet date, the value of these liabilities was insignificant. The revenue is recognised in the period in which the betting event occurs.

Gambling revenue from the sport pool betting system Big 9® is recognised when the results of football matches have been confirmed following the completion of the competition, which is also the point at which the obligation to the customer is satisfied. The revenue is measured at the fair value of the sums received.

Agent revenue

Agent revenue pertains to revenue from betting slips and revenue from the betting shares of agents. This revenue is a component of the customers' stakes for participating in betting and is included in the calculation of gambling tax. Costs for agent commissions are recognised under Other expenses in the financial statements.

Other revenue

Other revenue pertains to revenue from activities outside the company's core operations. This revenue mainly consists of commission on international betting, production revenue from TV and online services in trotting and thoroughbred racing, partner income and lease revenue from agent equipment. Other revenue also pertains to exchange gains on the translation of accounts payable and accounts receivable in foreign currency.

GAMBLING TAX

The Swedish gambling tax of 18 per cent of betting profits (stakes-winnings). Gambling tax in Denmark is 28 per cent of the gambling profits. Gambling tax is recognised on a separate line in the consolidated statement of comprehensive income and the Parent Company income statement.

INCOME TAXES

Income tax comprises current tax and deferred tax. Income tax is recognised in profit or loss except when the underlying transaction is recognised in other comprehensive income when the associated tax effect is also recognised here. Current tax is tax due for payment or to be received in the current year, using the tax rates enacted at the balance-sheet date.

For items recognised in the statement of changes in equity, the tax effect is also recognised here.

DEFERRED TAX

Deferred tax is recognised in its entirety according to the balance-sheet method based on all temporary differences arising between the value for tax purposes of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax is not recognised if it arises from a transaction comprising initial recognition of an asset or liability that is not a business combination and which, on the transaction date, affects neither recognised nor taxable earnings. Deferred income tax is calculated by applying the tax rates and tax laws that have been

decided or announced as of the balance-sheet date and that are expected to apply when the particular deferred tax asset is realised or the deferred tax liability settled. The carrying amount of the deferred tax asset is adjusted insofar as the future estimated taxable surplus has changed.

Deferred tax assets pertaining to deductible temporary differences and loss carryforwards are only recognised insofar as it is probable that these will be possible to be used. The value of deferred tax assets is reduced when it is no longer deemed probable that they can be used. Offsetting deferred tax assets against deferred tax liabilities occurs when the right exists to settle current taxes between the companies.

UNCERTAINTY CONCERNING THE TREATMENT OF INCOME TAX

The Group assesses whether it is probable that a tax authority would approve an uncertain tax treatment for the current and deferred tax. Remeasurements are conducted if facts and circumstances change. If it is not probable, the most probable amount or expected value is recognised.

EARNINGS PER SHARE

Earnings per share are based on profit for the year attributable to Parent Company shareholders divided by the average number of shares outstanding during the year. No potential dilution effects exist.

INTANGIBLE ASSETS

According to the main rule, intangible assets are recognised in the statement of financial position when:

- the asset is identifiable;
- the Group can calculate the cost in a reliable manner; and
- the Group can ensure that future economic benefits from the asset will accrue to the Group

Goodwill

The Group's goodwill is acquisition-related. Goodwill is measured at cost less any accumulated impairment. Goodwill is tested for impairment at least annually.

Product brands

Product brands, acquired by the Group, are recognised at cost less accumulated amortisation and impairment.

Internally developed intangible assets

The assets mainly comprise capitalised development costs for new or improved betting products and betting systems. The intangible assets are recognised as assets in the balance sheet if it is probable that the future economic benefits attributable to the asset will flow to the company and that the cost of the asset can be measured reliably. The carrying amount of an intangible asset is derecognised from the balance sheet on retirement or disposal of the asset or when no future economic benefits are expected from its use or disposal. Maintenance and support costs are expensed on an ongoing basis. Capitalised devel-

opment costs and licences are recognised at cost less amortisation and impairment losses.

Other intangible assets

Intangible assets, acquired by the Group, are recognised at cost less accumulated amortisation and impairment.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recognised at cost less accumulated depreciation and impairment. Cost includes the purchase price and costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended. When there are material components in property, plant and equipment, these are treated as separate components.

The carrying amount of an asset classed as PPE is derecognised from the statement of financial position on disposal or scrapping of the asset or when no future economic benefits are expected from its use or disposal/scrapping. The gain or loss on disposal or scrapping of an asset is the difference between the proceeds and the carrying amount of the asset less direct sales costs. The gain or loss is recognised in other operating income or operating expenses. Depreciation is applied straight line over the expected useful life with consideration to material residual value.

DEPRECIATION/AMORTISATION

Depreciation/amortisation is based on the original cost. Depreciation/amortisation is applied over the asset's useful life down to an estimated resid-

ual value. The amounts by which the assets may be depreciated/amortised are allocated systematically over the asset's useful life. To reflect the expected consumption of the asset, straight-line depreciation/amortisation is used over the estimated useful life. The assets' useful life is tested at least at the end of every financial year and, if a significant change has occurred in the expected consumption of future economic benefits associated with the asset, the useful life is adjusted.

The following depreciation/amortisation periods are applied:

	Group	Parent Company
<i>Intangible assets</i>		
Gambling products	5–8 years	5–8 years
System platform	5–10 years	5–10 years
Store terminal software	8–10 years	8–10 years
Customer relationships	10 years	–
Product brands	10 years	–
Other	3–5 years	3–5 years
<i>Property, plant and equipment</i>		
Store terminals	5–8 years	5–8 years
Leasehold improvements	5–30 years	5–30 years
Servers	5–10 years	5–10 years
Office equipment	5 years	5 years
Computers	3 years	3 years
Other equipment	5 years	5 years

Impairment of PPE and intangible assets

PPE and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. At the end of every reporting period, impairment testing is performed (goodwill and ongoing investments in intangible assets are tested annually regardless of whether there is an indication of a value decline). An impairment loss is recognised in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less disposal costs and value in use. Value in use is calculated as the present value (discounted by the Group's average capital cost) of expected future cash flows until the end of the useful life that an asset or a cash-generating unit is expected to give rise to. For the purpose of impairment testing, assets are primarily tested on an individual basis and in cases where the asset does not generate independent cash flow, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Should the recoverable amount be lower than the carrying amount, the asset is impaired to the recoverable amount.

Impairment losses are recognised in the statement of comprehensive income. Prior impairments of PPE and intangible assets are reviewed for possible reversal at each balance-sheet date. However, impairment of goodwill is never reversed in the consolidated financial statements.

FINANCIAL INSTRUMENTS

General policies

Purchases and sales of financial instruments are recognised on the transaction date — the date on which the Group undertakes to buy or sell the asset. Financial instruments are initially recognised at fair value plus transaction costs, which applies to all financial assets not recognised at fair value through the statement of comprehensive income. Financial assets measured at fair value through the statement of comprehensive income are initially recognised at fair value, while the associated transaction costs are recognised in the statement of comprehensive income. For recognition after the date of acquisition, see under the respective headings below. A financial asset is derecognised in full or in part from the statement of financial position when the contractual rights to cash flows cease or when the Group transfers the contractual rights to the asset's cash flows or, in certain cases, when the Group retains the rights but undertakes to pay the cash flows to one or more recipients. A financial liability is derecognised in full or in part from the statement of financial position when the contractual obligation has been fulfilled, cancelled or extinguished. The fair value of currency derivatives, forward contracts and warrants is established using listed prices for currency forwards on the balance-sheet date.

Effective interest method

The effective interest method is a method for calculating the accrued cost of a financial asset or a financial liability, and for the accrual of inter-

est income or interest expense over the relevant period. Effective interest is the interest that precisely discounts estimated future inflows and outflows during the financial instrument's anticipated term or, where applicable, a shorter term, to the recognised net value of the financial asset or liability.

Classification

In accordance with IFRS 9, the Group classifies its financial instruments into the following three categories: financial instruments measured at fair value through profit or loss, financial instruments measured at fair value through other comprehensive income and financial instruments measured at amortised cost. The classification is based on the financial instrument's business model. The classification also includes an assessment of the SPPI condition (Solely payments of principal and not on the principal amount) to determine whether the financial asset's contractual cash flows represent solely interest and repayment.

Financial assets measured at amortised cost

Financial assets that meet the SPPI condition and are held to collect their contractual cash flows are measured at amortised cost. Assets included this category are accounts receivable, other receivables and other interest-bearing receivables.

Financial assets measured at fair value through other comprehensive income

Financial assets that meet the SPPI condition and are held, in accordance with the objective of a business model, to collect their contractual

cash flows or for sale are measured at fair value through other comprehensive income. The Group has no assets classified in this category.

Financial assets/liabilities measured at fair value through profit or loss

Financial assets/liabilities that do not meet the SPPI condition or do not belong to either of the two categories above are measured at fair value through profit or loss. The Group has no assets classified in this category.

Sport betting transactions that are not settled by the end of the period have the nature of derivatives since the Group maintains an open position, with fixed odds against the customer. These derivatives are measured at fair value (financial liability) through profit or loss until the position is closed. Since positions are quickly closed the Group has no material exposure in the balance sheet.

Measurement

Financial assets that are not measured at fair value through profit or loss are initially measured at fair value, including direct transaction costs attributable to the cost of the financial asset. Additional costs for financial assets measured at fair value through profit or loss are recognised as expenses in the income statement.

Impairment of financial assets measured at amortised cost

The Group makes assessments of future expected credit losses (ECLs) for financial assets measured

at amortised cost where a provision for expected future losses is recognised. For accounts receivable, the Group applies the simplified approach for calculating the ECLs, meaning the reserve will be equivalent to the expected losses over the receivable's entire remaining term.

To measure ECLs, accounts receivable have been grouped based on the allocated credit risk characteristics and days overdue. The ECLs are recognised in the consolidated income statement under operating expenses. The ECL rates are based on customers' payment history and historic credit loss data.

Financial liabilities measured at amortised cost

Accounts payable are initially recognised at fair value and thereafter at amortised cost, for longer maturities (at least 3 months) using the effective interest method. The carrying amount for accounts payable is assumed to match their fair value, since this item is current by nature. Borrowings are recognised initially at fair value, net after transaction costs.

Borrowings are recognised at amortised cost and any differences between the amount received (net after transaction costs) and the principal amount are recognised in the statement of comprehensive income distributed over the term of the loan, using the effective interest method. Borrowing is classified as current liabilities unless the Group has an

unconditional right to defer payment of the debt for at least 12 months after the balance-sheet date. The carrying amount of the Group's borrowing is assumed to match its fair value since the loans carry a variable market interest rate. Borrowing costs are recognised in the statement of comprehensive income for the period to which they pertain.

LEASES

The Group assesses whether a contract is, or contains, a lease when the contract is signed. For all leases where the Group is the lessee, it recognises a right-of-use asset and a corresponding lease liability, with the exception of short-term leases (defined as leases with a lease term of 12 months or less) and leases with underlying assets of low value. For these leases, the Group recognises lease payments as an operating expense. The lease liability is initially measured at the present value of future lease payments discounted using the implicit interest rate or the expected incremental borrowing rate.

The right-of-use asset comprises the initial assessment of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs. These are then measured at cost less any accumulated depreciation and impairment.

The right-of-use assets are depreciated from the commencement date until the end of the useful life or the end of the lease term, whichever is the earliest.

The Group applies IAS 36 Impairment of Assets to determine whether the right-of-use asset requires impairment and recognises any identified impairment as described in PPE.

The Group as a lessor

Leases in which the Group is a lessor pertain to the rental of terminals to ATG's agents and when ATG sublets parts of its office premises. All such leases are recognised as operating leases. Lease income is recognised in the statement of comprehensive income.

ACCOUNT CUSTOMERS

Account customer funds held by ATG are recognised in the balance sheet under the Current liabilities heading as Liabilities, account customers.

PROVISIONS

Provisions are recognised when the Group has a legal or an informal obligation due to previous events, when it is probable that an outflow of resources will be required to settle the obligation and when the amount has been calculated in a reliable manner. Provisions are retested at the end of each reporting period and are adjusted to reflect the best estimate at the particular time. If it is no longer probable that an outflow of resources will be required to settle the obligation, the provision is reversed.

EMPLOYEE COMPENSATION

Pension obligations

The Group has defined-contribution pension plans. For defined-contribution pension plans, the Group

pays contributions to publicly or privately administered pension insurance schemes on a statutory, contractual or voluntary basis. The Group has no other payment obligations once these contributions have been paid. The contributions are recognised as personnel expenses when they fall due for payment. Prepaid contributions are recognised as an asset insofar as a cash repayment or a decrease in future payments could accrue to the Group.

A defined-contribution pension plan is a pension plan under which the Group pays fixed premiums to a separate legal entity. The Group does not have any legal or informal obligation to pay further premiums if this legal entity has insufficient assets to pay the full remuneration to employees corresponding to their service during current or previous periods.

The Group also has employee pension plans with Alecta, which are deemed to be multi-employer defined-benefit plans. Alecta's solvency rate on 31 December 2022 was 172 per cent (172). Expected fees for the plans in 2023 are expected to be about MSEK 10. However, the Group has made the assessment that UFR 10, Recognition of ITP 2 pension plan financed through insurance with Alecta is applicable for this. The Group does not have sufficient information to allow the plans to be reported in accordance with IAS 19 and, accordingly, reports these plans as defined-contribution plans in accordance with UFR 10.

Severance pay

Payments in connection with termination of employment are made when an employee has received notice of termination of employment from ATG prior to the normal retirement age or when an employee accepts voluntary redundancy in exchange for such payments. ATG recognises severance pay when the Group is demonstrably obligated either to terminate employment according to a detailed formal plan without any option for recall or to provide compensation if employment is terminated due to an offer made to encourage voluntary resignation. Benefits that are due more than 12 months after the balance-sheet date are discounted to current value.

CONTINGENT LIABILITIES

Contingent liabilities comprise existing obligations related to occurred events that have not been recognised as a liability or a provision. This is because it is no longer probable that an outflow of resources will be required to settle the obligation, or because the size of the obligation cannot be calculated with sufficient reliability.

CASH-FLOW STATEMENT

The cash-flow statement has been prepared according to the indirect method and shows the Group's receipts and payments during the period. The statement is divided up into operating activities, investing activities and financing activities. Cash flow from operating activities is recognised by adjusting profit/loss for:

- transactions that did not result in inflows and outflows (such as depreciation/amortisation, provisions and deferred tax); and

- accrued or prepaid items pertaining to previous or coming periods (accounts receivable, accounts payable and other current assets or liabilities), and any revenue and expenses pertaining to cash flows from investing or financing activities.

The principal inflows and outflows attributable to investment or financing activities are recognised separately in the cash-flow statement. The amounts are stated gross, with the exception of inflows and outflows regarding balances and changes in overdraft facilities.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash, bank balances and balances held on behalf of customers (customer accounts). Balances held on behalf of customers are kept separate from the Group's assets and the use of these funds is limited, which is in accordance with regulations issued by the gambling authorities. The use of overdraft facilities for borrowing is included as current liabilities in the statement of financial position.

EXCHANGE-RATE DIFFERENCE IN CASH AND CASH EQUIVALENTS

The impact of exchange-rate changes on cash and cash equivalents in foreign currency is recognised in the cash-flow statement to enable opening balances for cash and cash equivalents to be reconciled against closing balances for cash and cash equivalents. These effects are recognised separately from cash flow from operating activities, investing activities and financing activities.

RELATED-PARTY TRANSACTIONS

Related parties are defined as the constituent companies in the Group and companies over which closely related physical persons have decisive, jointly decisive or significant influence. Board members, senior executives and closely related family members are considered related physical persons. Disclosures are provided should a transaction with a related party have occurred; i.e. a transfer of resources, services or obligations regardless of whether or not payment has been made. All related-party transactions were conducted on market terms.

