

AB TRAV OCH GALOPP ANNUAL AND SUSTAINABILITY REPORT 2021



BIG 9 



ATG 



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About ATG

ATG IN ONE MINUTE

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 47. 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 2021, the ATG Group had total revenue of BSEK 6.1. 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 1,800 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 2021, we launched Big 9®, a new pool betting system for European football.



CASINO GAMES

ATG offers live casino in an in-house designed studio with roulette and blackjack 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.

APPROX. **1,800**

agents, of which approximately 100 in Denmark

APPROX. **500**

employees in Sweden and in Denmark

Kanal 75 broadcasts approximately

2,500

race meetings every year

2021 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.

ATG's sport betting grew

47%

in 2021 and is now number two for sport betting in Sweden.

5 MILLION

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

BIG 9®



The year's big news was the new pool betting system from ATG. Here you can bet on nine football matches and over or under 2.5 goals, from the most popular leagues in Europe.

Continued high levels of awareness among ATG employees regarding ATG's manifest

95%

compared with 95 last year.

ATG enjoys

33%

of the Swedish commercial gambling market.

MAIN SPONSOR

ATG's entrance as the main sponsor of the Swedish Handball Federation. Just like trotting, handball is a genuinely public sport. Many of ATG's values align well with those of the Swedish Handball Federation.

MSEK 5,256

in net gambling revenue during the year. The operating profit was MSEK 1,920, with an operating margin of 31 per cent.

85%

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?

...239 million-krona wins were paid in 2021?

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

Message from the CEO:

FOUR ANSWERS THAT BUILD OUR SUCCESS

An expected drop compared with the record year of 2020. But from a historical perspective, 2021's figures indicate that ATG is doing well – and we are strengthening our position as the largest company in the commercial licence market in Sweden.

There are many reasons that AB Trav och Galopp (ATG) is presenting the second-best earnings in the company's history in this annual report. But before I dive deeper into the numbers, I would like to point out one overall factor for why ATG has trended positively since 2014.

Simply put – in my book, a successful company is built on skilled employees and clear answers to four questions:

- Where are we going?
- What are we providing?
- Why are we providing it?
- What can I expect from my colleagues, and what can they expect from me?

Having answers to these four questions and striving to live up to them every day creates a fantastic, forward-moving drive in the organisation. At ATG we have collected our answers to these four questions in a manifest – a map we can have at hand to show the way forward.

A short summary of ATG's manifest, including

answers to the above questions:

- Our vision: The world's best gaming experiences.
- Our customer promise: Exciting, responsible and smooth gaming experiences
- Our mission: The engine of the horse racing industry and the gaming industry's compass
- Our values: Progressive, Respectful and Ownership

The manifest is the first thing a new employee receives and everything we then do together, from business plans to activities, goes hand in hand with the manifest. And it works. Every day I hear discussions about "exciting," "responsible" and "smooth" during our meetings. In 2021, we launched brands as well as services based on the customer promise and that take us one step closer to our vision. In the most recent employee survey, 95 per cent of employees said that they were familiar with the contents of the manifest. I'm convinced that the answers to these four

questions have been fertile ground for ATG's success in the last few years and will continue to support us in the future.

The challenge ahead of 2021

To set 2021's figures in perspective, we need to look at 2020. In spring 2020, the sport betting world was hit hard by the pandemic. Tournaments, races, series and matches were cancelled around the world – with one exception. Swedish trotting and thoroughbred racetracks introduced measures to reduce the spread of the virus and could continue to race. Interest in ATG's brand grew significantly, in Sweden as well as internationally. In the end, 2020 was a record-breaking year for ATG. The challenge in 2021 was to maintain interest at a higher level than previously once competition from other sport betting was back to normal.

As expected, we did not match last year's figures but our most important KPIs were at their second highest level since ATG was founded in 1974:

- Net gambling revenue: MSEK 5,256 (-2%)
- Operating profit: MSEK 1,920 (-14%)
- Parent Company's profit before transactions with owners: MSEK 2,520 (-13%)



Hans Lord Skarplöth
CEO

And compared with the normative year 2019, we can see substantial growth:

- Net gambling revenue: +19%
- Operating profit: +28%
- Parent Company's profit (before transactions with owners): +19%

With our manifest in hand, in 2021 we further refined and innovated our existing brands and services in all three product areas. In the same spirit, we launched new brands and services. Meanwhile, as always, we have been attending to the well-be-

MESSAGE FROM THE CEO, CONTINUED

ing of our 1.3 million customers so that they enjoy their gambling and gamble for pleasure.

In Denmark, our Danish subsidiary 25Syv continued to gain market shares and net gambling revenue rose 27 per cent. There was growth in all product areas.

As a result, we could deliver the second highest profit ever to our owners, the Swedish Trotting Association and the Swedish Jockey Club. These funds form the basis of operations for 36 trotting and thoroughbred racetracks across Sweden and generate revenue for owners and active horse racing participants. But the money also has a ripple effect on the entire horse industry in Sweden. We are proud of this and it makes ATG a unique operator in the Swedish gambling market.

183 million-krona wins in V75

Net gambling revenue for the horse betting product area fell by 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 183. In total, 239 million-krona wins were paid to our horse betting customers in Sweden.

Revenue from our international partners declined as expected, but overall international interest in our brands within horse betting remains strong.

During the year, the Följ spel service was launched whereby customers on ATG.se can track the horses they have bet on through virtual graphics while the racing is taking place. The service is unique in the horse betting market worldwide and a result of ongoing innovation at ATG.

Number two for sport betting in Sweden

The sport betting product area continued its strong trend and increased 47 per cent. ATG is currently the second biggest company in sport betting in Sweden – a tremendous journey given

that we made our market debut in 2019.

During the autumn, we launched Big 9®, where you bet on the right results (1X2) and whether more or less than 2.5 goals are scored in nine major European matches on Saturdays. The customer response has been highly positive. Our journey with Big 9® has just begun, and we look forward to seeing customer interest grow in 2022.

More customers for Casino games

The number of customers in the Casino games product area rose but net gambling revenue declined 4 per cent. The main reason for the drop in revenue was the temporary regulation on casino games that included a deposit limit of SEK 5,000 introduced by the government in July 2020. The regulation was lifted on 14 November and we noted an increase in the number of customers and in revenue during the remaining weeks of the year. Since online casinos are the form of gambling with the greatest risk factors, it was gratifying to see that revenue per customer remained at the same level after 14 November as during the period with the temporary regulation.

During the year we launched several gaming suppliers, jackpot games and a gaming machine named after the famous US horse Delicious. Our goal is to create an entertaining and safe casino experience.

Continued mandatory loss and time limit

We want our customers to enjoy their gambling and to gamble for pleasure. We are aware that

gambling for some customers can lead to addiction. Responsible gambling is therefore our most important sustainability issue.

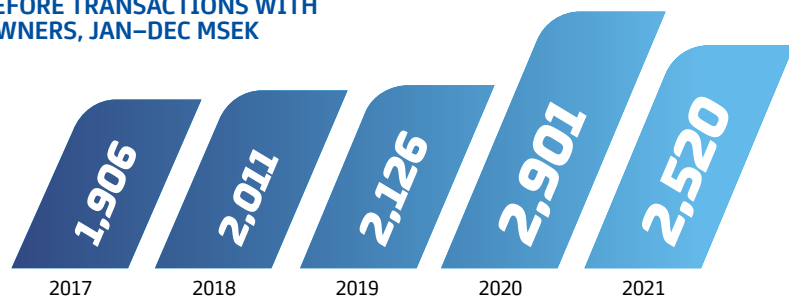
ATG has chosen not to market casino games broadly in media. We introduced a mandatory loss and time limit back in 2020.

We are always learning more about responsible gambling through ongoing research, and refining our tools and processes to detect 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 focused on care calls to younger sport betting customers (18–25 year-olds).

We measure and report our responsible gambling efforts through the number of green customers (85%) and in green turnover (78%). Key performance measures are based on self-assessment tests carried out by customers and their actual gambling behaviour. A total of 121,000 customers have carried out a self-assessment test.

More sustainable operations

In addition to responsible gambling, ATG's sustainability initiatives cover several areas. The initiatives are based on the UN Sustainable Development Goals and our reporting follows the GRI Standards framework. ATG is also a signatory to the Global Compact, the UN initiative for sustainable business, which means that we act according to the ten principles involved.

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

ATG's operations are to be net zero by 2045. As a target, ATG is to be climate-neutral and only offer paper-free betting by 2030. In 2021, work to review the transition to paper-free gambling intensified and today 20 of 36 racetracks are exclusively offering paper-free betting, that is digital gambling.

Another prioritised area is horse welfare, where during the year we deepened our partnership with our owners, the Swedish Trotting Association and the Swedish Jockey Club, and introduced a new policy for imported races.

Since 2021, ATG has been part of Matchfixningsrådet (Eng: Match Fixing Council), collaborating on match-fixing issues with the Swedish Gambling Authority, the Swedish Government Offices, the police, prosecutors, the Swedish Sports Confederation and other gambling industry companies.

Eventful year in gambling policy

The year was an eventful one for gambling policy, continuing into 2022. At the end of January 2022, the government decided not to reintroduce the responsible gambling regulation. This was a wise decision. The same can be said for the government's proposal: "En förstärkt spelreglering" (Stronger gambling regulation), which it referred to the Council on Legislation for consideration. We have advocated the risk classification of gambling products for many years since the risk of developing gambling problems is different if you compare Harry Boy® with online casino. The legislation proposes that tougher marketing rules

should apply for riskier forms of 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 70,000 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.

Thank you to all of our employees and customers

At the time of writing in March 2022, the pandemic is starting to wind down. Over the last two years, life for everyone has been characterised by incredible uncertainty. All of us at ATG have, sometimes overnight, been forced to change our behaviour and ways of working. That we were able to deliver the second highest contribution to our owners and the second highest profit in ATG's history under these circumstances makes me proud. And so – many thanks to all of our employees and to all of our customers who support world-class Swedish trotting and thoroughbred racing.

I look forward to an exciting year. As long as we continue to follow the "map," 2022 will also be a successful year for ATG.

Hasse Lord Skarplöth
CEO AB Trav och Galopp



DRIVERS AND TRENDS IN THE GAMBLING MARKET

There are many factors that affect the industry, not least regulatory developments.



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 continued development of the gambling market.



Sustainability topics increasingly important

Sustainability topics are becoming increasingly important in society. Companies are expected to go above and beyond mere compliance. 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.



Continued consolidation

The trend with acquisitions and consolidations in the gambling market continues both nationally and internationally. This is going on in the wake of an increasingly internationalised gambling market where more markets are now regulated.

The Swedish licence market is generally characterised by a large, though shrinking, number of players. Licences have been purchased and surrendered during the year and this is expected to continue over time.

WHAT DO STAKEHOLDERS THINK ABOUT ATG'S SUSTAINABILITY INITIATIVES?

ATG has recurring dialogues with the company's stakeholders. This ensures that our sustainability initiatives include our stakeholders' expectations.

In 2021, ATG conducted a stakeholder dialogue through interviews and online surveys. The survey focused on prioritised stakeholder groups across the value chain: suppliers, owners, employees, agents, customers, and industry and stakeholder organisations. The sustainability topics prioritised by various stakeholder groups are presented below. For more information, refer to pages 105–106.

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 for 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 for 18–25 year-olds.



ATG'S SUSTAINABILITY INITIATIVES ARE INTEGRATED INTO OPERATING ACTIVITIES

Risk management and sustainability are included in ATG's operating activities. To clarify the Group's sustainability initiatives, the most material areas are presented below.



Customer well-being

Responsible gambling is ATG's most important sustainability area. During the year, the company increased focus on care calls to young customers aged from 18 to 25 who engage in risky sport betting, in addition to launching several targeted campaigns intended to encourage customers to take a self-assessment test.



Sustainable sport and society

Central to offering horse betting and sport betting are healthy horses and betting on equal terms. During the year, a new policy regarding imported horse races was introduced, with requirements for horse welfare. Active efforts to combat match fixing, including partnerships with the International Betting Integrity Association (IBIA).



Attractive and inclusive workplace

Employees are the Group's greatest asset. During the year we established a workplace of the future, with a framework for flexible working. Theme weeks touching on Responsible Gambling and ATG's sustainability initiatives were held.



Good business ethics

ATG is the gaming industry's compass. This entails, among other things, a great deal of focus on risk management. During the year, courses in cybersecurity and GDPR were held for all employees. New system support was introduced for systematic data protection work.



Sustainable supply chain

ATG makes large purchases from several suppliers. During the year, supplier evaluations have been streamlined and suppliers are required to sign the Code of Conduct. Further development of partnerships with suppliers to increase recycling and reuse of materials.



Resource-smart and climate-effective

Climate change is one of the greatest global challenges. Substantial focus is placed on minimising the negative impact of operations. Several activities were carried out during the year, including transitioning to digital betting at racetracks, removing physical racing programmes from agents and choosing environmentally friendly materials while renovating the head office.



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

- Increased demand for content rich entertainment
 - Sustainability topics increasingly important
 - Continued consolidation
- Read more on page 7.

RESOURCES

Relationship capital

- Approx. 1.3 million customers
- Approx. 1,800 agents, approx. 20 international partners
- Approx. 250,000 TV viewers per week
- 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

- 496 – average number of employees

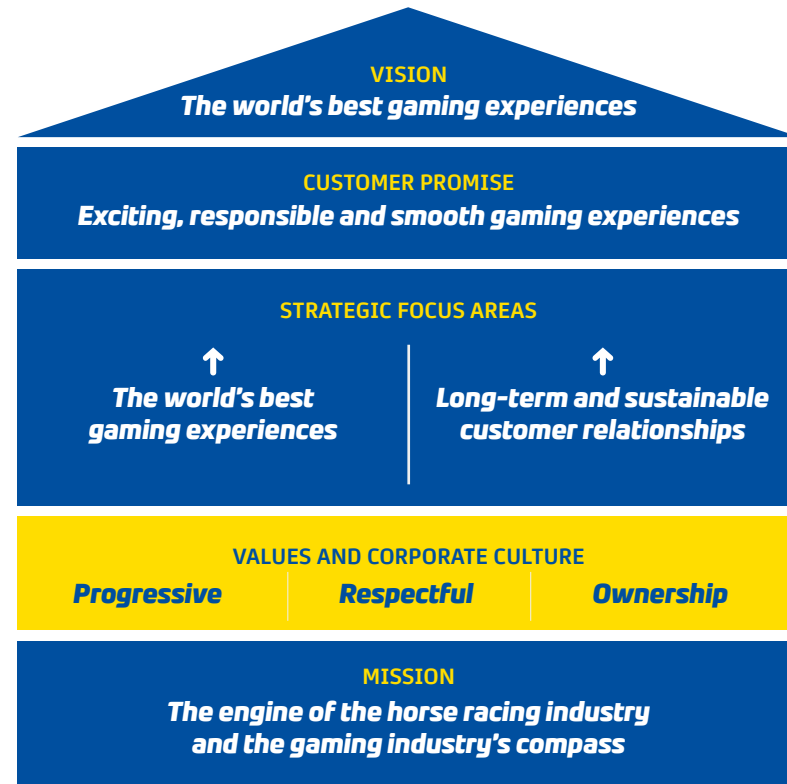
Structural resources

- 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. 472 tonnes CO₂e emissions
- Approx. 310 tonnes of paper

VISION AND STRATEGY



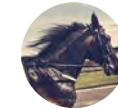
OUR OFFERING

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.

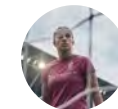
Horse betting

Brief description of horse betting on p. 31.



Sport betting

Brief description of sport betting on p. 34.



Casino games

Brief description of casino games on p. 36.



IMPACT

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

- Long-term financing of trotting and thoroughbred racing
- Read more on page 12.

Customers

- 239 million-krona winnings to our horse betting customers
 - 13 for customer satisfaction (NPS)
 - Approx. 121,000 individual customers have conducted a self-assessment test, of which 85 per cent are green in their gambling
- Read more on pages 20–21.

Employees

- Committed employees: Employee index 82 and e-NPS 29
 - Gender equality in management positions
- Read more on pages 21 & 117.

Society

- Paid gambling tax: MSEK 1,061
- 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 591
- Sponsorship, ATG Drömfond and other commitments: MSEK 68.5

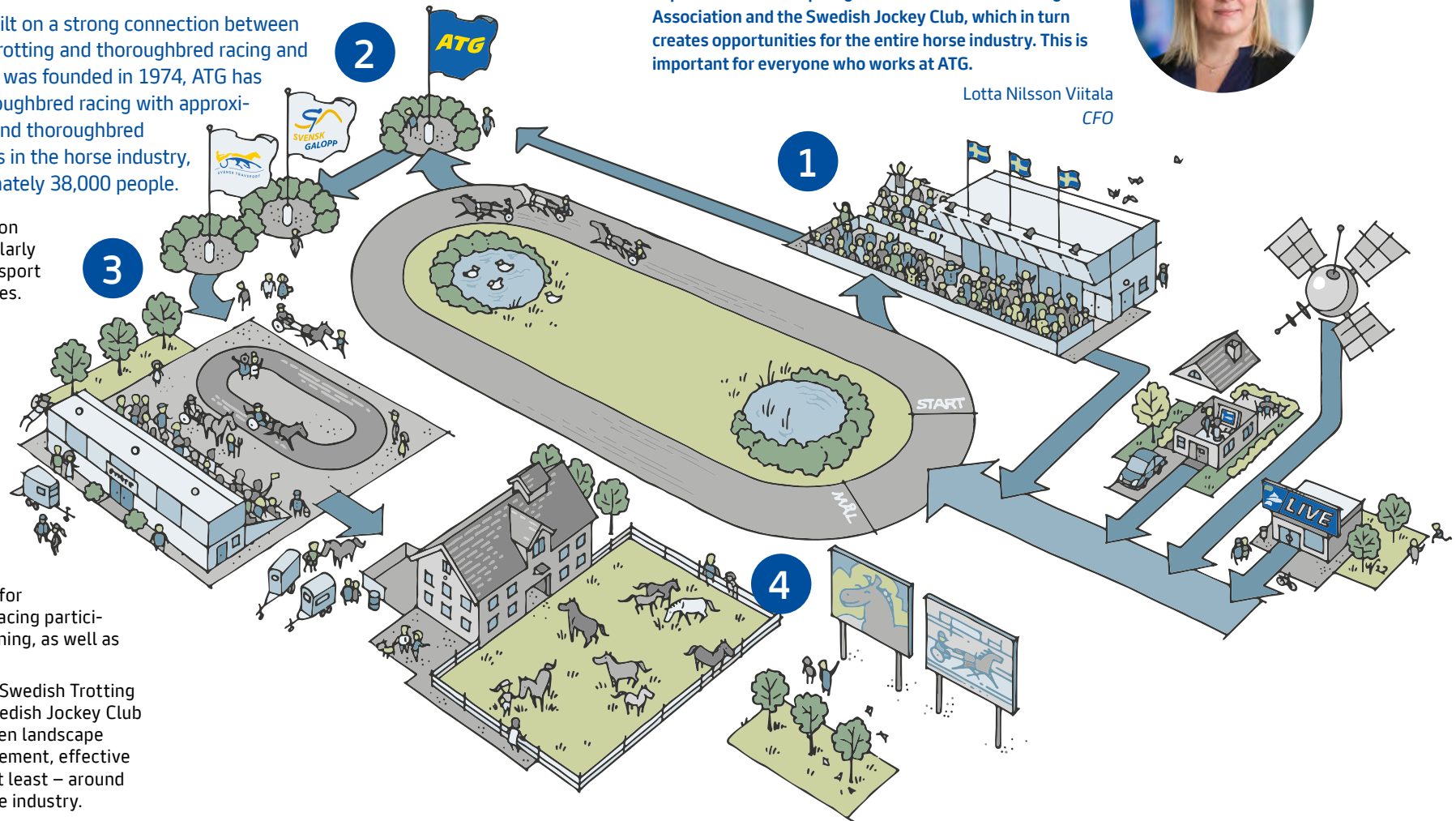
Environment

- Reduced CO₂e emissions by 59 tonnes (-11%)
 - Reduced paper use 47 tonnes (-13%)
- Read more on pages 121–122.

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 SEK 47. Trotting and thoroughbred racing have important roles in the horse industry, which employees 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. 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.



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. This is important for everyone who works at ATG.



Lotta Nilsson Viitala
CFO

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. This also includes a high-level investment in para dressage.

**ATG Riders League**

ATG sponsors a high-quality national competition at fence heights of 1.35 m and 1.50 m, the ATG Riders League, which is as beneficial for beginning 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 race arrangers, ATG offers betting on this show jumping.

**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 important 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.

Legolas Memorial – we honour the dream horse every year!

This year's Legolas Memorial Scholarship was awarded to Ridtravärförbundet for their persistent work to raise the status of retired trotting horses who have the potential to become excellent riding horses.

