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THE FOLLOWING ANNOUNCEMENT IS AN ADVERTISEMENT AND NOT A PROSPECTUS AND LADBROKES CORAL SHAREHOLDERS SHOULD NOT MAKE ANY INVESTMENT DECISION IN RELATION TO THE NEW GVC SHARES EXCEPT ON THE BASIS OF THE INFORMATION IN THE SCHEME DOCUMENT AND THE GVC PROSPECTUS WHICH ARE PROPOSED TO BE PUBLISHED IN DUE COURSE

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

22 December 2017

RECOMMENDED OFFER

FOR

LADBROKES CORAL GROUP PLC

BY

GVC HOLDINGS PLC

TO BE EFFECTED BY MEANS OF A SCHEME OF ARRANGEMENT
UNDER PART 26 OF THE COMPANIES ACT 2006

Summary

- The Boards of GVC Holdings PLC ("**GVC**") and Ladbrokes Coral Group plc ("**Ladbrokes Coral**") and, together with GVC, the "**Enlarged Group**") are pleased to announce that they have reached agreement on the terms of a recommended offer by GVC to acquire the entire issued and to be issued ordinary share capital of Ladbrokes Coral (the "**Acquisition**").
- The Enlarged Group will be a fast-growing, diversified, international online and retail sports betting led gaming group with more than 90 per cent. of Net Gaming Revenue generated from locally regulated/taxed markets.
- With a portfolio of strong brands, proprietary technology, and the opportunity to apply the best practices from each business, GVC believes that the Enlarged Group will be well-placed to deliver a great experience to millions of consumers in a highly-regulated gaming environment.
- Under the terms of the Acquisition, for each Ladbrokes Coral Share held at the Scheme Record Time, Ladbrokes Coral Shareholders will be entitled to 32.7 pence in cash, 0.141 ordinary GVC Shares and a contingent entitlement of up to a further 42.8 pence in principal value of Loan Note plus an upward adjustment for the time value of money by way of a contingent value right ("**CVR**"). A description of the terms and operation of the CVR and the Loan Notes is set out in paragraph 4 of this Announcement. **Ladbrokes Coral Shareholders are strongly advised to read paragraph 4 of this Announcement in full.**

- The CVRs have been constituted by a deed poll entered into by GVC on the date of this Announcement ("**CVR Instrument**"). Under the terms of the CVR Instrument, the principal value of each Loan Note that the CVR Holder is entitled to ("**Loan Note Principal Value**"), and therefore the amount of cash ultimately payable to a Loan Note holder upon redemption of their Loan Notes, will be (i) if Triennial Measures are Enacted, determined by means of an assessment process set out in the CVR Instrument and summarised in paragraph 4 of this Announcement or (ii) if no Maximum Stakes Measures are Enacted by the first anniversary of the Effective Date, 35 pence for each CVR held by such CVR Holder. The assessment process referred to in (i) will evaluate the potential impact (if any) of certain measures arising from the Triennial Review on the profitability of the Ladbrokes Coral UK Business.
- **If the results of the assessment process are such that the Loan Note Principal Value is agreed or determined to be zero, no Loan Notes will be issued, and in these circumstances Ladbrokes Coral Shareholders will not receive any additional consideration under the terms of the CVR Instrument. In these circumstances, the value of each CVR would be zero. Houlihan Lokey has not been required to confirm, and nor has it confirmed, that resources are available to GVC to satisfy payments under the Loan Notes and Ladbrokes Coral Shareholders will be at risk if, for any reason, GVC is not in a position to meet its obligations under the Loan Note Instrument.**
- The assessment process will start following Enactment of the Maximum Stakes Measures arising from the Triennial Review. The Loan Note Principal Value is capped at a maximum of 42.8 pence plus an upward adjustment for the time value of money. Each Loan Note will have a term which ends on the later of the date falling 6 months and 1 day after its date of issue and the date falling 18 months after the Effective Date. The Loan Note Principal Value will bear interest at a rate of 7 per cent. per annum from the date of issue of the Loan Notes for a period of six months and one day and at a rate of 9 per cent. thereafter until redeemed by GVC. On redemption, the Loan Note Principal Value plus accrued interest will be repaid to the holders of the Loan Notes and the Loan Notes will be automatically cancelled.
- The CVRs will constitute direct, unsecured obligations of GVC and shall rank *pari passu* with one another and *pari passu* with all other unsecured obligations of GVC. The CVRs will not represent any equity or ownership interest in GVC, and accordingly will not confer on the CVR Holders any right to attend, speak at or vote at any meeting of the shareholders of GVC or right to any dividends or right to any return of capital by GVC.
- The Offer Price, assuming each CVR has zero value and no Loan Notes are issued, values the entire issued and to be issued ordinary share capital of Ladbrokes Coral on a fully diluted basis at approximately £3.2 billion based on the Closing Price per GVC Share on the Last Practicable Date of 934 pence per GVC Share and represents a potential value of up to approximately 164.4 pence per Ladbrokes Coral Share at a premium of approximately:
 - 21.2 per cent. to the Closing Price of 135.7 pence per Ladbrokes Coral Share on 6 December 2017 (being the last Business Day prior to the commencement of the Offer Period); and
 - 28.6 per cent. to the volume weighted average Closing Price per Ladbrokes Coral Share of 127.8 pence in the three months prior to and including 6 December 2017 (being the last Business Day prior to the commencement of the Offer Period).
- The Offer Price, assuming each CVR delivers its maximum value of 42.8 pence in principal value of Loan Note (without taking into account any upward adjustment for the time value of money), values the entire issued and to be issued ordinary share capital of Ladbrokes Coral on

a fully diluted basis at approximately £4.0 billion based on the Closing Price per GVC Share on the Last Practicable Date of 934 pence per GVC Share and represents a potential value of up to approximately 207.2 pence per Ladbrokes Coral Share at a premium of approximately:

- 19.1 per cent. to the Closing Price per Ladbrokes Coral Share of 174 pence on the Last Practicable Date;
 - 52.7 per cent. to the Closing Price of 135.7 pence per Ladbrokes Coral Share on 6 December 2017 (being the last Business Day prior to the commencement of the Offer Period); and
 - 62.1 per cent. to the volume weighted average Closing Price per Ladbrokes Coral Share of 127.8 pence in the three months prior to and including 6 December 2017 (being the last Business Day prior to the commencement of the Offer Period).
- The Acquisition will include a Mix and Match Facility so that eligible Ladbrokes Coral Shareholders will be able to elect to vary the proportion of cash and New GVC Shares they receive, subject to offsetting elections being made by other Ladbrokes Coral Shareholders. The Mix and Match Facility will not change the total number of New GVC Shares to be issued by GVC or the total cash consideration to be paid pursuant to the Acquisition. A Mix and Match Facility will not be offered in respect of the CVRs. Each Ladbrokes Coral Shareholder will receive one CVR for each Ladbrokes Coral Share held at the Scheme Record Time.
 - Application will be made to the UKLA for the New GVC Shares to be issued in consideration for the Acquisition to be admitted to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange on Completion. Completion is conditional on, among other things, Admission.
 - Following Completion, Ladbrokes Coral Shareholders will hold approximately 46.5 per cent. and GVC Shareholders will hold approximately 53.5 per cent of the issued share capital of the Enlarged Group on a fully diluted basis.

Summary of the strategic and financial rationale for the Acquisition

- The Acquisition has a compelling strategic and financial rationale:
 - **Revenue and profit growth:** The Enlarged Group will have the opportunity to maximise revenue and profit growth by harnessing the best elements of each of their respective client relationship management tools and skills that have been developed in both businesses to acquire and retain customers as well as driving higher player yield. Ladbrokes Coral's significant retail presence and multi-channel know-how can assist GVC in driving further online growth in both GVC and Ladbrokes Coral brands;
 - **Significant breadth and scale:** The Enlarged Group will, based on current wagers and revenues of GVC and Ladbrokes Coral, be one of the largest listed sportsbook operators in the world by wagers and the largest listed online-led betting and gaming operator by revenue. It will have top three market positions in three of Europe's largest online gaming markets -- UK, Germany and Italy -- plus a significant business in Australia and exposure to the USA and other growth markets, giving it the size and resources to address the dynamics of the rapidly changing global gaming industry;
 - **Multichannel distribution combined with market-leading technology:** With expertise and scale across all distribution channels (online, retail and mobile) and ownership of its market-leading technology, the Enlarged Group will have the ability to

increase further its customer base and continue to build leading positions in existing and new markets;

- **Leading brands:** The Enlarged Group will have some of the strongest retail and online industry brands, including Ladbrokes, Coral, Gala, bwin.party, Party Poker and Sportingbet. It will be able to respond to evolving consumer product preferences based on data collected from its extensive existing customer base, and will be well-placed to capitalise on the opportunity for further customer wins;
 - **Deep pool of industry talent:** Both GVC and Ladbrokes Coral have a strong track record in selecting talented people from businesses that have been combined with (as demonstrated in GVC's acquisitions of bwin.party and Sportingbet and in the Ladbrokes Coral merger) to exploit the full potential of both businesses. The Acquisition will allow the Enlarged Group to bring together some of the industry's leading talent across all key aspects of the gaming business, including product verticals, distribution platforms, technology and marketing;
 - **Industry consolidation:** The Enlarged Group will continue to be well-positioned as one of the principal consolidators in the gaming sector, with a proven management team experienced in integrating acquired businesses;
 - **Taking the initiative now:** The Acquisition allows GVC and Ladbrokes Coral shareholders to benefit from the business combination in the near term, with a flexible consideration structure which takes into account a range of outcomes under the Triennial Review and at a time when financing conditions are favourable; and
 - **Opportunities for cost and revenue synergies:** Cost and revenue synergies have been identified which support the significant shareholder value creation opportunity of the Acquisition. The Board of GVC believes that the Enlarged Group will be able to achieve recurring annual pre-tax cost synergies of not less than £100 million as a result of the Acquisition. This synergy and saving realisation will take place progressively, whereby approximately £7 million of the total cost synergies will be achieved in the first calendar year following Completion, rising to approximately £33 million by year two and approximately £56 million by year three following Completion. It is expected that a benefit of £100 million of identified cost synergies will be achieved by 2021. The Board of GVC also expects that the Acquisition will generate annual capital expenditure savings arising from technology and procurement synergies and revenue synergies.
- The cost savings outlined above are in addition to the €125 million per annum by 2018 of cost savings which GVC has announced in connection with the acquisition of bwin.party (completed in February 2016) and the £150 million per annum by 2019 of primarily cost savings which Ladbrokes Coral has announced in connection with the merger of Ladbrokes plc and certain businesses of Gala Coral Group Limited (completed on 1 November 2016).
 - The Board of GVC believes that the Acquisition will be double digit EPS accretive from the first full year post-Completion and following all reasonably expected outcomes of the Triennial Review, including the FOBT maximum stake being set at £2.00.¹ The Board of GVC also believes that the Enlarged Group's leverage will not exceed 3.0x Net Debt/EBITDA (where Net

¹ Adjusted EPS is calculated on a clean basis, after net synergies and impact of the Triennial Review, and before transaction costs and one-time restructuring charges. This statement is not intended as a profit forecast or estimate for any period and should not be interpreted to mean that earnings per share for GVC or Ladbrokes Coral, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for GVC or Ladbrokes Coral, as appropriate.

Debt is interest bearing loans and borrowings and customer liabilities less cash and cash equivalents and EBITDA is Clean EBITDA) by the end of the first full financial year post-Completion, following all reasonably expected outcomes of the Triennial Review.

Board and management

- The Enlarged Group will benefit from the expertise and talents from both Ladbrokes Coral and GVC as it merges its operations, with the executive senior leadership expected to be drawn from both Ladbrokes Coral and GVC.
- The Enlarged Group board will comprise Lee Feldman as Chairman, Kenneth Alexander as Chief Executive, Paul Bowtell as Chief Financial Officer and non-executive directors who are expected to be drawn from the current GVC Board.

Completion of disposal of GVC's Turkish facing business

- On 19 December 2017, GVC Investments Limited completed the sale of Headlong Limited (a GVC group company comprising GVC Group's Turkish facing business) to Ropso Malta Limited for consideration in the form of a performance related earn-out, payable monthly. On 21 December 2017, GVC Investments Limited notified Ropso Malta Limited that it was terminating and waiving all rights to this earn-out consideration.