EVENTS AFTER THE REPORT PERIOD

If significant events occur after the balance-sheet date that had not been considered when amounts in the statement of comprehensive income and statement of financial position were adopted, disclosures are provided concerning the nature of the event and, if possible, an estimate of the financial impact in a note.

PARENT COMPANY

The Parent Company applies different accounting policies compared with the Group in the cases noted below.

Presentation of income statement and balance sheet

The financial statements contain an income statement, a balance sheet, a cash-flow statement and a statement of changes in equity. The Parent

Company applies the presentation stipulated in the Annual Accounts Act, which entails a different presentation of shareholders' equity and that provisions are recognised under a separate heading in the balance sheet. In the Parent Company, shareholders' equity is divided into non-restricted and restricted equity.

Development costs reserve

ATG capitalises expenditure on work for own account in the Parent Company's balance sheet as an intangible asset and allocates a corresponding amount in a restricted reserve in equity.

The preconditions for capitalisation are that the Parent Company transfers a corresponding amount from non-restricted equity to a development costs reserve that is included in restricted equity. This reserve will be reversed at the same pace as the company applies amortisation or impairment losses for the capitalised development costs. The reserve will also be reversed in conjunction with the company divesting the assets.

Shares in subsidiaries

Shares in subsidiaries are recognised at cost after deduction of any impairment losses. When there is an indication that the value of shares and participations in subsidiaries has declined, the recoverable amount is calculated. If that amount is lower than the carrying amount, an impairment loss is recognised.

Leases

In the Parent Company, all leases are still recognised according to the rules for operating leases. The standard IFRS 16 Leases has not affected the Parent Company as ATG chose to apply the exception for legal entities in accordance with RFR 2.

Group contributions and shareholders' contributions

Shareholders' contributions paid are recognised as an increase in the value of shares and participations in Group companies. An assessment is subsequently made of whether the value of such shares and participations is impaired. Group contributions paid, and tax on Group contributions, to owners are reported in the Group equity. The Parent Company recognises Group contributions received and paid as an appropriation in accordance with the alternative accounting rule.

OTHER NOTES

Amounts in MSEK, unless otherwise stated.

Note 2 Net gambling revenue

Net gambling revenue by category and geographic market

	Sweden		Denmark		Group		Parent Company	
	2022	2021	2022	2021	2022	2021	2022	2021
Horse betting	3,963	4,248	81	52	4,044	4,300	3,963	4,248
Sport betting	594	557	56	43	650	600	594	557
Casino games	384	256	146	100	530	356	384	256
TOTAL NET GAMBLING REVENUE	4,941	5,061	283	195	5,224	5,256	4,941	5,061

Net gambling revenue by sales channel and geographic market

	Sweden		Denmark		Group		Parent Company	
	2022	2021	2022	2021	2022	2021	2022	2021
Digital channels	4,183	4,129	234	163	4,417	4,291	4,183	4,129
Stores	758	932	49	32	807	965	758	932
TOTAL	4,941	5,061	283	195	5,224	5,256	4,941	5,061

No single customer accounts for more than 10 per cent of turnover. All net gambling revenue is recognised at a point in time.

NOTE 3 Other revenue

	Group		Parent Company	
	2022	2021	2022	2021
Production income, Kanal 75	117	124	0	0
Lease revenue from agent equipment	56	65	56	65
Commission on international betting	229	218	245	218
Commission on partner income	87	104	87	104
Exchange gains	2	1	2	0
Other revenue	93	95	106	120
TOTAL	584	607	496	507

Through collaboration with foreign partners, international customers are able to bet on ATG's products in Sweden. ATG received commission of MSEK 229 (218) from abroad.

ATG offers other services from its agents, through collaboration with various service providers. Customers can, for example, buy phone cards and lots from the agents, revenues from which are recognised as commission on partner income.

Lease revenue from agent equipment of MSEK 56 (65) pertains to the rental of store terminals; see Note 16 Leases.

The subsidiary Kanal 75's income pertains to production of TV and internet services related to trotting and thoroughbred racing.

The programmes are also broadcast internationally to countries that bet on Swedish races. Kanal 75 also assists Swedish trotting and thoroughbred racetracks in their TV productions.

NOTE 4 Employees and personnel expenses

Average number of employees

	2022			2021		
	Men	Women	Total	Men	Women	Total
Parent Company						
Sweden	260	158	418	258	153	411
Subsidiaries						
Sweden	47	12	59	44	12	56
Denmark	27	4	31	25	4	29
TOTAL GROUP	334	174	508	327	170	496

Executive management, number of senior executives

	2022			2021		
	Men	Women	Total	Men	Women	Total
Parent Company						
Board members	7	5	12	6	5	11
CEO and other senior executives	5	2	7	5	2	7
TOTAL	12	7	19	11	7	18

Salaries, other remuneration and social security expenses

	2022			2021		
	Salaries and other remuneration	Pension costs	Social security expenses	Salaries and other remuneration	Pension costs	Social security expenses
Parent Company						
Board members (excl. employee representatives)	2.2	0.0	0.7	2.1	–	0.7
CEO and other senior executives	14.6	3.7	5.5	14.6	3.8	5.5
Other employees	264.2	33.6	91.2	251.6	32.5	88.3
TOTAL PARENT COMPANY	281.1	37.3	97.4	268.3	36.3	94.4
Subsidiaries						
Board members (excl. employee representatives)				–	–	–
CEO and other senior executives	4.7	1.0	1.7	4.4	1.1	1.6
Other employees	67.6	4.5	14.2	56.8	4.3	13.2
TOTAL GROUP	353.4	42.8	113.3	329.5	41.8	109.2

For 2022, the remuneration of the CEO and senior executives consisted of fixed salary of MSEK 18.9 (18.6), other benefits of MSEK 0.4 (0.4) and pension of MSEK 4.7 (4.9). Board members only receive fixed fees. For Board members appointed by employees, no information is provided about salary, remuneration and pensions since they do not earn these in their capacity as Board members. A mutual period of notice of six months has been established between the CEO and the company. If the CEO's employment is terminated by the com-

pany, he will be entitled to severance pay corresponding to one annual salary, from which salary from any new employment will be deducted. A mutual period of notice of six months has been established between the CEOs of subsidiaries and the company. If the employment of a CEO of a subsidiary and other senior executives is terminated by the company, he will be entitled to severance pay corresponding to six months' salary, from which salary from any new employment will be deducted.

NOTE 5 Auditor's fees

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Ernst & Young AB				
Audit assignment	2	2	2	2
Audit activities in addition to audit assignment	–	–	–	–
Other services	0	0	0	0
TOTAL	2	2	2	2

Auditing assignments are defined as the statutory auditing of the Annual Report and consolidated accounts, as well as the administration of the Board of Directors and the CEO, and the audit and other review conducted in accordance with contracts or agreements. This includes other assignments that are the responsibility of the company's auditors, as well as guidance and assistance occasioned by observations made in conjunction with such reviews or the completion of such other work assignments. All other work is defined as other assignments.

NOTE 6 Financial items

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Financial income				
Interest income, Group	18	10	21	11
Exchange-rate differences	0	2	0	0
Interest income	9	5	9	5
Total	27	17	30	16
Financial expenses				
Interest expenses	-12	-13	-11	-12
Interest expenses, leasing	-2	-3	–	–
Exchange-rate differences	10	0	1	0
Total	-4	-16	-10	-12
NET FINANCIAL ITEMS	23	1	20	4

NOTE 7 Income tax

	Group		Parent Company	
	2022	2021	2022	2021
Tax on profit for the year	-357	-400	-21	152
Current tax expense	-357	-400	-21	-48
Tax pertaining to previous years ¹⁾	-	-	-	200
TOTAL RECOGNISED TAX ON PROFIT FOR THE YEAR	-357	-400	-21	152
Tax pertaining to previous years recognised in statement of changes in equity ¹⁾	-	200	-	-
Tax recognised in statement of changes in equity	336	351	-	-
NET TAX EXPENSE	-21	151	-21	152

Recognised tax

Current tax was calculated using the nominal taxes prevailing in each country. In cases where the tax rate has changed for future years, this rate is used for deferred tax.

Change in deferred tax in temporary differences and loss carryforwards

	Group		Parent Company	
	2022	2021	2022	2021
Opening carrying amount	0	200	0	200
Deferred tax liability pertaining to surplus value from acquisitions	-7	-8	-	-
Deferred tax asset pertaining to loss carryforwards	7	8	-	-
Reversal of deferred tax liability pertaining to temporary differences from Group contributions paid ²⁾	-	-200	-	-200
CLOSING CARRYING AMOUNT	0	0	-	0

Deferred tax liabilities pertain to temporary differences for customer relationships, product brands, technology and licences arising from acquisitions. The deferred tax asset pertains in its entirety to capitalised loss carryforwards. The deferred tax liability pertaining to surplus value from acquisitions and the deferred tax asset pertaining to loss carryforwards are recognised net in the consolidated statement of financial position.

	Group		Parent Company	
	2022	2021	2022	2021
Profit before tax	1,709	1,921	77	228
Income tax calculated using Sweden's tax rate	-352	-396	-16	-47
<i>Tax effect of:</i>				
Difference in tax rates for foreign operations	-0	-0	-	-
Non-taxable income	0	0	0	0
Non-deductible expenses	-5	-2	-5	-1
Loss carryforwards for which no deferred tax assets were recognised	1	-2	-	-
Tax pertaining to previous years ¹⁾	-	-	-	200
TAX ON PROFIT FOR THE YEAR	-356	-400	-21	152

1) Pertained to provision in 2019 for potential tax on Group contributions paid in 2019. The provision was reported as a precautionary measure should the Swedish Tax Agency not approve the tax deduction for ATG's Group contributions paid in 2019. The Group contribution was left as an open claim in the declaration of income. In the Group, the reversal for 2021 is reported in the statement of changes in equity. The current tax rate for income tax in Sweden is 20.6 per cent (20.6) and in Denmark 22 per cent (22).

Fiscal loss carryforwards

The 25syv Group had, based on the submitted tax declarations for the income year 2021 and calculated tax for the income year 2022, loss carryforwards of MSEK 184 (177) on 31 December 2022. The loss carryforwards have no limited period of validity. Of the Group's total loss carryforwards

of MSEK 184, MSEK 34 is the basis of calculation for a deferred tax asset of MSEK 7. MSEK 150 of the Group's fiscal loss carryforwards has not yet been taken into account. The recognised deferred tax asset corresponds to the value of the deferred tax liabilities arising from the acquisition of 25syv Group.

NOTE 8 Transactions with related parties

ATG is 90.00025 per cent owned by the Swedish Trotting Association and 9.99975 per cent owned by the Swedish Jockey Club, whereby both are considered related parties. ATG is a related party of the State. The Swedish State has a controlling influence over ATG. The Group had no other significant transactions with related parties during the period except for ongoing management transactions and loans to the owners. For information and remuneration of senior executives and Board members, see Note 4.

Pledged assets and contingent liabilities for the benefit of related parties

ATG provided surety for the wholly owned subsidiary Kanal 75 AB's rental contract.

	Group		Parent Company	
	2022	2021	2022	2021
Sale of goods/services to related parties				
Kanal 75 AB	–	–	9	13
25syv Group	–	–	21	13
Swedish Jockey Club	11	11	1	1
Subsidiary of Swedish Trotting Association IF	115	121	16	24
TOTAL	126	133	47	51
Purchases of goods/services from related parties				
Kanal 75 AB	–	–	226	232
25syv Group	–	–	40	25
Swedish Jockey Club	19	20	19	20
Subsidiary of Swedish Trotting Association IF	559	579	559	579
TOTAL	578	599	844	856
Financial income from related parties				
25syv Group	–	–	3	1
Swedish Jockey Club	5	3	4	3
Swedish Trotting Association IF	18	9	18	9
Subsidiary of Swedish Trotting Association IF	0	1	–	1
TOTAL	23	13	25	14

	Group		Parent Company	
	2022	2021	2022	2021
Receivables from related parties as per 31 December				
Kanal 75 AB	–	–	17	36
25syv Group	–	–	99	107
Swedish Jockey Club	202	196	202	195
Swedish Trotting Association IF	11	4	11	4
Subsidiary of Swedish Trotting Association IF	11	10	2	1
TOTAL	224	210	331	344
Liabilities to related parties as per 31 December				
Kanal 75 AB	–	–	26	14
Swedish Trotting Association IF	124	103	124	103
Subsidiary of Swedish Trotting Association IF	36	28	36	28
TOTAL	160	131	186	145
State-owned companies				
<i>Purchases of goods/services from related parties of the State</i>				
Telia	19	26	18	25
PostNord	0	0	0	0
TOTAL	19	26	18	25
<i>Sale of goods/services to State-owned companies</i>				
Telia	7	9	7	9
TOTAL	7	9	7	9

Note 9 Intangible assets

<i>GROUP</i>	<i>Goodwill</i>	<i>Product brands</i>	<i>System platform</i>	<i>Projects in progress</i>	<i>Other¹⁾</i>	<i>Total</i>
2022 financial year						
Acquisition value brought forward	32	39	801	222	931	2,025
Purchases during the year			5	169	7	181
Capitalised projects			83	-157	74	0
Sales and scrapping during the year						
Reclassification						
Exchange-rate differences	3	4			1	7
Accumulated cost	35	43	889	233	1,014	2,215
Accumulated amortisation brought forward	-	-11	-334		-809	-1,154
Sales and scrapping during the year						
Amortisation during the year		-4	-137		-63	-204
Exchange-rate differences		-1			-1	-2
Accumulated amortisation	-	-16	-472		-873	-1,361
CARRYING AMOUNT	35	27	417	233	141	854

<i>GROUP</i>	<i>Goodwill</i>	<i>Product brands</i>	<i>System platform</i>	<i>Projects in progress</i>	<i>Other¹⁾</i>	<i>Total</i>
2021 financial year						
Acquisition value brought forward	32	39	672	163	956	1,862
Purchases during the year			4	187		190
Capitalised projects			125	-128	3	0
Sales and scrapping during the year					-29	-29
Reclassification						
Exchange-rate differences	0	0			0	
Accumulated cost	32	39	801	222	931	2,025
Accumulated amortisation brought forward	-	-7	-215	-	-773	-995
Sales and scrapping during the year					27	27
Amortisation during the year		-4	-119		-63	-186
Exchange-rate differences		-0			-0	-0
Accumulated amortisation	-	-11	-334	-	-809	-1,154
CARRYING AMOUNT	32	29	467	222	122	871

1) The Parent Company's note recognises gambling products and store terminal software separately from the category.

NOTE 9, CONTINUED

PARENT COMPANY	System platform	Projects in progress	Gambling products	Store terminal software	Other	Total
2022 financial year						
Acquisition value brought forward	793	222	86	124	674	1,898
Purchases during the year	4	169	0		6	179
Capitalised projects	83	-157	66		8	0
Sales and scrapping during the year						
Reclassification						
Accumulated cost	880	233	152	124	689	2,077
Accumulated amortisation						
Acquisition value brought forward	-331		-52	-99	-620	-1,102
Sales and scrapping during the year						
Amortisation during the year	-135		-19	-13	-28	-195
Accumulated amortisation	-466		-71	-112	-649	-1,297
CARRYING AMOUNT	414	233	81	11	40	780

The investments during the year mainly related to the development of technical platforms and developing software for gambling systems for existing and future gambling products among other items, and the further development of the digital channels and gambling products. The allocation of the company's investments in the three gambling areas reflects future revenue expectations.

Amortisation is recognised in profit or loss straight line over the intangible assets' estimated useful life. Amortisable intangible assets are amortised from the date the asset is completed.

The value of the Group's intangible assets is tested for impairment when indicators of impairment exist. During the year, the company scrapped

0 previously capitalised assets in an amount of MSEK 0 (2). No impairment losses on intangible assets were reversed during the current or preceding year.