MISSION: **THE GAMING INDUSTRY'S COMPASS**

We aim to be a pioneer and a role model, and to contribute to a gambling market that is healthier tomorrow than today. This means that ATG takes responsibility for the aspects in operations that can have a negative impact on people, society and environment. ATG is a role model in the gambling industry 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.



All employees contribute to our work in issues like responsible gambling, ensuring our customers' privacy, and countering money laundering and match fixing. We have system support in cutting edge that ensures that our customers feel good about themselves gambling and can be customers for a long time. We continue to offer games responsibly as we have done since 1974.

Maria Guggenberger
Head of CSR



1. LONG-TERM CUSTOMER RELATIONSHIPS

ATG wants its customers to enjoy their gambling and to gamble for pleasure. ATG works proactively to prevent problem gambling.



2. FAIR SPORT – FAIR BETTING

The sport betting that ATG offers should be free from match fixing and doping.



3. CONTRIBUTE TO A BETTER SOCIETY

In addition to what ATG does for the horse industry, commitment to society and sport is important.

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

ATG wants its customers to enjoy their gambling and to gamble for pleasure. As a horse racing 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.

1. LONG-TERM CUSTOMER RELATIONSHIPS

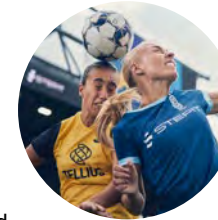
- All employees, agents and prioritised partners are trained in responsible gambling, anti-money laundering and data protection.
- ATG works systematically with preventive measures to identify the risk of problem gambling. Customers that display signs of problem gambling are contacted by specially trained 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). Together with SPER, ATG raises the issue of shared sustainability indicators for the gambling industry.
- 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).

2. FAIR SPORT – FAIR BETTING

- 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.
- The work to safeguard the horses' welfare 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 licenced trotting and thoroughbred racing trainers.
- 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.

3. CONTRIBUTE TO A BETTER SOCIETY



Since its founding, ATG has contributed to the horse industry, society and sport through various forms of involvement and sponsorship. Involvement is collected under the umbrella of ATG Drömfond with Peter “Foppa” Forsberg as ambassador. Since the launch of the ATG Drömfond in 2017, various associations focused on the thrill and community engendered by sports have been able to apply for funding.

In 2021, the focus was on returning to sports after the pandemic and associations that integrate, engage and inspire. The goal was, within the framework for ATG’s major sponsorship, to find various projects focused on “the return to sports.” Here are some examples of these partnerships.



Swedish Parasport Federation and the Swedish Paralympic Committee

For several years, ATG has sponsored the Swedish Parasport Federation and the Swedish Paralympic Committee, including through annual Paralympic trotting, which in 2021 generated approximately MSEK 2.

People with disabilities have been particularly vulnerable during the pandemic. An extra investment from the ATG Drömfond in 2021 went to Täby badminton, who already have fantastic investments in parasports, in the form of four special chairs for wheelchair users. They can now expand their operations and provide unscheduled events for players in wheelchairs.



Trotting

An ongoing effort is being carried out around trotting and race tracks around the country to make them more welcoming. ATG Drömfond celebrates those who create belonging for everyone at trotting schools. In 2021, ATG Drömfond supported the Travkraft project, a collaboration between Sundbyholms Travskola and the organisation War Child to organise a camp and create a welcoming environment. Together they helped children and young people from underprivileged areas find their place in the sulky, in the stables and on the racetrack.



Swedish Handball Federation

ATG has been the main sponsor of the Swedish Handball Federation since 2021. The partnership contributes to increased investments at general and elite levels as well as contributing to handball’s initiatives in gender equality, sustainability and diversity. Together, ATG and the Swedish Handball Federation want to develop the experience both on and off the handball court.

Within the framework for the “Hand the Ball” project, we want to make handball easily accessible. ATG has supported the project through the production of an informative film.

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

Employees are encouraged and supported in an internal career. ATG regularly recruits for the entire organisation but the most challenging task is finding the right IT expertise. An individual skills ladder is offered to retain existing IT expertise and encourage more applicants for IT roles. An important part of this strategy is ATG's trainee programme, which for several years now has aimed at attracting and introducing 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, all employees are invited to health forums, guest lecturers 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 made to ensure ATG's future competitiveness.



Flexible way of working

Like 2020, the pandemic made 2021 a special year for ATG employees. During this time, close to one hundred employees were recruited and introduced digitally. Now comes the important work of developing the corporate culture and strengthening camaraderie.

During the year, “post-corona” preparations were made and all employees were invited to a workshop to discuss in their work groups how to continue to work flexibly after the pandemic, meaning at the office and remotely. The basis for this work is the continued importance of the office in corporate culture as an environment that creates the conditions for collaboration and creativity.

During the period, renovation of the office has continued to ensure the premises are as pleasant and attractive as possible for employees. The sustainability aspect has played a key part in the renovation and the premises are adapted to the operation’s new, flexible work methods.

Annual employee survey

The annual employee survey, with an 87 per cent response rate, shows that ATG remains an attractive employer. One challenge following the remote working implemented during the Covid-19 pandemic has been to continue to develop the company’s corporate culture to strengthen camaraderie and solidarity. This, in turn, affects motivation as well as commitment.

Diversity and equality

ATG strives actively to promote equal treatment and to increase diversity and equality. ATG is aiming to achieve a good distribution between women and men in all areas of the business, an effort that is gradually leading to results. ATG’s group of managers has gender parity. No employee may be bullied, discriminated against or harassed. ATG has several governing documents and values that all employees are responsible for following.

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. During the pandemic, the company offered digital training sessions and outdoor training sessions. 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 improvement.



Exercise and health are a natural part of everyday life at ATG.



Vinnie – one of our colleagues.

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

▮▮ 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 gaming 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. **▮▮**

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.

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

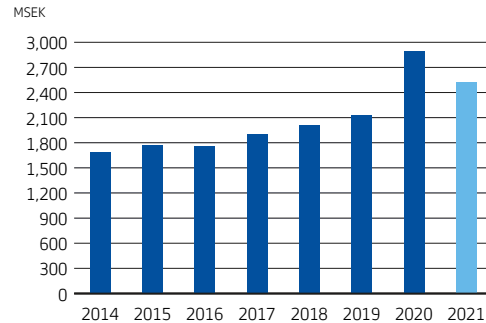
ATG offers a broad gaming range with high betting pools and many million-krona wins - and with world-class TV entertainment. With new games, products and services, ATG wants to offer the world’s best gaming experiences – with a focus on the customer’s well-being at all times.

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

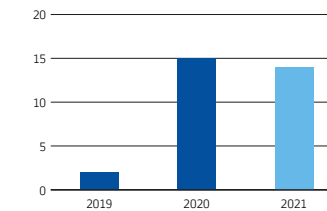


GOAL
MAINTAIN

Change
-13%

- 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.
- 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 47 to the horse industry.

Customer satisfaction (NPS)

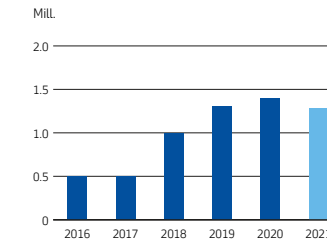


GOAL
INCREASE

NPS, 2021
14

- NPS (Net Promoter Score) measures customer satisfaction, that is, the customer’s willingness to recommend ATG. NPS 14 (15).
- 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



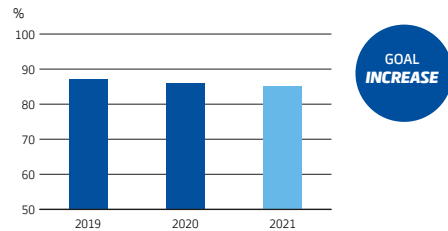
GOAL
INCREASE

Change
-7%

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

STRATEGIC FOCUS AREAS AND GOALS

Share of green customers of those who have completed a self-assessment test



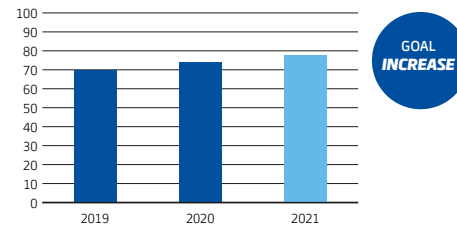
The number measures the proportion of customers who have completed a self-assessment test that have healthy gambling, called “green gambling.”

green customers
85%

Approximately 121,000 unique customers have completed the self-assessment test since it was introduced on 1 January 2019. To increase the number of self-assessment tests carried out, an information campaign focused on ATG’s digital customers with a net annual loss over SEK 10,000. ATG focuses on the self-assessment test for this customer group, 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 2021. More information is presented in the sustainability notes.

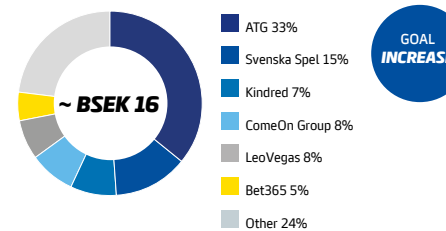
Share of green turnover for customers who have completed a self-assessment test



The number indicates the proportion of turnover from customers who have completed a self-assessment test that have green gambling.

green turnover
78%

Market shares

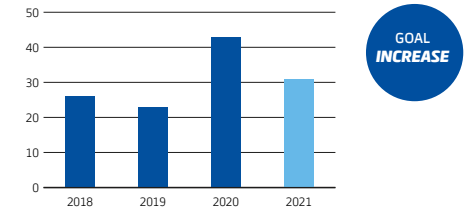


The outcome shows the share of the licence market’s total net turnover represented by ATG.

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.

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 enjoy their work and feel motivated so operations continue to develop. Accordingly, the goal is to continue increasing the e-NPS.

e-NPS decreased last year. The benchmark is 14. During the pandemic, approximately 100 new employees started in the Group. Working from home meant that building and maintaining pride in operations was a challenge, which is reflected in the results.

e-NPS
29

CUSTOMER PROMISE: THE CUSTOMER PROMISE IS CENTRAL

With a clear customer promise to deliver exciting, responsible and smooth gaming experiences, the way forward is clear for employees. The foundational position is: If ATG can deliver on its customer promise, customers will choose ATG over its competitors. A brief version of what ATG's customer promise entails:

Exciting gaming experiences

- ATG puts excitement and entertainment in the driver's seat.
- ATG aims to do more than just offer gambling.
- ATG is to offer world-class gaming experiences.

Responsible

- ATG is to be the responsible gambling company. ATG's business is built on customer well-being, long-lasting customer relationships and a healthy horse industry.

Smooth

- ATG's gaming experiences are to be smooth and simple. ATG is to be inclusive and welcoming to everyone.

EXAMPLES OF LAUNCHES IN 2021:

Launch of new Big 9 football pools system

ATG continues to develop its customer offering. The launch of Big 9 means an expanded offering of exciting gaming experiences.

New function to follow bets

Innovative solution to follow your horses live when the race is still running.

Expanded sport betting offer in the app

ATG's app now has a full offering in horse and sport betting.



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

ATG wants to reach further than any other gambling company. ATG has the courage and the passion to deliver the world's best gaming experiences. Our goal is for all of our customers enjoy their gambling and gamble for pleasure.

The world's best gaming experiences means:

- * a broad product portfolio with popular brands and exciting gambling, with high availability in stores and digitally.
- * safe and secure payment options and correct disbursements of winnings.
- * solid approach to responsible gambling and data production.
- * good animal welfare and sport that is free from match fixing and doping.
- * high-quality TV entertainment.
- * increased consumer protection.
- * inspiring and responsible marketing for clear customer communication.
- * innovative investments to deliver what the customer wants in the future...

...and much, much more.

Regardless of winnings, ATG's customers are helping contribute to Swedish horse racing.



ATG's ad concept "Singing horses."



3

Market



The Swedish gambling market continues to grow

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

The Swedish gambling market comprises six different licence areas, 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 92 (100) companies are licenced to organise gambling in Sweden, of which 66 (70) companies hold licences to organise betting and commercial online games.

Continued growth

During 2021, the overall development of the Swedish gambling market was positive. The section of the market in which ATG operates, betting and online games, amounted to slightly more than 62 per cent of the total market, corresponding to approximately BSEK 16 (15).

The increased interest and betting volumes on horse racing in 2020 were not entirely maintained during 2021, but were at a higher level than prior to the pandemic in 2019.

There was positive growth for sport betting during 2021. During the year, ATG captured market shares in the sport betting segment due to its competitive offering, which included the popular men's European Football Championship as one of

the highlights. The new pool game Big 9 which was launched in the autumn has also been well received by customers.

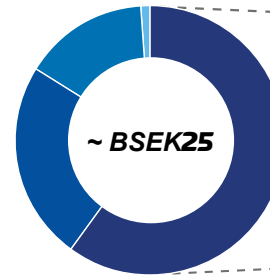
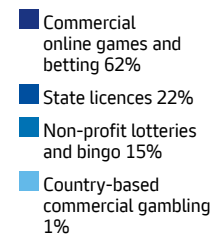
The market trend for online casino was impacted by the temporary legal regulations on responsible gambling measures aimed at online games. These regulations affected the entire casino market for nearly 17 months. Initially, sales in the casino market declined, but have steadily recovered since then. The expectations are for continued growth for the casino market.

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 33 per cent (36). Compared with the normative year 2019, ATG's share of the market continued to develop positively.

ATG's market shares for sport betting have grown. The market's largest operators for sport betting are Svenska Spel, Bet365, ATG and Kindred. In terms of ATG's foremost priority, trotting and thoroughbred racing, the strong level of competitiveness was retained.

Entire Swedish gambling market 2021²



Market shares – licenced markets for betting & commercial online games 2021²

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).

The online gambling market is distributed among many operators, with Leo Vegas, ComeOn Group, Kindred and Svenska Spel accounting for the single largest market shares.

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 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 continues to grow

The Danish gambling market is growing. At the same time, the regulatory requirements for the licenced gambling companies in Denmark are growing.

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. The markets for betting and online casino have grown by more than 40 per cent since 2012. A total of 37 companies hold licences to organise gambling in the Danish market. Companies can apply for five different types of gambling licences: betting, online casino, slot machines, poker and land-based casinos.

The trend in the Danish market in 2021 was largely positive. The major difference from 2020 was the return of events, which has benefited both horse and sport betting.

Changed regulations

The changed regulations in the Danish market are a challenge 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 also entailed lower channelisation in Denmark, since more companies have surrendered their licences in favour of continuing to conduct their business from abroad, which has reduced consumer protection. During

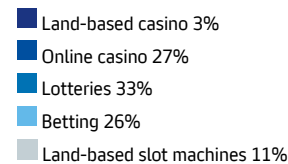
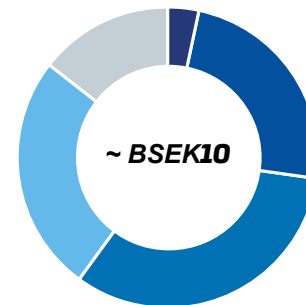
the year, the Danish government also introduced regulations regarding marketing and offers from gambling companies. The licenced gambling companies are obliged to take action to reduce problem gambling. For example, the companies must have deposit limits, marketing guidelines, membership of the national exclusion system and a responsible gambling policy. From 1 July 2022, stores and racetracks will also be subject to the legal requirement for registered bets.

Competitive situation

After Danske Spil, 25syv is the second largest operator in horse betting, with a market share of approximately 37 per cent – an increase of 29 per cent on the preceding year. The horse betting market is characterised by few operators and loyal customers, unlike the market for sport betting and online casino, which has significantly more established operators and a different customer pattern.

Sport betting is a mature market, which makes it difficult to gain market shares. The largest sport betting operators in Denmark are Danske Spil, Bet365 and Unibet. Similar to sport betting, the online casino market has many operators, the largest of which are Danske Spil, Kindred and SpilNu.

Danish gambling market by licence area



Source: Danish Gambling Authority 2020.





STRONG 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 and Denmark.

HORSE BETTING



SPORT BETTING



CASINO GAMES



ATG'S VENUES

With nearly 1,700 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 – approx. 1,700 ATG agents
- Trotting and thoroughbred racetracks – 36 racetracks
- Digital – atg.se & apps
- TV broadcasts – ATG-Live & TV4
- Customer service – Open 365 days a year



25SYV'S VENUES

25syv has nearly 100 agents in Denmark, direct broadcasting of horse races on TV and a strong media presence. Digital betting is growing; many customers also choose betting at an agent.

Responsibility permeates all of our customer interactions.

- Agents – ca 100 agents
- Trotting and thoroughbred racetracks – 8 racetracks
- Digital – 25syv.dk, derby 25.dk, bet25.dk & rød25.dk
- Streaming – derby25.dk, danskhv.dk
- Customer service – Open 365 days a year

Mød Franzi25 her



Om 25syv

25Syv A/S, Torvet 14, T-8600 Silkeborg, CVR-nummer 30817765. 25Syv A/S ejes 100% af Ecosys A/S og kontrolleres af Spillemyndigheden.

Stop
spillet

+18



bet25

rød25

derby25



4

Operations

ANOTHER STRONG YEAR FOR HORSE BETTING

Horse betting is the heart of ATG's operations. The interest in horse betting continues to rise. Most popular is V75®, Sweden's largest million betting game.

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.

Many of the new customers gained during the pandemic have chosen to remain as customers of ATG.

Many new features in 2021

To further strengthen the gaming experience in horse racing before, during and after the race, several new features were launched in 2021. For example, ATG developed the possibility for the customer to track the horses they have bet on in race graphics, "Följ spel," while new design and function updates of starting lists and live view were developed. The checking experience for Harry Boy players on V75 has been made

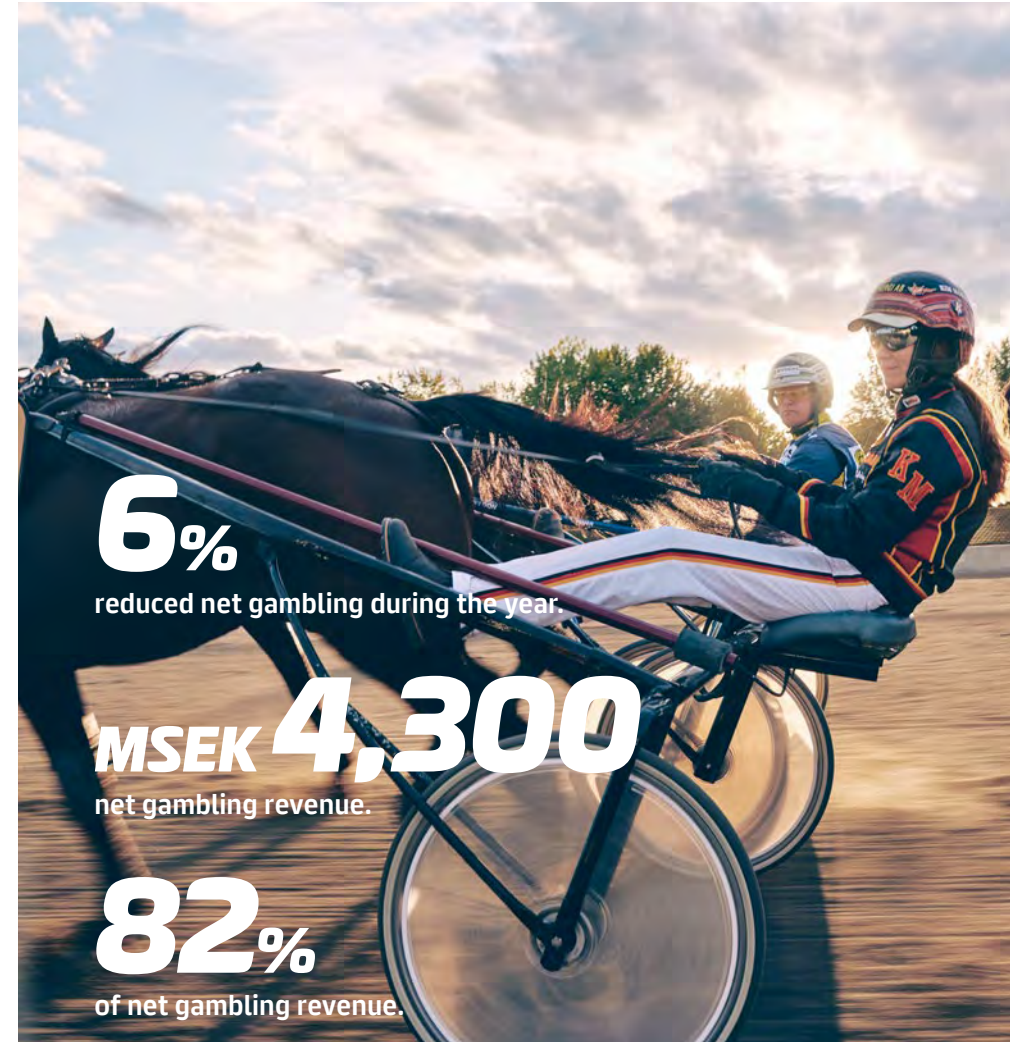
more convenient and simpler. The function was developed using entirely new technology and intention is to extend the checking solution to more forms of betting going forward.