Recommendation

- The Ladbrokes Coral Directors, who have been so advised by Greenhill and UBS as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Ladbrokes Coral Directors, each of Greenhill and UBS has taken into account the commercial assessments of the Ladbrokes Coral Directors. Greenhill and UBS are providing independent financial advice to the Ladbrokes Coral Directors for the purposes of Rule 3.1 of the Takeover Code.
- Accordingly, the Ladbrokes Coral Directors intend unanimously to recommend that Ladbrokes Coral Shareholders vote in favour of the Scheme at the Court Meeting and the Ladbrokes Coral Resolutions at the Ladbrokes Coral General Meeting, as the Ladbrokes Coral Directors who hold, or are otherwise beneficially interested in, Ladbrokes Coral Shares have irrevocably undertaken to do in respect of the beneficial holdings which are under their control of, in aggregate, 9,597,395 Ladbrokes Coral Shares representing approximately 0.5 per cent. of Ladbrokes Coral's ordinary share capital in issue on the Last Practicable Date.
- In addition to the irrevocable undertakings received from the Ladbrokes Coral Directors, GVC has received irrevocable undertakings and a letter of intent from certain other Ladbrokes Coral Shareholders to vote in favour of the Scheme at the Court Meeting and in favour of the Ladbrokes Coral Resolutions to be proposed at the Ladbrokes Coral General Meeting in respect of, in aggregate, 231,545,165 Ladbrokes Coral Shares, representing approximately 12.1 per cent. of Ladbrokes Coral's ordinary share capital in issue on the Last Practicable Date.
- In total, therefore, GVC has received irrevocable undertakings and a letter of intent to vote in favour of the Scheme at the Court Meeting and the Ladbrokes Coral Resolutions in respect of an aggregate of 241,142,560 Ladbrokes Coral Shares representing, in aggregate, approximately 12.6 per cent. of the ordinary share capital of Ladbrokes Coral in issue on the Last Practicable Date. Further details of these irrevocable undertakings (including the

circumstances in which they may lapse) and the letter of intent are set out in Appendix III to this Announcement.

- Given the current size and value of Ladbrokes Coral relative to the current size and value of GVC, and since the shares of GVC are admitted to the premium listing segment of the Official List, the Acquisition constitutes a "Class 1" transaction for GVC under the Listing Rules.
- The GVC Directors consider the terms of the Acquisition to be in the best interests of GVC and the GVC Shareholders taken as a whole and accordingly intend unanimously to recommend that GVC Shareholders vote in favour of the GVC Resolutions at the GVC General Meeting, as the GVC Directors who hold, or are otherwise beneficially interested in, GVC Shares have irrevocably undertaken to do in respect of the beneficial holdings which are under their control of, in aggregate, 3,389,611 GVC Shares representing approximately 1.1 per cent. of GVC's ordinary share capital in issue on the Last Practicable Date.

General

- It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement of Ladbrokes Coral under Part 26 of the Companies Act, further details of which are contained in the full text of this Announcement. However, GVC reserves the right to implement the Acquisition by way of a Takeover Offer, subject to the Panel's consent and, in certain circumstances, the consent of Ladbrokes Coral.
- It is currently expected that the Acquisition will be completed during late Q1 or early Q2 2018. Further details of the Acquisition will be set out in the Scheme Document, which will be published and sent to Ladbrokes Coral Shareholders as soon as possible, such publication currently being expected to occur in February 2018. It is expected that the GVC Prospectus, containing information about, amongst other things, the New GVC Shares and the Enlarged Group and including notice of the GVC General Meeting, will be published and posted to Ladbrokes Coral Shareholders and GVC Shareholders at around the same time as the Scheme Document. An expected timetable of principal events will be included in the Scheme Document and the GVC Prospectus.

Commenting on the Acquisition, Kenneth Alexander, CEO of GVC said:

"The creation of one of the world's largest listed sportsbetting companies, combining a portfolio of established brands, proven technology and leading market positions in multiple geographies, is a truly exciting prospect.

In a dynamically evolving industry, the transaction creates an Enlarged Group with the scale, diversity, proprietary technology and management expertise to pursue many opportunities globally.

GVC has a proven track record of creating shareholder value through the successful integration of acquired businesses and the GVC Board believe this transaction will create further value for our shareholders and those of Ladbrokes Coral."

Commenting on the Acquisition, John Kelly, Chairman of Ladbrokes Coral said:

"In its relatively short time as a merged entity, Ladbrokes Coral has demonstrated why scale can be so effective in this market. The management team have delivered a very successful merger that has created a leading betting and gaming business built on strong brands well

positioned in key markets. We have a leading multi-channel offer that utilises our retail and on-line businesses and offers us a promising future.

Notwithstanding that, the Ladbrokes Coral Board believes that the proposed combination with GVC accelerates our strategy to improve the customer experience, drive faster online growth and build a more diverse and extensive international portfolio of businesses.

The Acquisition has compelling strategic rationale allied to an opportunity to use the best of both from proven management teams and will create material shareholder value. It secures earlier delivery of our long-term value potential, which is why the Board of Ladbrokes Coral has unanimously recommended GVC's offer."

This summary should be read in conjunction with, and is subject to, the full text of this Announcement (including its Appendices).

The Acquisition will be subject to the conditions set out in Appendix I, and the full terms and conditions which will be set out in the Scheme Document, Forms of Proxy and Form of Election.

Appendix II contains the bases and sources of certain information used in this Announcement.

Appendix III contains details of the irrevocable undertakings and the letter of intent received by GVC in respect of the Scheme and the Ladbrokes Coral Resolutions, as well as those received by GVC in respect of the GVC Resolutions that are in each case referred to in this Announcement.

Appendix IV Part A contains the statement made by the GVC Directors on the anticipated quantified financial benefits of the Acquisition together with the relevant bases of belief (including sources of information and principal assumption) supporting the statement and their analysis and explanation of the underlying constituent elements, and Parts B and C respectively contain the related reports from GVC's reporting accountants, Grant Thornton, and financial adviser, Houlihan Lokey.

For the purposes of Rule 28 of the Takeover Code, the Quantified Financial Benefits Statement contained in this Announcement is the responsibility of GVC and the GVC Directors. Each of Grant Thornton and Houlihan Lokey has given and not withdrawn its consent to the publication of its reports in this Announcement in the form and context in which they are included.

Appendix V contains definitions of certain terms used in this Announcement.

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GVC Holdings Legal Entity Identifier: 213800GNI3K45LQR8L28
Ladbrokes Coral Legal Entity Identifier: 213800P7FJOPCV4H3J04
Classification: 2.2

Important notices

Houlihan Lokey EMEA, LLP ("Houlihan Lokey"), which is authorised and regulated by the Financial Conduct Authority, is acting for GVC and no one else in connection with the matters set out in this Announcement. In connection with such matters, Houlihan Lokey, its affiliates and their respective partners, directors, officers, employees and agents will not regard any person other than GVC as their client, nor will they be responsible to anyone other than GVC for providing the protections afforded to their clients or for providing advice in relation to the contents of this Announcement or any other matter referred to in this Announcement.

Investec Bank plc ("Investec"), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, is acting for GVC and no one else in connection with the matters set out in this Announcement. In connection with such matters, Investec, its affiliates and their respective directors, officers, employees and agents will not regard any person other than GVC as their client, nor will they be responsible to anyone other than GVC for providing the protections afforded to their clients or for providing advice in relation to the contents of this Announcement or any other matter referred to in this Announcement.

Greenhill & Co. International LLP ("Greenhill") is authorised and regulated by the Financial Conduct Authority in the United Kingdom. Greenhill is acting as financial adviser to Ladbrokes Coral and for no

one else in connection with the matters set out in this Announcement and will not be responsible to anyone other than Ladbrokes Coral for providing the protections afforded to clients of Greenhill, nor for providing advice in relation to the matters set out in this Announcement.

UBS Limited ("UBS") is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom. UBS is acting as financial adviser to Ladbrokes Coral and no one else for the purpose of the consideration of a proposed acquisition by GVC and will not be responsible to anyone other than Ladbrokes Coral for providing the protections offered to clients of UBS nor for providing advice in relation to this Announcement or any transaction, arrangement or other matter referred to herein.

Deutsche Bank AG ("Deutsche Bank") is authorised under German Banking Law (competent authority: European Central Bank) and, in the United Kingdom, by the Prudential Regulation Authority. It is subject to supervision by the European Central Bank and by BaFin, Germany's Federal Financial Supervisory Authority, and is subject to limited regulation in the United Kingdom by the Prudential Regulation Authority and Financial Conduct Authority. Deutsche Bank is acting as corporate broker to Ladbrokes Coral and no one else for the purpose of the consideration of a proposed acquisition by GVC and will not be responsible to anyone other than Ladbrokes Coral for providing the protections offered to clients of Deutsche Bank nor for providing advice in relation to this Announcement or any transaction, arrangement or other matter referred to herein. Neither Deutsche Bank nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Deutsche Bank in connection with this Announcement, any statement contained herein or otherwise.

Forward-looking statements

This Announcement contains statements about GVC, Ladbrokes Coral and the Enlarged Group that are or may be forward looking statements. All statements other than statements of historical facts included in this Announcement may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "should", "continue", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Ladbrokes Coral's, GVC's or the Enlarged Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on Ladbrokes Coral's, GVC's or the Enlarged Group's business.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. Ladbrokes Coral and GVC disclaim any obligation to update any forward looking or other statements contained herein, except as required by applicable law or regulation.

If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser, duly authorised under the FSMA if you are resident in the United Kingdom, or from another appropriately authorised independent financial adviser.

Quantified Financial Benefits Statement

Statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. No statement in the Quantified Financial Benefits Statement, or this Announcement generally, should be construed as a profit forecast, or interpreted to mean that the Enlarged Group's earnings or earnings per share in the first full year following Completion, or in any subsequent period, would necessarily match or be greater than or be less than those of GVC and/or Ladbrokes Coral for the relevant preceding financial period or any other period.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0) 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Further information

This Announcement is for information purposes only. It is not intended to and does not constitute, or form part of, any offer, invitation or the solicitation of any offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. The Acquisition will be effected solely by means of the Scheme Document which, together with the Forms of Proxy and the Form of Election, will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Scheme and on the Ladbrokes Coral Resolutions and how to make elections under the Mix and Match Facility.

Ladbrokes Coral will prepare the Scheme Document to be distributed to Ladbrokes Coral Shareholders and GVC will prepare the GVC Prospectus to be distributed to GVC Shareholders and Ladbrokes Coral Shareholders. Ladbrokes Coral urges Ladbrokes Coral Shareholders to read the Scheme Document and the GVC Prospectus when they become available because they will contain important information in relation to the Acquisition, the New GVC Shares and the Enlarged Group. GVC urges GVC Shareholders to read the GVC Prospectus when it becomes available because it will contain important information in relation to the New GVC Shares and the Enlarged Group. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document, or the GVC Prospectus, as appropriate.

This Announcement has been prepared for the purposes of complying with English law, the rules of the London Stock Exchange and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws and regulations of any other jurisdictions.

This Announcement does not constitute a prospectus or prospectus equivalent document.

Additional restrictions regarding the United States and other overseas jurisdictions

The release, publication or distribution of this Announcement in or into certain jurisdictions may be restricted by the laws of those jurisdictions. Accordingly, copies of this Announcement and all other announcements and documentation relating to the Acquisition are not being, and must not be, released, published, mailed or otherwise forwarded, distributed or sent in, into or from any jurisdiction where to do so would violate the laws of that jurisdiction or any Restricted Jurisdiction. Persons receiving such announcements or documentation (including, without limitation, nominees, trustees and custodians) should inform themselves of, and observe, these restrictions. Failure to do so may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies involved in the Acquisition disclaim any responsibility or liability for the violations of any such restrictions by any person.

The New GVC Shares, the CVRs and any Loan Notes issued pursuant to the terms of the CVR Instrument have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States absent registration or an exemption from registration under the US Securities Act.

The New GVC Shares and the CVRs are expected to be offered in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. For the purpose of qualifying for this exemption, Ladbrokes Coral will advise the Court that its sanction of the Scheme will be relied upon by GVC as an approval of the Scheme following a hearing on its fairness to Ladbrokes Coral Shareholders at which hearing all such shareholders are entitled to appear in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all Ladbrokes Coral Shareholders.