Impairment testing

Goodwill

Goodwill arises in conjunction with the acquisition of companies. In 2019, goodwill arose in conjunction with the acquisition of the 25syv Group. In total, the Group's goodwill was MSEK 35 (32) at the end of the year. As goodwill is not depreciated, impairment testing was carried out in accordance with IAS 36 relating to 25syv Group's assets, where future discounted cash flows were com-

PARENT COMPANY	System platform	Projects in progress	Gambling products	Store terminal software	Other	Total
2021 financial year						
Acquisition value brought forward	664	163	83	124	690	1,723
Purchases during the year	4	187				190
Capitalised projects	125	-128	3			0
Sales and scrapping during the year					-15	-15
Reclassification						
Accumulated cost	793	222	86	124	674	1,898
Accumulated amortisation						
Acquisition value brought forward	-213		-40	-89	-602	-944
Sales and scrapping during the year					14	14
Amortisation during the year	-118		-12	-10	-32	-172
Accumulated amortisation	-331		-52	-99	-620	-1,102
CARRYING AMOUNT	462	222	34	24	54	796

pared with the carrying amount. The test showed that no impairment requirement is deemed to exist.

An impairment loss is recognised when the recoverable amount of an asset (or cash-generating unit) is expected to be lower than its carrying amount. The recoverable amount of cash-generating units is determined by calculating the value in use, which means certain assumptions must be made.

Forecast, growth rate and margins

A calculation of the recoverable amount for the 25syv Group took place with an average growth rate over a five-year forecast and was based partly

on historical outcomes as well as the management's assessment of market developments going forward in relation to:

- Sales volume: based on historical outcomes and the management's assessment of the number of customers going forward and its specific growth rate.
- EBITDA margin: based on a weighting of historical outcomes and the management's experiences and assessment.
- Terminal growth after the forecast period of 2 per cent.
- Working capital tied-up: based on historical outcomes and the management's assessment.

NOTE 9, CONTINUED**Discount rate**

The discount rate is calculated as the Group's weighted-average cost of capital including risk premium before tax (WACC). The discount rate reflects the market-based assessment of monetary values over time and the specific risks linked with the asset. The discount rate used in impairment testing is 13 per cent.

Sensitivity analyses

In a sensitivity analysis of impairment testing of 25syv Group, management has not identified any changes in underlying assumptions that could

give rise to impairment. Executive management conducted tests and concluded that a reasonable and possible change to the critical variables above would not have a material impact that would result in a lower recoverable amount than the carrying amount. The impact on enterprise value from a 1 per cent deviation in the discount rate would be MSEK 24. The impact on enterprise value from a 1 per cent deviation in EBITDA margin would be MSEK 30. Neither a +1 per cent change in discount rate nor a -1 per cent decline in EBITDA margin would, separately or together, lead to the impairment of goodwill.

NOTE 10 Other long-term receivables

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Stockholm Trotting Association	67	68	67	68
Swedish Jockey Club	42	–	42	–
Loans, 25syv Group	–	–	99	107
TOTAL	109	68	208	175

A receivable from the Stockholm Trotting Association arose in conjunction with ATG participation in financing the conversion and extension of ATG's office building, the Hästsportens Hus property at Sollavalla. The receivable relates to two loans with an interest rate of between 1 and 5 per cent. The loans have a maturity up to 2045. The loans to 25syv Group and the Swedish Jockey Club carry interest based on STIBOR + a market-based supplement. The loans are extended by six months at a time with a mutual period of notice of one month. ATG has no expected credit loss for any other receivables.

NOTE 11 Property, plant and equipment

GROUP	<i>Servers</i>	<i>Right-of-use assets</i>	<i>Store terminals</i>	<i>Leasehold improvements</i>	<i>Other</i>	<i>Projects in progress</i>	<i>Total</i>
2022 financial year							
<i>Accumulated cost</i>							
Opening balance	226	184	191	157	152	13	923
Reclassification							
Purchases during the year	14	4	16	6	17	16	74
Capitalised projects			1	4	4	-9	0
Sales and scrapping during the year		-3			-4		-7
Closing balance	239	186	209	167	169	20	990
<i>Accumulated depreciation</i>							
Opening balance	-133	-90	-80	-99	-103	-	-504
Reclassification							
Sales and scrapping during the year		2			4		6
Depreciation during the year	-33	-12	-23	-11	-21		-100
Closing balance	-166	-100	-103	-110	-120		-598
CARRYING AMOUNT AT YEAR END	73	86	106	57	49	20	392

GROUP	<i>Servers</i>	<i>Right-of-use assets</i>	<i>Store terminals</i>	<i>Leasehold improvements</i>	<i>Other</i>	<i>Projects in progress</i>	<i>Total</i>
2021 financial year							
<i>Accumulated cost</i>							
Opening balance	217	188	182	129	150	43	909
Reclassification			2		-2		0
Purchases during the year	9		6	15	13	12	55
Capitalised projects	19			19	3	-42	0
Sales and scrapping during the year	-20	-4		-7	-11		-42
Closing balance	226	184	191	157	152	13	923
<i>Accumulated depreciation</i>							
Opening balance	-117	-71	-58	-96	-87	-	-429
Reclassification							
Sales and scrapping during the year	20	2		7	12		41
Depreciation during the year	-35	-21	-22	-10	-28		-116
Closing balance	-133	-90	-80	-99	-103	-	-504
CARRYING AMOUNT AT YEAR END	93	94	111	58	49	13	418

NOTE 11, CONTINUED

PARENT COMPANY	<i>Servers</i>	<i>Store terminals</i>	<i>Leasehold improvements</i>	<i>Other</i>	<i>Projects in progress</i>	<i>Total</i>
2022 financial year						
<i>Accumulated cost</i>						
Opening balance	177	181	150	69	10	588
Reclassification						
Purchases during the year	5	15	7	14	8	50
Capitalised projects		1	4	4	-8	0
Sales and scrapping during the year				-4		-4
Closing balance	182	197	161	83	10	633
<i>Accumulated depreciation</i>						
Opening balance	-90	-76	-94	-37	-	-297
Sales and scrapping during the year				4		4
Depreciation during the year	-28	-21	-9	-13		-72
Closing balance	-118	-97	-104	-46	-	-365
CARRYING AMOUNT AT YEAR END	64	100	57	37	10	269

PARENT COMPANY	<i>Servers</i>	<i>Store terminals</i>	<i>Leasehold improvements</i>	<i>Other</i>	<i>Projects in progress</i>	<i>Total</i>
2021 financial year						
<i>Accumulated cost</i>						
Opening balance	169	177	123	68	43	580
Reclassification						
Purchases during the year	8	4	15	7	10	44
Capitalised projects	19		19	3	-42	0
Sales and scrapping during the year	-20		-7	-9		-36
Closing balance	177	181	150	69	10	588
<i>Accumulated depreciation</i>						
Opening balance	-79	-56	-92	-34	-	-260
Sales and scrapping during the year	20		7	9		36
Depreciation during the year	-31	-20	-9	-13		-72
Closing balance	-90	-76	-94	-37	-	-297
CARRYING AMOUNT AT YEAR END	87	105	56	32	10	291

Note 12 Accounts receivable

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Accounts receivable	38	56	36	48
Provision for expected credit losses	-4	-7	-4	-6
TOTAL	34	49	32	42

<i>GROUP</i>	<i>2022</i>		<i>2021</i>	
	<i>Gross</i>	<i>Provision for expected credit losses</i>	<i>Gross</i>	<i>Provision for expected credit losses</i>
Age analysis of accounts receivable				
Not due accounts receivable	28		27	
Accounts receivable 1–30 days past due	1		13	
Accounts receivable 31–60 days past due	1		3	
Accounts receivable 61–180 days past due	0		0	
Past-due accounts receivable >180 days	8	-4	13	-7
TOTAL	38	-4	56	-7

As of 31 December 2022, the Group's expected credit losses for accounts receivable amounted to MSEK 4 (7).

Changes in the provisions are presented below:

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Provision for expected credit losses				
Opening balance	-7	-7	-7	-7
Provision for the year	-1	-1	-1	-1
Reversal of previously posted impairment losses	4	1	4	1
CLOSING BALANCE	-4	-7	-4	-7

Accounts receivable

ATG's accounts receivable consist of receivables from agents and international partners. The credit quality of accounts receivable not past due and not covered by provisions is considered good.

Customer-credit risks in the Group are managed according to the credit instruction. Outstanding accounts receivable are monitored and reported regularly in the Group. No single customer

accounts for more than 5 per cent of the Group's total turnover, which means that dependence on individual customers is limited.

For accounts receivable, the Group applies the simplified approach for calculating the expected credit losses, meaning the reserve is equivalent to the expected losses over the receivable's entire remaining lifetime. The ECL rates are based on customers' payment history and historic credit loss data.

Note 13 Financial instruments

Through its business operations, the Group is exposed to financial risks. The CFO is responsible for investments of ATG's excess liquidity in accordance with the Board's instruction for the management of investments of surplus liquidity in the Group. The objective of the investment activity is to obtain an acceptable return considering the need for liquidity over the investment horizon. That part of ATG's cash and cash equivalents that is not assessed to be needed in daily operational activities (including a certain buffer) is equated with surplus liquidity; i.e. funds that in a longer perspective of three to 12 months need not be used in the business to manage current and anticipated payments. The function is centralised to ensure appropriate controls and to obtain advantageous terms and conditions in financial markets. Speculation in financial markets, meaning transactions that increase the financial risks that arise from operating activities, are not permissible.

Market risk

Market risk is defined as a company's exposure to changes in financial markets, encompassing other price risks, credit and counterparty risks, financing

and liquidity risks, interest-rate risks and currency risks.

Interest-rate risk

The Group's borrowing costs and yield on cash and cash equivalents are impacted by changes in the general level of interest rates. Interest-rate risk is the risk that interest-rate changes will have a negative impact on the Group's net interest income and/or cash flow. A +1 per cent change in the interest rate on the Group's financial loans would have a negative impact of approximately MSEK 4 on net interest income.

Currency risk

At ATG, currency exposure consists mainly of transaction exposure; i.e., payments in foreign currency due to investments, as well as purchases or sales of goods and/or services. ATG's transaction exposure in operating activities is limited. In addition, the instruction adopted by the Board stipulates that all investments are to be denominated in SEK and in relation to at least three Swedish counterparties. The Group does not apply currency hedging. Currency risks exist when restating

NOTE 13, CONTINUED

assets and liabilities in foreign operations to the Parent Company's functional currency, known as translation exposure. The exposure pertains to DKK. A currency change would only have a marginal effect on the Group's financial position.

Other price risks

Other price risks refer to the risk that the fair value of a financial instrument may be impacted by factors other than currency and interest rate fluctuations. ATG is not exposed to any other price risks.

Credit and counterparty risks

Credit and counterparty risk pertains to the risk that the counterparty to a transaction may not be able to satisfy its commitment and that this results in a loss for ATG. One of the Group's credit risks refers to the funds regularly generated by agents that sell the Group's offering on commission. Routines for the approval of an agent are clear-cut and based on defined requirements and risk assessments of agents. Funds are collected every week by direct debit. Measures are taken for agents where direct debt payments were not possible, including the temporary suspension of terminals until payment is received, collateral is requested or the agreement with the agent is terminated.

The Group's credit risk in long-term receivables is considered limited as the counterparty com-

prises the Stockholm Trotting Association, from which ATG leases Hästsportens Hus.

The Group has a very limited credit risk with external customers who gamble online as these are private individuals and payment for the Group's online betting services takes place through customer deposits in advance. The Group has a credit risk in relation to companies that supply payment services. To offset this credit risk, the Group works with well-established suppliers in the industry.

The Group's cash and cash equivalents are managed by banks with high credit ratings.

Financing and liquidity risk

Financing and liquidity risk is defined as the risk that when renegotiating loans or when meeting payment obligations, financing opportunities are limited or the price scenario has changed considerably. ATG's main sources of financing are cash flow from operating activities and borrowings solely from credit institutions. Financing and liquidity risks are managed within the framework of an established policy. The Group's financial liabilities, which primarily consist of a liability pertaining to funds held on behalf of account customers, accounts payable and liabilities to credit institutions, are presented below. The Group is not facing any material liquidity risk relating to its lease liabilities. The lease liabilities are monitored by the Group's finance function.

GROUP	Within 1 year	Within 2–5 years	Later than 5 years	Total
Due date structure, financial liabilities, 31 Dec 2022				
Liabilities to credit institutions		400		400
Lease liabilities	11	28	68	107
Liabilities to Group companies	160			160
Accounts payable	216			216
Liabilities, account customers	490			490
Other current liabilities	243			243
TOTAL	1,120	428	68	1,616

GROUP	Within 1 year	Within 2–5 years	Later than 5 years	Total
Due date structure, financial liabilities, 31 Dec 2021				
Liabilities to credit institutions		400		400
Lease liabilities	12	33	72	117
Liabilities to Group companies	131			131
Accounts payable	74			74
Liabilities, account customers	586			586
Other current liabilities	313			313
TOTAL	1,116	433	72	1,621

NOTE 13, CONTINUED

GROUP, 31 DEC 2022	<i>Financial assets measured at amortised cost</i>	<i>Financial liabilities measured at amortised cost</i>	<i>Total carrying amount</i>
Fixed assets			
<i>Financial assets</i>			
Other long-term receivables	109		109
Accounts receivable	34		34
Receivables from Group companies	23		23
Other receivables	249		249
Cash and cash equivalents	866		866
TOTAL FINANCIAL ASSETS	1,281		1,281
<i>Financial liabilities</i>			
Liabilities to credit institutions		399	399
Lease liabilities		83	83
Liabilities to Group companies		160	160
Accounts payable		216	216
Liabilities, account customers		490	490
Other current liabilities		123	123
TOTAL FINANCIAL LIABILITIES		1,471	1,471

GROUP, 31 DEC 2021	<i>Financial assets measured at amortised cost</i>	<i>Financial liabilities measured at amortised cost</i>	<i>Total carrying amount</i>
Fixed assets			
<i>Financial assets</i>			
Other long-term receivables	68		68
Accounts receivable	49		49
Receivables from Group companies	14		14
Other receivables	336		336
Cash and cash equivalents	886		886
TOTAL FINANCIAL ASSETS	1,353		1,353
<i>Financial liabilities</i>			
Liabilities to credit institutions		398	398
Lease liabilities		91	91
Liabilities to Group companies		131	131
Accounts payable		74	74
Liabilities, account customers		586	586
Other current liabilities		195	195
TOTAL FINANCIAL LIABILITIES		1,475	1,475

NOTE 13, CONTINUED

PARENT COMPANY, 31 DEC 2022	<i>Financial assets measured at amortised cost</i>	<i>Financial liabilities measured at amortised cost</i>	<i>Total carrying amount</i>
Financial assets			
Other long-term receivables	208		208
Accounts receivable	32		32
Receivables from Group companies	30		30
Other receivables	242		242
Cash and bank balances	851		851
TOTAL FINANCIAL ASSETS	1,363		1,363
Financial liabilities			
Liabilities to credit institutions		399	399
Liabilities to Group companies		186	186
Accounts payable		175	175
Liabilities, account customers		478	478
Other current liabilities		117	117
TOTAL FINANCIAL LIABILITIES		1,355	1,355

The fair value of all financial assets and liabilities is consistent with their carrying amount in all material respects. Most of the assets and liabilities measured at amortised cost have a short time to maturity, which means that the difference between their carrying amount and fair value is not significant.

Fair value of financial instruments

Measurement at fair value contains a fair-value hierarchy whereby measurements are based on input data. The three levels are:

Level 1: Quoted prices (unadjusted) on active markets for identical assets or liabilities to which the company has access at the time of measurement.

Level 2: Input data other than the quoted prices included in Level 1, which is directly or indirectly

PARENT COMPANY, 31 DEC 2021	<i>Financial assets measured at amortised cost</i>	<i>Financial liabilities measured at amortised cost</i>	<i>Total carrying amount</i>
Financial assets			
Other long-term receivables	175		175
Accounts receivable	42		42
Receivables from Group companies	42		42
Other receivables	328		328
Cash and bank balances	873		873
TOTAL FINANCIAL ASSETS	1,460		1,460
Financial liabilities			
Liabilities to credit institutions		398	398
Liabilities to Group companies		145	145
Accounts payable		53	53
Liabilities, account customers		579	579
Other current liabilities		189	189
TOTAL FINANCIAL LIABILITIES		1,364	1,364

observable for the asset or the liability. This could also involve input data other than quoted prices that are observable for the asset or the liability, such as interest rates, yield curves, volatility and multiples.