During the autumn, the new V64 Xpress concept was tested. For players, this structure entails more races in a shorter time and greater national interest because the races are held at two different racetracks.

In recent years, ATG has created distinct betting days for the various betting brands. The strongest betting days are Wednesdays, Saturdays and Sundays for the V86, V75 and Grand Slam 75 brands, respectively. The largest betting brand is V75 and using Harry Boy as help in selecting the bet.

National focus on 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. Read more on page 114.



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. 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. There continues to be strong international interest in Swedish trotting and thoroughbred 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.

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 betting 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.

Performance during the year

During the year, ATG's export of horse betting had a turnover of BSEK 3.6 (gross), which is a

decrease compared with the record year in 2020, when the pandemic had a strong impact. The number of international customers has increased significantly, with Finland accounting for the largest growth in turnover.

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, betting and information security, responsible gambling 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 ATG sets high requirements for all of its partners.

During 2021, a new import policy was adopted. The policy contains a number of areas that

ATG wants to be addressed, in terms of horse welfare, among other aspects, so that races 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.

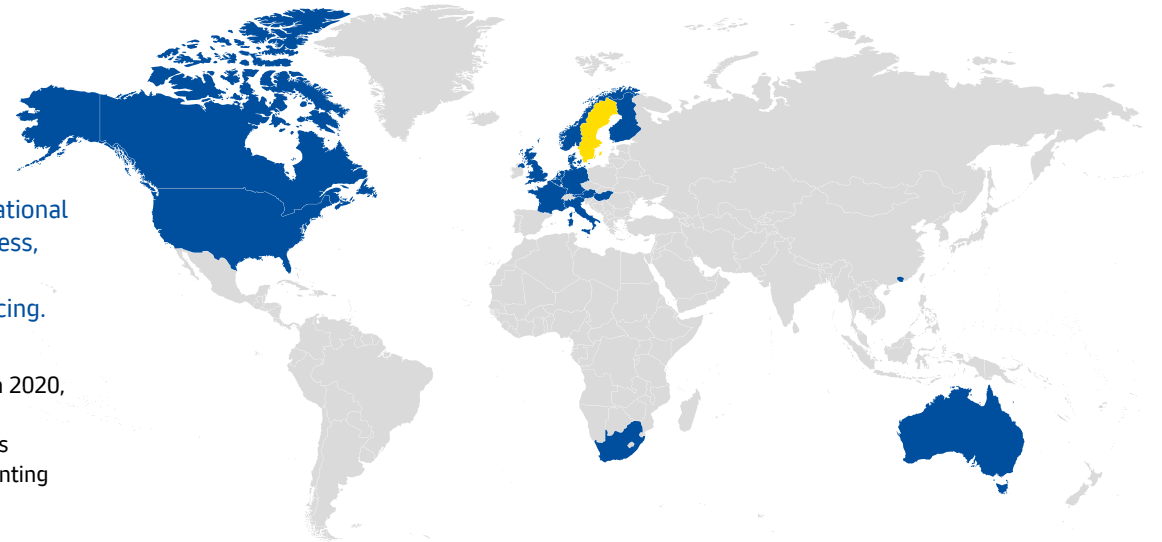
ATG works together with the Swedish Trotting Association and the Swedish Jockey Club to influence horse welfare in other countries through continuous dialogue with international organisations.

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



LARGEST COUNTRIES AND TURNOVER FOR THOROUGHBRED RACING

Japan	BSEK	236
UK	BSEK	158
Hong Kong	BSEK	150
Australia	BSEK	136
USA	BSEK	92

LARGEST COUNTRIES AND TURNOVER FOR TROTTING

France	BSEK	46
Australia	BSEK	23
USA	BSEK	15
Sweden	BSEK	14
Norway	BSEK	3
Canada	BSEK	3
Finland	BSEK	2
Italy	BSEK	2

INCREASING NUMBERS WANT TO BET ON SPORTS WITH ATG

More and more people are discovering and appreciating ATG's sport betting offering. The major innovation of the year was the pool game Big 9, which is a welcome addition to the offering.

The interest in ATG's sport betting offering has grown steadily and in a short time, ATG has become one of the largest companies for sport odds. During the autumn, Big 9 was launched, which is ATG's first pool betting for sport that has attracted many new customers. Big 9 offers betting on nine European top matches every Saturday. In conjunction with the launch of Big 9, ATG added a further dimension to its already strong editorial content with the premiere for Ola Wenström's show, "The World's Best Football," which is broadcast twice a week on atg.se.

ATG offers sport 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 are a range of leagues, cups and competitions that contribute to a large and broad betting offering. 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 during the match.

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 political events.

Performance during the year

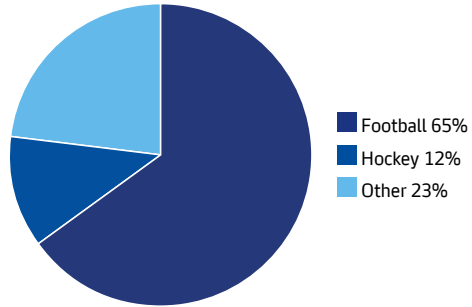
Despite the continued impact of the pandemic on major sports events for parts of the year, sport betting took more steps forward during 2021 in terms both of number of customers and of turnover. In particular, the men's European Football Championship provided a significant increase.

Match fixing and responsible gambling

One of the greatest challenges in sport betting is match fixing. ATG has a zero vision for 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



Largest sport betting at ATG



the International Betting Integrity Association (IBIA). As of 2021, ATG is a member of the Swedish Gambling Authority's match fixing council. 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, 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 or sales in a single day. By contacting customers at an early stage, ATG wants to contribute to customers making a conscious choice for sustainable gambling.



ATG CASINO WITH HIGH QUALITY AND CARE FOR THE CUSTOMER

ATG focuses on high-quality games from established partners and has a high standard of care for the customer. ATG's online casino offers a broad selection of gambling on live casino games and slot machines.

To increase awareness and 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 customers in the Swedish gambling market. The games offering was expanded by several global jackpot games, including Mega Fortune and the casino game Aviator. The extended games offering is part of ATG's work to further develop the digital gaming experience.

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-branded studio, where the offering includes Roulette, Blackjack and Texas hold'em. In addition to classic casino games, there is the possibility to play online bingo. Regular events are organised in casino games, to which various betting and trotting experts are invited.

High level of consumer protection

ATG has several measures to counteract problem gambling, with the ambition that its consumer protection must be stronger than legislation. For example, the autospin and stop button functions

are not available in order 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, lower stakes levels than competitors, and restricted login time. The temporary regulation that involved a mandatory login time limit and a deposit limit of a maximum of SEK 5,000 per week for all commercial online gambling, was withdrawn during the autumn. In conjunction with this, ATG chose to retain the mandatory gambling time limit per day for all casino games customers. ATG subsequently resolved on new levels for risky gambling for the purpose of contacting more customers for reasons of prevention. 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 also entered into a partnership with researchers from the Karolinska Institute and Stockholm University to investigate the specific effect of autospins on gambling.

ATG has chosen not to market online casino games in broad media such as television, radio or outdoor billboards.



WORLD-CLASS IT PLATFORM



SUSTAINABLE COMPETITIVE ADVANTAGES

- High cost-effectiveness
- New future-proof betting system
- Unique horse betting products
- Strong know-how in pool betting
- High availability, stability and security

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.

New investment in IT security

During the year, ATG launched 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 was improved. 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.

SCALABILITY

- 500,000 logged in customers on a regular Saturday
- Up to 650,000 log-ins, at most on Saturdays
- 60–70,000 simultaneous log-ins

AVAILABILITY

- 99.9% availability
- 40 releases per week
- Approx, 1,700 agents
- 600 betting terminals
- 6,200 digital displays in betting corners
- 3,500 TV sets with live broadcasts in betting corners
- 1,750 cashpoint displays at ATG Terminals

CAPACITY

- 4.5 million transactions per day
- 2 million deposits using Swish and bank per month

COMPETENCE

- 250 IT developers
- Competence ladder for IT
- Long experience of game development
- Focus on diversity in the IT team

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

Kanal 75 is the media company that fills the TV programming with horse and sport betting entertainment. ATG Live 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 (which is available within the partner Tele2's, formerly ComHem, basic offering). During the year, an agreement was also established with Allente, meaning that ATG Live is now available in its basic offering in more than 2.5 million households in Sweden. 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. 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.



Broadcasts of V75 attract large numbers of viewers each Saturday.

Increased interest in trotting and thoroughbred racing programmes

The consumption of scheduled TV has generally declined. The trend in the number of viewers who follow trotting and thoroughbred racing on TV has been positive in recent years. In 2021, the TV programmes had somewhat lower viewing numbers than in 2020, which can be attributed to 2020 being dominated by the coronavirus and a general increase in TV viewing in Sweden. The V75 broadcasts on Saturdays remain the flagship of our TV selection, with approximately half a million viewers.

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 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 format for ice hockey, football, biathlon and handball.

A new programme format, the World's Best Football, with the well-known sports personality, Ola Wenström, came into being during 2021 in conjunction with the launch of Big 9. Kanal 75 also owns the broadcasting rights to ATG Hockeyettan and ATG Svenska Cupen i 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 more than 500,000 viewers on TV4.

During 2021, two films were produced on 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.

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 format programming like "Bli vän med V75" (Eng: "Get to know V75.")

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.

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.



25SYV – DANISH GAMBLING COMPANY WITH A BROAD PRODUCT PORTFOLIO

ATG's subsidiary 25syv offers Danish customers horse betting, sport betting and casino games, with such brands as Derby25 and Bet25. The aim is to be the largest horse betting operator in Denmark.

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). 25syv had a turnover of MSEK 195 (154), corresponding to growth of 27 per cent. 25syv has some 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 currently holds 37 per cent of the Danish horse betting market.

Betting on horses in Denmark

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 280 thoroughbred races (at four thoroughbred racetracks).

The objective is to be the largest Danish operator for horse betting. 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 achieve enhanced gaming experiences since all meetings are now broadcast digitally and on TV. The collaboration also entails increased responsibility for betting at the racetracks.

The operations are preparing for the introduction of new registration and identification requirements for all betting, which will become a legal requirement from 1 July 2022. During the year, all employees were trained in anti-money laundering, responsible gambling and data protection. In addition, all agents have been trained in anti-money laundry measures.

Responsible gambling is the most important sustainability topic

25syv is subject to the Group's sustainability initiatives. The company steers its operations toward sustainable development, with priority assigned to responsible gambling and the well-being of employees. Responsible gambling is the most important sustainability topic and the operations place great importance on knowledge of the risks and negative impact of gambling.

The responsible gambling policy was updated during the year. In 2022, a new responsible gambling tool will be implemented. 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. During the year, the business relocated to a new office to create a better work environment. 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 2021–31 December 2021 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 during the year for an instruction for appropriation of profits, while allowing the company to maintain an equity/assets ratio over 35%, which results in 98% 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 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 gambling group 25syv. The 25syv Group is active with four brands in sport betting, horse betting and casino games in stores and online.

Significant events during 2021.

- In parts of 2021, the Covid-19 pandemic restricted the offering of leisure and recreational activities. The gradual opening of society has impacted ATG as competition from other recreational activities increased.
- The country's trotting and thoroughbred race-tracks were completely closed to the public during much of the first six months of the year, and opened up with adapted accessibility for the public in line with changed recommendations from the authorities.

- As of 1 July 2021, ATG is the main sponsor of the Swedish Handball Federation. The contract applies for four years with the option of extending it by two additional years. The partnership will contribute to increased investments at elite and general levels as well as investments in gender equality, sustainability and diversity in handball. Together, ATG and the Swedish Handball Federation want to develop the experience both on and off the handball court.
- The temporary regulation on responsible gambling measures that was adopted on 2 July remained in force until 14 November. This entailed a deposit limit of a maximum of SEK 5,000 per week for those wanting to play casino games. The ordinance has resulted in a reduction in ATG's net gambling revenue from casino games and has been extended to apply until 30 June 2021.
- On Saturday, 23 October, ATG's new pool betting system Big 9[®] was launched. The system is played out every Saturday and the betting slip involves the highest profile football matches of the day.
- ATG had 239 million-krona wins during the year.

Significant events after the balance-sheet date

- The Ministry of Finance has published a proposal referred to the Council on Legislation for consideration that includes the risk classification of forms of gambling, greater protection for younger players regarding marketing, and licences for gambling product operators.
- Many restrictions were lifted on 9 February, when Covid-19 was reclassified as a disease that is no longer a danger to society. There is some uncertainty surrounding how the opening up of society will influence ATG's revenue in the future as competition from other recreational activities increases. ATG is welcoming its employees back to the office.

Revenue

The Group's net gambling revenue during the year totalled MSEK 5,256 (5,359), which is the second highest net gambling revenue in the history of the company. Compared with 2019, the Group's net gambling revenue rose 19 per cent. The Danish Group 25syv impacted the Group's net gambling revenue by MSEK 195 (154) during the year, an increase of 27 per cent.

The Group's net gambling revenue decreased MSEK 281 from horse betting, increased MSEK 192 from sport betting, and decreased MSEK 14 from casino games.

The year had one fewer Saturday with V75® and five fewer jackpots than the comparative period which, together with the strongly positive impact of the pandemic on the year-earlier period, explains the decrease in net gambling revenue for horse betting. Compared with the same period of 2019, horse betting grew 12 per cent.

Gross turnover for Swedish horse betting, which governs the size of the betting pools, was MSEK 13,922 (14,748), a decrease of approximately 6 per cent. International gross turnover amounted to MSEK 3,354 (5,416), down 38 per cent, which is an effect of last year's sharply increased international gambling during parts of the pandemic period. Total gross turnover for horse betting (Swedish and international) was MSEK 17,276 (20,164), down 14 per cent. Compared with 2019, total gross turnover for horse betting was up 13 per cent.

During the year, ATG had agent revenue of MSEK 253 (308) and other operating income, i.e., income from activities other than gambling, of MSEK 607 (664). Last year's increased inter-

national interest in betting on Swedish trotting and thoroughbred races positively affected the Group's other revenue in 2020. The other revenue is mainly from commissions for international sales, TV production and agent sales of partner products in stores.

Costs

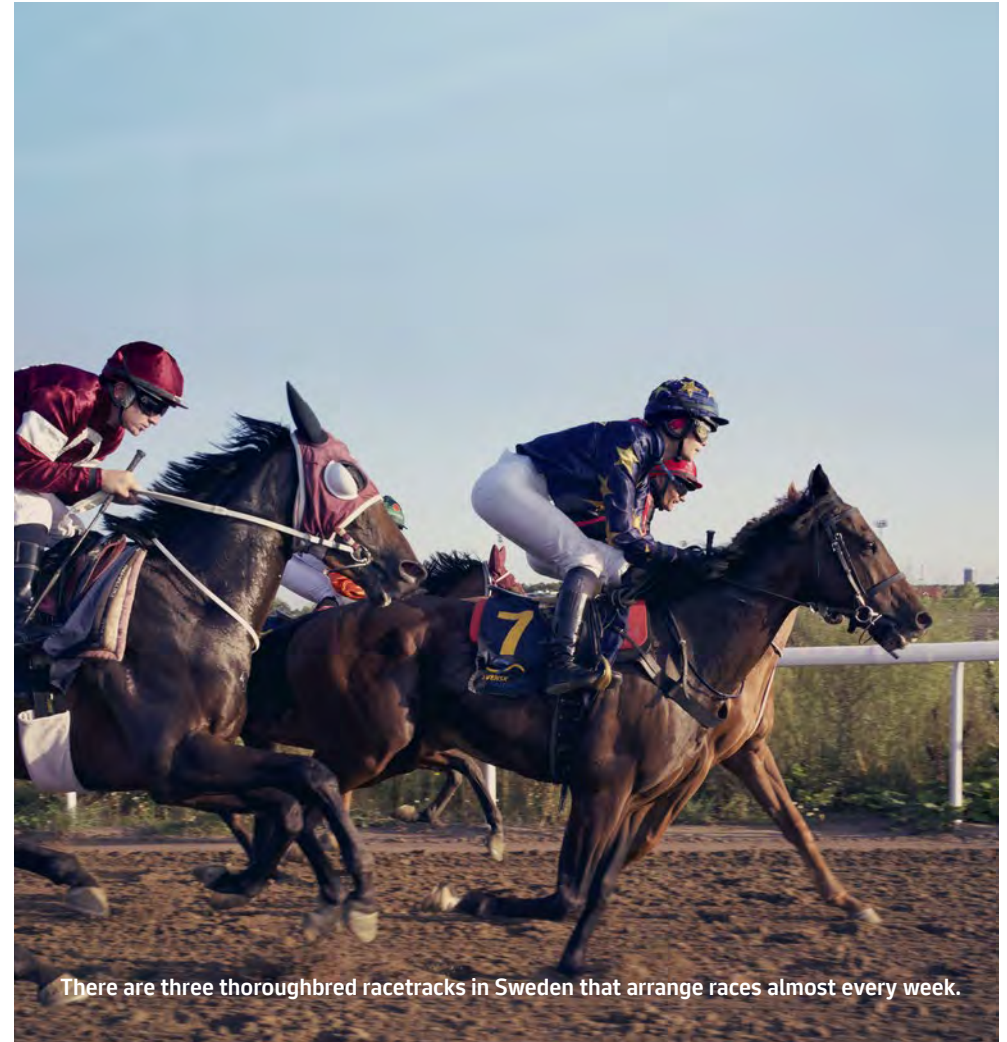
Gambling tax for the year amounted to MSEK 1,061 (1,056).

Operating expenses for the year amounted to MSEK 3,135 (3,035).

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 591 (619) for the year. Other significant expense items include IT systems and operations, advertising, marketing and sales and transaction-related expenses.

Personnel expenses increased slightly due to an increased number of employees.

Depreciation of fixed assets amounted to MSEK 302 (280). Depreciation expenses were higher due to the increased investments in the last few years.



There are three thoroughbred racetracks in Sweden that arrange races almost every week.

Gambling tax

The Swedish gambling tax of 18 per cent of gambling profits (stakes-winnings). Gambling tax in Denmark is 28 per cent of the gambling profits. Gambling tax for the year amounted to MSEK 1,061 (1,056). The increase in gambling tax despite lower net gambling revenue was mainly a result of the increase in gambling tax, from 20 per cent to 28 per cent, in Denmark.

Operating profit and profit for the year

Operating profit for the year amounted to MSEK 1,920 (2,240). Profit for the year totalled MSEK 1,521 (1,749).

Parent Company's profit before transactions with owners

The Parent Company's profit before transactions with owners (see definition on page 127) totalled MSEK 2,520 (2,901) 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, total assets amounted to MSEK 2,731 (3,462). Cash flow from operating activities amounted to MSEK 2,100 (2,609). Cash

flow from investing activities amounted to MSEK -244 (-261). During the year, loan repayments of MSEK 1,100 were made and new loans of MSEK 403 were contracted. Cash flow for the year amounted to MSEK -513 (808). Closing cash and cash equivalents amounted to MSEK 886 (1,399). At year end, total shareholders' equity amounted to MSEK 1,042 (850) and the equity/assets ratio was 38 per cent (25).

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 betting systems for existing and future betting products among other items, and to further development of the digital channels and development of gambling products. During the year, a new sport pool betting system was developed. This development is a prerequisite for continued, long-term growth and for the launch of new 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 496 (468), of which 29 (33) in Denmark. ATG is continuing to build new product areas and invest for future growth and has also replaced consultants with employees.

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 GRI Standards: Core Option. ATG has performed a materiality assessment to identify material sustainability topics. During the year, a stakeholder analysis was carried out to increase knowledge of the stakeholders' view of the company's sustainability initiatives. Sustainability initiatives are 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 103. The risk analysis pertaining to sustainability topics is included in the combined risk section on pages 46–50.

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. In early 2020, COVID-19 was declared a pandemic. The pandemic continued to impact with varying degrees in 2021. During the entire pandemic, the company has complied with the authorities' regulations with the aim of limiting the spread of infection.

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 46–50.

Outlook

In the long term, the strongest correlating factor with the gambling market's turnover growth is a change in household disposable income.

Going forward, ATG will continue to work toward clearly formulated goals and customer promises. This entails continued work on the constant development of, and investments in, gambling products for continued growth with cost-effectiveness. The aim of this is to continue delivering positive results and thereby live up to the assignment and mission of being 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 1,705 (1,996) to the Swedish Trotting Association and proposes that earnings for 2021 be appropriated as follows.

Parent Company's profit before transactions with owners

AMOUNTS IN MSEK	2017	2018	2019	2020	2021
Operating profit	3,372	3,466	1,548	2,282	1,929
Lottery tax	-1,466	-1,455			
Costs for horse racing information, rights and sponsorship	-	-	578	619	591
TOTAL	1,906	2,011	2,126	2,901	2,520

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

SEK	
Retained earnings	-22,360,180
Profit for the year	379,728,034
TOTAL	357,367,854
Dividend to shareholders	-150,403,242
RETAINED EARNINGS	206,964,612



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.