Any Loan Notes issued to Ladbrokes Coral Shareholders in exchange for the CVRs issued pursuant to the Scheme will be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(9) thereof.

The New GVC Shares and CVRs to be issued to Ladbrokes Coral Shareholders pursuant to the Scheme and any Loan Notes to be issued to Ladbrokes Coral Shareholders in exchange for the CVRs generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive securities in the Scheme (other than “affiliates” as described in the paragraph below) may resell them without restriction under the US Securities Act.

Under US federal securities laws, a Ladbrokes Coral Shareholder who is an “affiliate” of either Ladbrokes Coral or GVC within 90 days prior to, or of GVC at any time following, the Effective Date will be subject to certain US transfer restrictions relating to the New GVC Shares and the CVRs received in connection with the Scheme. The New GVC Shares, CVRs or Loan Notes held by such affiliates may not be sold without registration under the US Securities Act, except pursuant to the applicable resale provisions of Rule 144 under the US Securities Act or in a transaction not subject to such requirements, including transactions conducted pursuant to Regulation S under the Securities Act. Whether a person is an “affiliate” of a company for such purposes depends upon the circumstances, but affiliates of a company can include certain officers, directors and significant shareholders. A person who believes that he or she may be an affiliate of Ladbrokes Coral or GVC should consult his or her own legal advisers prior to any sale of any New GVC Shares, CVRs or Loan Notes.

The receipt of New GVC Shares pursuant to the Acquisition by a US Ladbrokes Coral Shareholder may be a taxable transaction for US federal income tax purposes and under applicable state and local, as well as foreign and other, tax laws. Each Ladbrokes Coral Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Acquisition.

It may be difficult for US Ladbrokes Coral Shareholders to enforce their rights and claims arising out of the US federal securities laws, since GVC and Ladbrokes Coral are located in countries other than the United States, and some or all of their officers and directors may be residents of countries other than the United States. US Ladbrokes Coral Shareholders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

None of the securities referred to in this Announcement have been approved or disapproved by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this Announcement. Any representation to the contrary is a criminal offence in the United States.

The Acquisition relates to the acquisition of shares of a UK company and is proposed to be effected by means of a scheme of arrangement under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to proxy solicitation or tender offer rules under the US Exchange Act. Accordingly, the Scheme is subject to the disclosure requirements, rules and practices applicable in the United Kingdom to schemes of arrangement, which differ from the requirements of US proxy solicitation or tender offer rules. However, if GVC were to elect, with the consent of the Panel, and, in certain circumstances, the consent of Ladbrokes Coral to implement the Acquisition by means of a Takeover Offer, such Takeover Offer will be made in compliance with all applicable laws and regulations, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder.

Such a Takeover Offer would be made in the United States by GVC and no one else. In addition to any such Takeover Offer, any affiliates of GVC's financial advisers, GVC, its affiliates, any affiliates of Ladbrokes Coral's financial advisers or their respective affiliates, may make certain purchases of, or arrangements to purchase, shares in Ladbrokes Coral outside such Takeover Offer during the period in

which such Takeover Offer would remain open for acceptance. If such purchases or arrangements to purchase were to be made they would be made outside the United States and would comply with applicable law, including the US Exchange Act. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website: www.londonstockexchange.com, or otherwise by press release.

The financial information included in this Announcement has been prepared in accordance with accounting standards applicable in the United Kingdom and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

Unless otherwise determined by GVC or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction.

The availability of New GVC Shares, CVRs and Loan Notes under the Acquisition to Ladbrokes Coral Shareholders who are not resident in the United Kingdom, and the availability of the Mix and Match Facility to such shareholders, may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements.

Information relating to Ladbrokes Coral Shareholders

Please be aware that addresses, electronic addresses and certain other information provided by Ladbrokes Coral Shareholders, persons with information rights and other relevant persons for the receipt of communications from Ladbrokes Coral may be provided to GVC during the Offer Period as required under Section 4 of Appendix 4 of the Takeover Code.

Publication on websites and availability of hard copies

In accordance with Rule 26.1 of the Takeover Code, a copy of this Announcement will be available on GVC's website at <http://www.gvc-plc.com/html/investor/welcome.asp> and at Ladbrokes Coral's website at <https://www.ladbrokescoralplc.com/investors> by no later than 12 noon on 27 December 2017, but will not be available to persons in Restricted Jurisdictions or any other jurisdictions where publication of this Announcement would violate the laws of such jurisdiction. The contents of the websites referred to in this Announcement are not incorporated into and do not form part of this Announcement.

Subject to certain restrictions relating to persons in Restricted Jurisdictions: (a) GVC Shareholders and persons with information rights may request a hard copy of this Announcement by contacting Robert Hoskin, Group Head of Legal, Suite 6, Atlantic Suites, Europort Avenue, Gibraltar, tel: +350 200 78700; and (b) Ladbrokes Coral Shareholders and persons with information rights may request a hard copy of this Announcement by contacting Ladbrokes Coral's Registrars, Computershare Investor Services PLC, tel: +44 (0) 370 702 0127. Those persons may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN, INTO OR FROM THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, JAPAN OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION

THE FOLLOWING ANNOUNCEMENT IS AN ADVERTISEMENT AND NOT A PROSPECTUS AND LADBROKES CORAL SHAREHOLDERS SHOULD NOT MAKE ANY INVESTMENT DECISION IN RELATION TO THE NEW GVC SHARES EXCEPT ON THE BASIS OF THE INFORMATION IN THE SCHEME DOCUMENT AND THE GVC PROSPECTUS WHICH ARE PROPOSED TO BE PUBLISHED IN DUE COURSE

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

22 December 2017

RECOMMENDED OFFER

FOR

LADBROKES CORAL GROUP PLC

BY

GVC HOLDINGS PLC

**TO BE EFFECTED BY MEANS OF A SCHEME OF ARRANGEMENT
UNDER PART 26 OF THE COMPANIES ACT 2006**

1 Introduction

The Boards of GVC and Ladbrokes Coral are pleased to announce that they have reached agreement on the terms of a recommended offer by GVC to acquire the entire issued and to be issued ordinary share capital of Ladbrokes Coral, which is to be effected by means of a Court-sanctioned scheme of arrangement of Ladbrokes Coral under Part 26 of the Companies Act.

2 The Acquisition

Under the terms of the Acquisition, which will be subject to the Conditions and further terms set out in Appendix I to this Announcement and to be set out in the Scheme Document, Forms of Proxy and Form of Election, Ladbrokes Coral Shareholders will be entitled to receive:

for each Ladbrokes Coral Share

held at the Scheme Record Time: 0.141 New GVC Shares, *plus*

32.7 pence in cash, *plus*

**a contingent entitlement of up to a further 42.8
pence in principal value of Loan Note by way of a
CVR linked to the outcome of the Triennial Review**

Under some circumstances the CVR will have zero value.

Following Completion, Ladbrokes Coral Shareholders will own approximately 46.5 per cent. and GVC Shareholders will own approximately 53.5 per cent. of the Enlarged Group on a fully diluted basis. They will participate together in the synergy benefits and future growth potential of the Enlarged Group.

The Offer Price, assuming each CVR has zero value and no Loan Notes are issued, values the entire issued and to be issued ordinary share capital of Ladbrokes Coral on a fully diluted basis at approximately £3.2 billion based on the Closing Price per GVC Share on the Last Practicable Date of 934 pence per GVC Share and represents a potential value of up to approximately 164.4 pence per Ladbrokes Coral Share at a premium of approximately:

- 21.2 per cent. to the Closing Price of 135.7 pence per Ladbrokes Coral Share on 6 December 2017 (being the last Business Day prior to the commencement of the Offer Period); and
- 28.6 per cent. to the volume weighted average Closing Price per Ladbrokes Coral Share of 127.8 pence in the three months prior to and including 6 December 2017 (being the last Business Day prior to the commencement of the Offer Period).

The Offer Price, assuming each CVR delivers its maximum value of 42.8 pence in principal value of Loan Note, values the entire issued and to be issued ordinary share capital of Ladbrokes Coral on a fully diluted basis at approximately £4.0 billion based on the Closing Price per GVC Share on the Last Practicable Date of 934 pence per GVC Share and represents a potential value of up to approximately 207.2 pence per Ladbrokes Coral Share at a premium of approximately:

- 19.1 per cent. to the Closing Price per Ladbrokes Coral Share of 174 pence on the Last Practicable Date;
- 52.7 per cent. to the Closing Price of 135.7 pence per Ladbrokes Coral Share on 6 December 2017 (being the last Business Day prior to the commencement of the Offer Period); and
- 62.1 per cent. to the volume weighted average Closing Price per Ladbrokes Coral Share of 127.8 pence in the three months prior to and including 6 December 2017 (being the last Business Day prior to the commencement of the Offer Period).

The Acquisition will include a Mix and Match Facility so that eligible Ladbrokes Coral Shareholders will be able to elect to vary the proportion of cash and New GVC Shares they receive, subject to offsetting elections made by other Ladbrokes Coral Shareholders. Certain Overseas Shareholders may not be eligible to participate in the Mix and Match Facility. Further information will be set out in the Scheme Document. The Mix and Match Facility will not change the total number of New GVC Shares to be issued by GVC or the total cash consideration to be paid pursuant to the Acquisition. A Mix and Match Facility will not be offered in respect of the CVRs; each Ladbrokes Coral Shareholder will receive one CVR for each Ladbrokes Coral Share held at the Scheme Record Time.

Application will be made to the UKLA for the New GVC Shares which will be issued in consideration for the Acquisition to be admitted to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange on Completion. Completion is conditional on, among other things, Admission.

The New GVC Shares to be issued in connection with the Acquisition will be issued in registered form and will be capable of being held in both certificated and uncertificated form.

The Acquisition is also subject to the Conditions and further terms set out in Appendix I to this Announcement including, amongst other things, the approval of the GVC Resolutions by GVC Shareholders at the GVC General Meeting, approval of the Scheme and of the Ladbrokes Coral Resolutions at the Ladbrokes Coral Meetings, the satisfaction of certain anti-trust and regulatory

conditions (including the consent of the UKGC), Admission and the sanction of the Scheme by the Court. Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Ladbrokes Coral Meetings and, if they attended and voted, whether or not they voted in favour.

If the Acquisition becomes Effective, it will result in the allotment and issue of approximately 273 million New GVC Shares to Ladbrokes Coral Shareholders, which would result in Ladbrokes Coral Shareholders owning approximately 46.5 per cent. and GVC Shareholders owning approximately 53.5 per cent. of the Enlarged Group on a fully diluted basis.

Details of how Ladbrokes Coral Shareholders resident in the United Kingdom can hold, access and trade the New GVC Shares will be set out in the Scheme Document. Ladbrokes Coral Shareholders resident in the United Kingdom will be able to hold their New GVC Shares in any of the ways currently available to GVC Shareholders, including through an intermediary of their own choice should they wish to do so.

The availability of New GVC Shares, CVRs and Loan Notes to be issued and allotted under the Acquisition, to persons who are not resident in, and the distribution of this Announcement to persons who are not resident in, the United Kingdom (including the ability to make valid elections in respect of the Acquisition) may be affected by the laws of the relevant jurisdiction in which such persons are located. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. Ladbrokes Coral Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in their jurisdiction without delay. Further details relevant to Ladbrokes Coral Shareholders resident outside of the United Kingdom will be set out in the Scheme Document.

GVC is considering seeking an over the counter trading facility or listing for the Loan Notes and/or CVRs. A further announcement in relation to such trading facility will be made in due course, but there can be no guarantee that any such trading facility or listing will be obtained.

The Scheme Document, containing further information about the Acquisition and notices convening the Court Meeting and the Ladbrokes Coral General Meeting, together with the relevant Forms of Proxy and a Form of Election, will be published and sent to Ladbrokes Coral Shareholders as soon as possible, such publication currently being expected to occur in February 2018, and will be made available by GVC on its website at <http://www.gvc-plc.com/html/investor/welcome.asp> and by Ladbrokes Coral on its website at <https://www.ladbrokescoralplc.com/investors>. It is expected that the GVC Prospectus, containing information about, amongst other things, the GVC Shares (including the New GVC Shares) and the Enlarged Group, and a notice convening the GVC General Meeting, will be sent to Ladbrokes Coral Shareholders and GVC Shareholders and published at, or around, the same time as the Scheme Document is published and posted to Ladbrokes Coral Shareholders. Subject to the satisfaction or (where applicable) waiver of the Conditions and certain further terms set out in Appendix I to this Announcement and to be set out in the Scheme Document, it is expected that the Scheme will become Effective in late Q1 or early Q2 2018.