Level 3: Unobservable input data for the asset or the liability. At this level, assumptions that market players would use when pricing the asset or the liability, including risk assumptions, are taken into account.

For all of the above items, with the exception of loan receivables and loan liabilities, the carrying amount is an approximation of the fair value, which is why these items are not divided into levels according to the fair value hierarchy.

Loan receivables and loan liabilities belong to Level 2. Since the loan to the Stockholm Trotting Association carries fixed interest that, in all material respects, is considered to reflect current market rates, the carrying amount of the loan is also considered, in all material respects, to reflect the fair value.

Note 14 Other receivables

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Receivable, Swedish Jockey Club	160	195	160	195
Receivable, ATG agents	71	89	66	89
Receivables from payment service providers	16	19	14	19
Other receivables	8	48	2	34
TOTAL	255	351	242	337

ATG uses bank guarantees and personal guarantees from the company's agents as collateral. As per 31 December, these bank guarantees amounted to 16 (18) with a total value of MSEK 2 (2). At year end, 432 (422) personal guarantees had been signed. A receivable from the Swedish Jockey Club will be settled in part in connection with the dividend payment from the Parent Company. Receivables from ATG agents are short-term and payment is generally received within one week of the date on which the receivable arose. Receivables from payment service providers pertain to receivables from banks and other credit institutes that are lenders (issuing credit cards or suchlike) for the Group's customers. Since the new Payment

Services Directive (PSD2) came into effect, the Group's risk for credit losses on receivables from payment service providers is very limited.

The ATG Group has not made provisions for probable losses on any of the receivables above. The assessment is that the Group will not have any expected credit losses on the receivables. ATG agents who fail to fulfil their commitments and settle their liabilities are invoiced and recognised as accounts receivable and future credit losses for these are reported in the Note for accounts receivable.

The profit for the year was charged with a total of confirmed credit losses of MSEK 0 (0) pertaining to the receivables above.

Note 15 Prepaid expenses and accrued income

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Commissions, terminal partners	10	13	10	13
Prepaid licence costs, support and maintenance agreements	61	51	56	50
Prepaid communication network costs	4	4	4	4
Prepaid sponsorship costs	0	1	0	1
Prepaid marketing costs	7	3	7	2
Other prepaid costs and accrued income	2	2	6	3
TOTAL	84	74	83	73

Note 16 Leases

	<i>Buildings</i>		<i>Vehicles</i>		<i>Other</i>		<i>Total</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
GROUP, MSEK								
Right-of-use assets¹⁾								
Opening balance	82	90	11	13	1	14	94	117
CLOSING BALANCE	75	82	11	11	0	1	86	94

1) See Note 11

	<i>Buildings</i>		<i>Vehicles</i>		<i>Other</i>		<i>Total</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
DEPRECIATION								
Depreciation during the year	-7	-7	-4	-4	-1	-10	-12	-21

Lease liabilities

The maturity analysis for the undiscounted flows can be found in Note 13 together with other maturity analyses.

The liquidity risk attributable to lease liabilities is described in Note 13 together with other descriptions of the Group's liquidity risk.

NOTE 16, CONTINUED

Lease amounts recognised in the consolidated statement of comprehensive income

MSEK	2022	2021
Depreciation for right-of-use assets	-12	-21
Interest expenses for lease liabilities	-3	-3
Lease expenses relating to short-term leases	-7	-7
Lease expenses relating to leases of low-value assets	0	0
Costs pertaining to variable lease payments not included in the measurement of lease liabilities	0	0
Revenue from subleasing of right-of-use assets	3	3

Leases where the Group is lessee contain no material variable lease terms.

Cash flow for leases

Total cash flow for leases in 2022 was MSEK -22 (-33).

Operating leases as a lessor

The Group and the Parent Company's operating leases as a lessor consist of the renting out of equipment to ATG's agents. These leases can be terminated with one to three months' notice. The

fees for the equipment include contractual conditions entailing minimum rents subject to a revenue clause. The contractual rent comprises a revenue-based supplement in addition to the minimum rent. During the year, the variable increment of the agents' rent accounted for MSEK 23 (28) of the total rent of MSEK 56 (64). ATG also sublets parts of its office premises to the Swedish Trotting Association and the Swedish Jockey Club. Future minimum lease income for non-cancellable operating leases falls due for payment as follows:

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Within 1 year	12	12	12	12
Later than 1 but within 5 years	3	6	3	6
Later than 5 years	-	-	-	-
TOTAL	15	18	15	18
Expensed lease income	59	68	59	68

Note 17 Cash and cash equivalents

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Bank balances	405	384	402	379
Customer accounts ¹⁾	461	502	449	494
TOTAL	866	886	851	873

1) Balances held on behalf of customers.

Note 18 Shareholders' equity

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Shareholders' equity, MSEK	946	1,042	1,066	1,160
Equity/assets ratio, %	36	38	43	43

Group**Share capital**

According to the Articles of Association, ATG must have share capital of at least MSEK 20 and at most MSEK 80. All shares have been fully paid. No shares are held in treasury or by the company's subsidiary. Aktiebolaget Trav och Galopp has a total of 360,001 ordinary shares and 39,999 preference shares outstanding. The total number of shares is 400,000 (400,000) and the quotient value is SEK 100 per share.

Other contributed capital comprises the difference between what has been contributed in total by the shareholders and what is recognised as share capital.

Retained earnings, including profit for the year

Retained earnings comprises prior years' unrestricted equity, profit for the year and that part of untaxed reserves that consists of shareholders' equity.

Parent Company**Restricted and non-restricted reserves**

Shareholders' equity is divided into restricted equity and non-restricted funds. Restricted share capital comprises share capital of MSEK 40 (40) and statutory reserves of MSEK 8 (8), as well as the development costs reserve of MSEK 759 (755).

Note 19 Long-term liabilities

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Liabilities to credit institutions	399	398	399	398
Liabilities related to right-of-use assets	72	79	–	–
TOTAL	471	477	399	398

ATG has finance leases for cars and rental contracts. Liabilities to credit institutions pertain to a bank loan. The bank loan is subject to variable interest rate linked to STIBOR. The loan is an interest-only loan and falls due for payment in November 2024. The loan carries a covenant related to the Group's net debt and EBITDA. The Group has fulfilled the terms of the loan throughout the current period, and the previous year.

Note 20 Other current liabilities

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Gambling tax	96	95	87	88
Winnings liability	12	22	12	22
Terminal partners	33	134	33	134
Jackpot	11	14	7	9
International partners	27	12	27	12
Other current liabilities	64	36	55	28
TOTAL	243	313	221	293

Note 21 Accrued expenses and deferred income

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Accrued salaries and employer's contributions	50	44	35	35
Commission foreign betting	15	17	13	15
Other accrued expenses	41	31	28	27
Deferred income	0	0	0	0
TOTAL	106	92	76	77

Note 22 Provisions

	<i>Group</i>		<i>Parent Company</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
Amounts on 1 January	–	200	–	200
Provisions for the year	–	–	–	–
Provisions utilised	–	–	–	–
Unutilised amount that has been reversed	–	-200	–	-200
Other adjustments	–	–	–	–
Carrying amount at year end	–	–	–	–

The provision pertained to deferred tax on Group contributions, see Note 7.

Note 23 Liabilities attributable to financing activities

<i>GROUP</i>	<i>2022</i>	<i>2021</i>
Opening balance	489	1,187
Cash flow		
Loans raised	4	403
Repayment of loans	-12	-1,100
Non-cash items		
Interest	1	-1
CLOSING BALANCE¹⁾	482	489

1) Of the closing balance, MSEK 399 (398) relates to long-term liabilities to credit institutions, MSEK 72 (79) long-term lease liabilities, MSEK 0 (0) current liabilities to credit institutions and MSEK 11 (12) current lease liabilities.

Note 24 Participations in Group companies

<i>PARENT COMPANY</i>	<i>2022</i>	<i>2021</i>
Accumulated cost		
Opening balance	79.5	79.5
Acquisitions and capital contributions	–	–
CARRYING AMOUNT	79.5	79.5

Specification of the company's shareholdings and participations in Group companies.

NOTE 24, CONTINUED

PARENT COMPANY

GROUP COMPANY/CORP. REG. NO./REG. OFFICE	Number of participations	Participation, %	Book value 2022	Book value 2021
Kanal 75 AB / 556578-3965 / Stockholm	1,000	100%	0.1	0.1
25syv Group A/S / 30556372/ Denmark	1,074,219	100%	79.4	79.4
25syv A/S ¹⁾ / 30897765/ Denmark	500,000	100%	–	–
Ecosys Ltd ¹⁾ /C53354/ Malta	1,165	100%	–	–

1) 25syv A/S and Ecosys Ltd are wholly owned subsidiaries of the Parent Company's subsidiary 25syv Group A/S.

The share of equity corresponds to the share of voting rights.

Kanal 75 AB produces TV and Internet services for trotting and thoroughbred racetracks. The 25syv Group is active with four brands in sport betting, horse betting and casino games in stores and online.

Note 25 Pledged assets, contingent liabilities and contingent assets

Contingent liabilities

ATG provided surety for the wholly owned subsidiary Kanal 75 AB's rental contract.

ATG occasionally becomes a party to legal disputes. No ongoing dispute is assessed to have a material impact on the Group's position or earnings.

Note 26 Proposed appropriation of profits

ATG's Board has resolved that available funds in Group contributions of MSEK 1,631,000,000 be appropriated to the Swedish Trotting Association and proposes that earnings for 2022 be appropriated as follows:

NON-RESTRICTED EQUITY IN THE PARENT COMPANY, SEK	2022
Retained earnings	202,542,233
Profit for the year	55,973,570
TOTAL	258,515,803
Dividend to shareholders	-160,000,000
RETAINED EARNINGS	98,515,803

The Board proposes distribution of a dividend of MSEK 160 to the owner of the preference shares, the Swedish Jockey Club, and that no dividend be distributed to the owners of ordinary shares. The unappropriated retained earnings will be carried forward.

The Parent Company has a development costs reserve amounting to MSEK 759 (755). This reserve is included in restricted equity. The Parent Company's shareholders' equity totalled MSEK 1,066 (1,160).

Note 27 Significant events after the end of the financial year

On 3 February, the Swedish Patent and Market Court announced its ruling in favour of ATG in a dispute concerning the infringement of ATG's brand. The defendants comprised Dressman AB, LeeWrangler Sweden AB and Wrangler Apparel Corp.

BOARD'S SIGNATURES

The Board of Directors and Chief Executive Officer hereby give their assurance that the Annual Report and the consolidated financial statements, including the statutory Sustainability Report, have been compiled in compliance with the European Parliament's and Council of Europe's Regulation (EC) No. 1606/2002 dated 19 July 2002 regarding the application of international accounting standards and with generally acceptable accounting practices and thus provide a fair and accurate impression of the financial position and earnings of the Group and the Parent Company, and that the statutory sustainability report has been prepared pursuant to Chapter 6 of the Swedish Annual Accounts Act. The Administration Reports for both the Group and the Parent Company accurately review the Group's and the Parent Company's operations, financial position and earnings and describe the significant risks and uncertainties facing the Parent Company and the companies included in the Group. The Annual Report and consolidated financial statements were approved by:

Stockholm, 16 March 2023

BO NETZ
Chairman of the Board

ANDERS KÄLLSTRÖM
Deputy Chairman

AGNETA GILLE
Board member

ANDERS LILIUS
Board member

BIRGITTA LOSMAN
Board member

BORIS LENNERHOV
Board member

JOHAN CARLSON
Board member

KERSTIN PETERSON-BRODDA
Board member

MATS NORBERG
Board member

SUSANNA RYSTEDT
Board member

URBAN KARLSTRÖM
Board member

MARIANNE MARTINSSON
Board member
employee representative

HANS LORD SKARPLÖTH
CEO and
Group President

Our audit report was submitted on 17 March 2023

Ernst & Young AB

MIKAEL SJÖLANDER
Authorised Public Accountant

AUDITOR'S REPORT

[Unofficial translation] To the general meeting of shareholders of Aktiebolaget Trav och Galopp, Corp. Reg. No.: 556180-4161

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and the consolidated accounts of Aktiebolaget Trav och Galopp for the year 2022. The company's annual accounts and consolidated accounts are included on pages 37–95 of this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Parent Company as of 31 December 2022 and of its financial performance and cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Group as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not encompass the corporate governance report on pages 51–58. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for opinions

We conducted our audit in accordance with International Standards on Auditing (ISA), and with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other information than the annual accounts and the consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–36 and 99–123. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and the consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially

inconsistent with the annual accounts and consolidated accounts. In this procedure, we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the presentation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern

basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 annual accounts and consolidated accounts.

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

- identify and assess the risks of material misstatement in the annual accounts and consolidated accounts, 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 opinions. 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 the company's internal control relevant to our 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 Board of Directors and the Managing Director.
- conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group'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 annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. 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 a company and a group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the annual accounts and the consolidated accounts, including the disclosures, and whether the annual accounts and the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Aktiebolaget Trav och Galopp for 2022 and the proposed appropriations of the company's profit or loss. We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

A separate list of loans and collateral has been prepared in accordance with the stipulations of the Companies Act.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organisation, and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organisation is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Director's guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a satisfactory manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which could give rise to liability to the company, or

- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with a reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is primarily based on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with a starting

point in risk and materiality. This means that we focus our examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for the statutory sustainability report for 2022 on pages 51–58 and that it is prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement was conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance report. This means that our examination of the corporate governance report is different and substantially less in scope than an audit conducted in accordance with

International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance report has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the statutory sustainability report for the year 2022 as defined by the company in the section "Sustainability Report according to the Swedish Annual Accounts Act" on page 100, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is

different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Stockholm, 17 March 2023
Ernst & Young AB

Mikael Sjölander
Authorised Public Accountant



7

Sustainability notes

SUSTAINABILITY NOTES

NOTE 1 – INFORMATION ON THE SUSTAINABILITY REPORT

ATG has prepared its annual Sustainability Report according to the GRI Standards since 2017, and this sustainability report is in accordance with the latest version, 2021. The Sustainability Report is not audited externally on the basis of the GRI Standards, though ATG believes that the report meets the reporting requirements of the standard with the exception of Requirement 9 since the company has not notified GRI. The report encompasses AB Trav och Galopp and its subsidiaries Kanal 75 AB and 25syv. All disclosures in this Sustainability Report pertain to the financial year 1 Jan 2022 to 31 Dec 2022. ATG also reports certain key performance indicators in conjunction with the quarterly reports.

ATG is a signatory member of the UN Global Compact and this report is therefore also a Communication on Progress (COP) that members prepare to report how they are applying the Ten Principles of the Global Compact. During the year, ATG participated in Global Compact's 2022 Early Adopter Programme. As a result, ATG is helping to develop a new reporting platform that will be launched for all members of the Global Compact in 2023.

Sustainability Report according to the Swedish Annual Accounts Act

ATG is not covered by the requirements of non-financial reporting according to Sweden's

implementation of the EU's Non-Financial Reporting Directive (NFRD). ATG prepares a statutory sustainability report in accordance with Chapter 6 of the Annual Accounts Act.