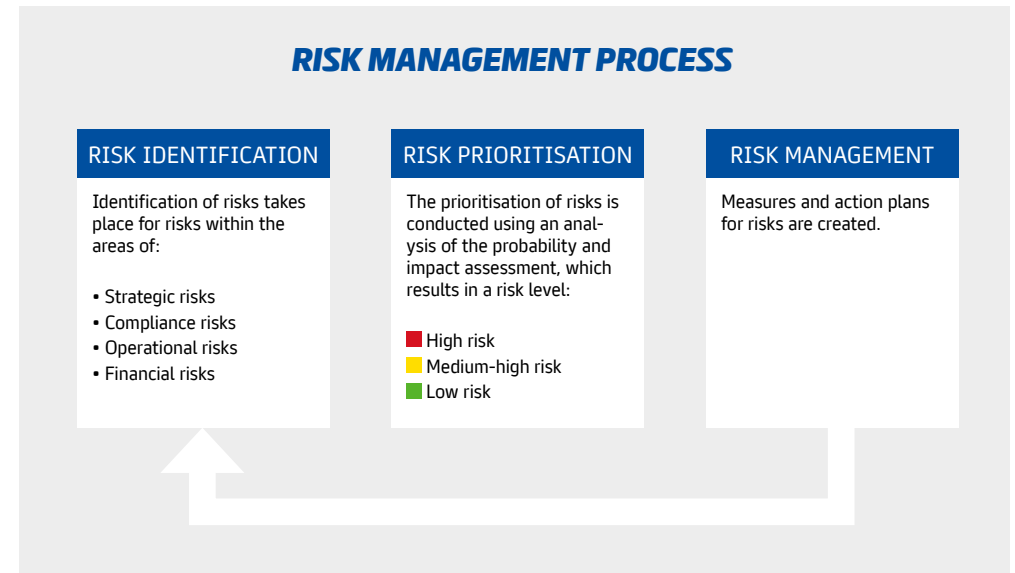
Identifying risks and uncertainties that can impact ATG's ability to fulfil its mandate and realise its established goals are of vital importance to the company's short- and long-term success. Risk management is an integral part of the process for planning and monitoring operations within ATG. Group 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 ■	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.	Competitive risks are managed through continuous analyses of the market situation. The analysis includes bases for decisions on the development of the offering and geographic distribution. Competitiveness is strengthened through the continuous investment in development of existing and new gambling offerings and ATG's sales channels.
Economic risks ■	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.	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.
Regulatory risks ■	Political decisions that create regulatory change of the gambling sector such as austerity measures and marketing limitations for companies.	Monitor and participate in the societal debate to be able to rapidly adapt and impact the business following political decisions.

COMPLIANCE RISKS

Compliance risks are risks that are mainly within ATG's control. Compliance risks comprise the risk of legal or statutory sanctions, 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.






Risk and risk level	Risk description	Risk management
Legal and regulatory compliance ■	Compliance with laws and regulations governing gambling operations, 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 laws and regulations, 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>ATG has processes and procedures in place to ensure compliance with applicable laws and regulations. ATG also has procedures and processes in place to monitor gambling behaviour and escalation procedures to identify deviating gambling patterns. ATG's compliance function is an independent control function tasked with managing internal compliance and identifying, evaluating and reporting risks. The function also serves as a point of contact with the Swedish Gambling Authority and the Swedish Authority for Privacy Protection and reports regularly to ATG's Board of Directors and CEO.</p> <p>In addition to the compliance function, the Group has several internal support functions to ensure compliance. A key function is held by the CEO's consultative body, the Responsibility Council, which constantly manages issues that affect the entire organisation from a responsibility and compliance perspective. This includes, for example, customer and agent knowledge based on data protection from a money laundering perspective and from a responsible gambling perspective.</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. Critical IT systems must be up and running to enable sales. In connection with disruptions in its IT systems, ATG is at risk of reduced revenue and weakened customer confidence.</p> <p>ATG is dependent on third-party suppliers that provide such IT services as payments, gambling products, login systems, agent environments and the national self-exclusion register (spelpaus.se). The suppliers must maintain a very high level of availability if ATG's customers are to avoid disruptions or being exposed to risks.</p>	<p>ATG is continuously striving to limit the number of system disruptions and their consequences. Proactive work to identify and reduce possible threats decreases the risk of operational disturbances, data hacking and loss of information. During 2021, the access risks that occur in conjunction with higher customer activity and unknown system dependency were analysed and continuously corrected.</p> <p>To avoid dependency, ATG has several service providers that deliver critical IT services, which has contributed to increased robustness and a reduced risk of disruption.</p> <p>The implementation of new, larger third-party providers includes checks and tests according to procedure. In the event of disruptions, thorough investigations are conducted to improve the work approach 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>Reducing risks of cyberattacks is managed, for example, by external hackers being tasked with continually trying to access ATG's IT environments and through a revised 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 considerable turnover, a high intensity of financial transactions, many customers, agents and suppliers, operations are at risk of corruption. Since ATG offers sport betting, corruption in the form of match fixing 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 employees, partners and suppliers are to act in accordance with the Group-wide Code of Conduct.</p> <p>Through internal processes and procedures as well as collaboration with the sportsbook provider International Betting Integrity Association (IBIA) and 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 strong 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 	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.	ATG works systematically so that our customers enjoy their gambling and gamble for pleasure. The work is conducted based on 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.
Personnel, skills and recruitment 	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 direct negative impact on staff and the company's ability to attract, engage and retain qualified employees. The greatest challenge is to recruit expertise in IT. Risks related to the pandemic remained during the year. The majority of the employees were urged to work from home, which entailed risks of physical and mental ill health. Working from home has an impact on collaboration and management. Introducing new employees digitally comes with new requirements but the digital workplace also provides new opportunities for major sections of the company.	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. Working remotely with frequent updates on the intranet and through digital information meetings keeps employees updated. Digital training sessions and presentations with a holistic perspective establish focus on health and movement. ATG recruits many employees in IT from other countries, which leads to positive effects in the form of increased diversity in the organisation. Employee attitude to ATG is followed up on continually through dialogue and employee surveys.
Supply chain responsibility 	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 thorough 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.	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. There are continuous checks and follow-ups among ATG's suppliers for the value chain to minimise risks.
Climate impact 	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.	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. ATG has conducted a comprehensive analysis in accordance with TCFD – see below in financial risks.
Poor horse welfare 	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.	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 place high demands on good horse husbandry, before, during and after a race. In 2021, ATG adopted a policy on imports of international horse races.

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 or profitability may impact the Group's liquidity requirement. Increased requirements from financial institutes related to ESG factors.	The Group works systematically on liquidity planning and monitoring. 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.
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 all 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. Credit risks also occur 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 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 exposed to climate change. To date, ATG has not identified any 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. 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>	2021	2020	2019 ¹⁾	2018 ²⁾	2017 ²⁾
KPIs under IFRS;					
Profit for the year, MSEK	1,521	1,749	1,162	-127	99
Earnings per share for the year, SEK	3,803	4,373	2,905	-318	247
KPIs not calculated in accordance with IFRS					
Net gambling revenue, MSEK	5,256	5,359	4,435	4,162	4,209
Total revenue, MSEK ³⁾	6,116	6,331	5,306	5,210	4,832
EBITDA, MSEK	2,222	2,520	1,696	3,589	3,470
Operating profit, MSEK	1,920	2,240	1,501	3,467	3,372
Operating margin, %	31%	35%	28%	67%	70%
Debt/equity ratio, multiple	1.6	3.1	3.2	2.8	1.6
Profit before tax, MSEK	1,921	2,242	1,504	1,328	1,565
Equity/assets ratio, %	38%	25%	24%	26%	38%
Shareholders' equity, MSEK	1,042	850	773	544	671
Shareholders' equity per share, SEK	2,605	2,125	1,932	1,360	1,678
Cash flow from operating activities, MSEK	2,100	2,609	1,596	140	102
Cash flow from operating activities per share, SEK	5,250	6,523	3,990	349	253

MULTI-YEAR REVIEW cont.

Group					
MULTI-YEAR REVIEW AND KPIS	2021	2020	2019¹⁾	2018²⁾	2017²⁾
KPIs, operations					
Share of green turnover, % ⁴⁾	77%	74%	70%	–	–
Share of green customers, % ⁴⁾	85%	86%	87%	–	–
Number of active customers, million	1.3	1.4	1.3	1.0	0.5
Average number of employees	496	468	433	353	321
KPIs, Parent Company					
Net gambling revenue	5,061	5,205	4,346	4,162	4,209
Operating profit	1,929	2,282	1,548	3,466	3,370
Lottery tax	–	–	–	-1,455	-1,441
Costs for horse racing information, rights and sponsorship	591	619	578	–	–
Parent Company's profit before transactions with owners ⁵⁾	2,520	2,901	2,126	2,011	1,906

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) Agent revenue, fees charged by agents for each bet placed, was recognised in key performance measures from 2017 and earlier as a reduced agent commission and is therefore not included in total revenue.

4) Share of green customers and share of green turnover for customers who have completed a self-assessment test.

5) 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

THE COMPANY STANDS STRONG AGAINST THE COMPETITION

A strong year followed the exceptional year of 2020 with continued strong revenue for horse racing. This provides us with confidence for the continued strong development of ATG.



Bo Netz
Chairman



Marjaana Alaviuhkola
Vice Chairman

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 on the initiative of the then Minister of Finance Gunnar Sträng to secure the long-term financing of Swedish trotting and thoroughbred racing. The Swedish Trotting Association and the Swedish Jockey Club formed aktiebolaget ATG. The company was assigned, and still has as a fully owned company, a large responsibility for the financing of trotting and thoroughbred racing through the revenue from horse betting, and since re-regulation of the gambling market on 1 January 2019, 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 agreement has been modified a few times over the years, but the basic principles of 1974 remain. The Board work is future-oriented and conducted in fruitful collaboration between the state and owner-appointed members.

During the year, the Board work focused on continuing to develop the company's internal control and governance, risk management and strategic issues, particularly due to the short and long-term changes in the legislator's control of the gambling market. The Board of Directors has also carried out important efforts to successively strengthen the financial position of the company and the owners. For example, the Board of Directors has adopted an instruction for appropriation of profits, while allowing the company to maintain an equity/assets ratio over 35%, which results in 98% of disposable income being distributed to owners. In addition, the Board of Directors has supported the company's development of new brands and betting products in which the new pool betting on football system – Big9® – was the biggest news in the gambling market in Sweden during the year. The launch was successful and the Board of Directors is excitedly looking forward to future developments.

During 2021, the coronavirus pandemic continued to impact the world and thus also the company and its owners to a large extent. The first half of the year was characterised by extensive restrictions and the racetracks operated exclusively as a workplace for those active in the sport.

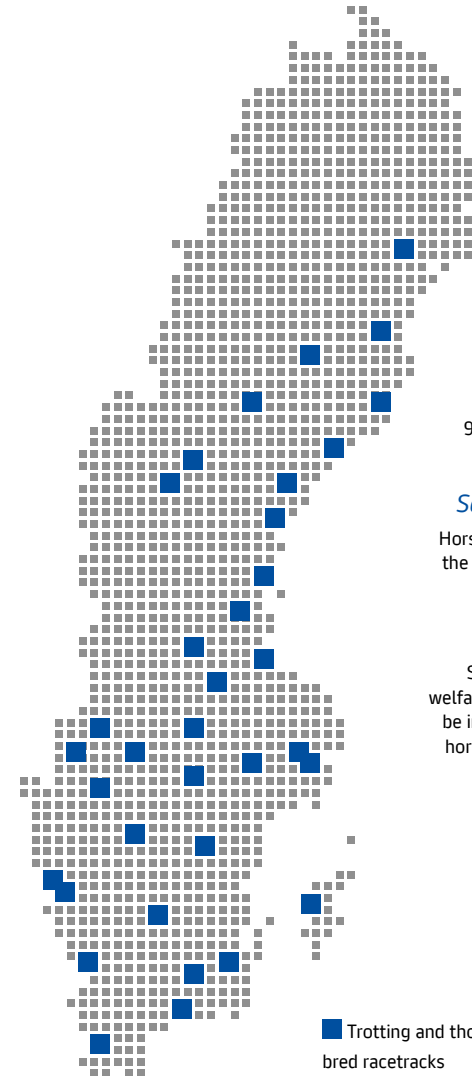
The year's net betting turnover and earnings are, as expected, lower than in 2021, but a comparison with the more normal year of 2019 displays higher growth. The company's offering stands strong against the competition and customer interest remains considerable. This provides us with confidence for continued healthy revenue moving forward.

During the pandemic, ATG demonstrated a strong ability to rapidly adapt to new conditions, not least in terms of new regulations imposed at short notice. 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 2022

Bo Netz
Chairman

Marjaana Alaviuhkola
Vice Chairman



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

■ Trotting and thoroughbred racetracks

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 2021.

Governance Regulations

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 national 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 20 November 2018 and approved by the government on 29 November 2018. 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 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.

Earlier agreements regulated ATG's responsibility regarding special investments in the Swedish horse industry by transferring funds to the Swedish Horse Council Foundation (HNS). In the current agreement, this responsibility has been transferred to the Swedish Trotting Association.

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

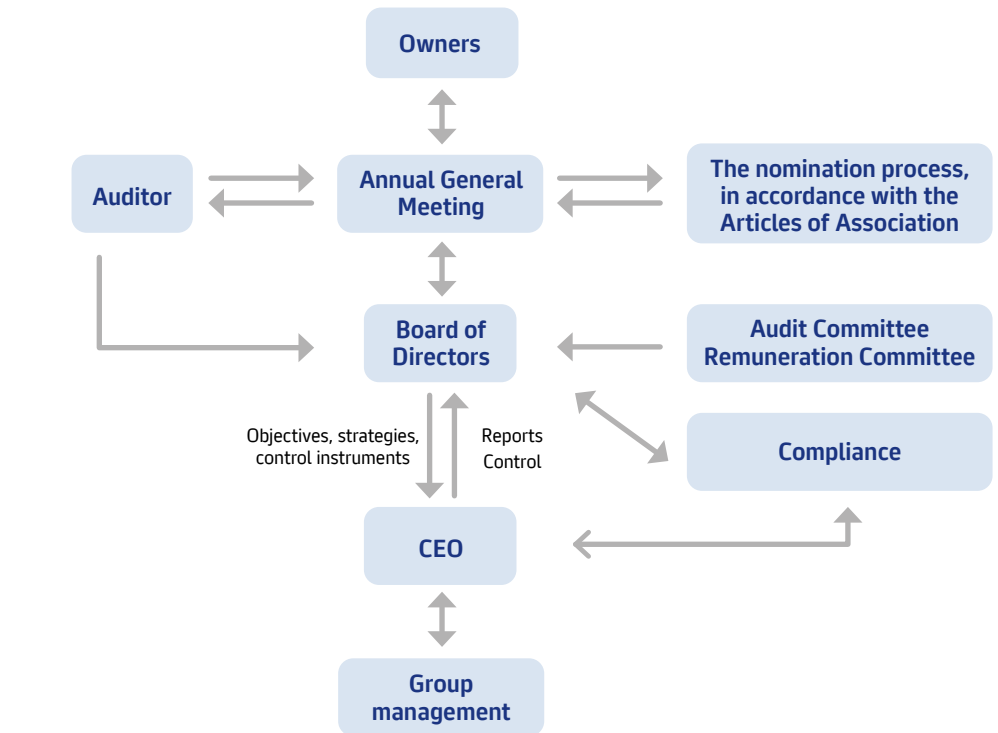
the Board and CEO from liability, the election of Board members and auditors and the remuneration of Board members and auditors.

2021 AGM

The most recent AGM was held on 7 June 2021 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 Marjaana Alaviuhkola, Agneta Gille, Urban Karlström, Anders Källström, Anders Lilius, Birgitta Losman, Bo Netz, Mats Norberg, Marcus Persson and Susanna Rystedt, and Johan Carlson was elected as a new Board member (from 1 September 2021). 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 Marjaana Alaviuhkola Deputy Chairman. The AGM resolved to pay Board fees of SEK 318,000 to the Chairman, SEK 138,000 to the Deputy Chairman and SEK 116,000 to each member not employed by the company. In addition, a meeting fee of SEK 2,400 is to be paid per member and 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 2020 income statement and balance sheet and the allocation of profit for the year and retained profits, in accordance with the Board's proposals. The AGM also discharged the Board members from liability for their administration in 2020.

Corporate governance model

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

2022 AGM

The AGM for the 2021 financial year will be held at the company's premises in Hästsportens Hus, Solvalla, Stockholm, Sweden on 7 June 2022. The Annual Report will be available from 23 March 2022 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 this 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).

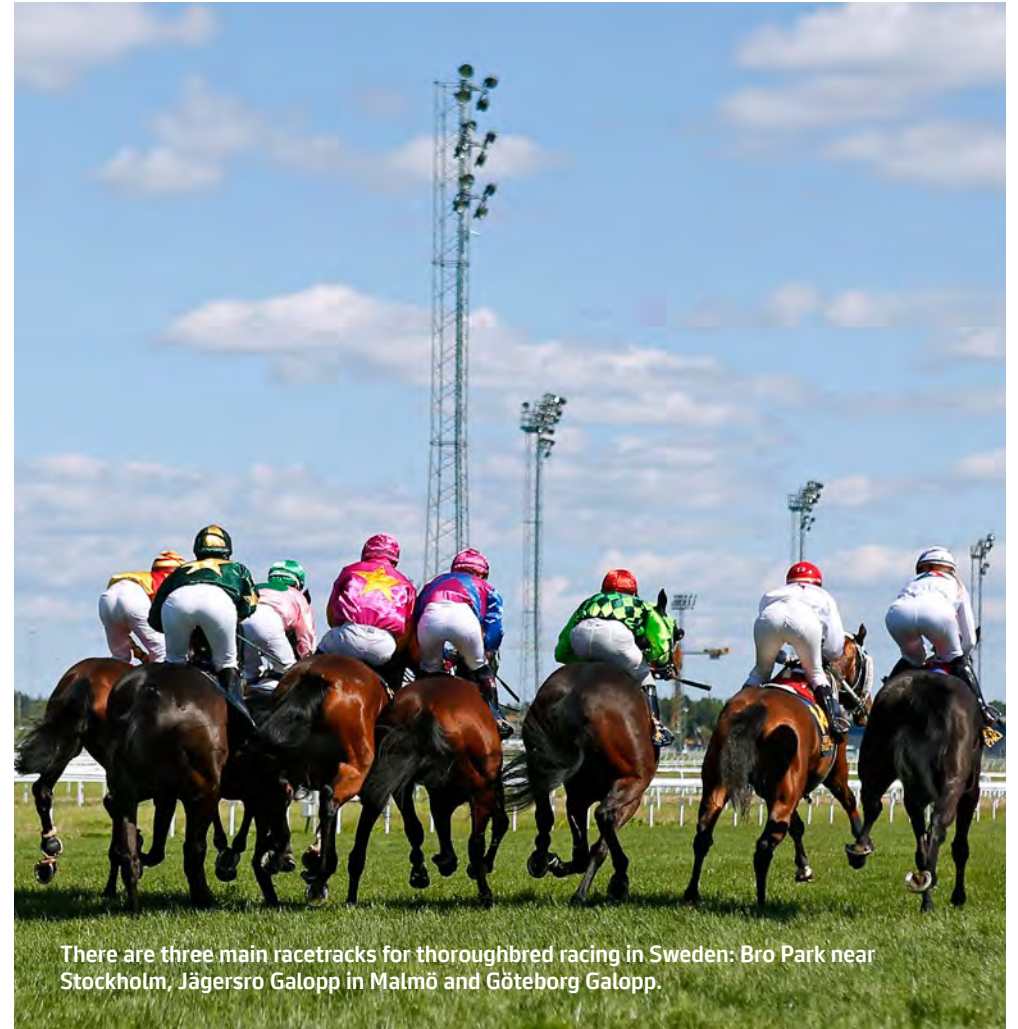
Four members are nominated to represent the Swedish Trotting Association (ST), one member is nominated to represent the Swedish Jockey Club (SG) and six members are nominated to

represent the government. The government also determines who will be the Chairman of the company. In addition, the company's trade union organisations nominate one member and two deputies. In 2021, ordinary members of the Board of ATG comprised 42 per cent women and 58 per cent 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



There are three main racetracks for thoroughbred racing in Sweden: Bro Park near Stockholm, Jägersro Galopp in Malmö and Göteborg Galopp.

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 61.

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 sup-

port 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.

At the 2021 AGM, Bo Netz was elected Chairman. He has been a Board member since 2011 and Chairman since 2018.

The Board's work in 2021

During the 2021 financial year, the Board held ten ordinary meetings, including one statutory meeting. 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. For 2021, 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 eight 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.