3 Background to and reasons for the Acquisition

GVC and Ladbrokes have both created leading and distinctive brands and products, delivered via market-leading technology platforms. The Board of GVC believes that the Acquisition will further GVC's strategic objectives and create significant shareholder value through combining and integrating these businesses.

GVC's track record in driving growth and creating value through acquisitions

GVC has delivered superior shareholder returns through the growth of its share price and through cash dividends, supported by strong cash generation from operations. In the five years to the Last Practicable Date, GVC delivered a total shareholder return² exceeding 380 per cent. GVC's vision is to build, further scale and diversify internationally in order to be a top three player in all the markets in which it operates.

GVC has achieved its strong results with a combination of organic growth and the acquisitions of bwin.party, Sportingbet and betboo, where the acquired businesses showed stronger revenue growth after their acquisition by GVC and enabled substantial cost savings to be made through platform consolidation and implementation of best practices. In light of the successful integration of the Sportingbet and bwin.party businesses, the GVC Board believes that GVC's experienced management team will successfully integrate the business of Ladbrokes Coral into the Enlarged Group, to the benefit of its customers, shareholders, employees and other stakeholders.

Leading positions in key global markets

The Enlarged Group will, based on current wagers and revenues of GVC and Ladbrokes Coral, be one of the largest listed sportsbook operators in the world by wagers and the largest listed online-led betting and gaming operator by revenue. The Enlarged Group will have top three market positions in three of Europe's largest online gaming markets -- UK, Germany and Italy -- plus a significant business in Australia and exposure to the USA and other growth markets. Over 90 per cent. of its Net Gaming Revenue would come from locally regulated/taxed markets.

GVC believes that the Enlarged Group will have the size and resources to better address the dynamics of the rapidly changing global gaming industry, and also be better able to leverage its brands in markets where it currently has low penetration but where there is high scope for growth.

Industry leading online and retail brands

GVC believes that the Enlarged Group's portfolio of market-leading and complementary brands (including Ladbrokes, Coral and Gala, as well as international brands such as Sportingbet, bwin.party and PartyPoker) enhances the Enlarged Group's opportunity to maximise revenue and profit growth by harnessing the best elements of each of their respective client relationship management tools and skills that have been developed in both businesses. This in turn should lead to an improved ability to cross-sell within and across the Enlarged Group's brands, and ultimately create cost efficiencies through improved customer acquisition and retention. Ladbrokes Coral's significant retail presence and multi-channel know-how can assist GVC in driving further online growth in both GVC and Ladbrokes Coral brands.

The Enlarged Group will have customers from over 35 countries providing a base for further international expansion by utilising the combined scale and complementary strengths of GVC and Ladbrokes. As it expands into new international markets (including new markets that may regulate sports-betting in future), GVC believes that the scale and diversity of the Enlarged Group's portfolio of brands, including Ladbrokes Coral's retail presence, will deliver improved buying power across key marketing channels.

Highly regarded and complementary senior management and personnel

GVC has a strong track record in selecting talented people from acquired businesses (as demonstrated in GVC's acquisitions of bwin.party and Sportingbet). The acquisition of Ladbrokes Coral will further deepen and broaden the talent pool at GVC, presenting the Enlarged Group with one of the most experienced teams in the industry. In addition to exploiting the full potential of the existing operations,

² Total shareholder return is calculated as a cumulative total return value with gross dividends reinvested on the ex-date.

the breadth of experience across the Enlarged Group's personnel base should also open up new opportunities in terms of markets and non-organic growth.

Market-leading proprietary technology

GVC believes that ownership of its market-leading technology and products will enable the Enlarged Group to be proactive and adapt quickly to differentiate itself in a highly competitive market. Applying GVC's proprietary platform across a multi-product multi-brand platform will eliminate duplication of technology and create operational efficiency, while reducing the cost of third-party service and content provision.

When combined with scale, an efficient proprietary technology platform presents significant operational advantage. It also allows the Enlarged Group to offer a superior customer experience by creating new products and brands across online, retail and mobile on the same platform, and enhancing the opportunities for cross-selling between brands and verticals.

Taking the initiative now

The Acquisition allows GVC and Ladbrokes Coral shareholders to benefit from the business combination in the near term, with a flexible consideration structure which takes into account a range of outcomes under the Triennial Review and at a time when financing conditions are favourable. The Board of GVC also believes that the Acquisition will be double digit EPS accretive from the first full year post-Completion and following all reasonably expected outcomes of the Triennial Review, including the FOBT maximum stake being set at £2.00.³ The Board of GVC also believes that the Enlarged Group's leverage will not exceed 3.0x Net Debt/EBITDA (where Net Debt is interest bearing loans and borrowings and customer liabilities less cash and cash equivalents and EBITDA is Clean EBITDA) by the end of the first full financial year post-Completion, following all reasonably expected outcomes of the Triennial Review.

Synergies from the Acquisition

Following analysis undertaken by GVC and discussions with Ladbrokes Coral, the Directors of GVC have identified significant opportunities for cost and revenue synergies as a result of the Acquisition which are expected to create shareholder value.

The Board of GVC believes that the Enlarged Group will be able to achieve recurring annual pre-tax cost synergies of not less than £100 million. GVC expects that these cost synergies are split between and would be realised principally from:

- (a) Technology and data enabled efficiencies, accounting for approximately 44 per cent. of the identified cost synergies:
- consolidating the Enlarged Group's sportsbetting and gaming operations and other business operations onto common platforms, where possible;
 - deploying and promoting the Enlarged Group's own gaming content rather than that of a third party, where possible; and

³ Adjusted EPS is calculated on a clean basis, after net synergies and impact of the Triennial Review, and before transaction costs and one-time restructuring charges. This statement is not intended as a profit forecast or estimate for any period and should not be interpreted to mean that earnings per share for GVC or Ladbrokes Coral, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for GVC or Ladbrokes Coral, as appropriate.

- using the increased bargaining power of the Enlarged Group to negotiate better contracted rates with common suppliers for data content and streaming.
- (b) Corporate and administrative efficiencies, accounting for approximately 30 per cent. of the identified cost synergies:
- consolidating the trading and customer service teams to service all brands across the Enlarged Group and consolidating technology costs to the GVC technology platform;
 - utilising technology and lower cost locations to drive greater staff productivity; and
 - moving common operational marketing and central functions to a central service group.
- (c) Marketing efficiencies, accounting for approximately 14 per cent. of the identified cost synergies:
- applying Ladbrokes Coral's business intelligence to GVC brands to achieve savings from reduced marketing and bonus spend.
- (d) Other efficiencies, accounting for approximately 12 per cent. of the identified cost synergies:
- consolidating some international businesses by combining platforms and harmonising teams;
 - reducing external costs including payment processing and professional services fees; and
 - reducing other expenditure such as office and travel costs.

The Board of GVC expects that synergy and saving realisation of £100 million will take place progressively, whereby approximately £7 million of the total cost synergies will be achieved in the first calendar year following Completion, rising to approximately £33 million by year two and approximately £56 million by year three following Completion. It is expected that a benefit of £100 million of identified cost synergies will be achieved by 2021. The synergies programme is expected to continue after 2021, but the scale of further synergies has not been fully quantified, and so are not being reported on for the purposes of the Takeover Code. The expected synergies will accrue as a direct result of the Acquisition and would not be achieved on a standalone basis.

The Acquisition is also expected to generate annual capital expenditure savings arising from technology and procurement synergies in the Enlarged Group. These have not been quantified, and so are not being reported on for the purposes of the Takeover Code.

In addition to the quantified cost synergies, the Board of GVC also believes that the Acquisition will generate revenue synergies through the actions outlined below:

- cross-selling leading products between customer bases;
- leveraging brands and driving incremental revenues for the Enlarged Group by implementing best in class client relationship management and back office systems;
- applying sophisticated marketing techniques to an expanded customer base across a broader product offering; and
- differentiating the Enlarged Group's offering more effectively in competitive markets.

The financial effects of the revenue synergies outlined above have not been quantified, and so are not being reported on for the purposes of the Takeover Code.

Non-recurring restructuring costs of at least £100 million are expected to be incurred in delivering the identified cost synergies in the four years post completion. The phasing of these costs will be £17 million in the financial year ending 31 December 2018, £30 million in 2019, £31 million in 2020 and £22 million in 2021. No recurring restructuring costs have been identified as a consequence of the Acquisition.

Other than these identified restructuring costs and the waiver by GVC of its rights to earn-out consideration following the sale of its Turkish facing business which was payable over a five-year period up to a maximum of €150m (summarised in paragraph 8 below), the Board of GVC does not expect any dis-synergies to arise as a result of the Acquisition.

The statements above of estimated cost synergies relate to future actions and circumstances which inherently involve risks, uncertainties and contingencies. Accordingly, the cost synergies referred to may not be achieved, may not be achieved within the time periods specified or may be achieved in a different form to that which is currently envisaged by the Board of GVC. For the purposes of Rule 28 of the Code, the statements above of estimated cost synergies are the responsibility of the Directors of GVC, in their capacity as directors of the offeror under the terms of the Acquisition. Appendix IV Part A contains the statement made by the GVC Directors on the anticipated quantified financial benefits of the Acquisition together with the relevant bases of belief (including sources of information and principal assumption) supporting the statement and their analysis and explanation of the underlying constituent elements, and Parts B and C respectively contain the related reports from GVC's reporting accountants, Grant Thornton, and financial adviser, Houlihan Lokey. The quantified financial benefit statement is not intended as a profit forecast and should not be interpreted as such.

4 Terms of the CVRs and Loan Notes

General

Under the terms of the Acquisition, for each Ladbrokes Coral Share that they hold, Ladbrokes Coral Shareholders will be entitled to receive (in addition to the cash and GVC Shares offered) a contingent entitlement of up to 42.8 pence in principal value of Loan Note plus an upward adjustment for the time value of money by way of a contingent value right ("**CVR**").

The CVRs have been constituted by a deed poll entered into by GVC on the date of this Announcement ("CVR Instrument"). Under the terms of the CVR Instrument, the principal value of each Loan Note that the CVR Holder is entitled to ("Loan Note Principal Value"), and therefore the amount of cash ultimately payable to a Loan Note holder upon redemption of their Loan Notes, will be (i) if Triennial Measures are Enacted, determined by means of an assessment process set out in the CVR Instrument and summarised below or (ii) if no Maximum Stakes Measures are Enacted by the first anniversary of the Effective Date, 35 pence for each CVR held by such CVR Holder. The assessment process referred to in (i) will evaluate the potential impact (if any) of certain measures arising from the Triennial Review on the profitability of the Ladbrokes Coral UK Business taking into account the estimated effect of any mitigating circumstances in the UK businesses carried on by the Wider Ladbrokes Coral Group. The Loan Note Principal Value is capped at a maximum of 42.8 pence plus an upward adjustment for the time value of money. If the results of the assessment process are such that the Loan Note Principal Value is agreed or determined to be zero, no Loan Notes will be issued, and in these circumstances the Ladbrokes Coral Shareholders will not receive any additional consideration under the terms of the CVR Instrument. In these circumstances, the value of each CVR would be zero. There will be no interest conferred by a CVR on the economic activities of Ladbrokes Coral, GVC or the Enlarged Group generally.

The Takeover Panel has determined that an estimate of the value of a CVR in accordance with Rule 24.11 of the Code is not required to be included in the Scheme Document.

Ladbrokes Coral Shareholders should obtain their own independent professional tax advice in relation to the acquisition, holding, transfer and disposal of CVRs and/or Loan Notes in the light of their own particular circumstances.

Houlihan Lokey has not been required to confirm, and nor has it confirmed, that resources are available to GVC to satisfy payments under the Loan Notes and Ladbrokes Coral Shareholders will be at risk if, for any reason, GVC is not in a position to meet its obligations under the CVR Instrument and/or the Loan Note Instrument.

Triennial Measures

Any of the following changes to law or regulation arising out of the Triennial Review (together, the "**Triennial Measures**") will be taken into account in assessing the Loan Note Principal Value:

- any changes to the maximum stake which may be wagered by a player on any particular game cycle on a FOBT which are Enacted ("**Maximum Stakes Measures**");
- any Enacted or likely changes to the maximum number of FOBTs legally permitted per LBO ("**Maximum Machines Measures**"); and
- any Enacted or likely changes to the minimum time period for completion of an individual game cycle on a FOBT (commonly known as "spin speed") ("**Spin Speeds Measures**").