The statutory Sustainability Report is presented on the following pages in ATG's Annual and Sustainability Report for 2022:



Contents	Page
Business model	10–11
Risks and risk management	42–46
Accounting policies and accounting estimates	100–116
Governance, follow-up, earnings and performance measures by area:	
Social conditions	100–108
Personnel	100–105, 112–114
Counteracting corruption	100–105, 110–111
Human rights	100–105, 111
Environment	100–105, 115–116
Horse welfare	108–109



NOTE 2 – FOCUS AREAS AND MATERIAL TOPICS

ATG has identified material topics in accordance with the GRI Standard's framework that form the basis for ATG's strategic sustainability initiatives and that decide the content of the Sustainability Report. Identification and prioritisation of material sustainability topics are based on an analysis of the surrounding world, the result of dialogues with stakeholder groups and the company's assessment of the impact of operations on the surrounding world as well as the strategic importance of the topic. The priorities and opinions of stakeholders are integrated into sustainability initiatives that are brought together in ATG's sustainability strategy. The sustainability strategy is evaluated every year. In 2023, ATG will begin double materiality analysis that also include the sustainability impact on the business of external factors.

To accelerate this sustainability transition, ATG took part in two accelerator programmes in 2022 within the framework of the UN Global Compact. One of these was the Climate Ambition Accelerator programme to increase the climate ambition with the objective of adopting science-based targets. The second was the Target Gender Equality Accelerator programme to strengthen ATG's diversity and gender equality work.

Measurement and control are important in all sustainability initiatives. Work with this continued throughout the company during the year. In addition, the level of ambition for suppliers was raised through an updated Code of Conduct, several follow-ups and an audit.

Stakeholder dialogues

ATG conducts regular stakeholder dialogues. The latest, in 2021, included prioritised stakeholder groups across the value chain: suppliers, owners, employees, agents, customers, and industry and stakeholder organisations. The dialogues focused on 15 of the Group's identified sustainability topics that the stakeholders were asked to rank. Overall results show that gambling problems and financial contributions to horse racing and the horse industry are top priority sustainability topics. This is reflected in ATG's mission to be the engine of the horse racing industry and the gaming industry's compass. Stakeholders believed ATG could further develop its work to reduce climate impact and to provide a clearer presentation of its results in the area of sustainability. Several stakeholder groups also highlighted the importance of active efforts in responsible gambling, to combat problem gambling in young adults, meaning individuals between 18 and 25 years of age.

Stakeholder dialogues are also conducted as an integral part of day-to-day operations, such as:

- Dialogue with customers takes place on a continuous basis through ATG's customer service, customer surveys and regular NPS (Net Promoter Score) surveys.
- Dialogue between employees and managers takes place in day-to-day work, in structured performance appraisals and through annual employee surveys.
- Dialogue with agents takes place every day through ATG's customer service and through

- the company's information portal for agents. The agents are trained in the company's customer offering, responsible gambling and anti-money laundering.
- Dialogue with the Swedish Gambling Association (SPER) takes place as the CEO is a member of the Board and other employees are active in SPER working groups.

- Dialogue with owners takes place through ATG's Board work, through liaison meetings with the Swedish Trotting Association and Swedish Jockey Club and through various meetings with trotting societies.
- Dialogue with gambling addiction groups and researchers in gambling addiction.

ATG's value chain

ATG provides gambling services to its customers directly through online games and through agents. To supply these services, ATG is dependent on many different parties, such as providers of rights and data for game information, gambling and betting services, IT services, TV broadcasting, advertising materials and media channels. Some of these have long supply chains, such as IT products.

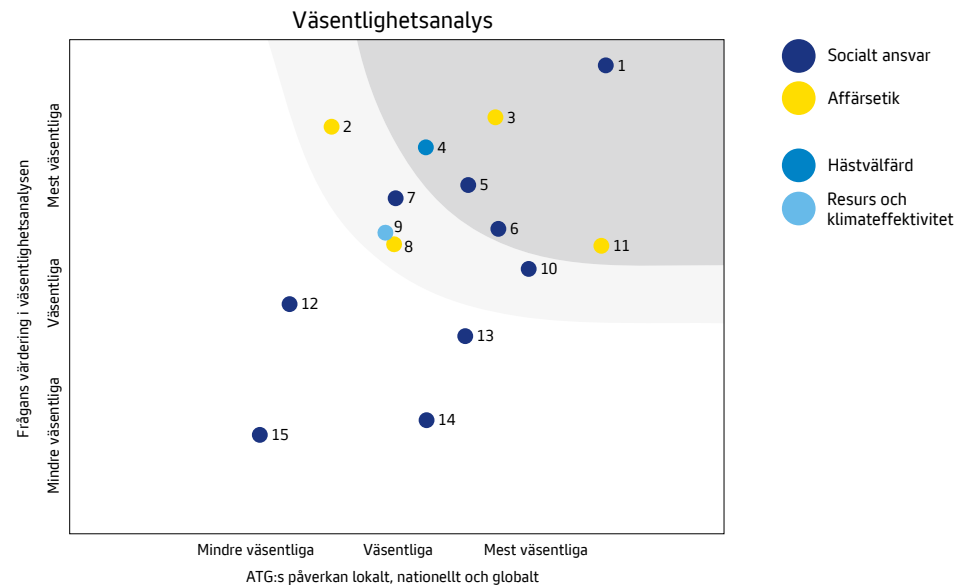
ATG's owners, the Swedish Trotting Association and the Swedish Jockey Club, are the Group's main suppliers as a wide range of data and rights are required to offer betting and moving images from horse races.

The surplus from ATG is distributed to the owners and finances large parts of trotting and thoroughbred racing, including 36 trotting and thoroughbred racetracks across the country.



NOTE 2, CONTINUED

MOST MATERIAL	MATERIAL	LESS MATERIAL
Problem gambling (1)	Sport and equal terms (2)	Corruption risk (12)
Financial contribution to owners (3)	Problem gambling among young people (7)	Responsible purchasing (13)
Horse welfare (4)	Taxes and job opportunities in the horse industry (8)	Satisfied employees (14)
Data protection (5)	Climate impact (9)	Diversity and equal opportunity (15)
Moderate marketing (6)	Labour conditions (10)	Figures in brackets can be found in the matrix below.
Risk of money laundering (11)		



Materiality analysis

The Group’s most important sustainability topics can be seen in the adjacent table. ATG’s assessment of material sustainability topics has taken into account stakeholder dialogues. As ATG is a gambling company, problem gambling is the most important topic. Since ATG is horse racing’s own gambling company, financial contribution to owners and horse welfare are also very important topics.

ATG’s contribution to the UN Sustainable Development Goals

The starting point for ATG’s sustainability initiatives is the Principles of the Global Compact

and the UN Sustainable Development Goals (SDGs). Sustainability topics from the stakeholder dialogues are included in ATG’s sustainability strategy. The most prioritised areas are long-term customer relationships and Fair sport – Fair betting.

ATG has surveyed and analysed how the Group makes a positive or negative impact on the SDGs. The analysis shows that operations have the greatest impact on seven of the 17 SDGs, which makes these particularly important. Within the seven SDGs prioritised by ATG, work focuses on 12 targets (of 169) where the company has particular potential to contribute positively*.



*read more about ATG’s contribution to the SDGs on omatg.se

NOTE 2, CONTINUED

Focus area sustainability	Description	Material topics	Goal
Long-term customer relationships	Responsible gambling is ATG's most important sustainability topic, as gambling for money is always linked to risk, for the customer and for their family members. ATG's goal is that customers can enjoy their gambling and gamble for pleasure, which is a prerequisite for the long-term profitability of ATG.	<ul style="list-style-type: none"> Customer well-being Moderate marketing 	<ul style="list-style-type: none"> ATG's turnover is to stem from customers who gamble in a healthy and sustainable manner. ATG's marketing is to be moderate and not lead to excessive gambling.
Fair sport – Fair betting	The well-being of the horses is the sustainability issue that ATG's customers consider most important. Combating doping and promoting sustainable sports are important issues for trotting and thoroughbred racing and a prerequisite for ATG to conduct betting on horses. ATG works actively to ensure that all gambling offered is free from match fixing.	<ul style="list-style-type: none"> Horse welfare and doping-free horse racing Counteracting match fixing 	<ul style="list-style-type: none"> All racehorses are to be treated well during training and competitions. Racehorses are entitled to a good life after their racing career. The sport betting that ATG offers should be free from match fixing and doping.
Sustainable business	An important part of ATG's mission is to serve as the gaming industry's compass. This means, in addition to that covered by long-term customer relationships and Fair sport – Fair betting, that business must be conducted sustainably and ethically. Particularly important areas are the counteracting of corruption and money laundering, IT security and protecting personal data in the operations. ATG works continuously to strengthen climate efforts, and to pursue systematic work with suppliers to minimise impact on human rights and the environment. ATG focuses on employees as the single most important asset. ATG is to be an attractive, diversity-focused workplace, free from bullying and harassment, where employees are mentally and physically healthy.	<ul style="list-style-type: none"> Suppliers Prevent money laundering Data protection and IT security Employees Reduce the Group's climate impact 	<ul style="list-style-type: none"> ATG is to be well aware of the value chain risks regarding human rights, labour conditions, environment and anti-corruption, and has effective control systems in place to manage these. Well-functioning IT operations and information security are essential for an effective business. ATG is to be one of Sweden's most attractive employers where neither career paths nor pay are influenced by gender, ethnicity or sexual orientation. ATG strives actively to reduce the organisation's climate and environmental impact through: Paper-free betting by 2030 and fossil free operations by 2030 as well as net-zero emissions by 2045.
For a better society	ATG is to safeguard the long-term development of trotting and thoroughbred racing by offering responsible gambling. ATG is to be a leading role model for the gambling industry that shows the way, and actively drives and develops the industry in a more sustainable direction. The surplus from ATG's operations finances trotting and thoroughbred racetracks, and contributes to the entire horse industry. Through sponsorship and other commitments, ATG contributes to society as a whole.	<ul style="list-style-type: none"> Financial contributions to owners and to society Role model for the gambling industry 	<ul style="list-style-type: none"> Increase ATG's profit with the aim of financing trotting and thoroughbred racing. ATG contributes to diversity, gender equality and inclusion through sponsorship and commitments. As the engine of the horse racing industry ATG contributes to job opportunities, open landscapes and biodiversity. ATG is driving the gambling industry in a more sustainable direction.

NOTE 3 – SUSTAINABILITY GOVERNANCE

ATG's Board is ultimately responsible for the governance of sustainability initiatives. Sustainability initiatives are integrated into the company's business plans and operations.

Group management governs and makes decisions based on the targets established by the Board for priorities and strategic choices in sustainability initiatives. To provide extra focus on these topics, a forum exists that considers cross-functional business matters from a sustainability perspective.

ATG applies the precautionary principle¹, which means measures are taken to reduce or prevent risks that may damage the environment

¹The precautionary principle of Chapter 2, Section 3 of the Swedish Environmental Code means that persons who pursue an activity shall implement protective measures to prevent negative impact on human health and the environment. These are to prevent, hinder or combat damage or detriment to human health or the environment as a result of the activity or measure.

or human health and without breaching human rights. The precautionary principle is integrated into ATG's Supplier Code of Conduct as the assessment is that the company's impact is primarily outside its own operations. The company's follow-up covers all prioritised sustainability topics and is performed annually at selected suppliers.

A whistleblower function is available for employees or suppliers to report suspected breaches of ATG's internal rules or external regulations. An external whistleblower channel has been implemented to comply with the Whistleblowing Act (2021:890).

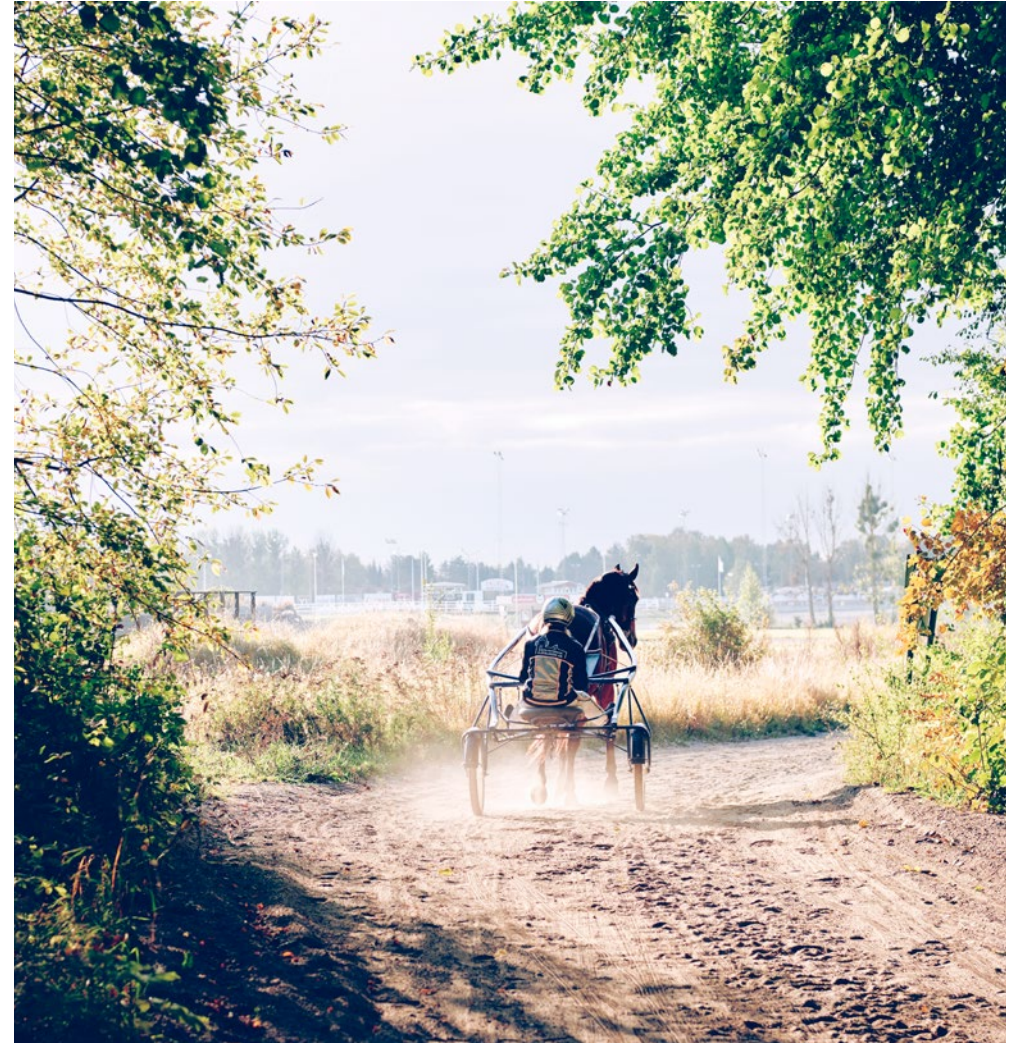
Instructions, policies and guidelines

ATG has governing documents that state how the operations should be conducted. Instructions for the operations are resolved by the Board. Policies and guidelines are decided by the CEO. Refer to the table for the instructions, policies and guidelines that regulate sustainability initiatives.

Governing document	Description
Operational instruction	Instruction for how ATG's operations are governed and describes governance roles, and the distribution of responsibility and authority within the organisation. The instruction also contains the principles for risk management and risk appetite, sustainability, signing authority and attestation, whistleblowing, anti-money laundering, responsible gambling and the handling of personal data.
Anti-corruption Policy	Forms a framework for ATG's work and principles concerning anti-corruption and increasing the organisation's awareness of corruption issues as well as promotes preventive measures.
Anti-money laundering Policy	The policy describes how ATG works to prevent its operations from being used for money laundering or to finance terrorism linked to the products and services offered by operations.
Supplier Code of Conduct	The Code of Conduct is based on the Ten Principles of the UN Global Compact, which in turn are based on the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention against Corruption. The Code of Conduct for suppliers specifies a minimum level of sustainability initiatives to achieve continuous improvements.
Sustainability Policy	Describes the level of ambition for ATG's sustainability and environmental work and expectations for how employees are to conduct their work from a social, environmental and ethical perspective.