During the year, the Audit Committee procured 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. For 2021, Bo Netz was re-elected as the new Chairman and Marjaana Alaviuhkola was elected a new Board 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 four 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.

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	10/10	Yes	Yes
Marjaana Alaviuhkola	2014	Deputy Chairman	10/10	Yes	No
Johan Carlson*	2021	Member	3/3	Yes	Yes
Anders Källström	2019	Member	9/10	Yes	No
Petra Forsström**	2016	Member	5/5	Yes	Yes
Agneta Gille	2018	Member	10/10	Yes	Yes
Anders Lilius	2020	Member	10/10	Yes	No
Urban Karlström	2018	Member	9/10	Yes	Yes
Birgitta Losman	2018	Member	10/10	Yes	Yes
Mats Norberg	2017	Member	10/10	Yes	No
Marcus Persson***	2020	Member	7/7	Yes	No
Susanna Rystedt	2009	Member	10/10	Yes	Yes
Employee representative					
Marianne Martinsson	2010	Member	10/10	Yes	Yes
Fabian Rivière	2013	Deputy Board member	8/10	Yes	Yes
Christer Utterberg	2017	Deputy Board member	5/10	Yes	Yes

* Took up duties on 1 September 2021 ** Stepped down at the AGM on 7 June 2021 *** Stepped down in October 2021

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 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 2021 AGM appointed the accounting firm Ernst & Young AB with Åsa Lundvall as auditor-in-charge for a period of one year. Åsa Lundvall is an authorised public accountant and partner at Ernst & Young, she has been the company's responsible auditor since 2012. ATG has established that Åsa Lundvall has no relationships with ATG or related companies that could affect the auditor's independence in relation to the company and she is considered to have the requisite competence to perform the job of ATG's auditor. During the year, Åsa Lundvall or her

assistant auditor participated in every meeting of the Audit Committee and at one Board meeting. On two occasions she also presented written audit reports. The auditor has also met the Board without the presence of Group Management. The Board's proposal for resolution by the next AGM is to replace Åsa Lundvall with Mikael Sjölander, Ernst & Young.

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.

Control environment

The Board annually adopts governing documents that form the basis of and promote an efficient control environment. Within ATG, there are instructions, policies, the Code of Conduct for suppliers and employees, 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 core 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 targets in the Group's business areas, processes and companies.

In the event of material changes in risks, ongoing measures are presented by the main process owner concerned. Risk management is an integrated part of the company's business development. The framework for operating activities and

follow-up contains procedures for risk assessment and for preparing correct financial reporting.

Information and communication

The Group's governing documentation in the form of rules, 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 the development of risk management in the years ahead.

To safeguard and develop internal controls, ATG also conducts proactive work on risk management and internal control by evaluating and updating internal governing documents and guidelines. 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. 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 2022

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. One (1) of the trotting seats has been vacant since autumn 2021.



BO NETZ

Position: Chairman
(State representative)

Elected: 2011

Born: 1962

Education: Economics degree

Born: 1959

Other assignments: Director General of 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



MARJAANA ALAVIUKKOLA

Position: Deputy Chairman
(the Swedish Trotting Association representative)

Elected: 2014

Born: 1959

Education: Veterinarian specialising in equine diseases

Other assignments: CEO/owner of Hallands Djursjukhus and Chairman of the Swedish Trotting Association

Background: Horse owner and breeder



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)

Background: Clinical physician for 15 years, 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, leadership courses

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

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: Former Director General of the Swedish Fortifications Agency



ANDERS KÄLLSTRÖM

Position: Board member
(the Swedish Trotting Association representative)

Elected: 2019

Born: 1959

Education: University degree Communication Programme

Other assignments: Chairman Svenska Hockeyligan AB, Chairman High Coast Distillery AB, Setra Group AB and Chairman of Co-operatives Sweden

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



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 Board member of Sahlgrenska Hospital

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



MATS NORBERG

Position: Board member (the Swedish Trotting Association representative)

Elected: 2017

Born: 1965

Education: Upper-secondary school studies in accounting

Other assignments: Board member of the Swedish Trotting Association and own companies.

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



SUSANNA RYSTEDT

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



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 TietoEnator, Programmera AB and Sandrew Metronome



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, 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 developer at Framfab, System Developer at Volkswagen Sweden, Developer (consultant) at Mandator and Web developer/Scrum Master at Ongame/Bwin

GROUP MANAGEMENT



HANS LORD SKAR- PLÖTH

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:

Deputy Chairman of WoTA, Board member of SPER, Board member of Almega Tjänsteföretagen, Chairman of Ecosys A/S and Chairman of Kanal 75 AB

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, Editor-in-Chief and Head of Editorial Staff at Expressen, Editor-in-Chief and Head of Editorial Staff at Golf Digest, Information Manager and Project Manager at TV3 and Partner and Project Manager at OTW



PER GUTESTEN

Position: Chief Information Officer

Employed: 2017

Born: 1973

Education: Computer engineer

Other assignments: Board Member of Ecosys A/S

Background: Nordea, SEB, Connecta (now CGI) and Sun Microsystems (now Oracle)



MAGNUS LUNNER

Position: Chief Security and Quality Officer

Employed: 2000

Born: 1961

Education: The National Swedish Police College (Sörentorp, Solna) and 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 Ecosys A/S and Board deputy of Kanal 75 AB

Background: CFO of Poolia and Taxi Q20 (currently Sverigetaxi), Management Consultant at Connecta, self-employed and various Board assignments



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

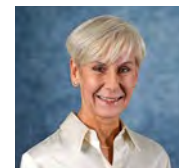
Employed: 2014

Born: 1978

Education: Business administration graduate from the Stockholm School of Economics

Other assignments: Board Member of NF11 Holding AB

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



CARIN KAPPE

Position: Chief Compliance Officer, co-opted member of Management Group

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 and Under-secretary, Ministry of Finance



FINANCIAL STATEMENTS

Consolidated statement of comprehensive income

AMOUNTS IN MSEK	Note	2021	2020
Net gambling revenue	2	5,256	5,359
Agent revenue		253	308
Other revenue	3, 8	607	664
Total revenue		6,116	6,331
Gambling tax		-1,061	-1,056
Capitalised work for own account		69	69
Personnel expenses	4	-495	-460
Other external expenses	5, 8, 16	-2,403	-2,353
Other operating expenses		-4	-11
Depreciation, amortisation and impairment of PPE and intangible assets	9, 11	-302	-280
Operating profit		1,920	2,240
Financial income	6, 8	17	27
Financial expenses	6, 16	-16	-25
Profit from financial items		1	2
Profit before tax		1,921	2,242
Income tax ¹⁾	7	-400	-493
Profit for the year²⁾		1,521	1,749

AMOUNTS IN MSEK	Note	2021	2020
<i>Items that may be transferred to profit for the year</i>			
Translation differences, foreign subsidiaries		-1	0
Other comprehensive income		-1	0
Comprehensive income for the year²⁾		1,520	1,749
Earnings per share for the year, SEK			
Before and after dilution ³⁾		3,803	4,373
Number of shares, thousand			
Average number of shares outstanding		400	400

1) In accordance with IFRS, Group contributions paid of MSEK -1,705 (-1,996) and the associated tax effect of MSEK +351 (+427) were recognised in the consolidated statement of changes in equity. Net tax expense including this item therefore amounts to MSEK -49 (-66).

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>2021</i>	<i>2020</i>
ASSETS			
Fixed assets			
Goodwill	9	32	32
Product brands	9	29	32
Other intangible assets	9	810	803
Property, plant and equipment	11, 16	418	480
Other long-term receivables	10	68	156
Deferred tax assets	7	-	-
Total fixed assets		1,357	1,503
Current assets			
Accounts receivable	12, 13	49	43
Receivables from Group companies	8, 13	14	19
Other receivables	13, 14	351	413
Prepaid expenses and accrued income	15	74	85
Cash and cash equivalents	13, 17	886	1,399
Total current assets		1,374	1,959
TOTAL ASSETS		2,731	3,462

<i>AMOUNTS IN MSEK</i>	<i>Note</i>	<i>2021</i>	<i>2020</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		1,042	850
Total shareholders' equity		1,042	850
Long-term liabilities			
Liabilities to credit institutions	13, 19	398	299
Lease liabilities	13, 19	79	91
Deferred tax liabilities	7	0	0
Other provisions	22	-	200
Total long-term liabilities		477	590
Current liabilities			
Liabilities to credit institutions	13	-	775
Lease liabilities	13, 16	12	22
Accounts payable	13	74	181
Liabilities to Group companies	13, 8	131	29
Liabilities, account customers	13	586	527
Current tax liabilities		4	144
Other current liabilities	13, 20	313	248
Accrued expenses and deferred income	21	92	96
Total current liabilities		1,212	2,022
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		2,731	3,462

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 2020	40	-40	772	1	773
Profit for the year			1,749		1,749
<i>Other comprehensive income</i>					
Translation differences, foreign subsidiaries				0	0
<i>Transactions with owners</i>					
Group contributions paid			-1,996		-1,996
Tax effect of Group contributions			427		427
Dividend			-104		-104
Shareholders' equity, 31 December 2020	40	-40	849	1	850

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

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	2021	2020
Operating activities			
Operating profit		1,920	2,240
<i>Adjustments for non-cash items</i>			
Depreciation, amortisation and impairment of PPE and intangible assets	9, 11	302	280
Other items		3	8
Interest received	6	15	24
Interest paid	6	-17	-16
Income tax paid	7	-189	-63
Cash flow from operating activities before changes in working capital		2,034	2,473
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in operating receivables		55	5
Increase (+)/Decrease (-) in operating liabilities		11	131
Cash flow from operating activities		2,100	2,609
Investing activities			
Investments in intangible assets	9	-190	-163
Investments in PPE	11	-55	-99
Decrease/increase in long-term receivables	10	1	1

AMOUNTS IN MSEK	Note	2021	2020
Cash flow from investing activities		-244	-261
Financing activities	19		
Loans raised	13, 16, 19	403	11
Repayment of loans	13, 16, 19	-1,100	-19
Loans to shareholders and Group contributions		-1,672	-1,532
Cash flow from financing activities		-2,369	-1,540
Cash flow for the year		-513	808
Opening cash and cash equivalents		1,399	592
Exchange-rate difference in cash and cash equivalents		0	-1
Cash flow for the year		-513	808
Closing cash and cash equivalents¹⁾	17	886	1,399

1) Of closing cash and cash equivalents, MSEK 502 (439) derived from funds held in trust that belong to account customers.

Parent Company income statement

<i>AMOUNTS IN MSEK</i>	<i>Note</i>	<i>2021</i>	<i>2020</i>
Net gambling revenue	2	5,061	5,205
Agent revenue		253	308
Other revenue	3	507	564
Total revenue		5,821	6,077
Gambling tax		-1,002	-1,020
Capitalised work for own account		69	69
Personnel expenses	4	-415	-380
Other external expenses	5, 8	-2,296	-2,232
Other operating expenses		-4	-11
Depreciation, amortisation and impairment of PPE and intangible assets	9, 11	-244	-221
Operating profit		1,929	2,282
Financial income	6, 8	16	25
Financial expenses	6	-12	-15
Profit from financial items		4	10

<i>AMOUNTS IN MSEK</i>	<i>Note</i>	<i>2021</i>	<i>2020</i>
Profit before appropriations and tax		1,933	2,292
Group contributions paid		-1,705	-1,996
Group contributions received		-	1
Profit before tax		228	297
Income tax ¹⁾	7	152	-65
Profit for the year		380	232

The Parent Company had no items in 2021 or 2020 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 +200 pertains to 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>2021</i>	<i>2020</i>
ASSETS			
Fixed assets			
Intangible assets	9	796	779
Property, plant and equipment	11	291	320
Participations in Group companies	24	79	79
Other long-term receivables	10, 13	175	243
Total fixed assets		1,341	1,421
Current assets			
Accounts receivable	12, 13	42	36
Receivables from Group companies	8, 13	42	62
Other receivables	13, 14	337	401
Prepaid expenses and accrued income	15	73	82
Cash and bank balances	13, 17	873	1,391
Total current assets		1,367	1,972
TOTAL ASSETS		2,708	3,393

<i>AMOUNTS IN MSEK</i>	<i>Note</i>	<i>2021</i>	<i>2020</i>
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	18		
<i>Restricted equity</i>			
Share capital		40	40
Statutory reserve		8	8
Development costs reserve		755	714
		803	762
<i>Non-restricted equity</i>			
Retained earnings		-23	-39
Profit for the year		380	232
		357	193
Total shareholders' equity		1,160	955
Provisions	22	-	200
Long-term liabilities			
Liabilities to credit institutions	13, 19	398	299
Total long-term liabilities		398	299
Current liabilities			
Liabilities to credit institutions	13, 19	-	775
Accounts payable	13	53	150
Liabilities to Group companies	13	145	45
Liabilities, account customers	13	579	521
Current tax liabilities	7	3	144
Other current liabilities	13, 20	293	227
Accrued expenses and deferred income	21	77	77
Total current liabilities		1,150	1,939
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		2,708	3,393

Parent Company statement of changes in equity

AMOUNTS IN MSEK	RESTRICTED EQUITY			NON-RESTRICTED EQUITY	
	<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 2020	40	8	675	104	827
Profit for the year				232	232
The year's provision to the development costs reserve			161	-161	-
The year's reversal of the development costs reserve			-122	122	-
Dividend				-104	-104
Shareholders' equity, 31 December 2020	40	8	714	193	955

AMOUNTS IN MSEK	RESTRICTED EQUITY			NON-RESTRICTED EQUITY	
	<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

Parent Company cash-flow statement

AMOUNTS IN MSEK	Note	2021	2020
Operating activities			
Operating profit		1,929	2,282
<i>Adjustments for non-cash items</i>			
Depreciation, amortisation and impairment of PPE and intangible assets	9, 11	244	221
Other items		2	7
Interest received	6	16	25
Interest paid	6	-14	-13
Income tax paid	7	-189	-63
Cash flow from operating activities before changes in working capital		1,988	2,459
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in operating receivables		50	-13
Increase (+)/Decrease (-) in operating liabilities		24	133
Cash flow from operating activities		2,062	2,579
Investing activities			
Investments in intangible assets	9	-190	-163
Investments in PPE	11	-44	-76
Increase (-)/Decrease (+) in long-term receivables	10	1	1

AMOUNTS IN MSEK	Note	2021	2020
Cash flow from investing activities		-233	-238
Financing activities			
Loans raised	19	400	-
Repayment of loans	19	-1,075	-
Loans to shareholders, Group contributions and dividend		-1,672	-1,532
Cash flow from financing activities		-2,347	-1,532
Cash flow for the year		-518	809
Opening cash and cash equivalents		1,391	583
Exchange-rate difference in cash and cash equivalents		0	-1
Cash flow for the year		-518	809
Closing cash and cash equivalents ¹⁾	17	873	1,391

1) Of closing cash and cash equivalents, MSEK 494 (432) derived from funds held in trust that belong to account customers.

ACCOUNTING POLICIES

GENERAL INFORMATION

The Annual Report and the consolidated financial statements were approved for publication by the Board of Directors on 16 March 2022 and will be presented for adoption to the Annual General Meeting in June 2022. 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 Ecosys Group with its Parent Company Ecosys 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 2021 or later and are relevant to the Group.

NEW AND AMENDED ACCOUNTING POLICIES NOT YET APPLIED

No new or amended standards, and interpretations of existing standards, that will be applied for financial years beginning on or after 1 January 2022 are expected to have an impact on the Group's financial reporting.

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 Ecosys Group with its Parent Company Ecosys 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 indications 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 com-

prehensive 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. Assumptions 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

Impairment testing of intangible assets and PPE

Notes 9 and 11 Intangible assets and PPE

Assumptions when measuring other receivables

Note 14 Other receivables

Assumptions for provisions

Note 22 Provisions

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 gambling 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 income mainly consists of commission on international betting sales, 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 gambling 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
- 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 development 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 residual 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:

	<i>Group</i>	<i>Parent Company</i>
<i>Intangible assets</i>		
Betting 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 interest 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 2021 was 172 per cent (148). Expected fees for the plans in 2022 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 rec-

ognised 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.

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	
	2021	2020	2021	2020	2021	2020	2021	2020
Horse betting	4,248	4,539	52	42	4,300	4,581	4,248	4,539
Sport betting	557	378	43	30	600	408	557	378
Casino games	256	288	100	82	356	370	256	288
TOTAL NET GAMBLING REVENUE	5,061	5,205	195	154	5,256	5,359	5,061	5,205

Net gambling revenue by sales channel and geographic market

	Sweden		Denmark		Group		Parent Company	
	2021	2020	2021	2020	2021	2020	2021	2020
e-channel	4,129	3,984	163	131	4,291	4,115	4,129	3,984
Retail	932	1,221	32	23	965	1,244	932	1,221
TOTAL	5,061	5,205	195	154	5,256	5,359	5,061	5,205

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	
	2021	2020	2021	2020
Production income, Kanal 75	124	119	0	–
Lease revenue from agent equipment	65	67	65	67
Commission on international betting	218	302	218	302
Commission on partner income	104	106	104	106
Exchange gains	1	2	0	2
Other revenue	95	68	120	87
TOTAL	607	664	507	564

Through collaboration with foreign partners, international customers are able to bet on ATG's products in Sweden. ATG received commission of MSEK 218 (302) from abroad.

ATG offers other services from its agents, through collaboration with various service providers. Customers can, for example, collect tickets and 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 65 (67) 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

	2021			2020		
	Men	Women	Total	Men	Women	Total
Parent Company						
Sweden	258	153	411	242	138	380
Subsidiaries						
Sweden	44	12	56	44	11	55
Denmark	25	4	29	27	6	33
TOTAL GROUP	327	170	496	313	155	468

Executive management, number of senior executives

	2021			2020		
	Men	Women	Total	Men	Women	Total
Parent Company						
Board members	6	5	11	6	6	12
CEO and other senior executives	5	2	7	6	2	8
TOTAL	11	7	18	12	7	19

Salaries, other remuneration and social security expenses

	2021			2020		
	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)	2.1	–	0.7	2.0	–	0.6
CEO and other senior executives	14.6	3.8	5.5	13.8	3.3	5.1
Other employees	251.6	32.5	88.3	232	26.6	80.2
TOTAL PARENT COMPANY	268.3	36.3	94.4	247.8	29.9	85.9
Subsidiaries						
Board members (excl. employee representatives)	–	–	–	–	–	–
CEO and other senior executives	4.4	1.1	1.6	4.4	0.9	1.6
Other employees	56.8	4.3	13.2	58.5	3.8	12.4
TOTAL GROUP	329.5	41.8	109.2	310.7	34.6	99.9

For 2021, the remuneration of the CEO and senior executives consisted of fixed salary of MSEK 18.6 (17.8), other benefits of MSEK 0.4 (0.4) and pension of MSEK 4.9 (4.2). 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>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Ernst & Young AB				
Audit assignment	2	3	2	2
Audit activities in addition to audit assignment	–	–	–	–
Other services	0	0	0	0
TOTAL	2	3	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>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Financial income				
Interest income, Group	10	19	11	10
Exchange-rate differences	2	3	0	–
Interest income	5	5	5	5
Total	17	27	16	25
Financial expenses				
Interest expenses	-13	-14	-12	-14
Interest expenses, leasing	-3	-4	–	–
Exchange-rate differences	0	-7	0	-1
Total	-16	-25	-12	-15
NET FINANCIAL ITEMS	1	2	4	10

NOTE 7 Income tax

	Group		Parent Company	
	2021	2020	2021	2020
Tax on profit for the year	-400	-493	152	-65
Current tax expense	-400	-493	-48	-65
Tax pertaining to previous years ¹⁾	-	-	200	-
TOTAL RECOGNISED TAX ON PROFIT FOR THE YEAR	-400	-493	152	-65
Tax pertaining to previous years recognised in statement of changes in equity ¹⁾	200	-	-	-
Tax recognised in statement of changes in equity	351	427	-	-
CURRENT TAX EXPENSE	151	-66	152	-65

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	
	2021	2020	2021	2020
Opening carrying amount	200	200	200	200
Deferred tax liability pertaining to surplus value from acquisitions	-8	-9	-	-
Deferred tax asset pertaining to loss carryforwards	8	9	-	-
Reversal of deferred tax liability pertaining to temporary differences from Group contributions paid ²⁾	-200	-	-200	-
CLOSING CARRYING AMOUNT	0	200	0	200

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	
	2021	2020	2021	2020
Profit before tax	1,921	2,242	228	297
Income tax calculated using Sweden's tax rate	-396	-480	-47	-64
<i>Tax effect of:</i>				
Difference in tax rates for foreign operations	-0	-0	-	-
Non-taxable income	0	0	0	0
Non-deductible expenses	-2	-3	-1	-1
Loss carryforwards for which no deferred tax assets were recognised	-2	-10	-	-
Tax pertaining to previous years ¹⁾	-	-	200	-
TAX ON PROFIT FOR THE YEAR	-400	-493	152	-65

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 year's reversal is reported in the statement of changes in equity. The current tax rate for income tax in Sweden is 20.6 per cent (21.4) and in Denmark 22 per cent (22).