Any other measures arising out of the Triennial Review and relating to the regulation of FOBTs will not be taken into account in the assessment of the Loan Note Principal Value.

Assessment process

The assessment process for the purposes of determining the Loan Note Principal Value will commence 10 Business Days after the Enactment of the Maximum Stakes Measures (the "**Review Commencement Date**"). If no Maximum Stakes Measures have been Enacted by the first anniversary of the Effective Date, then each CVR Holder shall have the right to receive a Loan Note with a principal value of 35 pence for each CVR held by such CVR Holder.

The CVR Instrument provides that the following parties (together, the "**Consulting Parties**") are involved in the assessment of the Loan Note Principal Value:

- a representative of GVC (the "**GVC Representative**");
- an individual appointed to represent the CVR Holders (the "**CVR Representative**"); and
- if the GVC Representative and the CVR Representative are unable to agree the Loan Note Principal Value, an expert, jointly appointed by GVC and Ladbrokes Coral (the "**Expert**"), who will be Deloitte LLP.

The methodologies to be used by the Consulting Parties to determine the Loan Note Principal Value will vary depending on the type of Triennial Measures which are Enacted (or proposed), what is Enacted (or proposed) in those Triennial Measures, and the proposed timing for the Enactment of those Triennial Measures. In that regard, the CVR Instrument refers to two different scenarios, and the methodologies for each of them are described below.

Scenario 1

Scenario 1 will only apply if:

- the Maximum Stakes Measures are the only Triennial Measure;
- such Maximum Stakes Measures stipulate only one maximum stake for all types of game available on a FOBT; and
- such maximum stake is one of the maximum stakes set out in the table below, or can be Linearly Interpolated between two adjacent maximum stakes set out in the table below:

| Row 1 | Envisaged Maximum Stake | £50 | £40 | £30 | £20 | £10 | £5 | £2 |
|-------|-------------------------|-------|-------|-------|-------|-------|-------|------|
| Row 2 | Base Value | 42.8p | 40.5p | 40.4p | 30.3p | 13.4p | 13.4p | 0.0p |

Where Scenario 1 applies, the base value to be used for the purposes of the calculation of the Loan Note Principal Value (the "**Base Value**") will be agreed or determined by the Consulting Parties by means of the assessment process described below by using the above table, or by Linear Interpolation of two adjacent Base Values set out in the above table.

The Base Value will then be converted into the Loan Note Principal Value by using the following formula (which also takes into account the time value of money between the Effective Date and the Loan Note Issue Date):

$$B * 1.07 ^ { \left(\frac{N}{365} \right) }$$

Where:

B is the Base Value agreed or determined in accordance with the above table; and

N is the number of calendar days between (and including) the Effective Date and (and including) the date of calculation of the Loan Note Principal Value.

Scenario 2

Scenario 2 will apply where, as at the Review Commencement Date, Scenario 1 does not apply. Scenario 2 will most likely apply if any Maximum Machine Measures or Spin Speeds Measures are Enacted in addition to Maximum Stakes Measures (or if any Maximum Machine Measures or Spin Speeds Measures have been proposed by the UK Government following the conclusion of the Triennial Review but not yet Enacted).

Where Scenario 2 applies, the Consulting Parties will forecast the gross estimated reduction in EBITDA of the Ladbrokes Coral UK Business resulting from the Triennial Measures, taking into account, amongst other things, estimated customer lapse rates and staking down behaviour, and then reduce that gross estimated reduction in EBITDA by the estimated effect of any mitigating factors or circumstances. In these circumstances, the Consulting Parties will:

- agree or determine the estimated reduction in EBITDA of the Ladbrokes Coral UK Business arising from the Triennial Measures (the "**EBITDA Impact Projection**") by reference to a 12 month notional period for the Ladbrokes Coral UK Business; and

- assess the EBITDA Impact Projection on the basis:
 - of the Ladbrokes Coral UK Business as represented in the financial models used by GVC and Ladbrokes Coral to calculate the Base Values set out in the table above and therefore ignoring any changes made by GVC to the Ladbrokes Coral UK Business on or after the Effective Date;
 - that the Triennial Measures in England and any associated mitigating factors and circumstances are of application throughout Great Britain, notwithstanding that different legislation or regulations may in fact be Enacted or proposed at different times in Scotland and Wales; and
- to the extent that any Spin Speed Measures or Maximum Machines Measures have not been Enacted as at the Review Commencement Date, seek to agree their view (or arrive at their own view) as to the most likely form in which such Triennial Measures will ultimately be Enacted and the resulting EBITDA Impact Projection arising out of such Triennial Measures.

This process will result in an agreed or determined EBITDA Impact Projection.

The EBITDA Impact Projection will then be converted into the Loan Note Principal Value by using the following formula (which also takes into account the time value of money between the Effective Date and the Loan Note Issue Date):

$$P = (6 * (\text{£}140 \text{ million} - E) / C + Z) * (1.07^{(N/365)})$$

Where:

- E is the agreed or determined EBITDA Impact Projection;
- N is the number of calendar days between (and including) the Effective Date and (and including) the date of calculation of the Loan Note Principal Value;
- C is the total number of CVRs; and
- Z is the sum of 2.8 pence, which is only added if a Consulting Party has not made use of the table above as the basis for calculation of that part of the EBITDA Impact Projection which arises as a result of the Maximum Stakes Measures, in circumstances where the maximum stake stipulated by the Maximum Stakes Measures is in the range from (and including) £20.00 to (and including) £30.00.

Steps in the assessment process

The CVR Instrument envisages that the assessment process (in both Scenario 1 and Scenario 2) will comprise the following procedures:

- Step 1: the "**Consultation Procedure**" – the GVC Representative and the CVR Representative will first attempt, for a period of up to 30 days following the Review Commencement Date, to agree between themselves what the Base Value or EBITDA Impact Projection (as applicable) should be. The Expert may also be involved in the Consultation Procedure if either the CVR Representative or the GVC Representative so requests; and

- Step 2: the "**Determination Procedure**" – if the Consultation Procedure does not result in agreement between the GVC Representative and the CVR Representative as to the Base Value or EBITDA Impact Projection (as applicable), the GVC Representative and the CVR Representative shall jointly deliver to the Expert at the same time their own assessments of the Base Value or EBITDA Impact Projection (as applicable). The Expert shall also make their own assessment of the Base Value or EBITDA Impact Projection (as applicable). Of the three values, the two values which are numerically closest will be chosen and the figure which is the arithmetic mean of those two values shall be used for the purposes of determining the Loan Note Principal Value by using the relevant formula above. If the Expert's assessment is at the midpoint between those of the GVC Representative and the CVR Representative then that midpoint shall be used for the purposes of determining the Loan Note Principal Value.

Form and status of the CVRs

The CVRs will be issued in certificated registered form and will be transferable to any person other than to a Restricted Overseas Shareholder. The CVRs will have no nominal or principal value.

The CVRs will constitute direct unsecured obligations of GVC and shall rank *pari passu* with one another and *pari passu* with all other unsecured obligations of GVC.

The CVRs will not represent any equity or ownership interest in GVC, and accordingly will not confer on the CVR Holders any right to attend, speak at or vote at any meeting of the shareholders of GVC, or right to any dividends or right to any return of capital by GVC.

To the extent any meetings are required to determine matters amongst CVR Holders, all CVR Holders will be able to vote at such meetings on the basis of one vote per CVR Holder (on a show of hands) and one vote for every CVR held (on a poll).

Certificates in respect of the CVRs will be issued to each CVR Holder (other than Restricted Overseas Shareholders). If the issue of CVRs to any Restricted Overseas Shareholder, or to any person who is reasonably believed to be an Restricted Overseas Shareholder, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, the Company may, at its discretion, determine that such Restricted Overseas Shareholder shall not have issued to him the CVRs or certificates in respect of the CVRs and that the CVRs which would otherwise have been attributable to such Restricted Overseas Shareholder under the terms of the Acquisition will be held by a nominee on behalf of such Restricted Overseas Shareholder, and the cash proceeds (if any) following the issue and redemption of any Loan Notes issued under the terms of such CVRs be forwarded to such Restricted Overseas Shareholder following redemption of the Loan Notes (after deduction of fees and other costs and expenses).

Loan Notes

The Loan Notes will be governed by English law and will be issued with a principal value determined in accordance with the terms of the CVR Instrument. The Loan Notes will be issued in certificated registered form, and will be transferable to any person other than to a Restricted Overseas Shareholder. The Loan Notes will constitute direct, unsecured obligations of GVC and shall rank *pari passu* with one another, as applicable.

Certificates in respect of the Loan Notes will be issued to each Loan Note Holder (other than Restricted Overseas Shareholders as provided for below). If the issue of Loan Notes to any Restricted Overseas Shareholder, or to any person who is reasonably believed to be an Restricted Overseas Shareholder, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied

with, or compliance with which would be unduly onerous, the Company may, at its discretion, determine that such Restricted Overseas Shareholder shall not have issued to him Loan Notes or certificates in respect of the Loan Notes and that the Loan Notes which would otherwise have been attributable to such Restricted Overseas Shareholder under the terms of the Acquisition shall be held by a nominee on behalf of such Restricted Overseas Shareholder, and the cash proceeds (if any) following the redemption of any such Loan Notes be forwarded to such Restricted Overseas Shareholder following redemption of the Loan Notes (after deduction of fees and other costs and expenses).

Loan Notes will not represent any equity or ownership interest in the Company, and accordingly will not confer on the Loan Note holders any right to attend, speak at or vote at any meeting of the shareholders of the Company, or right to any dividends in respect of the Company or right to any return of capital by the Company.

Interest on the principal value of the Loan Notes shall accrue from day to day and will be calculated on the basis of the actual number of days elapsed and a year of 365 days at the rate set out below:

- for the period from (and including) the Loan Note Issue Date until (but excluding) the date falling 6 months and 1 day after the Loan Note Issue Date, at a rate of 7 per cent. per annum; and
- for the period from (and including) the date falling 6 months and 1 day after the Loan Note Issue Date until (but excluding) the date of redemption of the Loan Notes, at a rate of 9 per cent. per annum,

and will be capitalised, and be payable, on the Redemption Date (as defined below) only.

Other than as set out below, the Loan Notes will be issued on the Loan Note Issue Date with a term which shall end on the "**Final Redemption Date**", being the later to occur of:

- the date falling 6 months and 1 day after the Loan Note Issue Date; and
- the date falling 18 months after the Effective Date.

Loan Notes issued on a change of control of GVC or a winding up of GVC will be redeemable immediately upon their issue.

If the Loan Notes have been issued because no Maximum Stakes Measures have been Enacted by the first anniversary of the Effective Date, the Loan Notes will be issued with a term ending on the date falling 6 months and 1 day from the Loan Note Issue Date.

GVC: (i) may also at its option redeem the Loan Notes before the Final Redemption Date provided the Loan Notes shall not be redeemable within the period of 6 months and 1 day from the Loan Note Issue Date; (ii) will be required to redeem the Loan Notes in the event of a change of control of GVC; and (iii) will be required to redeem the Loan Notes in the event of a winding up of GVC. (any such date being an "**Early Redemption Date**", and the first to occur of the Final Redemption Date and the Early Redemption Date being the "**Redemption Date**").

On the Redemption Date, GVC will redeem the outstanding principal amount of the relevant Loan Notes for cash (together with accrued interest less any tax required by law to be withheld or deducted therefrom). The Loan Notes will automatically be cancelled upon redemption.

Potential listing of CVRs and/or Loan Notes

GVC is considering seeking an over the counter trading facility or listing for the CVRs and/or the Loan Notes. A further announcement in relation to such trading facility will be made in due course, but there can be no guarantee that any such trading facility or listing will be obtained.

Houlihan Lokey has not been required to confirm, and nor has it confirmed, that resources are available to GVC to satisfy payments under the Loan Notes and Ladbrokes Coral Shareholders will be at risk if, for any reason, GVC is not in a position to meet its obligations under the Loan Note Instrument.

5 Mix and Match Facility

The Acquisition will include a Mix and Match Facility so that eligible Ladbrokes Coral Shareholders will be entitled to elect, subject to availability, to vary the proportions of cash and New GVC Shares they receive pursuant to the Acquisition. Further details of the Mix and Match Facility will be set out in the Scheme Document.