NOTE 3, CONTINUED

Governing document	Description
Responsible gambling Policy	The Policy complements the operational instruction and describes the responsible gambling efforts, how duty of care is fulfilled and how risk work in responsible gambling is to be managed.
Policy to prevent and counteract match fixing	The Policy aims to counteract and prevent that ATG contributes to or is used for match fixing. The Policy stipulates, for example, responsibility, significant risks and procedures for collaboration and follow-up.
Work environment policy	The Policy for work environment to achieve a long-term and efficient business operation, and an attractive workplace with responsible employees. Risk of accidents at work and ill-health are to be prevented and whenever necessary support and rehabilitation is to be offered. The guidelines are based on health and safety legislation and the Swedish Work Environment Authority's regulations.
Purchasing Policy	The Policy aims to define the main principles for purchasing within the ATG Group in order to ensure that these principles best support the Group's objectives and strategies. The policy emphasises the importance of considering social and environmental aspects and business ethics when purchasing, which is also regulated in ATG's Supplier Code of Conduct.
Whistleblower Policy	This Policy complements the rules for whistleblowing in the operational instruction. Whistleblowing aims to detect serious misconduct in the workplace or in the company's operations.
Guidelines for diversity	The guidelines aim to create an attractive, diverse workplace. A workplace that helps ATG's employees accept one another for their differences, is free from bullying and harassment and ensures compliance with regulatory requirements by working pro-actively to achieve diversity.



NOTE 4 – LONG-TERM CUSTOMER RELATIONSHIPS

ATG works systematically so that our customers enjoy their gambling and gamble for pleasure.

To ensure customers have control over their gambling, ATG has functions that include a self-assessment test, deposit limits, login time and loss limits as well as self-exclusion and referral to the Helpline. It is possible to exclude yourself from a gambling area, which means the customer can exclude themselves from sport betting but continue casino games and horse betting. All of these are brought together under the common name ATG Check. All employees, agents, gaming suppliers and partners in advertising and PR are trained in responsible gambling. This aims to provide an insight into how problem gambling can be prevented.

About 4 per cent of the Swedish population is estimated to have gambling problems or risk developing problem gambling according to the “Gambling and gambling problems in Sweden according to Swelogs 2018” report, published by the Public Health Agency (FHM). Factors such as the characteristics of the game and marketing influence the risks associated with the gambling. The risk of developing problem gambling is also influenced by factors such as age, education and socioeconomic background. These factors can also make it more difficult for people to overcome their problem gambling. It is important to monitor customers’ gambling to identify risky gambling.

ATG has been pushing for the issue of risk classification of gambling products for many years. Research shows the risk of developing

problem gambling differs between products, that there is quite simply a difference between buying a Harry Boy or online casino games.

Healthy turnover

Operators with a Swedish gambling licence must fulfil high standards for the gambling operations and one of the most important provisions in the Gambling Act (Chapter 14, Section 1) is the duty of care. As part of the duty of care, the licence holder must counteract excessive gambling through continuous checks of gambling behaviour and to act when risky gambling is identified by contacting the customer and, when necessary, taking action to reduce gambling.

As part of ATG’s ambition to be the gaming industry’s compass, a dialogue was initiated during the year with Kindred and Svenska Spel to identify industry-wide key performance indicators that focus on healthy turnover and greater transparency. Four KPIs were identified

The following KPIs will henceforth be reported every six months by ATG, Kindred and Svenska Spel in the hope that the rest of the gambling industry also join:

Key performance measures	1 Jan 2022– 30 Jun 2022	1 Jul 2022– 31 Dec 2022
1. The proportion of our customers contacted by us due to risky gambling	1.4%	1.4%
2. The impact of such contacts (share who reduced their gambling)	57.6%	52.4%
3. How much these individuals reduced their gambling	60.9%	64.9%
4. The proportion of the customers contacted by us that opted to self-exclude from betting with the gambling company: a) shorter than six months; and b) six months or longer	a) 2.2% b) 2.4%	a) 1.5% b) 2.2%

– the KPIs show how each company works with responsible gambling contacts with the group of customers who exhibit signs of risky gambling and the effect of these contacts.

What constitutes risky gambling and how is this detected?

Risky gambling is identified continuously in analyses of gambling behaviour using the gambling company’s responsible gambling tool and/or in communications with the customer who may express concerns about their own gambling and health. Risky gambling does not need to constitute problem gambling. One of the main reasons to contact customers who exhibit signs of risky gambling is for caring and for preventive purposes; to find out how the customer is feeling and whether the customer is experiencing problems with their gambling. Risky gambling can fall within a spectrum of low to high risk. Gambling companies can contact and communicate in

various ways at different levels with customers. Risky gambling may manifest itself in various ways at gambling companies. The differences may be because gambling companies offer different forms of betting, have different customer demographics, use different responsible gambling tools and monitoring systems, and set different levels for forms of customer contacts.

Share of green customers and green turnover

An integral part of ATG’s betting environment is the ATG Player Tracking System (PTS), which has monitored and analysed the gambling behaviour of customers since 2019. PTS was developed by Sustainable Interaction¹ and is based on the results of published research² that found the results of self-assessment tests are consistent with a customer’s experienced problems, and that feedback by phone, e-mail and letter reduces the risk of problem gambling. Using PTS, customers receive feedback on changes to their gambling behaviour through messages to their account at atg.se.

The self-assessment test is an important component in raising awareness among customers of their gambling behaviour and to enjoy their gamble. The test is always available on atg.se and can be completed either while logged in or anonymously. ATG reports share of green customers and green turnover based on unique customers. Since customers can conduct the self-assessment test more than once and anonymously, the total number of tests carried out is significantly greater than the figure shown in the table below.

¹ <https://sustainablegambling.se/>, Jakob Jonsson.

² [Jakob Jonsson, 2019 doctoral thesis, Preventing problem gambling: focus on overconsumption.](#)

NOTE 4, CONTINUED

By 31 December 2022, approximately 152,000 unique customers had carried out a self-assessment test on atg.se.

Green customers and green turnover ¹⁾	2020	2021	2022
Share of green customers, %	86	85	86
Share of green turnover, %	74	77	79
No. of customers who have completed a self-assessment test (accumulated from 1 Jan 2019)	92,000	121,000	152,000

¹⁾ Share of green customers and share of green turnover for customers who have completed a self-assessment test at ATG refers only to ATG's customers (not 25syv). For measurement methods, refer to definitions and glossary.

Comments on the outcome: The share of green customers has increased despite the fact that the customers that are mainly encouraged to conduct the self-assessment test are those that demonstrate gambling behaviour that

indicates problem gambling. The share of green turnover has also risen. Both results are gratifying and provide an indication that ATG's responsible gambling efforts are producing positive results.

During the year, a variety of information was distributed to raise the number of self-assessment tests. The information is both sent widely to a large number of customers and sent as targeted information to the customer's logged-in mailbox for priority target groups of ATG's customers. Prioritised groups comprise young customers aged from 18 to 25 with a net loss of more than SEK 10,000 per year. ATG has actively chosen to target the campaigns at customer groups that are assumed to be most in need of completing the test.

Customers who have completed a self-assessment test and then not changed their gambling behaviour are poorly motivated to redo the test, and green turnover is therefore calculated using self-assessment tests of the total number of unique customers.

Care calls

Feedback on gambling behaviour is a responsible gambling measure as part of the duty of

care set out in the Gambling Act. To ensure that customers enjoy their gambling, ATG has chosen to contact those people who show signs of problem gambling through individual care calls. The conversations aim to encourage a reduction in gambling and are carried out by trained responsible gambling specialists at ATG's customer service. Employees have received communication training in Motivational interviewing, which is an established method to enhance the customer's motivation to change. Specialists regularly receive additional training in the counselling approach. Research has shown that individual talks with customers are important in reducing problem gambling.

Even customers who have won a jackpot in casino games are contacted and offered information about tools provided by ATG to limit gambling since a winning can lead to an increase in gambling.

Every week, ATG's responsible gambling specialists conduct an average of 200 care calls to



customers. In addition, customers who change their gambling patterns receive system-generated text messages and e-mails about responsible gambling.

Marketing and labelling

The gambling industry has a number of legal requirements to provide information where gambling products are offered. All marketing of gambling must clearly state the 18-year-old age limit for gambling and contact details to Helpline. The responsible gambling logotype must always be clearly visible wherever online games are offered.

One important part in responsible gambling efforts is the element of moderation when marketing gambling products. ATG has chosen not to market online casino games in broad media such as television, radio or outdoor billboards.

The marketing guidelines stipulate that marketing:

- must be truthful and not misleading, must not be directed at minors, and must not be designed to be perceived as intrusive
- must be done in a spirit of responsible gambling

NOTE 4, CONTINUED

The Swedish Gambling Authority's responsible gambling logotype

According to the Gambling Act, all gambling companies must make the responsible gambling logotype clearly visible wherever online games are offered.

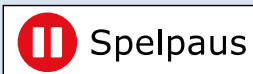
The logotypes must be placed in a locked field at the top of the licence holder's websites and mobile applications so that the logotypes are visible at all times, even when the user scrolls down the page.



The self-assessment test, which gives customers an idea of their gambling habits.



Mandatory deposit limits or voluntary restrictions such as login time limits.



Exclusion from gambling where the customers can opt to self-exclude from betting, either with the gambling company or in the national self-exclusion register spelpaus.se that covers all licence holders.

The Danish Gambling Authority's responsible gambling logotype

The Danish gambling market is also subject to requirements for clear information about responsible gambling and risks when selling gambling products.

There is also a requirement that information and links to responsible gambling tools are available in a prominent place on the licensee's website or user interface. The information must be available on all pages of the website.

**Cases whereby ATG has been convicted for marketing communications in 2022:**

The Group was not convicted for its marketing communication during the year.

NOTE 5. – FAIR SPORT – FAIR BETTING**Horse welfare**

Promoting responsible horse racing is a high priority at ATG since betting on horses would not be possible unless their welfare is taken seriously. ATG collaborates with its owners, the Swedish Trotting Association and the Swedish Jockey Club, in efforts to promote good horse welfare. Animal welfare legislation provides a solid legislative framework that applies to all animal husbandry. In addition, extensive regulations are in place for race activities involving horses that ensure that care is taken of horses and the sport is practised on equal terms. For example, the regulations describe the prohibition of doping, requirements concerning the equipage's equipment and regulate how driving may be conducted.

Each year, more doping tests are taken for horses within Swedish trotting than the number taken in all categories of human sport. Doping tests during race meetings aim to ensure betting safety and horse welfare while stable area inspections and camp inspections aim to ensure horse welfare.

Before each race, active horse racing participants carry out self-inspections of horses and equipment using an established checklist. During race meetings, stable area inspections are also carried out, which are random inspections to verify that the self-inspections are done correctly. Track veterinarians, appointed by the Swedish Board of Agriculture, attend every race.

Camp inspections, which are pre-announced

checks at licenced trainers' facilities are regularly performed. Unannounced checks were also carried out. If any deviations from regulations are found, the Swedish Trotting Association and the Swedish Jockey Club issue a warning, fine and/or suspension from competitions.

Focus during the year remained on combating anti-doping in horse racing, led by the Swedish Trotting Association. Initiatives took place to strengthen expertise and resources to enable more operative work in cases of suspected doping. Another anti-doping tool is monitoring stables ahead of race meetings. This means that, ahead of certain races, the Swedish Trotting Association can decide that competing horses must at a specified time arrive at a special monitoring stable and remain stabled there until the start of the race. During the year, the concept has been extended on two occasions when arrival was the day before a race and the relevant horses were monitored overnight.

The first anti-doping sniffer dog for trotting, Lykke, has successfully detected unauthorised substances on Swedish trotting horses. Work is continuing to refine the method and increase the number of substances that can be identified.

Furthermore, more stringent rules have been introduced in trotting and thoroughbred racing for how riding whips can be used during a race. In trotting, encouraging a horse is no longer permitted, only correction and light prompting is permitted. In thoroughbred racing, all encouragement with a riding crop is prohibited and a crop may only be used to avert dangerous situations. The new thoroughbred racing rules apply to the whole of Scandinavia.

NOTE 5, CONTINUED

Inspections in trotting and thoroughbred racing

Number of doping tests	2020	2021	2022
Total	4,433	4,138	3,554
Of which the Swedish Trotting Association	4,215	3,924	3,303
Of which the Swedish Jockey Club	218	214	251
Number of doping cases discovered in inspections	2020	2021	2022
Total	5	1	2
Of which the Swedish Trotting Association	3	1	2
Of which the Swedish Jockey Club	2	0	0
Number of stable area inspections	2020	2021	2022
Total	6,425	6,513	6,865
Number of camp inspections	2020	2021	2022
Total	887	761	925

Explanation of outcome: The number of camp inspections increased slightly year-on-year. The number of camp and stable area inspections vary depending on the number of licence holders and type of licence. The number of doping tests vary depending on the number of race meetings and races.

Measurement methods: The Swedish Trotting Association and the Swedish Jockey Club are responsible for reporting and measuring horse welfare. Information about the number of inspections and their outcomes are obtained from the Swedish Trotting Association with responsibility for conducting all controls.

Further investments in research into horse welfare are taking place in three research projects begun during the year.

Horse welfare from an international perspective

ATG works together with the Swedish Trotting Association and the Swedish Jockey Club to influence horse welfare in other countries through continuous dialogue with international organisations. National and international horse welfare is addressed in a joint horse welfare forum. The forum provides an important opportunity for information exchange and is a platform to pursue horse welfare issues.

During 2022, ATG conducted a more in-depth survey of how important horse welfare is to customers compared with other issues. Horse welfare was among the top three and the survey also showed that 25 percent of the polled actively refrain from gambling on races in countries that they do not believe enforce good horse welfare. These insights were also communicated to international partners, which had a significant impact and several countries are expected to introduce stricter whip rules in 2023.

Counteracting match fixing

One of the greatest challenges in sport betting is match fixing, meaning the illegal manipulation of gambling or sport betting in order to secure undue winnings. ATG has zero tolerance for all forms of match fixing. ATG's preventive work to remove leagues and sports with a higher risk of match fixing is having an effect. Well-founded

decisions are made when the offering is changed.

Operations have rules and procedures to ensure superior betting security and the integrity of all betting objects. ATG receives reports from the IBIA and the company's sport betting operators of suspected match fixing.

In 2022, ATG accepted betting on 176,000 different events. During the year, 407 cases of suspected match fixing were reported via IBIA. ATG offered betting on 61 of these occasions, but no suspicious gambling patterns were identified among ATG's customers on these occasions. The company has actively removed betting objects with a high risk of manipulation.

From a global perspective, the sports with the greatest risk of match fixing are tennis, football and e-sport. ATG's organisation contains roles that can act in the event of deviations and escalate this action as required. The work is conducted with the support of the sportsbook provider.

Match fixing	2020	2021	2022
Number of reported deviations of suspected match fixing where ATG accepted stakes on betting objects.	58	68	61

Explanation of outcome: The number of matches when an operator became suspicious decreased, which led to a slight decrease in the number on which we accepted bets.

NOTE 6 – A SUSTAINABLE BUSINESS

Legal and regulatory compliance

ATG's activities are subject to a range of laws. The Swedish Gambling Authority's guidance on counteracting money laundering and the duty of care are central regulations. The Swedish Gambling Authority issues gambling licences that impose regulations on how the operations should be conducted. The company's governing documents clearly state that all employees are obliged to be aware of and comply with the laws applicable to their work assignments. The company has a number of functions with special responsibility to ensure operations comply with legislation in, for example, money laundering, match fixing, duty of care, data protection, etc. Compliance is monitored by ATG's compliance department.

In 2022, Compliance carried out 21 inspections of ATG's operations in the regulatory areas of the Gambling Act, GDPR and AML, and reported these to the Board. Compliance conducted an on-site inspection of the 25syv subsidiary, which encompassed all regulatory areas including enterprise risk management. ATG has reported incidents to the Swedish Gambling Authority on two occasions.

One of the reported incidents led to a comment and a fine of MSEK 2. The second reported incident did not lead to any penalties. The Swedish Gambling Authority dismissed the case without further action.