Fiscal loss carryforwards

The Ecosys Group had, based on the submitted tax declarations for the income year 2020 and calculated tax for the income year 2021, loss carryforwards of MSEK 177 (170) on 31 December 2021. The loss carryforwards have no limited period of validity. Of the Group's total loss carryforwards of MSEK 170, MSEK 39 is the basis of calculation

for a deferred tax asset of MSEK 8. MSEK 131 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. Former Board member Petra Forsström is also a Board member of Sustain Your Value Sweden AB, which had business relations with ATG during the year. The transactions were conducted on market terms and remuneration in 2021 amounted to MSEK 0.9 (0.5). Accounts payable outstanding on 31 December 2021 amounted to MSEK 0 (0.1). 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.

	Group		Parent Company	
	2021	2020	2021	2020
Sale of goods/services to related parties				
Kanal 75 AB	–	–	13	9
25syv Group	–	–	13	11
Swedish Jockey Club	11	14	1	4
Subsidiary of Swedish Trotting Association IF	121	119	24	22
TOTAL	133	133	51	46
Purchases of goods/services from related parties				
Kanal 75 AB	–	–	232	225
25syv Group	–	–	25	–
Swedish Jockey Club	20	22	20	22
Subsidiary of Swedish Trotting Association IF	579	598	579	598
TOTAL	599	620	856	845
Financial income from related parties				
25syv Group	–	–	1	1
Swedish Jockey Club	3	2	3	2
Swedish Trotting Association IF	9	18	9	18
Subsidiary of Swedish Trotting Association IF	1	1	1	1
TOTAL	13	21	14	22

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	
	2021	2020	2021	2020
Receivables from related parties as per 31 December				
Kanal 75 AB	–	–	36	51
25syv Group	–	–	107	87
Swedish Jockey Club	196	213	195	212
Swedish Trotting Association IF	4	94	4	94
Subsidiary of Swedish Trotting Association IF	10	13	1	4
TOTAL	210	320	344	448
Liabilities to related parties as per 31 December				
Kanal 75 AB	–	–	14	16
Swedish Trotting Association IF	103	–	103	–
Subsidiary of Swedish Trotting Association IF	28	29	28	29
TOTAL	131	29	145	45
	Group		Parent Company	
	2021	2020	2021	2020
State-owned companies				
<i>Purchases of goods/services from related parties of the State</i>				
TeliaSonera	26	31	25	30
PostNord	0	0	0	0
TOTAL	26	31	25	30
<i>Sale of goods/services to State-owned companies</i>				
TeliaSonera	1	0	1	0
TOTAL	0	0	0	0

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>
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

<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>
2020 financial year						
Acquisition value brought forward	33	40	534	179	935	1,721
Purchases during the year			5	153	5	163
Capitalised projects			133	-168	34	0
Sales and scrapping during the year				-1	-17	-18
Reclassification						
Exchange-rate differences	-1	-1			-0	-3
Accumulated cost	32	39	672	163	956	1,862
Accumulated amortisation brought forward	-	-3	-121	-	-715	-839
Sales and scrapping during the year					11	11
Amortisation during the year		-4	-94		-70	-168
Exchange-rate differences		0			0	1
Accumulated amortisation	-	-7	-215	-	-773	-995
CARRYING AMOUNT	32	32	457	163	183	867

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

NOTE 9, CONTINUED

PARENT COMPANY	<i>System platform</i>	<i>Projects in progress</i>	<i>Gambling products</i>	<i>Store terminal software</i>	<i>Other</i>	<i>Total</i>
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 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

The investments during the year mainly related to the development of technical platforms and developing software for gambling systems for existing and future betting products among other items, and the further development of the digital channels and gambling products. During the year, a new sport pool betting system was developed. 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 impair-

ment exist. During the year, the company scrapped a previously capitalised asset in an amount of MSEK 2 (6). 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 32 (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,

PARENT COMPANY	<i>System platform</i>	<i>Projects in progress</i>	<i>Gambling products</i>	<i>Store terminal software</i>	<i>Other</i>	<i>Total</i>
2020 financial year						
Acquisition value brought forward	525	178	76	123	676	1,579
Purchases during the year	5	153	1	1	3	163
Capitalised projects	134	-167	23		10	0
Sales and scrapping during the year		-1	-17			-18
Reclassification						
Accumulated cost	664	163	83	124	690	1,723
Accumulated amortisation brought forward	-121		-39	-79	-565	-804
Sales and scrapping during the year			11			11
Amortisation during the year	-92		-13	-10	-37	-151
Accumulated amortisation	-213		-40	-89	-602	-944
CARRYING AMOUNT	451		43	34	88	779

where future discounted cash flows were compared 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 11 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 44. The impact on enterprise value from a 1 per cent deviation in EBITDA margin would be MSEK 28. 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>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Stockholm Trotting Association	68	69	68	69
Loans, 25syv Group	–	–	107	87
The Swedish Trotting Association Group	–	87	–	87
TOTAL	68	156	175	243

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 Trotting Association 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>
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

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>
2020 financial year							
<i>Accumulated cost</i>							
Opening balance	207	179	159	119	157	26	847
Reclassification							
Purchases during the year	11	11	4	9	21	43	99
Capitalised projects	3		19	2	2	-26	0
Sales and scrapping during the year	-3	-2		-1	-30		-37
Closing balance	217	188	182	129	150	43	909
<i>Accumulated depreciation</i>							
Opening balance	-86	-54	-36	-87	-89	-	-352
Reclassification							
Sales and scrapping during the year	3	1		1	30		35
Depreciation during the year	-34	-19	-22	-10	-27		-112
Closing balance	-117	-71	-58	-96	-87	-	-429
CARRYING AMOUNT AT YEAR END	100	117	124	33	63	43	480

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>
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

PARENT COMPANY	<i>Servers</i>	<i>Store terminals</i>	<i>Leasehold improvements</i>	<i>Other</i>	<i>Projects in progress</i>	<i>Total</i>
2020 financial year						
<i>Accumulated cost</i>						
Opening balance	156	156	112	63	26	513
Reclassification						
Purchases during the year	11	2	9	11	43	76
Capitalised projects	3	19	2	2	-26	0
Sales and scrapping during the year			-1	-7		-8
Closing balance	169	177	123	68	43	580
<i>Accumulated depreciation</i>						
Opening balance	-50	-36	-84	-29	-	-199
Sales and scrapping during the year			1	7		8
Depreciation during the year	-29	-21	-8	-12		-70
Closing balance	-79	-56	-92	-34	-	-260
CARRYING AMOUNT AT YEAR END	90	121	31	35	43	320

Note 12 Accounts receivable

	Group		Parent Company	
	2021	2020	2021	2020
Accounts receivable	56	50	48	43
Provision for expected credit losses	-7	-7	-6	-7
TOTAL	49	43	42	36

GROUP	2021		2020	
	Gross	Provision for expected credit losses	Gross	Provision for expected credit losses
Age analysis of accounts receivable				
Not due accounts receivable	27		19	
Accounts receivable 1–30 days past due	13		18	
Accounts receivable 31–60 days past due	3		1	
Accounts receivable 61–180 days past due	0		3	
Past-due accounts receivable >180 days	13	-7	9	-7
TOTAL	56	-7	50	-7

As of 31 December 2021, the Group's expected credit losses for accounts receivable amounted to MSEK 7 (7).

Changes in the provisions are presented below:

	Group		Parent Company	
	2021	2020	2021	2020
Provision for expected credit losses				
Opening balance	-7	-6	-7	-6
Provision for the year	-1	-1	-1	-1
Reversal of previously posted impairment losses	1	0	1	0
CLOSING BALANCE	-7	-7	-7	-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 assets and liabilities in foreign operations to the

NOTE 13, CONTINUED

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 counterparties are owners and 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 gambling 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	<i>Within 1 year</i>	<i>Within 2–5 years</i>	<i>Later than 5 years</i>	<i>Total</i>
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		1,621

GROUP	<i>Within 1 year</i>	<i>Within 2–5 years</i>	<i>Later than 5 years</i>	<i>Total</i>
Due date structure, financial liabilities, 31 Dec 2020				
Liabilities to credit institutions	775	300		1,075
Lease liabilities	22	43	76	141
Liabilities to Group companies	29			29
Accounts payable	181			181
Liabilities, account customers	527			527
Other current liabilities	248			248
TOTAL	1,782	343	76	2,201

NOTE 13, CONTINUED

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

GROUP, 31 DEC 2020	<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	156		156
Accounts receivable	43		43
Receivables from Group companies	19		19
Other receivables	413		413
Cash and cash equivalents	1,399		1,399
TOTAL FINANCIAL ASSETS	2,030		2,030
<i>Financial liabilities</i>			
Liabilities to credit institutions		1,074	1,074
Lease liabilities		113	113
Liabilities to Group companies		29	29
Accounts payable		22	22
Liabilities, account customers		527	527
Other current liabilities		248	248
TOTAL FINANCIAL LIABILITIES		2,013	2,013

NOTE 13, CONTINUED

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

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.

PARENT COMPANY, 31 DEC 2020	<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	243		243
Accounts receivable	36		36
Receivables from Group companies	62		62
Other receivables	401		401
Cash and bank balances	1,391		1,391
TOTAL FINANCIAL ASSETS	2,133		2,133
Financial liabilities			
Liabilities to credit institutions		1,074	1,074
Liabilities to Group companies		45	45
Accounts payable		150	150
Liabilities, account customers		521	521
Other current liabilities		227	227
TOTAL FINANCIAL LIABILITIES		2,017	2,017

Level 2: Input data other than the quoted prices included in Level 1, which is directly or indirectly 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>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Receivable, Swedish Jockey Club	195	211	195	211
Receivable, ATG agents	89	160	89	160
Receivable, Group bank account	–	–	–	–
Receivables from payment service providers	19	21	19	18
Other receivables	48	21	34	12
TOTAL	351	413	337	401

ATG uses bank guarantees and personal guarantees from the company's agents as collateral. As per 31 December, these bank guarantees amounted to 18 (17) with a total value of MSEK 2 (1). At year end, 422 (375) 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 autumn 2019, when 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>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Commissions, terminal partners	13	11	13	11
Prepaid licence costs, support and maintenance agreements	51	48	50	47
Prepaid communication network costs	4	6	4	6
Prepaid sponsorship costs	1	–	1	–
Prepaid marketing costs	3	8	2	8
Other prepaid costs and accrued income	2	12	3	10
TOTAL	74	85	73	82

Note 16 Leases

<i>GROUP, MSEK</i>	<i>Buildings</i>		<i>Vehicles</i>		<i>Other</i>		<i>Total</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Right-of-use assets¹⁾								
Opening balance	90	92	13	14	14	20	117	125
CLOSING BALANCE	82	90	11	13	1	14	94	117

1) See Note 11

<i>DEPRECIATION</i>	<i>Buildings</i>		<i>Vehicles</i>		<i>Other</i>		<i>Total</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Depreciation during the year	-7	-6	-4	-4	-10	-9	-21	-19

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	2021	2020
Depreciation for right-of-use assets	-21	-19
Interest expenses for lease liabilities	-3	-4
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 2021 was MSEK -33 (-30).

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 28 (27) of the total rent of MSEK 64 (67). 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>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Within 1 year	12	13	12	13
Later than 1 but within 5 years	6	-	6	-
Later than 5 years	-	-	-	-
TOTAL	18	13	18	13
Expensed lease income	68	71	68	71

Note 17 Cash and cash equivalents

	<i>Group</i>		<i>Parent Company</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Bank balances	384	960	379	959
Customer accounts ¹⁾	502	439	494	432
TOTAL	886	1,399	873	1,391

1) Balances held on behalf of customers.

Note 18 Shareholders' equity

	<i>Group</i>		<i>Parent Company</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Shareholders' equity, MSEK	1,042	850	1,160	955
Equity/assets ratio, %	38	25	43	28

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. ATG has no Class A shares, Class B shares or preference shares. The 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 755 (714).

Note 19 Long-term liabilities

	<i>Group</i>		<i>Parent Company</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Liabilities to credit institutions	398	299	398	299
Liabilities related to right-of-use assets	79	91	–	–
TOTAL	477	390	398	299

On 10 October 2012, ATG entered into a finance lease with SEB concerning financing of ATG's store terminals. The lease carries fixed interest over eight years, starting on 1 January 2014. In addition, ATG has finance leases for cars and rental contracts. Liabilities to credit institutions pertain to a bank loan. In 2021, previous bank loans were repaid in full and a new bank loan was entered into. The bank loan with variable rates 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>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Gambling tax	95	100	88	96
Winnings liability	22	16	22	16
Terminal partners	134	74	134	74
Jackpot	14	8	9	5
International partners	12	11	12	11
Other current liabilities	36	39	28	26
TOTAL	313	248	293	227

Note 21 Accrued expenses and deferred income

	<i>Group</i>		<i>Parent Company</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Accrued salaries and employer's contributions	44	43	35	35
Commission foreign betting	17	16	15	16
Other accrued expenses	31	36	27	25
Deferred income	0	1	0	1
TOTAL	92	96	77	77

Note 22 Provisions

	<i>Group</i>		<i>Parent Company</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Amounts on 1 January	200	200	200	200
Provisions for the year	-	-	-	-
Provisions utilised	-	-	-	-
Unutilised amount that has been reversed	-200	-	-200	-
Other adjustments	-	-	-	-
Carrying amount at year end	0	200	0	200

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

Note 23 Liabilities attributable to financing activities

<i>GROUP</i>	<i>2021</i>	<i>2020</i>
Opening balance	1,187	1,194
Cash flow		
Loans raised	403	11
Repayment of loans	-1,100	-19
Non-cash items		
Interest	-1	1
CLOSING BALANCE¹⁾	489	1,187

1) Of the closing balance, MSEK 398 (299) relates to long-term liabilities to credit institutions, MSEK 79 (91) long-term lease liabilities, MSEK 0 (775) current liabilities to credit institutions and MSEK 12 (22) current lease liabilities.

Note 24 Participations in Group companies

<i>PARENT COMPANY</i>	<i>2021</i>	<i>2020</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 2021	Book value 2020
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 (name changed from Ecosys 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 1,704,870,000 be appropriated to the Swedish Trotting Association and proposes that earnings for 2021 be appropriated as follows:

NON-RESTRICTED EQUITY IN THE PARENT COMPANY, SEK	2021
Retained earnings	-22,360,180
Profit for the year	379,728,034
TOTAL	357,367,854
Dividend to shareholders	-150,403,242
RETAINED EARNINGS	206,964,612

The Board proposes a dividend payment to the Swedish Jockey Club corresponding to a total dividend of SEK 150,403,242. The unappropriated earnings will be carried forward.

The Parent Company has a development costs reserve amounting to MSEK 755 (714). This reserve is included in restricted equity. The Parent Company's shareholders' equity totalled MSEK 1,160 (955).

Note 27 Significant events after the end of the financial year

The Ministry of Finance has published a proposal referred to the Council on Legislation for consideration that includes the risk classification of forms of gambling, greater protection for younger customers regarding marketing, and licences for gambling product operators.

Many restrictions were lifted on 9 February, when Covid-19 was reclassified as a disease that is no longer a danger to society. There is some uncertainty surrounding how the opening up of society will influence ATG's revenue in the future as competition from other recreational activities increases. ATG is welcoming its employees back to the office.

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. 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 2022

BO NETZ
Chairman of the Board

MARJAANA ALAVIUHKOLA
Deputy Chairman

JOHAN CARLSON
Board member

AGNETA GILLE
Board member

URBAN KARLSTRÖM
Board member

ANDERS KÄLLSTRÖM
Board member

ANDERS LILIUS
Board member

BIRGITTA LOSMAN
Board member

MATS NORBERG
Board member

SUSANNA RYSTEDT
Board member

MARIANNE MARTINSSON
Board member
employee representative

HANS LORD SKARPLÖTH
CEO and
Group President

Our audit report was submitted on 17 March 2022

Ernst & Young AB

ÅSA LUNDVALL
Authorised Public Accountant

AUDITOR'S REPORT

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 2021. The company's annual accounts and consolidated accounts are included on pages 41–99 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 2021 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 2021 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 55–62. 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 1–40 and 103–126. 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 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 2021 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 2021 on pages 55–62 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 2021 as defined by the company in the section "Sustainability Report according to the Swedish Annual Accounts Act" on page 103, 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 2022

Ernst & Young AB

Åsa Lundvall
Authorised Public Accountant



9

Sustainability
notes

SUSTAINABILITY NOTES

NOTE 1 – INFORMATION ON THE SUSTAINABILITY REPORT

ATG has prepared its annual Sustainability Report in accordance with the GRI Standards 2016: Core Option since 2017. The Sustainability Report is not audited externally on the basis of the GRI Standards, though ATG believes that the report meets the reporting requirements under the Core option. 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 2021 to 31 Dec 2021. ATG reports relevant key performance indicators in conjunction with the quarterly reports.



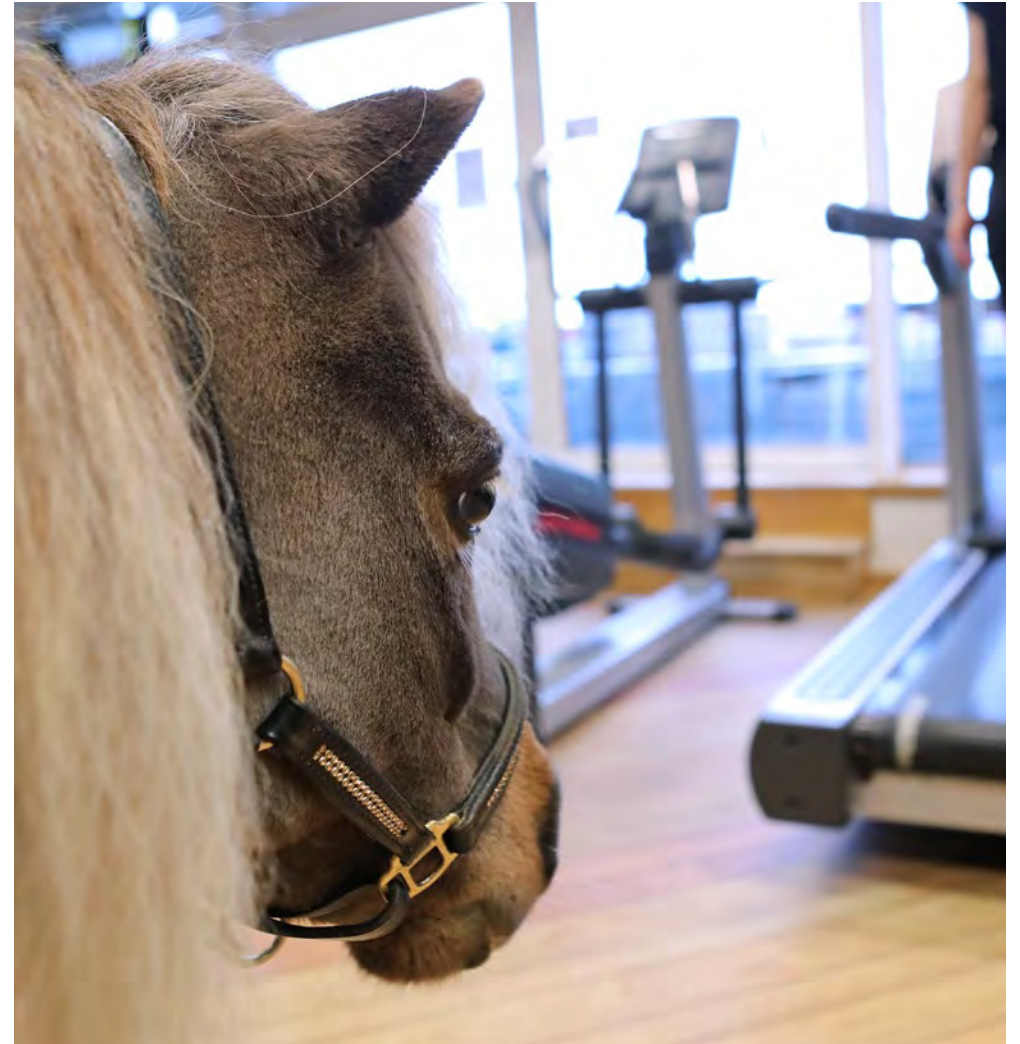
ATG is a signatory member of the UN Global Compact and this report is therefore also a Communication on Progress (COP) that members prepare to report how they are applying the Ten Principles of the Global Compact. ATG has decided to join the Early Adopter Programme 2022. As a result, ATG is helping to develop a new reporting platform that will be launched for 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). The EU will amend and extend the requirements for non-financial reporting in 2023 and ATG is reviewing the need to adapt its reporting. 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 2021:

Contents	Page
Business model	11–12
Risks and risk management	46–50
Accounting policies and accounting estimates	104–122
Governance, follow-up, earnings and performance measures by area:	
Social conditions	104–113
Personnel	104–109, 115–118
Counteracting corruption	104–109, 119–120
Human rights	104–109, 120
Environment	104–109, 121–122
Horse welfare	104–109, 114



NOTE 2 – 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.

