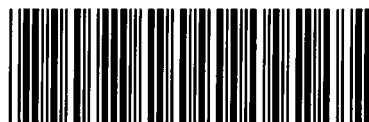


Company Registration No. 03534726 (England and Wales)

SPORTINGBET LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2017

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COMPANIES HOUSE

Sportingbet Limited

Directors and advisors

Directors	James Humberstone Adam Lewis William Longton
Registered office	3 rd Floor One New Change London EC4M 9AF
Company number	03534726
Solicitors	Addleshaw Goddard LLP Milton Gate 60 Chiswell Street London, EC1Y 4AG
Statutory auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 30 Finsbury Square, London, EC2A 1AG

Sportingbet Limited

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For the year ended 31 December 2017

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Sportingbet Limited

Directors' Report

For the year ended 31 December 2017

The Directors present their report and the audited financial statements for the year ended 31 December 2017 for Sportingbet Limited.

Directors

The Directors who held office during the year were:

J Humberstone
A Lewis
W Longton

Directors' Responsibility Statement

The Directors are responsible for preparing the Directors' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit and loss of the Company for that year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

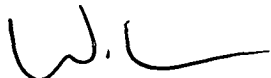
The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Grant Thornton have informed the Directors of their intention to resign and KPMG LLP will replace them in December 2018.

On behalf of the Board



William Longton

Director

Company number: 03534726

Date: 3 December 2018

Sportingbet Limited

Strategic Report

For the year ended 31 December 2017

The Directors present their Strategic Report for the year ended 31 December 2017.

Principal activity

The principal activity of the Company is an intermediary holding company within the GVC Holdings PLC group.

Results and dividends

The Profit and loss account is set out on page 5 and shows the profit for the year. No dividends were paid or declared in the current or preceding year.

Trading review

The financial performance highlights for the year ended 31 December 2017 are as follows:

- Operating loss £3.1 million (2016: profit of £5.0 million).
- Loss after tax of £3.2 million (2016: profit of £7.6 million).
- Net assets at year-end of £77.7 million (2016: £80.9 million).

Principal Risks and Uncertainties

The Directors consider the risks detailed below as inherent to the Company:

Economic Risk

The risk of foreign exchange losses, increased interest rates and or inflation having an adverse impact on served markets.

Financial Risk

The Company has budgetary and financial reporting procedures, supported by appropriate key performance indicators to manage credit, liquidity and other financial risk.

On behalf of the Board



William Longton

Director

Company number: 03534726

Date: 3 December 2018

Independent auditor's report to the members of Sportingbet Limited

We have audited the financial statements of Sportingbet Limited for the year ended 31 December 2017, which comprise the Statement of profit or loss and other comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 101 'Reduced Disclosure Framework'.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other 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 opinion.

Who we are reporting to

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we 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.

Independent auditor's report to the members of Sportingbet Limited

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matter on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Grant Thornton UK LLP

Anthony Thomas

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

Date: 7/12/18

Sportingbet Limited**Statement of profit or loss and other comprehensive income****For the year ended 31 December 2017**

		Year ended 31 December 2017	Year ended 31 December 2016
	Notes	£000's	£000's
Administrative (expenses) / income		(3,089)	6,521
Operating (loss) / profit	4	(3,089)	6,521
(Loss) / profit on ordinary activities before taxation		(3,089)	6,521
Tax on (loss) / profit on ordinary activities	5	(89)	1,065
(Loss) / profit for the financial year	9	(3,178)	7,586
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		(3,178)	7,586

All amounts relate to continuing activities.

The notes on pages 8 to 12 form an integral part of these financial statements.

Sportingbet Limited**Balance Sheet at 31 December 2017****Company No. 03534726**

		At 31 December 2017	At 31 December 2016
	Notes	£000's	£000's
Fixed Assets			
Investments	2	44,612	44,612
Current assets			
Debtors	6	59,907	51,233
Creditors: amounts falling due within one year	7	(26,840)	(14,988)
Net current assets		33,067	36,245
Net Assets		77,679	80,857
Capital and reserves			
Called up share capital	8	667	667
Other reserves	9	62,309	62,309
Profit and loss account		14,703	17,881
Total shareholders' funds	9	77,679	80,857

The financial statements on pages 5 to 12 were approved by the Board of Directors and were signed on their behalf by:

**William Longton**

Director

Date: 3 December 2018

The notes on pages 8 to 12 form an integral part of these financial statements.

Sportingbet Limited**Statement of Changes in Equity****For the year ended 31 December 2017**

	Share capital £000's	Other reserves £000's	Profit and loss account £000's	Total £000's
Balance at 1 January 2016	667	62,309	10,295	73,271
Profit for the year	-	-	7,586	7,586
At 1 January 2017	667	62,309	17,881	80,857
Loss for the year	-	-	(3,178)	(3,178)
At 31 December 2017	667	62,309	14,703	77,679

The notes on pages 8 to 12 form an integral part of these financial statements.

Sportingbet Limited
Notes to the financial statements
For the year ended 31 December 2017

1. Accounting Policies

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards.

As permitted under FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to the listing of new and revised standards that have not been adopted, financial instruments, fair values, presentation of a cash flow statement and related party transactions.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of Section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

The following accounting policies have been applied consistently throughout the year in relation to the Company's financial statements.

Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction, except, where the transaction is settled at a contracted rate, the contracted rate is used.

Cash flow statement

The Company is a wholly owned subsidiary of GVC Holdings PLC and is included in the consolidated financial statements of GVC Holdings PLC, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Financial assets are initially measured at fair value adjusted by transaction costs and classified as loans and receivables. Financial assets are subject to annual impairment review at least at each reporting date.

Going concern

The accounts are prepared on a going concern basis. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern.

2. Investments

Investments in subsidiaries are recognised at cost less any impairment.

Sportingbet Limited

Notes to the financial statements

For the year ended 31 December 2017

Investments

£000's

Cost at 1 January 2017 and 31 December 2017

44,612

The following subsidiaries were wholly owned at 31 December 2017:

<u>Company</u>	<u>Country of Incorporation</u>	<u>% owned</u>	<u>Activity</u>
<i>Direct investments:</i>			
Spread Your Wings Germany Limited	Malta	99%	Online betting
Corvee Limited	Guernsey	100%	Administrative services
Sportingbet Holdings Limited	England	100%	Holding company
Portman Road Limited	British Virgin Islands	100%	Dormant
SBT Software Operations (SA) (Pty) Limited	South Africa	100%	Online betting
<i>Indirect investments:</i>			
Interactive Sports Limited	England	100%	Online betting
Sportingbet (Management Services) Limited	England	100%	Administrative services
Sportingbet (IT Services) Limited	England	100%	Software development and IT related services
Sportingbet (Product Services) Limited	England	100%	Project management and web design services
Sporting Odds Limited	England	100%	Online betting
M.L.B. Limited	Ireland	100%	Contract call centre
Green Sand Limited	Antigua and Barbuda	100%	Online betting
Main Street 1013 Pty Limited	South Africa	100%	Administrative services
Sportingbet Spain S.A.	Spain	100%	Online betting
Interactive Sports C.I. Limited	Alderney	100%	Online betting
Interactive Sports Denmark ApS	Denmark	100%	Administrative services
Longfrie Limited	Guernsey	100%	Administrative services
Interactive Sports Asia Limited Inc	Philippines	100%	Administrative services
Scandic Bookmakers Limited	Malta	100%	Administrative services

Sportingbet Limited
Notes to the financial statements
For the year ended 31 December 2017

3. Staff Costs

The average monthly number of employees (including Directors) during the year was:

	2017	2016
Board	3	3

Directors are remunerated through other group entities.

4. Operating profit

The operating loss (2016: profit) is stated after charging / (crediting):

	Year ended 31 December 2017 £000's	Year ended 31 December 2016 £000's
Foreign exchange movement	5,387	(4,925)
Auditor's remuneration	5	-

The audit fee in the prior year was borne by the parent entity.

5. Taxation

	Year ended 31 December 2017 £000's	Year ended 31 December 2016 £000's
Current taxation charge / (credit)	89	(1,065)
	89	(1,065)

The tax charge for the year is different from that which would result from applying the standard rate of corporation tax of 19.25% (2016: 20%). A reconciliation is shown below:

	Year ended 31 December 2017 £000's	Year ended 31 December 2016 £000's
(Loss) / profit before tax	(3,089)	6,521
(Loss) / profit on ordinary activities multiplied by standard rate of corporation tax of 19.25% (2016: 20%)	(595)	1,304
Non-deductible income and expenditure	542	(1,298)
Utilisation of tax losses	53	-
Tax losses surrendered to group entities	-	(6)
Tax charge / (credit) arising from subsidiary undertakings	89	(1,065)
Tax charge / (credit)	89	(1,065)

Sportingbet Limited
Notes to the financial statements
For the year ended 31 December 2017

6. Debtors

	31 December 2017	31 December 2016
	£000's	£000's
Other debtors	479	1,285
Owed by group undertakings	59,428	49,948
	59,907	51,233

Amounts owed to group undertakings are non-interest bearing and repayable on demand.

7. Creditors: amounts falling due within one year

	31 December 2017	31 December 2016
	£000's	£000's
Trade creditors	-	55
Owed to group undertakings	26,798	14,933
Other creditors	15	-
Accruals	27	-
	26,840	14,988

Amounts owed to group undertakings are non-interest bearing and repayable on demand.

8. Share capital

	31 December 2017	31 December 2016
	£000's	£000's
Authorised		
100m ordinary shares at 1p each	1,000	1,000
Allotted, called up and fully paid	667	667

Sportingbet Limited

Notes to the financial statements

For the year ended 31 December 2017

9. Related party transactions

The Company has taken advantage of exemptions under FRS 101 "Reduced Disclosure Framework" not to disclose transactions between group companies which are 100% owned. Amounts owed by and to related parties are disclosed in notes 6 and 7 respectively.

10. Ultimate parent undertaking

The immediate parent undertaking and ultimate controlling party is GVC Holdings PLC, a company incorporated in The Isle of Man. Copies of the financial statements of GVC Holdings PLC can be obtained from the Company Secretary at the Company's registered office at 32 Athol Street, Douglas, Isle of Man, IM1 1JB or from the Investor Relations section of the Company's website at www.gvc-plc.com.