Prevention of corruption and money laundering

Good "know your customer" (KYC) and established procedures are an important part in ATG's work to prevent money laundering. This takes place in accordance with the Act on Measures to Prevent Money Laundering and the Financing of Terrorism (2017:630) as well as the Swedish Gambling Authority's Regulations and General Guidelines on Measures to Prevent Money Laundering and the Financing of Terrorism (SIFS 2019:2). The company identifies risks and follows up suspicious transactions on an ongoing basis. During the year, work was streamlined with regard to procedures and system support. Separate KYC specialists work to identify and minimise the risk of money laundering. All employees and agent cashiers are trained in anti-money laundering. Anti-money laundering activities at agents include monetary thresholds for cash, for example that gambling using cash payments are limited to SEK 10,000 per day and customer. Winnings pay-outs and cash withdrawals from ATG accounts are permitted up to SEK 3,000 at a time or SEK 10,000 over a seven-day period.

During the autumn of 2021, the Swedish Gambling Authority initiated a supervisory matter regarding ATG's work with KYC. The Swedish Gambling Authority announced a ruling on the matter on 23 November 2022, which entailed a warning to ATG and a fine of MSEK 6. The Swedish Gambling Authority indicated that ATG had failed to promptly and adequately perform KYC on eight checked customers. ATG appealed the decision on 12 December 2022.

In 2022, 438 suspicious transactions were reported from Swedish operations and 50 from



NOTE 6, CONTINUED

Danish operations to each country's Financial Intelligence Unit. During the year, ATG handled a rising number of cases and introduced new procedures linked to reporting. In Denmark, the number of reported cases declined from previous high levels, which was in part due to changed processes for reporting to the authorities in accordance with their instructions. ATG complies with the Swedish Anti-Corruption Institute's Code on Gifts, Rewards and other Benefits in Business and has zero tolerance for corruption. Suspected breaches must be reported to the compliance department or through the whistleblower function. No cases of corruption were brought to the company's attention during the year.

Handling of personal data

It is important for ATG that customers feel secure with the processing of their personal data. During the year, ATG has therefore reviewed and updated the information disclosure that explains how information about customers is collected and used. Personal data is handled in accordance with the General Data Protection Regulation (GDPR) as well as ATG's and 25syv's privacy policies.

Reporting methods

Personal data breaches are reported to the Swedish Authority for Privacy Protection (IMY) in Sweden and the Danish Data Protection Agency in Denmark. A personal data breach is a security incident that leads to accidental or unlawful destruction, loss or alteration of personal

data. This could lead to unauthorised disclosure of, or access to personal data.

In this report, ATG describes incidents when non-compliance was confirmed by ATG's own investigation. ATG reported two incidents to IMY during the year. Both incidents concerned potential unauthorised disclosure of personal data. IMY dismissed both cases from further hearings.

25syv had no personal data breaches in 2022.

Sustainable supply chain

Efforts to evaluate and follow up ATG's suppliers is based on the company's Code of Conduct that encompasses requirements in the areas of human rights, labour conditions, environment and anti-corruption, where systematic work is to be implemented by the contracting party to ensure compliance in the value chain. The Code is included as part of the supplier agreement.

ATG has approximately 2,000 suppliers, most of which operate in Sweden. A large share of purchases consist of rights and licences from the Swedish Trotting Association and the Swedish Jockey Club. Other products and services comprise suppliers of gambling, IT services and products as well as media and marketing.

To ensure and contribute to sustainable and responsible conditions throughout the supply chain, ATG works continuously to manage risks and any non-compliance with international principles and frameworks. These risks may arise at direct suppliers as well as subcontractors.

In 2022, dialogue took place with a number of prioritised suppliers, on the basis of an industry

risk analysis, to train and increase knowledge about the minimum requirements stipulated by ATG. The prioritised suppliers have a greater risk of deviating from ATG's Code of Conduct either in their operations or in the supply chain for the products and services purchased. As one element in work with suppliers, action plans have been prepared to manage any non-compliance with ATG's Code of Conduct and ensure continuous improvements in the area. To further enhance ATG's work on sustainable value chains, work began during the year to conduct audits in accordance with the Code of Conduct.

	2020	2021	2022
Number of suppliers assessed	4	4	8

Reporting methods

The performance measure pertains to seven suppliers who are assessed using self-assessment questionnaires as well as an on-site audit at one supplier. In addition to the above assessment, risk-based analyses of suppliers are conducted as part of the purchasing process when entering into or renegotiating a contract. Since the assessments are different, only sustainability-related supplier assessments are included in the performance measure.

NOTE 7 – ATTRACTIVE AND INCLUSIVE WORKPLACE

Employees are ATG Group's greatest asset. Through shared core values and clear focus on leadership, professional development and employee health, the company strives to be an attractive and inclusive workplace. The following disclosures describe the composition

of personnel in terms of employment contract, employment type, gender and age. The extent of new employee hires and employee turnover in the Group are also described. Disclosures refer to the end of each year.

Number of employees by employment contract (permanent/temporary)

Group	2020		2021		2022	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Group	467	28	518	24	531	17
of whom women	155	9	181	8	184	7
of whom men	312	19	337	16	347	10
ATG	382	22	432	17	439	11
of whom women	139	9	165	7	166	7
of whom men	243	13	267	10	273	4
Kanal 75	56	1	57	2	59	0
of whom women	12	0	12	1	13	0
of whom men	44	1	45	1	46	0
25syv*	29	5	29	5	33	6
of whom women	4	0	4	0	5	0
of whom men	25	5	25	5	28	6

The employee survey shows improved indices during the year:

Employee survey	ATG & Kanal 75	ATG & Kanal 75	ATG & Kanal 75	Benchmark
	2020	2021	2022	2022
Employee Engagement Index	85	85	86	81
Leadership Index	83	83	87	80
e-NPS	43	29	31	16

Explanation of outcome: All indices exceed the benchmark – which is based on results of about 600,000 responses from more than 250 organisations – by a healthy margin. Systematic efforts to develop and improve the corporate culture and operations are included in all parts of the company's organisation.

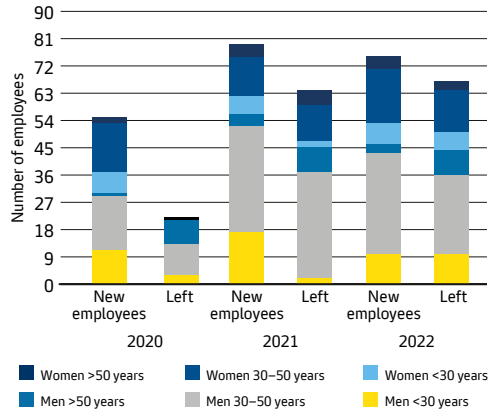
Satisfied employees is a prerequisite for the continued positive development of the company. The results for 2022 improved compared with 2021 and we noted the largest increase in leadership, where actions implemented have achieved good results.

Number of employees by employment type (full-time/part-time)

Group	2020		2021		2022	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Group	463	32	496	46	501	47
of whom women	154	10	168	21	169	22
of whom men	309	22	328	25	332	25
ATG	383	21	410	39	412	38
of whom women	141	7	153	19	153	20
of whom men	242	14	257	20	259	18
Kanal 75	54	3	57	2	58	1
of whom women	11	1	11	2	12	1
of whom men	43	2	46	0	46	0
25syv	26	8	29	5	31	8
of whom women	2	2	4	0	4	1
of whom men	24	6	25	5	27	7

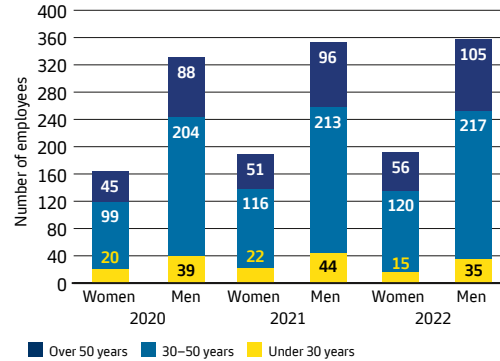
NOTE 7, CONTINUED

New employee hires and employee turnover (GRI 401-1)



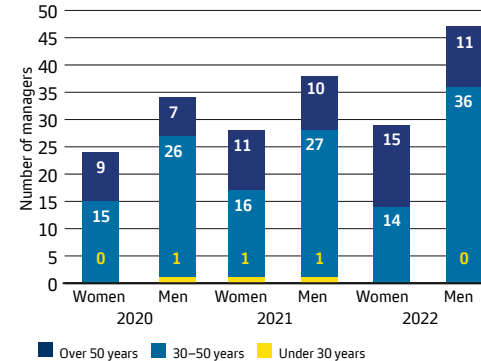
Explanation of outcome 401-1: The greatest mobility was noted in the category for men aged 30–50 and this reflects the great mobility in the market, particularly in IT, with a high level of competition for candidates that have both experience and expertise.

Employees by age and gender (GRI 405-1)

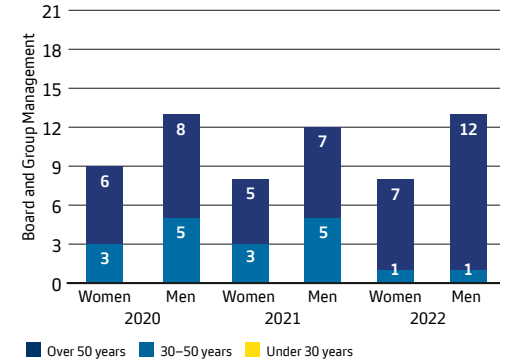


Explanation of outcome 405-1: The percentage of employed women was 35 per cent (33), and for men 65 per cent (67). The percentage of women managers was 42 per cent (41), and for men managers 58 per cent (59). The distribution on the Board and in Group Management was 38 per cent (40) women and 62 per cent (60) men, and the target is a distribution within the 40–60 per cent interval.

Management by age and gender (GRI 405-1)



Board and Group Management by age and gender (GRI 405-1)



NOTE 7, CONTINUED**Thematic weeks for employees**

During the year, two thematic weeks were held for employees on sustainability. Both weeks were broadcast via Teams.

The Responsible Gambling Week was held in February with a focus on the company's work on various responsible gambling issues. ATG's responsible gambling specialists talked about developments in responsible gambling efforts, a responsible gambling forecast was presented together with the outlook for the surrounding world and competitors. In addition, there was an opportunity to learn about how we differ from other gambling companies as regards marketing and ATG Casino. The week ended with a panel discussion when members of the management summarised the week and answered issues raised.

A sustainability week was held in September. During the week, ATG presented its new sustainability strategy, a detailed insight into horse welfare and anti-doping was given by the Swedish Trotting Association and B2B presented the important sustainability initiatives being undertaken in stores and at racetracks. The week ended with a panel discussion with a particular focus on sustainable employees.

A digital exhibition together with an associated film and seminar room on the intranet offers an opportunity to delve deeper into sustainability topics.

The thematic weeks are important elements to raise employee knowledge and spread information and have a high level of participation.



NOTE 8 – CLIMATE IMPACT REDUCTIONS

Materials use

ATG strives to be a sustainable and resource-efficient company that applies the precautionary principle which means preventing, hindering or combating damage or detriment to human health or the environment as a result of the activity or measure. ATG works with a number of different areas to minimise its negative environmental impact. These are outlined below.

ATG endeavours to reduce the amount of paper used in marketing and sales of betting products at agents. The goal is to offer paperless betting in stores by 2030. Consumption is monitored quarterly through the printing suppliers. In addition to reducing paper consumption, ATG strives to ensure that all paper used is from responsible forestry (FSC or Nordic Swan labelled), and all paper used in 2022 was from responsible forestry. The company no longer distributes campaign material to trotting and thoroughbred racetracks in favour of information about digital gambling. Digital screens are used to display messages about ATG Gambling Guide (Spelarguiden) which teaches both beginners and more experience customers how to place their bets digitally in the ATG app.

Since 1 January 2023, all betting at racetracks is completely digital, which has drastically reduced paper consumption at racetracks.

In 2022, ATG continued to renovate its headquarters with a focus on sustainability.

This includes several examples of energy

optimisation where windows have been fitted with zip screens instead of awnings and the office's light fittings are gradually being replaced with energy-efficient LED lighting. Work is being carried out to reduce office and food waste, and to encourage re-use. A compost machine is being tested and will be implemented in the entire building in 2023, when the new law on sorting food waste comes into effect. ATG has changed its waste management supplier to an alternative that offers fossil free transportation, and collaboration has begun with Pantamera whereby all funds from deposits collected on bottles and cans from Hästsportens Hus are donated to the Stadsmissionen charity.

During the year, ATG has intensified its efforts to recover and recycle IT hardware in collaboration with the supplier. As a result of this work, ATG has generated climate savings of almost 45 tonnes of CO₂-e.

Measurement methods

Paper consumption includes the paper used for marketing materials, and the use of betting slips and receipts by store agents as well as packaging. Packaging has been included for the first time. The data is obtained from the printing suppliers that ATG hires. Other materials, such as plastic and textiles are also followed up, but the volumes are relatively small and so only the volume of paper is reported.

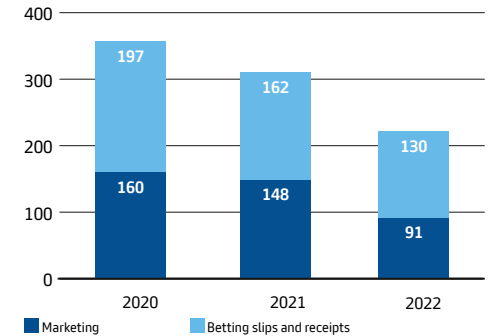
Climate

ATG's goal is to have fossil free operations by 2030 and be climate-neutral (net zero

emissions) by 2045. During 2022, ATG increased the pace of transition by taking part in the UN Global Compact Climate Accelerator programme. The aim is to increase knowledge about climate projections and impact with an opportunity to join the Science Based Target initiative. ATG's climate impact currently includes the entire ATG Group's emissions of Scope 1 and 2 and substantial parts of Scope 3 (external data storage, printed material, business travel) in accordance with the Greenhouse Gas (GHG) protocol. Travel, betting slips and receipts (Scope 3) account for about 76 per cent of the company's emissions. Total emissions in 2022 amounted to 535 tonnes CO₂-e. The greatest challenges to reducing the climate impact of operations is the need for printed material and business trips.

ATG has climate compensated all emissions for 2022 through Solvatten, a project that uses water storage containers to increase the use of solar energy, reduce carbon emissions and improve access to clean and hot water. The project contributes to all of the UN Sustainable Development Goals (SDGs)

Paper used for marketing, betting slips and receipts (tonnes of paper)



Explanation of outcome: Paper consumption is steadily falling. Total paper consumption has fallen by 88 tonnes compared with 2021, corresponding to a reduction of 29 per cent. The main reduction has been in the use of betting slips and receipts. This was thanks to the digitalisation campaign held during the year that has helped customers to transition to digital betting on atg.se or in ATG's app.

NOTE 8, CONTINUED

Measurement methods

ATG uses the GHG Protocol Corporate Accounting and Reporting Standard to report its greenhouse gas emissions. To delineate and allocate to a scope, the report is based on the operational control approach. The 25syv subsidiary is not included in the report of greenhouse gas emissions.

Direct (Scope 1) GHG emissions: Includes emissions from business travel using vehicles owned or leased by ATG. Emissions from these vehicles are estimated based on the driving distance reported by drivers and emission factors from the Network of Transport (NTM). Emissions include CO₂, N₂O and CH₄ and is reported in CO₂-e. ATG's and Kanal 75's offices have standby generators that run on diesel and whose emissions are included in this category. Emissions from the standby generator are an estimation based on annual diesel consumption. Kanal 75 uses EcoPar, a fossil free fuel, for the standby generator.