Stakeholder dialogues

In 2021, ATG held dialogues with 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 – 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 active efforts in responsible gambling, particularly 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:

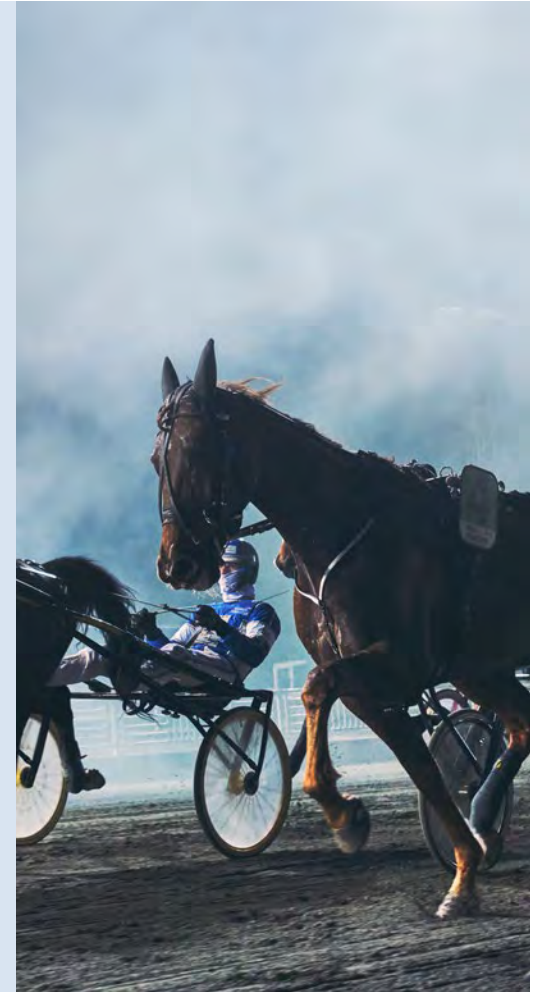
- Dialogue with customers takes place on a continuous basis through ATG's customer service, customer surveys and regular NPS (Net Promoter Score) surveys.
- Dialogue between employees and managers takes place in day-to-day work, in structured performance appraisals and through annual employee surveys.
- 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 and in responsible gambling as well as 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 the 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.

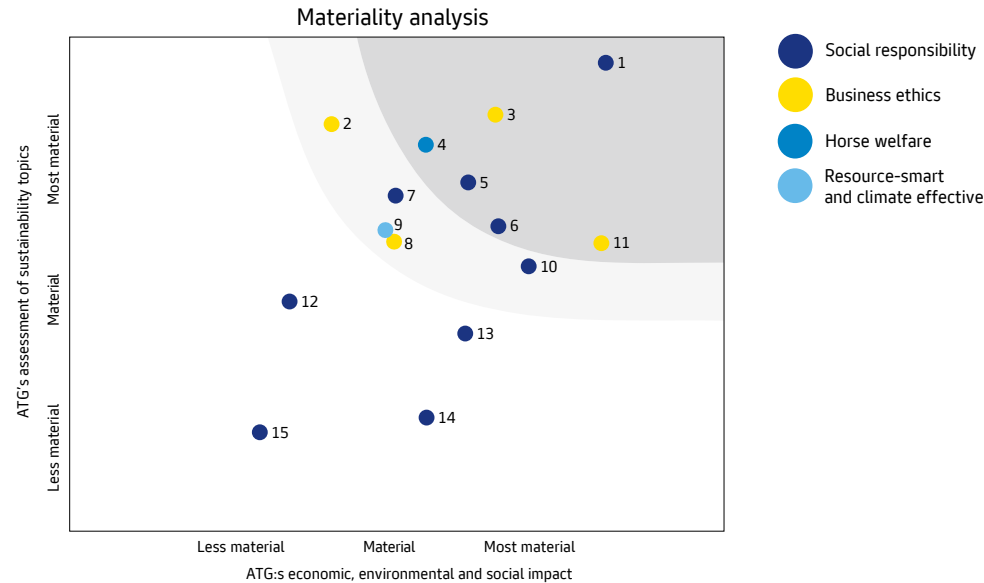
ATG's owners, the Swedish Trotting Association and the Swedish Jockey Club, are the Group's main suppliers as a wide range of data and rights are required to offer betting and moving images from horse races.

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 opportunities (15)
Moderate marketing (6)	Labour conditions (10)	Figures in brackets can be found in the matrix below.
Risk of money laundering (11)		



Materiality assessment

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 the 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 Customer well-being and Sustainable sport and society. The table on the following page illustrates ATG's impact and development objectives as well as how ATG contributes to the UN SDGs in the 2030 Agenda.

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 eight of the 17 SDGs, which makes these particularly important. Within the eight SDGs prioritised by ATG, work focuses on 15 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 – ATG'S SUSTAINABILITY STRATEGY

Sustainability area	Description	ATG's objective	Sustainability topics in the 2021 stakeholder dialogue	UN SDGs
Customer well-being 	Responsible gambling is ATG's most important sustainability topic, because there is a risk of problems associated with gambling. Problem gambling can have severe consequences for customers and their family members. ATG's ambition is that customers enjoy their gambling and gamble for pleasure. This is both an obligation to ATG's customers and a prerequisite for the long-term profitability of ATG.	<ul style="list-style-type: none"> ATG's customers enjoy their gambling and gamble for pleasure. 	<ul style="list-style-type: none"> Problem gambling Problem gambling for 18–25 year-olds Responsible and moderate marketing. 	
Sustainable sport and society 	The surplus from ATG's operations represents the largest source of income to trotting and thoroughbred racing activities. This income yields spillover effects that create jobs throughout the horse industry, which has 38,000 full-time jobs. Gambling tax is also paid on net gambling revenue and corporation tax on the company's profit. Working for responsible horse racing with good horse welfare and combatting match fixing are top priorities for ATG. If these priorities are not managed responsibly, they have a negative impact on customers as they risk influencing the result of bets. It also affects the well-being of the horses. Horse welfare is driven by ATG's owners who work actively to combat doping. These are also critical issues for ATG in upholding the confidence of customers and the general public.	<ul style="list-style-type: none"> Increase ATG's profit with the aim of financing trotting and thoroughbred racing. The sport betting that ATG offers should be free from match fixing and doping 	<ul style="list-style-type: none"> Economic contribution to horse racing Horse welfare Combatting match fixing and doping Tax Job opportunities in the horse industry 	  
Attractive and inclusive workplace 	ATG's single greatest asset is its employees. Quality, a long-term approach and the satisfaction and well-being of our employees is ensured through personal development, good leadership, wellness and a positive work climate. Working actively to increase diversity by helping employees to accept one another for their differences and creating a workplace free from bullying and harassment is of paramount importance for the company and for employees.	<ul style="list-style-type: none"> One of Sweden's most attractive employers. Increased e-NPS (employee willingness to recommend ATG as an employer). Improved fitness among employees. 	<ul style="list-style-type: none"> Diversity, gender equality and equal opportunities Labour conditions Healthy and satisfied employees 	
Good business ethics 	An important part of ATG's mission is to serve as the gaming industry's compass. This requires a high objective for ethics, and is a prerequisite for being a fair company. It needs clear and systematic governance of operations. Particularly important areas are the counteracting of corruption, money laundering, IT security and protecting personal data in the operations.	<ul style="list-style-type: none"> ATG is 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. 	<ul style="list-style-type: none"> Prevent money laundering Anti-corruption Data protection 	
Sustainable supply chain 	Some significant risks related to environment, labour conditions, human rights and anti-corruption are found in the supply chain and are beyond ATG's direct control. ATG is responsible for collaborating with its suppliers to counter these risks.	<ul style="list-style-type: none"> ATG continuously monitors the Group's 30 largest risk suppliers. 	<ul style="list-style-type: none"> Responsible purchasing in the supply chain 	 
Resource-smart and climate-effective 	Climate change is now one of the greatest global challenges. The company strives to reduce the organisation's direct and indirect emissions. ATG's greatest consumption of resources is electricity to server halls and offices, travel and paper for marketing material, betting slips and betting receipts. ATG works to make conscious purchasing choices to reduce its resource needs. ATG's target for net-zero emissions by 2045 is aligned with the ambitions of the Paris Agreement.	<ul style="list-style-type: none"> ATG strives actively to reduce the organisation's environmental impact. Paper-free betting by 2030. Fossil free operations by 2030, net-zero emissions by 2045. 	<ul style="list-style-type: none"> Climate impact 	 

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 or human health. The precautionary principle is integrated into ATG's Supplier Code of Conduct as the assessment is that the company's environmental impact is primarily outside its own operations. The company's follow-up covers all prioritised sustainability topics and is performed annually.

¹ The 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.

A whistleblower function is already available for employees or suppliers to make reports of suspected breaches of ATG's internal rules or external regulations. In 2021, a whistleblower policy was prepared and an external whistleblower channel is being implemented to comply with the new Whistleblowing Act (2021:890).

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. These include instructions, policies and guidelines that regulate sustainability initiatives, see table.

In accordance with the mission to be the gaming industry's compass, on principle ATG reports its own violations of the rules to the relevant authorities.

Governing documents	Description	Focus areas based on sustainability strategy
Operational instruction	Instruction for how ATG's operations should be conducted and how authority and responsibility should be assigned within the organisation. The instruction also provides business ethics guidelines for how employees should handle, for example gifts, entertainment, conflicts of interest and secondary jobs. Responsible gambling is also regulated by the operational instruction.	<ul style="list-style-type: none"> Customer well-being Good business ethics
Sustainability instruction	Instruction for the focus and allocation of responsibility for ATG's sustainability initiatives.	<ul style="list-style-type: none"> Customer well-being Sustainable sport and society Attractive and inclusive workplace Good business ethics Sustainable supply chain Resource-smart and climate-effective
Code of Conduct for employees and suppliers	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 and to achieve continuous improvements. The Code of Conduct for employees clarifies the main principles that guide ATG in the role as employer and employee.	
Instruction for the appropriation of profits through Group contributions and dividends	The instruction explains the Board's intention that 98 per cent of disposable earnings shall be distributed to the owners as Group contributions and dividends. The appropriation of profits must always consider the company's future investment and capitalisation needs, future development of earnings, position and liquidity and the owners' account of their respective business plans. The company's target for the equity/assets ratio is at least 35 per cent in closing balance after the appropriation of profits.	<ul style="list-style-type: none"> Sustainable sport and society

NOTE 3, CONTINUED

Governing documents	Description	Focus areas based on sustainability strategy
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.	<ul style="list-style-type: none"> Customer well-being Sustainable sport and society Attractive and inclusive workplace Good business ethics Sustainable supply chain Resource-smart and climate-effective
Instructions for risk management	The risk instruction describes ATG's principles for risk management and allocation of responsibility. Risk management is based on the company's information security management system, which is based on ISO 27001/2.	
Gambling Policy for employees	The Policy aims to prevent risky gambling behaviour and problem gambling among employees.	<ul style="list-style-type: none"> Attractive and inclusive workplace Employee well-being
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.	<ul style="list-style-type: none"> Sustainable sport and society
Instruction to prevent and counteract money laundering in ATG and subsidiaries	The instruction describes how ATG works to prevent the use of any of its products and services for money laundering or to finance terrorism.	<ul style="list-style-type: none"> Good business ethics

Governing documents	Description	Focus areas based on sustainability strategy
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.	<ul style="list-style-type: none"> Sustainable supply chain
Guidelines for work environment	The guidelines 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, we are to offer support and rehabilitation. The guidelines are based on health and safety legislation and the Swedish Work Environment Authority's regulations.	<ul style="list-style-type: none"> Attractive and inclusive workplace
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.	<ul style="list-style-type: none"> Attractive and inclusive workplace
Marketing guidelines	Summary of the requirements and practices regarding the marketing of gambling products.	<ul style="list-style-type: none"> Customer well-being

NOTE 4 – CUSTOMER WELL-BEING

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 game 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, game 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 behaviour.

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 a difference between buying a Harry Boy or online casino games.

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.

During the year, information campaigns were carried out to raise the number of self-assessment tests, targeting a prioritised target group of ATG's digital customers. The prioritised group comprised customers with a net loss of more than SEK 10,000 per year. The target for

2021 was that 29,000 customers were to have completed a self-assessment test, which was achieved. ATG has decided to target the campaigns at customer groups that are assumed to be most in need of completing the test.

In addition to targeted campaigns, the test is marketed widely in e-mails and in ATG Live.

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.

By 31 December 2021, approximately 121,000 unique customers had carried out a self-assessment test on atg.se.

Green customers and green turnover ¹⁾	Q1–21	Q2–21	Q3–21	Q4–21	Jan–Dec 2021	Jan–Dec 2020
Share of green customers, %	85	85	85	85	85	86
Share of green turnover, %	76	77	77	78	77	74
No. of customers who have completed a self-assessment test (accumulated from 1 Jan 2019)	101,000	108,000	118,000	121,000		

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 declined as the customers that are mainly encouraged to conduct the self-assessment test are those that demonstrate gambling behaviour that indicates problem gambling. It is gratifying that the share of green turnover is increasing.

¹ <https://sustainablegambling.se/>, Jakob Jonsson.

² [Jakob Jonsson, 2019 doctoral thesis, Preventing problem gambling: focus on overconsumption.](#)

NOTE 4, CONTINUED**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 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 220 follow-up calls with customers. In addition, customers who change their gambling patterns receive system-generated text messages and e-mails about responsible gambling.

In 2022, a new system support will be implemented that enables two-way communication.

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 Help-line. 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:

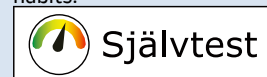
- must be truthful and not misleading
- must not be directed at minors
- must not be designed to be perceived as intrusive
- must be done in a spirit of responsible gambling

The Swedish Gambling Authority's responsible gambling logotype

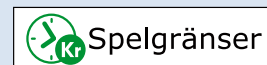
According to the Gambling Act, all gambling companies must make the responsible gambling logotype clearly visible wherever online games are offered.

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.

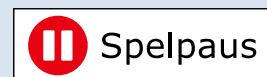
The self-assessment test, which gives customers an idea of their gambling habits.



Mandatory deposit limits (gambling budget) or voluntary restrictions such as login time limits.



Exclusion from games where the customers can opt to self-exclude from betting, either with the gambling company or in the national self-exclusion register spel-paus.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.



NOTE 4, CONTINUED

	2019	2020	2021
Cases whereby ATG has been convicted for marketing communications that did not comply with voluntary codes or marketing regulations.			
ATG	1	0	1
25syv	N/A	0	0
Cases whereby ATG has been convicted for marketing communications that did not comply with prevailing marketing law, where the punishment has been a reprimand.			
ATG	0	1	0
25syv	N/A	3	2
Cases whereby ATG has been convicted for marketing communications that did not comply with prevailing marketing law, where the punishment has been a fine or another penalty.			
ATG	0	0	0
25syv	N/A	0	0

Comments on the outcome: During 2021, ATG was convicted by the Swedish Advertising Ombudsman for misleading advertising of multi jackpots. 25syv received two warnings from the Danish Consumer Ombudsman (Forbrugerombudsmanden), one warning concerned Franzi advertising, which was considered to be in breach of marketing law in Denmark, since the advertisement lacked product information. The second warning concerned advertising for a bonus offer, which was also in breach of marketing law.

	2019	2020	2021
Number of incidents reported to the Swedish Authority for Privacy Protection (the Danish Data Protection Agency for 25syv) with the risk of loss of personal data.			
ATG	4	4	1
25syv	0	0	0
Complaints received from external parties and considered legitimate.			
ATG	0	0	1
25syv	0	0	0
Complaints received from regulators or authorities.			
ATG	0	0	2
25syv	0	0	0

Comments on the outcome: One incident with the risk of loss of personal data was reported to the Swedish Authority for Privacy Protection (IMY). IMY has closed the case without further action. A voluntary group has submitted a complaint to ATG about alleged deficiencies in cookie management on atg.se. ATG has rectified several of the requested items. Two customers reported ATG to IMY for inadequate procedures under GDPR. IMY has closed the case after writing an information letter to ATG.

NOTE 4, CONTINUED**Handling of personal data**

Personal data is handled in accordance with the General Data Protection Regulation (SE), the Danish Data Protection Agency (DK) and ATG's Privacy Policy. During the year, system support for data protection was implemented. All employees were trained in cybersecurity and GDPR (processing personal data).

Reporting methods

Reporting of non-compliance in marketing and loss of personal data are based on incidents reported to ATG's compliance function. The function covers both ATG and 25syv. In this report, ATG describes incidents when non-compliance was confirmed by ATG's own investigation or legal proceedings. Any ongoing legal proceedings involving ATG are also described in the report.



NOTE 5 – SUSTAINABLE SPORT AND SOCIETY

Horse welfare

Promoting responsible horse racing is a high priority at ATG since betting on horses would not be possible unless the welfare of horses 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 unannounced checks at licenced trainers' facilities are regularly performed.

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.

Several initiatives have been taken during the year to combat anti-doping in horse racing, led by the Swedish Trotting Association. For example, doping is combatted by 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 must be placed in a special monitoring stable.

In November, the world's first anti-doping sniffer dog for trotting racing began work and can identify unauthorised substances on horses.

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.

In 2021, a forum was started to raise issues of national and international horse welfare. The forum provides an important opportunity for information exchange and is a platform to pursue horse welfare issues.

Inspections in trotting and thoroughbred racing

Number of doping tests	2019	2020	2021
Total	4,284	4,433	4,138
Of which the Swedish Trotting Association	4,057	4,215	3,924
Of which the Swedish Jockey Club	227	218	214
Number of doping cases discovered in inspections	2019	2020	2021
Total	0	5	1
Of which the Swedish Trotting Association	0	3	1
Of which the Swedish Jockey Club	0	2	0
Number of stable area inspections	2019	2020	2021
Total	7,383	6,425	6,513
Number of camp inspections	2019	2020	2021
Total	924	887	761

Explanation of outcome: The number of camp inspections decreased slightly year-on-year, partly due to coronavirus. 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.

*NOTE 5, CONTINUED***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.

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 2021, ATG accepted betting on 137,680 different events. Of these, 457 reports of suspected match fixing were received. ATG offered betting on only 68 of these events since the company has actively removed betting objects with a high risk of manipulation. On two occasions, ATG has itself reported and investigated suspected match fixing where betting was offered. One incident had a normal level of

Match fixing	2019	2020	2021
Number of reported deviations of suspected match fixing where ATG accepted stakes on betting objects.	23	58	68

Explanation of outcome: There is a slight increase in the number of matches suspected by an operator. As ATG was not affiliated with the IBIA until May 2019, the number was fewer.

suspicion and one a lower level of suspicion. During the year, ATG has offered betting on about 15 per cent of the matches where an alert was issued.

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.

NOTE 6 – 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.



NOTE 6, CONTINUED

Number of employees by employment contract (permanent/temporary) (GRI 102-8)

Group	2019		2020		2021	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Group	436	18	467	28	518	24
of whom women	143	5	155	9	181	8
of whom men	293	13	312	19	337	16
ATG	349	14	382	22	432	17
of whom women	127	4	139	9	165	7
of whom men	222	10	243	13	267	10
Kanal 75	56	0	56	1	57	2
of whom women	11	0	12	0	12	1
of whom men	45	0	44	1	45	1
25syv*	31	4	29	5	29	5
of whom women	5	1	4	0	4	0
of whom men	26	3	25	5	25	5

The employee survey shows stable indices during the year:

Employee survey	ATG & Kanal 75	ATG & Kanal 75	ATG & Kanal 75	Benchmark
	2019	2020	2021	2021
Employee Engagement Index	82	85	85	80
Culture Index	–	83	82	–
Leadership Index	78	83	83	78
Organisational and Social Work Environment Index	79	83	82	74
Team Efficiency Index	77	80	80	76
e-NPS	23	43	29	14

Number of employees by employment type (full-time/part-time) (GRI 102-8)

Group	2019		2020		2021	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Group	432	22	463	32	496	46
of whom women	142	6	154	10	168	21
of whom men	290	16	309	22	328	25
ATG	345	18	383	21	410	39
of whom women	125	6	141	7	153	19
of whom men	220	12	242	14	257	20
Kanal 75	53	3	54	3	57	2
of whom women	11	0	11	1	11	2
of whom men	42	3	43	2	46	0
25syv	34	1	26	8	29	5
of whom women	6	0	2	2	4	0
of whom men	28	1	24	6	25	5

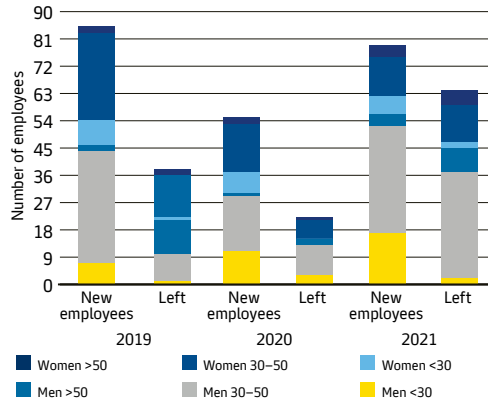
Explanation of outcome: The total number of employees rose compared with 2020, due to the continued building of operations, replacing consultants with new employees and continued expansion in development, mainly in IT.