The Mix and Match Facility will not change the total number of New GVC Shares to be issued by GVC or the total cash consideration to be paid pursuant to the Acquisition. Accordingly, elections made by eligible Ladbrokes Coral Shareholders under the Mix and Match Facility for New GVC Shares will only be satisfied to the extent that other eligible Ladbrokes Coral Shareholders make equal and opposite elections under the Mix and Match Facility.

To the extent that elections cannot be satisfied in full, they will be scaled down on a pro rata basis. As a result, Ladbrokes Coral Shareholders who make an election under the Mix and Match Facility will not know the exact number of New GVC Shares or amount of cash they will receive until settlement of the consideration under the Acquisition. Elections under the Mix and Match Facility will not affect the entitlements of those Ladbrokes Coral Shareholders who do not make any such elections.

The Mix and Match Facility will be conditional on the Acquisition becoming effective and further details of the Mix and Match Facility and which Ladbrokes Coral Shareholders are ineligible to participate will be included in the Scheme Document. A Mix and Match Facility will not be offered in respect of the CVRs; each Ladbrokes Coral Shareholder will receive one CVR for each Ladbrokes Coral Share they hold at the Scheme Record Time.

If the issue of New GVC Shares to any Restricted Overseas Shareholder, or to any person who is reasonably believed to be an Restricted Overseas Shareholder, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, GVC may at its discretion determine that such Restricted Overseas Shareholder shall either (i) not have allotted or issued to him New GVC Shares and that the New GVC Shares which would otherwise have been attributable to such Restricted Overseas Shareholder under the terms of the Offer shall be sold in the market and the cash proceeds of such sale be forwarded to such Restricted Overseas Shareholder or (ii) that the New GVC Shares shall be issued to such Restricted Overseas Shareholder but shall be sold in the market on his behalf and the cash proceeds of such sale forwarded to the relevant Restricted Overseas Shareholder (in each case after deduction of broking fees and other sale costs and expenses).

6 Information relating to GVC and its current trading

GVC is a multinational sports betting and gaming group operating some of the leading consumer-facing brands in the online gaming industry, including: *bwin.party*, *Sportingbet*, *PartyCasino* and *PartyPoker*, *Casino Club* (a casino for the German-speaking markets), *Foxy Bingo*, and *betboo* (bingo, sportsbetting, casino and poker in South America). GVC has a scalable and proven proprietary technology platform, a diversified geographic footprint and product mix, and has over 2,800 employees and contractors

globally. As at 30 June 2017, GVC had 79 million registered accounts across over 1,000 games playable in 21 languages and 19 currencies.

GVC has delivered attractive shareholder returns through the growth of its share price and through cash dividends, supported by strong cash generation from operations. In the five years to the Last Practicable Date, GVC delivered a total shareholder return⁴ exceeding 380 per cent. GVC's vision is to build further scale and to diversify internationally in order to be a top three player in the markets in which it operates. GVC's management continues to deliver this vision through its strategy built on both organic and acquisitive growth.

GVC Shares are admitted to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange. GVC is also a member of the FTSE 250 index. As of the close of trading on the Last Practicable Date, GVC had a market capitalisation of approximately £2.8 billion.

Current trading

GVC released its trading update on 12 October 2017, for the three-month period to 30 September 2017, which included the following information in relation to its current trading and prospects:

"The GVC Group enjoyed another strong quarter with Group daily NGR +10% versus the same period last year and +13% in constant currency. This was particularly pleasing as the corresponding period last year was boosted by the final stages of the UEFA Euro 2016 tournament. Underlying NGR (which includes stripping out Euro 2016 and Kalixa - which was disposed of in May 2017) increased +18% and 21% in constant currency.

Within Sports Brands, the gross win margin for the period was 11.2% (10.5% Q3 2016), ahead of our expectations of the long-term sustainable average (c10%). Daily wagers were 4% ahead in constant currency, but as noted above, this was against a comparative period that included the Euro 2016 tournament - adjusting for this, underlying wager growth in constant currency was 8%. The strength of the underlying wager growth is a reflection of the success of the new bwin marketing campaign launched in August.

Games Brands daily NGR increased 15% (+17% in constant currency) over the same period last year. partypoker NGR grew 48% year on year, continuing to benefit from product improvement and increased marketing investment. Casino brands NGR also grew in Q3, whilst bingo returned to underlying growth during the period. The decline in B2B and non-core reflects the disposal of Kalixa in May 2017.

The GVC Group has also enjoyed a strong start to Q4, albeit it is just over a week into the period."

On 2 November 2017, GVC included the following additional trading update as part of the announcement of the sale of its Turkish facing operations:

"The strong start to the quarter as reported with the trading update on 12 October 2017 has continued. Daily NGR in October was 26% (29% in constant currency) ahead of the same period in 2016, boosted by an exceptionally high sports gross win margin, 13%, and a positive response to new marketing campaigns."

Long-term refinancing

⁴ Total shareholder return is calculated as a cumulative total return value with gross dividends reinvested on the ex-date.

On 7 December 2017, GVC announced a €50m increase in the term loan element of its senior secured term and revolving facility originally signed in March 2017. This facility now comprises a €300m term loan and a €70m revolving credit facility.

The additional €50m raised will be used for potential bolt-on acquisitions and general corporate purposes. There are no plans to draw on the revolving credit facility.

GVC has also incorporated some additional enhancements to the documentation: the interest rate on the term loan has been reduced by 50bp to 275bp above Euribor with a 0 per cent. floor and the leverage test governing the availability of incremental *pari passu* debt under the accordion facility, which allows the incurrence of incremental *pari passu* debt subject to that test, has been increased from 2.25 to 3.5x.

The Board of GVC believes that the Enlarged Group's leverage will not exceed 3.0x Net Debt/EBITDA (where Net Debt is interest bearing loans and borrowings and customer liabilities, less cash and cash equivalents, and EBITDA is Clean EBITDA) by the end of the first full financial year post-Completion, following all reasonably expected outcomes of the Triennial Review.

7 Information relating to Ladbrokes Coral and its current trading

Ladbrokes Coral is a leading European and international betting and gaming groups, providing its customers with a broad choice of products across a strong multi-channel platform. The group was formed from the combination of Ladbrokes plc and certain businesses of Gala Coral Group Limited, which completed on 1 November 2016. Ladbrokes Coral is the largest operator in the UK retail betting and gaming market (based on LBOs) with over 3,300 shops across England, Wales and Scotland. Internationally the Group's European Retail division comprises Eurobet Retail (Italy), Ladbrokes Belgium, Ladbrokes Ireland and the Spanish joint venture Sportium. Furthermore, Ladbrokes Coral also has a strong online presence with digital sports betting and gaming offerings across its brands, including Ladbrokes.com, Coral.co.uk, Galabingo.com, Galacasino.com, Ladbrokes.com.au (Australia), Eurobet.it (Italy), Ladbrokes.be (Belgium) and the Spanish joint venture Sportium.es.

The Group has identified five opportunities that are central to its existing overall strategy: (i) the delivery of faster online growth through a leading product offering, combined with a data-driven approach to marketing and customer retention; (ii) leveraging its position as the United Kingdom's largest LBO estate to grow its multi-channel offering; (iii) pursuing the growth of the Group's extensive international portfolio of businesses; (iv) pursuing product and technological development; and (v) delivering synergies identified as part of the Ladbrokes Coral merger.

Ladbrokes Coral Shares are admitted to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange. Ladbrokes Coral is also a member of the FTSE 250 index. As of the close of trading on the Last Practicable Date, Ladbrokes Coral had a market capitalisation of approximately £3.3 billion.

Current trading

Ladbrokes Coral released its trading update on 13 November 2017, for the period 1 July 2017 to 29 October 2017, which included the following information in relation to its current trading and prospects:

"UK Retail like-for-like ("LFL") net revenue was 1% behind with LFL OTC stakes performance improving, as expected, on the previous quarter to 5% behind the prior year. Following the agreement of a content deal with The Racing Partnership in July and the resultant return of all horse racing content to the Retail estate, the Ladbrokes Coral Group estimates that over 80% of the volume lost due to the lack of content has now returned. This stakes performance has also been impacted by the structural improvements made to the Ladbrokes horse racing gross win margin which is estimated to account for c1pp of the decline. Both the new revenue-share based content deal signed with The Racing Partnership and the

structural improvements to gross win margins will help protect the long term profitability of the UK Retail business. LFL OTC gross win margins were 0.4pp ahead of last year (Coral flat and Ladbrokes +0.6pp) resulting in LFL OTC net revenue 4% behind. LFL machines net revenue was flat year-on-year.

European Retail net revenue was 17% ahead (constant currency ("cc") +12%) of last year with European Retail stakes 10% ahead (cc +5%). Sports gross win margins were 0.8pp ahead of last year with football gross win margins in Italy returning to more normal levels.

Digital net revenue was 12% ahead of last year and 15% ahead excluding the Euros. Sportsbook stakes were 17% ahead (cc +14%) and 18% ahead (cc +15%) excluding the Euros. Sportsbook gross win margin was 0.7pp ahead at 9.6% and sportsbook net revenue 18% ahead (cc +16%). Gaming net revenue was 6% ahead of last year, with gaming net revenue in the sportsbook-led brands 7% ahead.

Growth in Ladbrokes.com.au was very strong with sports stakes 41% ahead and net revenue 50% ahead on a constant currency basis. Eurobet.it sports stakes were 35% ahead of last year, with sports gross win margins improving strongly from the very poor start to the year, helping driving sports net revenue growth of 36% on a constant currency basis.

Coral.co.uk continued to perform well in what is a competitive UK environment, growing net revenue by 13% (17% excluding the Euros). Ladbrokes.com net revenue was 9% behind (-5% excluding the Euros). The focus on improved returns on acquisition and retention spend in the Ladbrokes brand will reduce revenue in the short term but will drive profitability in the medium term. Also, as highlighted at H1, new product and feature releases were suspended, as planned, as Ladbrokes.com was successfully migrated onto one Digital platform. Product development continued throughout the migration and the release of new product and features is now continuing in-line with integration plans. The period also saw a significant reduction in the use of affiliate acquisition channels across all UK brands.

Galabingo.com grew strongly in the quarter, with net revenue 10% ahead, albeit this progress was offset by the payout of a £1m progressive jackpot in Galacasino.com, resulting in combined net revenue growth of 3% across the Gala websites.

Total Group net revenue was 3% ahead of last year (cc +2%).

The Ladbrokes Coral Group remains in-line with its expectations for the year."

8 Completion of disposal of GVC's Turkish facing business

On 2 November 2017, GVC announced the sale of the entire issued share capital of Headlong Limited, comprising its Turkish facing business, to Ropso Malta Limited (the "**Buyer**") (the "**Sale**") pursuant to a sale and purchase agreement entered into between the Buyer, GVC Investments Limited (the "**Seller**") and GVC, dated 2 November 2017 (the "**Sale Agreement**"). The Sale completed on 19 December 2017.

The consideration for the Sale took the form of a performance related earn-out payable monthly over a five-year period up to a maximum of €150m (the "**Deferred Consideration**"). The first payment was to fall due five days after the end of the second month following completion of the Sale (being 2 March 2018).

The Sale Agreement provides that following completion of the Sale, the Seller has the right to serve a 'clean break' notice on the Buyer (the "**Clean Break Notice**"), notifying the Buyer that on the date that is one month following service of the Clean Break Notice (the "**Clean Break Date**"), the Buyer's obligations to pay the Deferred Consideration shall terminate.

On 21 December 2017, the Seller served a Clean Break Notice on the Buyer. Accordingly, the Clean Break Date shall be 21 January 2018. Under the Sale Agreement, the Clean Break Notice is revocable.

In the Co-operation Agreement, GVC has undertaken to Ladbrokes Coral not to revoke the Clean Break Notice unless the Offer fails to become Effective. Given that the Clean Break Date falls before the date on which the first payment of Deferred Consideration was to fall due, no Deferred Consideration will be paid nor will any Deferred Consideration be payable by the Buyer to the Seller if the Offer becomes Effective.