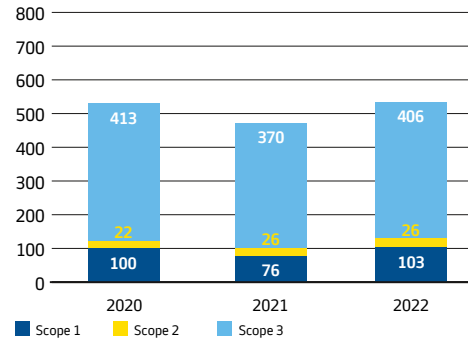
Indirect (Scope 2) GHG emissions from purchased electricity and heating: Includes emissions from purchased electricity and heating to offices. Emissions are calculated

using information from electricity and heating suppliers. Purchased electricity is 95 per cent hydropower and 5 per cent wind and the emissions factor of 7 grams CO₂e per kWh used is based on Vattenfall's environmental product declaration for hydropower. ATG's headquarters purchases district heating from Norrenergi, while Kanal 75 purchases its from Stockholm Exergi. The emissions factors from each office's district heating supplier was used.

Other indirect (Scope 3) GHG emissions: Includes emissions from external data storage, material use by agents and business trips. Business travel calculations only include CO₂ and are based on data from the Group's travel agent for hotels, flights, trains and rented cars. As alternative booking methods are available, the actual level of emissions may be slightly higher. Travel by private cars is calculated using travel claim statistics and emission factors from NTM and include carbon dioxide, nitrogen oxide and methane (CO₂, N₂O and CH₄).

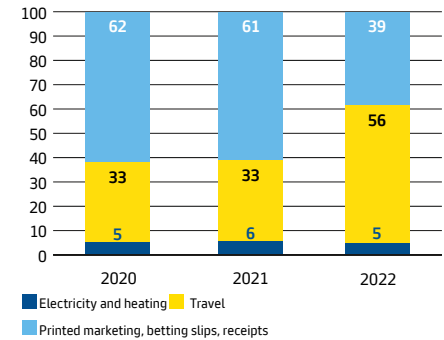
Emissions from production of paper consumed is estimated using emission factors 919.4 kg CO₂e per tonne of paper. The source of the emission factor is DEFRA. The electricity used in external server halls is fossil free and renewable, consumption reported by the supplier and an emissions factor of 7 grams of CO₂e per kWh were used to calculate emissions.

GHG emissions in tonnes CO₂e (GRI 305-1, 305-2, 305-3)



Explanation of outcome: ATG's total climate footprint has increased 13 per cent year-on-year. A major contributory factor is the increased amount of business travel (both by car and flights), due to the effect of a return to normal operations following the pandemic.

Distribution of emissions by activity (%)



Explanation of outcome: Consumption of paper materials represents a large share of ATG's emissions. The greatest opportunity ATG has to impact paper consumption is by offering digital betting. Business travel accounts for more than half of ATG's total emissions. By reducing the number of business trips and making informed choices about fuels, ATG can move closer to the goal of fossil free operations by 2030.

GRI CONTENT INDEX

Statement of use	ATG has reported in accordance with the GRI Standards for the period 1 January 2022–31 December 2022
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No applicable GRI Sector Standard

GRI standard /other source	Disclosure	Location /page	Requirement(s) omitted	OMISSION		
				Reason	Explanation	Additional information
General Disclosures						
GRI 2: General Disclosures 2021	2-1 Organisational details	2, 27, 38, 51–52, 86	Does not apply			
	2-2 Entities included in the organisation's sustainability reporting	100				
	2-3 Reporting period, frequency and contact point	38, 100				Financial year 2022. Annual sustainability reporting. Date of publication 20 March 2023
	2-4 Restatements of information	GRI index				No restatements
	2-5 External assurance	96				The report is externally assured by EY.
	2-6 Activities, value chain and other business relationships	11–12, 14–38, 111				No changes compared to previous reports.
	2-7 Employees	80, 112–113	2-7-b	Information incomplete	ATG has so far only measured permanent and part-time employees with a breakdown by gender. ATG is overseeing how to improve this for the next reporting period.	
	2-8 Workers who are not employees	GRI index				ATG uses consulting services, mainly IT consultants. Consultants are not included in the number of employees.
	2-9 Governance structure and composition	52–53				
	2-10 Nomination and selection of the highest governance body	53				
	2-11 Chair of the highest governance body	53, 57				

GRI standard /other source	Disclosure	Location /page	Requirement(s) omitted	OMISSION		
				Reason	Explanation	Additional information
	2-12 Role of the highest governance body in overseeing the management of impacts	53–55				
	2-13 Delegation of responsibility for managing impacts	54				
	2-14 Role of the highest governance body in sustainability reporting	53				The Board approves the yearly sustainability reporting.
	2-15 Conflicts of interest	51				
	2-16 Communication of critical concerns	54, 104–105, 110–111				
	2-17 Collective knowledge of the highest governance body	54				The Board is informed of sustainable development initiatives at ATG throughout the year. Thus far, these are the only measures taken to ensure and advance the collective knowledge, skills and experience of the highest governance body on sustainable development.
	2-18 Evaluation of the performance of the highest governance body					
	2-19 Remuneration policies	52–53	2-19-b	Information incomplete	No process is currently in place at ATG to connect remuneration policies for the highest governance body and senior executives to the organisation's impact on the environment or on people.	
	2-20 Process to determine remuneration	52–54				ATG carries out equal pay surveys to avoid unmotivated differences in remuneration. During the salary audits there is room for negotiation.
	2-21 Annual total compensation ratio		omitted	Information unavailable	The ATG salary system does not yet provide median compensation values.	
	2-22 Statement on sustainable development strategy	4				
	2-23 Policy commitments	104–105, 110–111, 114				

GRI standard /other source	Disclosure	Location /page	Requirement(s) omitted	OMISSION		
				Reason	Explanation	Additional information
	2-24 Embedding policy commitments	104–105				Managers within ATG are responsible for implementing the policy commitments in their operations.
	2-25 Processes to remediate negative impacts	5, 14, 44, 106–107, 114	2-25-b, d, e	Information incomplete	ATG assesses grievances concerning responsible gaming in several ways but needs to further develop grievance mechanisms concerning suppliers and other important stakeholders.	
	2-26 Mechanisms for seeking advice and raising concerns	5–6, 14, 31, 36, 43, 44, 106–107, 111				Efforts for seeking advice and raising concerns are so far mainly within the area of responsible gambling.
	2-27 Compliance with laws and regulations	6, 110				
	2-28 Membership associations	5–6, 25, 30, 100				
	2-29 Approach to stakeholder engagement	8, 101				
	2-30 Collective bargaining agreements	GRI index				All employees (100%) at ATG and Kanal 75 are covered by collective agreements. Does not apply to 25syv.
Material topics						
GRI 3: Material topics 2021	3-1 Process to determine material topics	8, 101–102				
GRI 3: Material topics 2021	3-2 List of material topics	8, 102–103				
Long-term customer relationship						
1. Customer well-being						
GRI 3: Material Topics 2021	3-3 Management of material topics	5, 13, 14, 42–44, 103–105, 107–108				
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	GRI Index				All products are tested in Gamgard.
Company specific	Company Specific: Green turnover	21, 107				
Company specific	Company Specific: Green customers	10, 21, 107				

				OMISSION		
GRI standard /other source	Disclosure	Location /page	Requirement(s) omitted	Reason	Explanation	Additional information
2. Moderate marketing						
GRI 3: Material topics 2021	3-3 Management of material topics	14, 48, 103–105, 107				
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	26, 107–108				
	417-3 Incidents of non-compliance concerning marketing communications	14, 107–108				
Fair sport – Fair betting						
3. Horse welfare and doping free horse racing						
GRI 3: Material topics 2021	3-3 Management of material topics	14, 44, 103–105, 108–109				
Company specific	Company Specific: Number of doping inspections within the operations of Swedish Trotting Association and Swedish Jockey Club		109			
Company specific	Company Specific: Number of stable area inspections at horse races and camp inspections at licenced trainers training facilities		109			
4. Match-fixing						
GRI 3: Material topics 2021	3-3 Management of material topics	14, 103–105, 109				
Company specific	Company specific: Match fixing		14, 109			
Sustainable business operations						
5. Suppliers						
GRI 3: Material topics 2021	3-3 Management of material topics	5, 45, 103–105, 111				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria		111			
	308-2 Negative environmental impacts in the supply chain and actions taken		5, 110			

GRI standard /other source	Disclosure	Location /page	Requirement(s) omitted	OMISSION		
				Reason	Explanation	Additional information
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	110				
	414-2 Negative social impacts in the supply chain and actions taken	5, 110				
6. Anti-money laundering						
GRI 3: Material topics 2021	3-3 Management of material topics	14, 24, 30, 36, 43–44, 51, 54, 56, 101, 103–105, 110–111				
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	110–111				
Company specific	Company Specific: AML – anti-money laundering	110–111				
Company specific	Company Specific: Duty of care	106–107, 110				
7. Data protection and IT security						
GRI 3: Material topics 2021	3-3 Management of material topics	33, 44, 103–105				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	111				
8. Employees						
GRI 3: Material topics 2021	3-3 Management of material topics	103–105, 112, 114				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	113				
	Company specific: eNPS	10, 112				
	Company Specific: Employee net promoter score	112				
GRI 405: Diversity and Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	113				

				OMISSION		
GRI standard /other source	Disclosure	Location /page	Requirement(s) omitted	Reason	Explanation	Additional information
9. Reduce our climate impact						
GRI 3: Material topics 2021	3-3 Management of material topics	103–105, 115				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	115–116				
	305-2 Energy indirect (Scope 2) GHG emissions	115–116				
	305-3 Other indirect (Scope 3) GHG emissions	115–116				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	10, 115				
Company specific	Company specific: Eco-labelled paper	115				
For a better society						
10. Financial contribution to owners and contribution to society						
GRI 3: Material topics 2021	3-3 Management of material topics	8, 103–105				
Company specific	Company specific: ATG Drömfond, sponsorships and other commitments	10–12, 15, 39, 41				
11. A role model in the gambling industry						
GRI 3: Material topics 2021	3-3 Management of material topics	5, 11, 13, 103–105, 106				
Company specific	Company specific: Responsible gaming & transparency	106				

DEFINITIONS AND GLOSSARY

Financial KPIs

ATG prepares its financial statements according to IFRS. Because IFRS defines only a few performance measures, ATG has decided to use additional performance measures.

Return on equity Profit after tax divided by average shareholders' equity expressed as a percentage.

Return on total capital Profit after tax divided by total assets expressed as a percentage. DEFRA Department for Environment, Food and Rural Affairs.

EBITDA Operating profit before depreciation and impairment losses.

Shareholders' equity per share Shareholders' equity divided by the average number of shares, which amounts to 400,000 for the periods covered by the report.

International net Net of commission income, commission expenses and operating costs for ATG's international operations.

Cash flow from operating activities per share, SEK Cash flow from operating activities divided by the average number of shares, which amounts to 400,000 for the periods covered by the report.

Net gambling revenue Players' stakes less pay-out to customers.

Sales growth Sales increase or decrease expressed as a percentage.

Earnings per share Net profit divided by average number of shares, which amounts to 400,000 for the periods covered by the report.

Operating margin Operating profit as a percentage of total revenue. In financial statements prior to 1 January 2019, operating margin was calculated as operating profit as a percentage of net gambling revenue. Comparative figures in this report have been restated.

Debt/equity ratio Interest-bearing liabilities divided by shareholders' equity.

Equity/assets ratio Shareholders' equity divided by total assets expressed as a percentage.

Swedish gambling turnover Total funds bet by Swedish customers on trotting and thoroughbred races during the period.

Strategic KPIs

Share of green turnover ATG Share of green turnover. The share of ATG's net gambling revenue from customers who have completed self-assessment tests

and been identified as green. Green customers have low risk of developing problem gambling according to an analysis in ATG's responsible gambling tool, PTS (Player Tracking System).

Share of green customers Share of ATG's customers who have been identified as green from those who have placed a bet this year and completed a self-assessment test. Green customers have low risk of developing problem gambling according to an analysis in ATG's responsible gambling tool, PTS (Player Tracking System).

Funds to trotting and thoroughbred racing The financial funding that ATG paid to Swedish trotting and thoroughbred racing. Including payments to central associations and racetracks and also funds paid to breeders and horse owners. The financial model was changed on 1 January 2019 due to the new conditions with the re-regulation of the gambling market, which is why Funds to trotting and thoroughbred racing have been replaced with payment for services purchased and dividends or similar to owners.

Parent Company's profit before transactions with owners Operating profit less previous lottery tax and plus transactions with owners regarding horse racing information, rights and sponsoring. See the reconciliation in the table on page 41. The perfor-

mance measure is reported to create comparability between the years and also between the company and its competitors.

Glossary

Active horse racing participants

Refers to everyone involved in trotting and thoroughbred racing, such as horse owners and breeders.

AML Anti Money Laundering, pertains to work to prevent of money laundering.

Number of active customers The number of customers who placed at least one winnings-monitored/registered bet over the past 12 months.

Number of employees is calculated as per 31 December of the relevant reporting year. The number of employees is recognised in accordance with the GRI broken down by gender, employment contract (permanent/temporary), employment type (full-time/part-time) and age (under 30, 30–50, over 50).

Number of million-krona wins Number of wins, Swedish customers' winnings, combinations resulting in wins of at least MSEK 1.

ATG stores The stores that supply ATG's products.

ATG Check Gathers together ATG's tools that offer information, tips and functions to make it easy to keep track of your betting.

CSRD Corporate Sustainability Reporting Directive, The EU directive on sustainability reporting that is proposed to enter force from the 2023 financial year.

DEFRA Department for Environment, Food and Rural Affairs in UK.

A part-time employee has an employment rate of less than 100 per cent.

Driving Actions taken by drivers or riders to increase the speed of the horse.

EPMA The European Pari Mutuel Association, an association of European companies offering betting on horses.

Gamgard Tool used to measure risk in various gambling products before and after responsible gambling measures are applied.

GDPR EU General Data Protection Regulation.

Global Compact UN initiative for sustainable business where affiliated companies commit to follow ten principles with human rights, labour, environment and anti-corruption.

A full-time employee has an employment rate of 100 per cent.

IBIA International Betting Integrity Association – and international association with the objective of protecting the integrity of international sport and securing the betting environment for players.

Customers Customers that are registered in ATG's customer database, where they can place bets and follow our live broadcasts and their bets.

NTM Network for Transport Measures.

Independent Gaming Collaboration (OSS) An association of the regulated companies in the gambling industry, the National Association for Gambling Addicts, the Swedish Gambling Authority, the Helpline and the Public Health Agency, whose mission is to enable an exchange of knowledge and experience on matters involving responsible gambling.

Agent Resellers of ATG's betting products in stores.

Pools For every betting product for horses and every race, the turnover for all betting products purchased are totalled in a pool, which is then distributed to the winners after deductions have been made.

National Association for Gambling Addicts

A non-party-political and non-religious federation of gambling addiction associations that works to prevent and remediate gambling addiction.

SPER The Swedish Gambling Association, represents the gambling market in Sweden and works to promote the interests of its members. The association's mission is to promote a healthy, modern and sustainable gambling market.

Swedish Gambling Authority The authority that ensures that lotteries, casino games, betting and other gambling operations in Sweden are conducted legally, securely and reliably.

Helpline The Helpline offers anonymous counselling free-of-charge to customers and relatives who feel that gambling for money has become problematic.

A permanent employment contract is a contract with an employee for an indeterminate period. This also includes employees on probation.

Totalisator (tote betting or tote board) is a system for horse betting.

Compensation for race meetings

Compensation paid by ATG to the racetrack arranging the event in conjunction with single-race in order to cover part of the operating costs for the race.

Foreign races Races that are not run in Sweden and that ATG accepts bets on.

Pay-out to customers The nominal total of betting turnover paid out to customers.

A temporary employment contract is of limited duration.



THE ENGINE OF THE HORSE RACING INDUSTRY SINCE 1974

POSTAL ADDRESS AB TRAV OCH GALOPP SE-161 89 STOCKHOLM TELEPHONE +46 8 627 20 00
STREET ADDRESS HÄSTSPORTENS HUS SOLVALLA WEBSITE ATG.SE