Explanation of outcome:

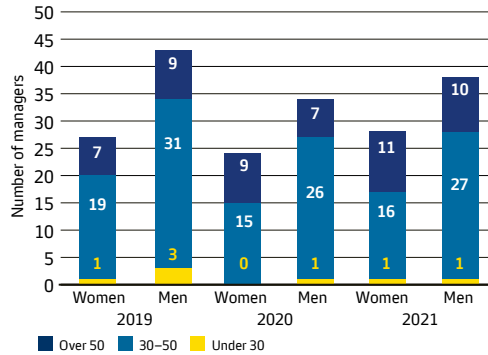
All indices exceed the benchmark – which is based on results of about 600,000 responses from more than 250 organisations – by a healthy margin. Systematic efforts to develop and improve the corporate culture and operations are included in all parts of the company's organisation. Satisfied employees is a prerequisite for the continued positive development of the company. Results in 2021 remained stable compared with 2020 even though operations were to a large extent managed from home by employees due to the pandemic, which had numerous impacts, including challenges for employees' sense of belonging, cohesion and engagement in the corporate culture.

NOTE 6, CONTINUED

New employee hires and employee turnover (GRI 401-1)

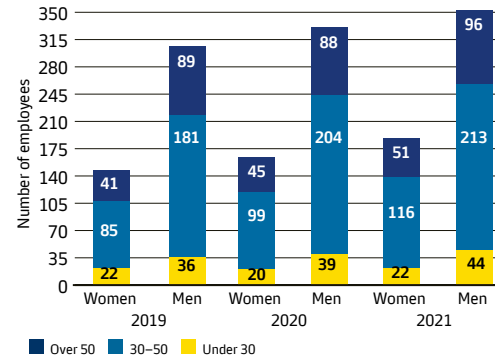


Management by age and gender (GRI 405-1)

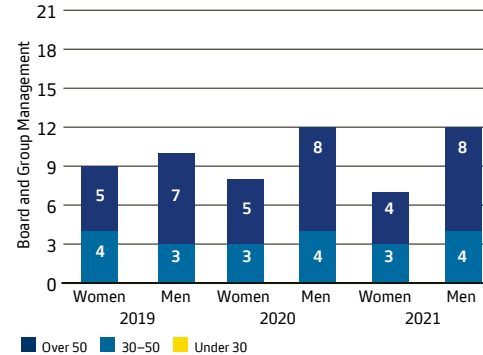


Explanation of outcome 401-1: The greatest mobility was noted in the category for men aged 30–50 and this reflects the great mobility in the market, particularly in IT, with a high level of competition for candidates that have both experience and expertise.

Employees by age and gender (GRI 405-1)



Board and Group Management 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). Board and Group Management are reported excluding employee representatives and deputies. The distribution in 2021 was 37 per cent (40) women and 63 per cent (60) men, and the target is a distribution within the 40–60 per cent interval. One seat on the Board is vacant, which has influenced the distribution.

NOTE 6, CONTINUED

Thematic weeks for employees

During the year, two thematic weeks were held for employees on sustainability. The Responsible Gambling Week was held in February with seminars broadcast live on the company's work on responsible gambling issues and "know your customer" (KYC) aimed at preventing money laundering. An external researcher in gambling addiction gave a talk on truths and myths about problem gambling and the company's responsible gambling specialists talked about preventive responsible gambling efforts.

A sustainability week was held in September with seminars broadcast live on ATG's sustainability initiatives. The week included presentations of the operation's sustainability initiatives in IT and at the office at Hästsportens Hus. The views of stakeholders on the operation's most important sustainability topics were presented and the week ended with a panel discussion when members of the management summarised the week.

A digital exhibition with associated film and seminar room that offers an opportunity to delve deeper into sustainability topics was launched during the sustainability week.

Both thematic weeks ended with a quiz aimed at raising engagement among ATG's employees. About 100 employees took part in the seminars at both the Responsible Gambling Week and the Sustainability Week.



NOTE 7 – BUSINESS ETHICS

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 2021, 26 internal examinations took place in operations within the regulatory areas of the Gambling Act, GDPR and AML, which resulted in action plans to develop relevant areas. One of the controls was performed on the subsidiary 25syv.

In accordance with the mission to be the gaming industry's compass, on principle ATG reports its own violations of the rules to the relevant authorities. During the year, ATG reported to the Swedish Gambling Authority that betting took place on one occasion on an under-age driver contrary to the Swedish Gambling Authority's SIFS 2020:2 regulations. The incident led the Swedish Gambling Authority to issue a remark against ATG for unauthorised betting. The remark was not combined with a fine.

Prevention of corruption and money laundering

Good "know your customer" (KYC) and established procedures are a basic requirement 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 obtain supporting data about customer income in order to identify and minimise the risk of money laundering. In 2021, processing time has decreased drastically through the collection of electronic information from the Swedish Tax Agency, among others. If the customer cannot explain the source of the money they are gambling with the customer account is closed. All employees and agent cashiers are trained in anti-money laundering and are required to document and report suspected irregularities for further investigation by specialists.

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, the Swedish Gambling Authority initiated a supervisory matter regarding ATG's work with KYC and risk classification models.

Number of reports to the Financial Intelligence Unit concerning suspicious transactions for matters created during the year

	2019	2020	2021
ATG	45	24	50
25syv	N/A	500	425

Explanation of outcome: An adjustment took place during the year in rules and regulations for when reports are to be submitted to the State Prosecutor for Serious Economic and International Crime (SØIK). This led to reduction in the number of reports submitted by 25syv year-on-year.

Number of warnings or fines from supervisory authorities due to non-compliance with AML or responsible gambling

	2019	2020	2021
ATG	0	2	1
25syv	N/A	0	0

Number of confirmed cases of corruption

	2019	2020	2021
ATG	0	0	0
25syv	N/A	0	0

Explanation of outcome: During the year, ATG received a remark without a fine due to betting on an underage driver in contravention of regulations from the Swedish Gambling Authority.

The matter is yet to be concluded. In 2021, 50 suspicious transactions were reported from Swedish operations and 425 from Danish operations to the Financial Intelligence Unit. In Sweden, suspicious transactions are investigated before reporting, which means many are dismissed during the internal investigation. In Denmark, suspicion is reported earlier in the process, which leads to more reports to the authority.

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.

*NOTE 7, CONTINUED***Reporting methods**

In this report, ATG describes incidents when occurrences of corruption or money laundering were confirmed by ATG's own investigation or in a court ruling. Any ongoing investigations or legal proceedings are included in reporting.

Sustainable supply chain

Work evaluating the supply chain is based on ATG's Supplier Code of Conduct. The Code of Conduct covers such areas as human rights, labour conditions and the environment, anti-corruption and stipulates the minimum requirement for suppliers sustainability work. During the year, the work with streamlining supplier evaluations further developed, the work will continue in 2022. This year's evaluations have been carried out with the same method as last year, through a self assessment questionnaire that prioritised suppliers respond. The suppliers are chosen for assessment on the basis of earlier industry risk analyses for a number of prioritised purchasing categories. The process aims to increase awareness of the risk for deviations in terms of ATG's Code of Conduct and to provide a basis for continued dialogue with suppliers.

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. Every year, ATG purchases total about BSEK 2 from about 1,000 suppliers. Major purchases consist of rights and licences from the Swedish Trotting Association and the Swedish Jockey Club, the majority of the other products and services that

ATG purchases are from game suppliers, IT, media and marketing services. Most suppliers operate in Sweden, although subcontractors may be active in other countries where risks may be higher for non-compliance with international conventions and frameworks such as human rights, labour conditions and corruption.

	2019	2020	2021
Number of suppliers assessed	9	4	4

Reporting methods

The performance measure pertains to suppliers who are assessed using self-assessment questionnaires, which correspond to about 30 per cent of the total cost base. 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 8 – RESOURCE-SMART AND CLIMATE-EFFECTIVE

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.

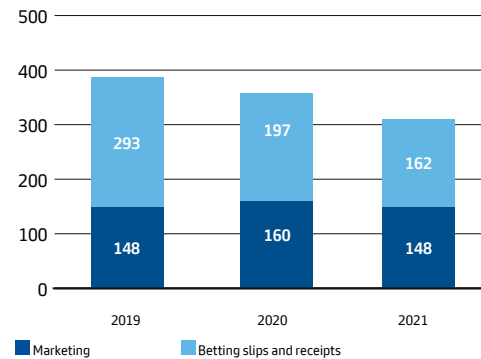
ATG endeavours to reduce the amount of paper used in marketing and sales of betting products at agents. The goal is to offer paper-free gambling by 2030. Consumption is monitored quarterly through the printing suppliers. In addition to reducing paper consumption, ATG strives to ensure that all paper used is from responsible forestry (FSC or Nordic Swan labelled), and all paper used in 2021 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.

Betting at 20 of 37 racetracks is now fully digital. The 17 racetracks that still have ATG terminals use far fewer betting slips and receipts, thereby sharply reducing paper consumption at the racetracks. ATG has chosen to no longer sponsor printed racetrack programmes, which will probably reduce paper consumption at racetracks in 2022. During the year, ATG decided to stop printing programmes as of 1 January 2022.

The programme for the final of V75 Winter Burst on New Year's Eve, 31 December, was the last to be printed and delivered to stores.

In 2021, the renovation of ATG's Hästsportens Hus office building took environmental considerations into account through the choice of sustainable materials. LED lighting with motion detectors are installed in many areas. Dishwashers have been installed, which will reduce the consumption of disposables. Purchasing of disposable cups continued to decline, by 60 per cent since 2020, which is almost at the same

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 47 tonnes compared with 2020, corresponding to a reduction of 13 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.

rate as the year-earlier period. Source separation has risen, with more containers for source separation and a food waste disposer with a grease separator was installed in the canteen kitchen. Food waste is converted into biogas.

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 57 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 was not included in calculations from the preceding year. 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 be fossil free by 2030 and climate-neutral (net zero emissions) by 2045.

The goals include emissions by the entire ATG Group 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 78 per cent of the company's emissions. Total emissions in 2021 amounted to 472 tonnes CO₂-e. The greatest challenges in achieving net zero emissions are the operation's needs of printed material, travel and heating.

ATG has climate compensated all emissions for 2021 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)



Solvatten is an invention that uses solar energy to purify and heat water and is used in approximately 40 countries.

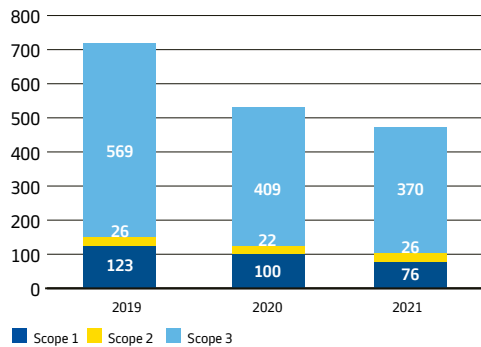
NOTE 8, CONTINUED

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 cars owned or leased by ATG. Emissions from these cars are estimated based on the driving distance reported by drivers and emission factors from

Scope 1, 2 and 3 GHG emissions (tonnes CO₂e)

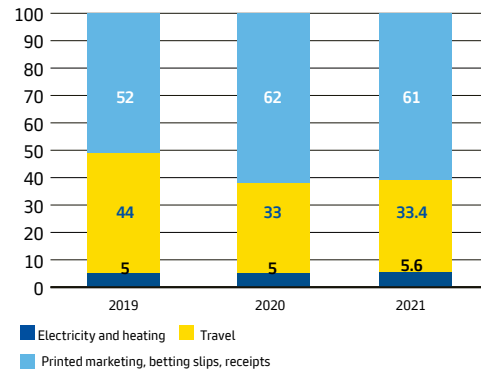


Explanation of outcome: ATG’s total climate footprint has decreased by 11 per cent year-on-year. The largest decrease was in Scope 3 through reduced paper consumption followed by a reduction in travel. This year’s climate calculations include hotel stays, and last year’s calculations were therefore revised and also include hotel stays.

NTM. Emissions include CO₂, N₂O and CH₄ and are recognised as 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.

Distribution of emissions by activity (%)



Explanation of outcome: Consumption of paper materials represent the largest share of ATG’s emissions. The greatest opportunity ATG has to impact paper consumption is by offering digital betting. Travel constitutes one third of ATG’s total emissions, even if total emissions fell during the Covid-19 pandemic. By reducing the number of trips and making informed choices of fuels, ATG can move closer to the goal of fossil free operations by 2030.

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 has fossil free heating, while Kanal 75 has approximately 17 per cent fossil fuel. 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 calculation 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 claims statistics 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.

GRI CONTENT INDEX

The entire index refers to the 2016 GRI Standards.

GRI standard	Indicator	Page reference 2021	Comment /omission	
General disclosures				
GRI 102: General disclosures	Organisational profile			
	102-1	Name of the organisation	42	
	102-2	Activities, brands, products, and services	24–40, 42	
	102-3	Location of headquarters	56	
	102-4	Location of operations	2	
	102-5	Ownership and legal form	42	
	102-6	Markets served	2, 24–40	
	102-7	Scale of the organisation	2–3, 42–44, 79–80	
	102-8	Information on employees and other workers	80, 116–117	
	102-9	Supply chain	120	
	102-10	Significant changes to the organisation and its supply chain	40	In 2021, Evolution Gaming Group AB acquired full ownership of NetEnt AB, Evolution provides Live Casino and NetEnt provides Online Casino to ATG.
	102-11	Precautionary principle or approach	108	
	102-12	External initiatives	105–106, 115, 121	
102-13	Membership of associations	5–6, 14, 26, 32–33, 104, 105		
Strategy				

GRI standard	Indicator	Page reference 2021	Comment /omission
	102-14	Statement from senior decision-maker	5–6
Ethics and integrity			
	102-16	Values, principles, standards and norms of behaviour	17–18, 108
Governance			
	102-18	Governance structure	55
Stakeholder engagement			
	102-40	List of stakeholder groups	8
	102-41	Collective bargaining agreements	GRI content index Employees of ATG and Kanal 75 have collective bargaining agreements. Does not apply to 25syv.
	102-42	Identifying and selecting stakeholders	105
	102-43	Approach to stakeholder engagement	105
	102-44	Key topics and concerns raised	9
Reporting practice			
	102-45	Entities included in the consolidated financial statements	72, 104
	102-46	Defining report content and topic Boundaries	104
	102-47	List of material topics	104–106
	102-48	Restatements of information	GRI content index Hotel stays were included in the calculations for 305-3 in 2019 and 2020.

GRI standard	Indicator	Page reference 2021	Comment /omission
	102-49 Changes in reporting	GRI content index	Indicators 201-1 and 205-2 together with four own indicators have been removed from the GRI content index to create a more concise and clear GRI content index.
	102-50 Reporting period	104	
	102-51 Date of most recent report	GRI content index	23 March 2021
	102-52 Reporting cycle	104	
	102-53 Contact point for questions regarding the report	GRI content index	Maria Guggenberger, Head of Sustainability and CSR, maria.guggenberger@atg.se
	102-54 Claims of reporting in accordance with the GRI Standards	104,	
	102-55 GRI content index	123–125	
	102-56 External assurance	102	

MATERIAL SUSTAINABILITY TOPICS

Customer well-being

Customers' health and safety

GRI 103: Management approach	103-1	Explanation of the material topic and its Boundary	107, 110	
	103-2	The management approach and its components	108–109	
	103-3	Evaluation of the management approach	110–113	
GRI 416: Customer health and safety	416-1	Assessment of the health and safety impacts of product and service categories	GRI content index	All products tested in Gamgard.
Own indicator		Company-specific metric: Share of green customers	21, 110	
Own indicator		Company-specific metric: Green turnover	21, 110	

GRI standard	Indicator	Page reference 2021	Comment /omission
Customer privacy, marketing and labelling			
GRI 103: Management approach	103-1	Explanation of the material topic and its Boundary	110–113
	103-2	The management approach and its components	37, 108–109
	103-3	Evaluation of the management approach	111–113
GRI 417: Marketing and labelling	417-1	Requirements for product and service information and labelling	27, 111–113
	417-3	Incidents of non-compliance concerning marketing communications	15, 111–113
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Sport on equal terms (company-specific area)			
GRI 103: Management approach	103-1	Explanation of the material topic and its Boundary	107, 114
	103-2	The management approach and its components	108–109
	103-3	Evaluation of the management approach	114–115
Own indicator		Company-specific metric: Number of reported deviations of suspected match fixing where ATG offered betting (IBIA)	115
		Company-specific metric: Number of doping tests within the activities of the Swedish Trotting Association and the Swedish Jockey Club	114
Horse welfare (company-specific area)			
GRI 103: Management approach	103-1	Explanation of the material topic and its Boundary	107, 114
	103-2	The management approach and its components	108–109
	103-3	Evaluation of the management approach	114
Own indicator		Company-specific metric: Number of stable area inspections within the activities of the Swedish Trotting Association	114
		Company-specific metric: Number of camp inspections within the activities of the Swedish Trotting Association	114

GRI standard	Indicator	Page reference 2021	Comment /omission
Contribution to society			
GRI 103: Management approach	103-1	Explanation of the material topic and its Boundary	11–16, 105–109
	103-2	The management approach and its components	11–16, 108–109
	103-3	Evaluation of the management approach	11–16
Own indicator	Company-specific metric: MSEK/Number of projects that contribute to an inclusive society		16

Attractive and inclusive workplace

Employment

GRI 103: Management approach	103-1	Explanation of the material topic and its Boundary	107, 115
	103-2	The management approach and its components	108–109
	103-3	Evaluation of the management approach	115–118
GRI 401: Employment	401-1	New employee hires and employee turnover	117
Own indicator	Company-specific metric: eNPS		116
Own indicator	Company-specific metric: Employee Engagement Index		116

Diversity and equal opportunity

GRI 103: Management approach	103-1	Explanation of the material topic and its Boundary	107
	103-2	The management approach and its components	108–109
	103-3	Evaluation of the management approach	115, 117
GRI 405: Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	117

GRI standard	Indicator	Page reference 2021	Comment /omission
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Anti-corruption			
GRI 103: Management approach	103-1	Explanation of the material topic and its Boundary	107, 119
	103-2	The management approach and its components	108–109
	103-3	Evaluation of the management approach	119–120
GRI 205: Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	119

Socioeconomic Compliance

GRI 103: Management approach	103-1	Explanation of the material topic and its Boundary	107, 119
	103-2	The management approach and its components	108–109
	103-3	Evaluation of the management approach	119–120
GRI 419: Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	119
GRI 418: Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	112–113

Sustainable supply chain

Supplier environmental and social assessments

GRI 103: Management approach	103-1	Explanation of the material topic and its Boundary	107
	103-2	The management approach and its components	108–109
	103-3	Evaluation of the management approach	120
GRI 308: Supplier environmental assessment	308-1	New suppliers that were screened using environmental criteria	120
GRI 414: Supplier social assessment	414-1	New suppliers that were screened using social criteria	120

Resource-smart and climate-effective***Materials***

GRI 103: Management approach	103-1	Explanation of the material topic and its Boundary	107, 121–122
	103-2	The management approach and its components	108–109
	103-3	Evaluation of the management approach	121–122
GRI 301: Materials	301-1	Materials used by weight or volume	121
Own indicator		Company-specific metric: share of eco-labelled paper	121

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GRI 103: Management approach	103-1	Explanation of the material topic and its Boundary	107, 121–122
	103-2	The management approach and its components	108–109
	103-3	Evaluation of the management approach	121–122
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	121–122
	305-2	Energy indirect (Scope 2) GHG emissions	121–122
	305-3	Other indirect (Scope 3) GHG emissions	121–122

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 gambled 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 transaction with owners regarding horse racing information, rights and sponsoring. See reconciliation in table below. The performance 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 gambling 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 gambling.

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 Retailers of ATG's 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.

A photograph of a horse-drawn sulky on a dirt track. The jockey is wearing a dark jacket with 'PLATINUM' and 'ATG' visible on the back. The horse is dark-colored. The track is surrounded by trees and foliage, with a racetrack building visible in the background. The text 'THE ENGINE OF THE HORSE RACING INDUSTRY SINCE 1974' is overlaid in white, bold, italicized font.

THE ENGINE OF THE HORSE RACING INDUSTRY SINCE 1974

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