9 Background to and reasons for the recommendation by Ladbrokes Coral Directors

Ladbrokes plc and certain businesses of Gala Coral Group Limited, completed a combination on 1 November 2016 to form Ladbrokes Coral. Ladbrokes Coral has become a leading multi-channel betting and gaming business with an impressive reach and an international presence in major regulated markets across the world, with net revenue of £2 billion annually.

Ladbrokes Coral is the largest operator in the UK retail betting and gaming market (based on LBOs), with over 3,300 shops across England, Wales and Scotland under Ladbrokes and Coral brands. Ladbrokes Coral has a strong online presence with digital sports betting and gaming offering across the brands, supported by market-leading technology. Internationally Ladbrokes Coral has a strong retail and online operation in Italy; strong retail platforms in Ireland, Spain and Belgium; and strong online bookmaking brands in Australia.

Since the completion of the combination on 1 November 2016, significant progress has been made on integrating the historic Ladbrokes and Coral groups. In terms of specific milestones, a single board, leadership and operational teams have been implemented in the United Kingdom to support the dual brand strategy. In UK Digital, Ladbrokes Coral now operates on a common version of its sports and gaming platforms and uses a single trading team and trading platform to support the entire UK business. Ladbrokes Coral's contact centre integration has also been completed. In UK retail, over 20,000 colleagues have signed up to harmonised terms and conditions, which has enabled the alignment of retail operating processes. Multi-channel capability has also been improved as customer-focused products and features have been shared and extended between brands. Furthermore, Ladbrokes' previous head office has been vacated and the move to Coral's Stratford office has now been completed. As a result of this progress, in July 2017, Ladbrokes Coral announced it expected to achieve increased synergies as a result of the combination, raising its guidance to £150 million per annum, more than double the original estimate (at the time of the combination).

Whilst the increased scale and the strong online and retail proposition of the combined Ladbrokes Coral business provides a favourable commercial backdrop, the betting and gaming industry landscape continues to evolve as technology enables new customer experiences and increasing regulatory oversight. There has been a significant level of consolidation activity in the sector. This has been driven by the need to meet the requirements of customers wanting a broader suite of products and across all channels. In addition the increasing complexity and cost of regulatory compliance can be better and more cost effectively managed as part of a larger group.

Against this backdrop Ladbrokes Coral Directors decided that whilst increased scale, diversification, a dual-brand strategy and a clear strategic direction are delivering results, an acquisition by GVC will optimise shareholder value.

The Ladbrokes Coral Directors believe that the offer from GVC represents a compelling opportunity to create an Enlarged Group capable of achieving significant strategic, financial and operational benefits. In particular, the Offer:

- Represents a premium, assuming no payment under the CVR, of 21.2 per cent. and, assuming full payment under the CVR, of 52.7 per cent., in each case to the Closing Price of 135.7 pence

per Ladbrokes Coral Share on 6 December 2017 (being the last Business Day prior to the commencement of the Offer Period);

- Provides Ladbrokes Coral Shareholders with a flexible consideration structure which takes into account a range of outcomes under the Triennial Review; and
- Is an attractive mix of cash and equity in the Enlarged Group, resulting in Ladbrokes Coral Shareholders owning approximately 46.5 per cent of the Enlarged Group on a fully diluted basis, providing the opportunity to benefit from:
 - The Enlarged Group's revenue and profit growth profile and sharing in the annual recurring pre-tax cost synergies of at least £100m (expected to be fully realised by the end of 2021 following completion of the Acquisition) and additional unquantified capital expenditure savings and revenue synergies;
 - Combining the significant experience from both management teams with a track record of being at the forefront of consolidation in the industry, integrating businesses and delivering substantial shareholder value;
 - Significantly increased scale and breadth providing the Enlarged Group with the size and resources to address the dynamics of the rapidly changing gaming industry and regulatory environment; and
 - The ability to leverage expertise across all distribution channels and especially leveraging proprietary technology for competitive advantage and cost reduction.

Following consideration of the above factors, the Ladbrokes Coral Directors believe that the terms of the Acquisition are in the best interests of Ladbrokes Coral Shareholders as a whole and unanimously intend to recommend that Ladbrokes Coral Shareholders vote in favour of the Acquisition.

10 Recommendation by the Ladbrokes Coral Directors

The Ladbrokes Coral Directors, who have been so advised by Greenhill and UBS on the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing advice to the Ladbrokes Coral Directors, each of Greenhill and UBS has taken into account the commercial assessments of the Ladbrokes Coral Directors. Greenhill and UBS are providing independent financial advice to the Ladbrokes Coral Directors for the purposes of Rule 3.1 of the Takeover Code.

Accordingly, the Ladbrokes Coral Directors intend unanimously to recommend that Ladbrokes Coral Shareholders vote in favour of the Scheme at the Court Meeting and the Ladbrokes Coral Resolutions at the Ladbrokes Coral General Meeting, as the Ladbrokes Coral Directors who hold, or are otherwise beneficially interested in, Ladbrokes Coral Shares have irrevocably undertaken to do in respect of the beneficial holdings which are under their control of, in aggregate, 9,597,395 Ladbrokes Coral Shares representing approximately 0.5 per cent. of Ladbrokes Coral's ordinary share capital in issue on the Last Practicable Date.

11 GVC Shareholder approval and recommendation by the GVC Directors

Given the current size and value of Ladbrokes Coral relative to the current size and value of GVC, and since the shares of GVC are admitted to the premium listing segment of the Official List, the Acquisition constitutes a "Class 1" transaction for the purposes of the Listing Rules.

Accordingly, GVC will be required to seek the approval of GVC Shareholders at the GVC General Meeting for the Acquisition. GVC is required to prepare and send the GVC Prospectus (which will also

constitute a GVC Shareholder circular) to GVC Shareholders and also to Ladbrokes Coral Shareholders. The GVC Prospectus will include, among other things, details on GVC Shares (including the New GVC Shares), the Enlarged Group, the background to and reasons for the Acquisition, and a notice convening the GVC General Meeting.

The Scheme will be conditional upon, amongst other things, the passing by the requisite majority at the GVC General Meeting of the GVC Resolutions required to (i) approve, effect and implement the Acquisition including the grant of uncapped indemnities to the GVC Representative and the CVR Representative (under the Listing Rules, as a "Class 1" transaction); (ii) authorise an increase in the authorised share capital of GVC; (iii) confer authorities for the issue and allotment of the New GVC Shares to be issued pursuant to the Acquisition; (iv) the disapplication of pre-emption rights in respect of the allotment of the New GVC Shares in accordance with article 5.2(d) of the articles of association of GVC; and (v) the amendment of the articles of association of GVC in connection with the proposed increase in the share capital of GVC. The GVC Resolutions will all be ordinary resolutions, save for the resolutions to (i) amend the articles of association of GVC, and (ii) dis-apply the pre-emption rights in respect of the allotment of the New GVC Shares, each of which will be a special resolution.

It is expected that the GVC Prospectus will be published at, or around, the same time as the Scheme Document is published and posted to Ladbrokes Coral Shareholders.

The GVC Directors consider the terms of the Acquisition to be in the best interests of GVC and the GVC Shareholders taken as a whole and accordingly intend unanimously to recommend that GVC Shareholders vote in favour of the GVC Resolutions.

The GVC Directors, who hold or are beneficially interested in (or whose family members hold, or are beneficially interested in) GVC Shares, have irrevocably undertaken to vote (or procure that the registered holder votes) in favour of the GVC Resolutions in respect of such beneficial holdings of 3,389,611 GVC Shares representing, in aggregate, approximately 1.1 per cent. of GVC's ordinary share capital in issue on the Last Practicable Date.

Further details of these irrevocable undertakings (including the circumstances in which they may lapse) are set out in Appendix III to this Announcement.

12 Irrevocable undertakings and letter of intent in relation to the Acquisition

GVC has received irrevocable undertakings from the Ladbrokes Coral Directors to vote their own beneficial holdings of Ladbrokes Coral Shares in favour of the Scheme at the Court Meeting and the Ladbrokes Coral Resolutions, in respect of an aggregate of 9,597,395 Ladbrokes Coral Shares, representing, in aggregate, approximately 0.5 per cent. of the ordinary share capital of Ladbrokes Coral in issue on the Last Practicable Date.

In addition to the irrevocable undertakings received from the Ladbrokes Coral Directors, GVC has received irrevocable undertakings and a letter of intent from certain other Ladbrokes Coral Shareholders to vote in favour of the Scheme at the Court Meeting and to vote in favour of the Ladbrokes Coral Resolutions, in respect of an aggregate of 231,545,165 Ladbrokes Coral Shares representing, in aggregate, approximately 12.1 per cent. of the ordinary share capital of Ladbrokes Coral in issue on the Last Practicable Date.

In total, therefore, GVC has received irrevocable undertakings and a letter of intent to vote in favour of the Scheme at the Court Meeting and the Ladbrokes Coral Resolutions in respect of an aggregate of 241,142,560 Ladbrokes Coral Shares representing, in aggregate, approximately 12.6 per cent. of the ordinary share capital of Ladbrokes Coral in issue on the Last Practicable Date.

Further details of these irrevocable undertakings (including the circumstances in which they may lapse) and the letter of intent are set out in Appendix III to this Announcement.

13 Financing

GVC has entered into incremental facility tranches under its existing senior term and revolving facilities agreement (the “**Existing Facilities Agreement**”), pursuant to which each of Barclays Bank PLC, Credit Suisse International, Deutsche Bank AG, London Branch, Mediobanca – Banca di Credito Finanziario S.p.A. and The Royal Bank of Scotland plc (trading as NatWest Markets) (as mandated lead arrangers and underwriters) have severally and not jointly provided to GVC additional term loan commitments of £1,400,000,000 (available to be drawn in a combination of currencies), a bond backstop term loan commitment of £400,000,000 (which may be redenominated in agreed circumstances into other currencies) and a £550,000,000 multicurrency revolving credit facility (replacing the existing €70,000,000 revolving credit facility under the Existing Facilities Agreement) in connection with the financing of the cash consideration payable to Ladbrokes Coral Shareholders, to refinance certain existing indebtedness of the Ladbrokes Coral Group, to pay certain costs and expenses and, in the case of the multicurrency revolving credit facility, for general corporate purposes. Up to £100,000,000 of the multicurrency revolving credit facility will be cancelled if not used within 1 year of closing to refinance certain Ladbrokes group bonds and/or amounts due in respect of the CVR. In addition, the existing €300,000,000 term loan to GVC under the Existing Facilities Agreement will remain outstanding, and no consents are required from the providers of that existing term loan for the commitments and financings described in this paragraph.

Houlihan Lokey, as financial adviser to GVC, is satisfied that sufficient resources are available to GVC to enable it to satisfy in full the cash consideration payable to Ladbrokes Coral Shareholders pursuant to the terms of the Acquisition.

Houlihan Lokey has not been required to confirm, and has not confirmed, that resources are available to GVC to satisfy payments under the CVRs or the Loan Notes and Ladbrokes Coral Shareholders will be at risk if, for any reason, GVC is not in a position to meet its obligations under the CVRs and/or Loan Notes Instrument.

14 Management, employees and locations

The Enlarged Group will benefit from the expertise and talents from both Ladbrokes Coral and GVC as it merges its operations, with the executive senior leadership being drawn from both Ladbrokes Coral and GVC.

With respect to the Enlarged Group Board, it will comprise Lee Feldman as Chairman, Kenneth Alexander as Chief Executive, Paul Bowtell as Chief Financial Officer, and non-executive directors who are expected to be drawn from the current GVC Board.

Whilst the Board of GVC to date has proven highly effective, in the coming months it is intended that a review of the balance of skills and experience of the Enlarged Group Board will be undertaken to ensure it has the optimal blend of capability and expertise. If appropriate, the Enlarged Group will actively pursue further appointments to enhance Board effectiveness for the medium term. In the light of the Enlarged Group's size, the range of its activities and the geographic spread of its business following the Acquisitions, the Board of GVC intends, following Completion, to commission a review of GVC's governance and compliance procedures to ensure that they remain appropriate for the Enlarged Group.

The senior executive management team of the Enlarged Group will also include as joint Chief Operating Officers Andy Hornby, with responsibility for all retail business in the UK and Europe and all digital marketing, and Shay Segev, with responsibility for technology, product, customer service, and

leadership of operational and technology integrations post-Completion. The Australian operations will report directly to CEO Kenneth Alexander.

GVC and Ladbrokes Coral believe that the Acquisition will result in opportunities for many employees in the Enlarged Group. However, GVC and Ladbrokes Coral also recognise that in order to achieve the planned benefits of the Acquisition, including deriving any available cost synergies, operational restructuring of both GVC and Ladbrokes Coral is likely to be required. Following the Effective Date, GVC intends to seek to integrate the operations of GVC and Ladbrokes Coral as far as reasonably practicable. Although integration plans have yet to be finalised, and any final decision will be subject to engagement with appropriate stakeholders, this may lead to redundancies where the businesses have overlapping functions or operational efficiencies have been identified.

The Board of GVC has confirmed to the Ladbrokes Coral Board that the existing employment rights, including pension rights and incentive arrangements, of all management and employees of Ladbrokes Coral will be fully safeguarded.

15 Ladbrokes Coral Share Schemes

Participants in the Ladbrokes Coral Share Schemes will be contacted separately regarding the effect of the Acquisition on their rights under the Ladbrokes Coral Share Schemes and with the details of GVC's appropriate proposals in respect of their options and awards. Further details of the terms of such proposals will be included in the Scheme Document and in separate documentation to be sent to participants in the Ladbrokes Coral Share Schemes in due course.

16 Dividends and dividend policy

The Boards of GVC and Ladbrokes Coral have agreed that their respective shareholders should each be paid a dividend for the year ending 31 December 2017.

In order to ensure that shareholders receive this benefit, if the Effective Date occurs before the announcement of a final dividend by GVC and/or Ladbrokes Coral for the year ending 31 December 2017, GVC and/or Ladbrokes Coral each intends to declare a special interim dividend prior to the Effective Date in an amount equal to whatever amount the final dividend for the year ending 31 December 2017 would have been.

Details of this and other matters agreed in relation to dividends are as follows:

Ladbrokes Coral Permitted Dividends

Under the terms of the Acquisition and save as set out below, prior to the Effective Date, Ladbrokes Coral Shareholders will be entitled to receive either:

- a final dividend announced, declared or paid by Ladbrokes Coral for the period ending 31 December 2017; or
- a special interim dividend announced, declared or paid by Ladbrokes Coral in an amount equal to the anticipated final dividend for the period ending 31 December 2017,

provided that any such dividend shall not exceed 4 pence per Ladbrokes Coral Share.

If (i) Completion has not occurred by the Long Stop Date and (ii) the Long Stop Date is extended beyond the later of Ladbrokes Coral's and GVC's respective customary half-year interim dividend record date, Ladbrokes Coral Shareholders will also be entitled to receive any half-year interim dividend announced,

declared or paid by Ladbrokes Coral in respect of the half-year period ending 30 June 2018, provided that any such dividend shall not exceed 2.2 pence per Ladbrokes Coral Share.

Any dividend that is permissible under the above criteria is a "**Ladbrokes Coral Permitted Dividend**".

For the avoidance of doubt, if Completion occurs after the declaration of a Ladbrokes Coral Permitted Dividend but before its payment date, Ladbrokes Coral Shareholders will be entitled to receive such dividend.

GVC Permitted Dividends

Under the terms of the Acquisition and save as set out below, prior to the Effective Date GVC Shareholders will be entitled to receive either:

- a final dividend announced, declared or paid by GVC for the period ending 31 December 2017; or
- a special interim dividend announced, declared or paid by GVC in an amount equal to the anticipated final dividend for the period ending 31 December 2017,

provided that any such dividend shall not exceed €0.175 per GVC Share.

If (i) Completion has not occurred by the Long Stop Date and (ii) the Long Stop Date is extended beyond the later of Ladbrokes Coral's and GVC's respective customary half-year interim dividend record date, GVC Shareholders will also be entitled to receive any half-year interim dividend announced, declared or paid by GVC in respect of the half-year period ending 30 June 2018, provided that any such dividend shall not exceed €0.18 per GVC Share.

Any dividend that is permissible under the above criteria is a "**GVC Permitted Dividend**".

GVC does not intend to declare any dividends other than a GVC Permitted Dividend prior to the Effective Date and, under the Co-operation Agreement, has agreed not to.

For the avoidance of doubt, if Completion occurs after the declaration of a GVC Permitted Dividend but before its payment date, GVC Shareholders will be entitled to receive such dividend.

Impact of payment of dividends other than Permitted Dividends

If any dividend or other distribution or return of capital is announced, declared, made or paid in respect of the Ladbrokes Coral Shares after the date of this Announcement and prior to the Effective Date, other than a Ladbrokes Coral Permitted Dividend, or in excess of any Ladbrokes Coral Permitted Dividend, GVC reserves the right to reduce the Offer Price by the amount of all or part of any such excess, in the case of a Ladbrokes Coral Permitted Dividend, or otherwise by the amount of all or part of any such dividend or other distribution. The cash element of the Offer Price will be reduced first.

To the extent that such a dividend or distribution has been declared but not paid prior to the Effective Date, and such dividend or distribution is cancelled, then the Offer Price shall not be subject to change in accordance with this paragraph.

Any exercise of rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Acquisition.

Dividend policy

Following the Effective Date and subject to the approval of the GVC Board, GVC intends to continue with a progressive dividend policy consistent with its post-Acquisition growth strategy, which balances returns to shareholders with the need to retain sufficient funds to drive growth and reduce leverage.

17 Structure of the Acquisition

Scheme

It is intended that the Acquisition will be implemented by means of a Court-sanctioned scheme of arrangement of Ladbrokes Coral under Part 26 of the Companies Act. The Scheme is an arrangement between Ladbrokes Coral and the Scheme Shareholders, to which GVC will adhere, and is subject to the approval of the Court.

The purpose of the Scheme is to enable GVC to become the holder of the entire issued ordinary share capital of Ladbrokes Coral at the Scheme Record Time. This is to be achieved by the transfer by Scheme Shareholders of the Scheme Shares to GVC in consideration for which the Scheme Shareholders on the register of members at the Scheme Record Time will receive the consideration on the basis set out in paragraph 2 of this Announcement. The procedure involves, amongst other matters, applications by Ladbrokes Coral to the Court to convene the Court Meeting and to sanction the Scheme.

The Scheme Document will include full details of the Scheme, together with notice of the Court Meeting and the Ladbrokes Coral General Meeting. The Scheme Document will also specify the actions available to be taken by the Scheme Shareholders. It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and Ladbrokes Coral General Meeting, together with the relevant Forms of Proxy and a Form of Election, will be published and posted to Ladbrokes Coral Shareholders no later than February 2018.

Conditions to the Acquisition

The Acquisition is also subject to the Conditions and further terms set out in Appendix I to this Announcement and to be set out in the Scheme Document, the Forms of Proxy and the Form of Election, and will only become Effective if, among other things, the following events occur on or before the Long Stop Date:

- a resolution to approve the Scheme is passed at the Court Meeting by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders who are on the register of members of Ladbrokes Coral at the Voting Record Time, present and voting, whether in person or by proxy, at the Court Meeting;
- the Ladbrokes Coral Resolutions necessary to implement the Scheme are passed by the requisite majority of Ladbrokes Coral Shareholders at the Ladbrokes Coral General Meeting;
- each of the GVC Resolutions is passed by the requisite majority of GVC Shareholders at the GVC General Meeting;
- the New GVC Shares to be issued pursuant to the Acquisition are admitted to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange on Completion;
- the Scheme is sanctioned by the Court; and
- a copy of the Court Order is delivered to the Registrar of Companies.

The Scheme is also conditional on the making of a determination by the UKGC pursuant to section 102(4)(a) of the Gambling Act and made in respect of all operating licences (as such term is defined in the Gambling Act) held by members of the Ladbrokes Coral Group that all such operating licences shall continue to have effect following the acquisition by GVC of the Scheme Shares and the anti-trust and other regulatory approvals in relation to the Acquisition being obtained or the relevant Conditions being waived (as further described in paragraphs 3(c) to 3(k) of Part A of Appendix I to this Announcement).

Scheme becoming Effective

Upon the Scheme becoming Effective (i) it will be binding on all Ladbrokes Coral Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the Ladbrokes Coral General Meeting (and if they attended and voted, whether or not they voted in favour); and (ii) share certificates in respect of Ladbrokes Coral Shares will cease to be valid and entitlements to Ladbrokes Coral Shares within the CREST system will be cancelled.

Any Ladbrokes Coral Shares issued on or before the Scheme Record Time will be subject to the terms of the Scheme. Such Scheme Shares will be acquired by GVC pursuant to the Scheme fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto, including voting rights and the rights to receive and retain in full all dividends and other distributions declared, made or paid on or after the date of this Announcement.

The New GVC Shares issued to Scheme Shareholders pursuant to the Scheme will be issued credited as fully paid and will rank *pari passu* in all respects with existing GVC Shares, including the right to receive dividends and other distributions declared, made or paid on GVC Shares by reference to a record date falling after the Effective Date. The New GVC Shares will be issued in registered form and will trade under the same ISIN number as the existing GVC Shares.

The cash consideration payable under the Acquisition will be despatched by GVC to Scheme Shareholders no later than 14 days after the Effective Date.

If the Scheme does not become Effective on or before the Long Stop Date (or such later date as GVC and Ladbrokes Coral may agree with the consent of the Panel and/or the Court, if such consent is required), it will lapse and the Acquisition will not proceed (unless the Panel otherwise consents).

Subject to the satisfaction or (where applicable) waiver of the Conditions, the Scheme is expected to become Effective in late Q1 or early Q2 2018.

General

The Scheme will be governed by English law and will be subject to the jurisdiction of the courts of England. The Scheme will be also subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the Financial Conduct Authority.

18 Admission of and commencement of dealings in New GVC Shares

The New GVC Shares are not being offered to the public by means of this Announcement. This Announcement is an advertisement and does not constitute a prospectus or prospectus equivalent document or an offer or an invitation to purchase or subscribe for any securities.

Applications will be made by GVC to the UKLA and to the London Stock Exchange, respectively, for the New GVC Shares to be issued pursuant to the Acquisition to be admitted to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange

subject to, among other things, Completion. The Scheme is conditional on, among other things, Admission.

It is expected that Admission will become effective, and dealings for normal settlement in the New GVC Shares will commence on the London Stock Exchange, at 8.00 a.m. (London time) on the first Business Day following the date on which the Scheme becomes Effective.

Details of how UK Ladbrokes Coral Shareholders can hold, access and trade GVC Shares will be set out in the Scheme Document. Ladbrokes Coral Shareholders resident in the United Kingdom will be able to hold their GVC Shares through any of the ways currently available to GVC Shareholders, including through an intermediary of their own choice should they wish to do so.

19 Fractional entitlements

Fractions of pence will not be paid to Scheme Shareholders and cash entitlements will be rounded down to the nearest penny. Fractions of New GVC Shares will not be allotted or issued to Scheme Shareholders and entitlements will be rounded down to the nearest whole number of GVC Shares and all fractions of New GVC Shares will be aggregated and sold in the market as soon as practicable after the Effective Date. The net proceeds of such sale (after deduction of all expenses and commissions incurred in connection with the sale) will be distributed by GVC in due proportions to Scheme Shareholders who would otherwise have been entitled to such fractions, save that individual entitlements to amounts of less than £5 will be retained for the benefit of the Enlarged Group.

20 Overseas Shareholders

Restrictions relating to certain Overseas Shareholders

Overseas Shareholders may be affected by the laws of other jurisdictions in relation to the Acquisition or the Scheme. Overseas Shareholders should inform themselves about and observe all applicable legal requirements.

The availability of New GVC Shares, CVRs and Loan Notes to be issued and allotted under the Acquisition, to persons who are not resident in, and the distribution of this Announcement to persons who are not resident in, the United Kingdom (including the ability to make valid elections in respect of the Acquisition) may be affected by the laws of the relevant jurisdiction in which such persons are located. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. Ladbrokes Coral Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in the jurisdiction without delay.

If the issue of New GVC Shares to any Restricted Overseas Shareholder, or to any person who is reasonably believed to be an Restricted Overseas Shareholder, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, GVC may at its discretion determine that such Restricted Overseas Shareholder shall either (i) not have allotted or issued to him New GVC Shares and that the New GVC Shares which would otherwise have been attributable to such Restricted Overseas Shareholder under the terms of the Offer shall be sold in the market and the cash proceeds of such sale be forwarded to such Restricted Overseas Shareholder or (ii) that the New GVC Shares shall be issued to such Restricted Overseas Shareholder but shall be sold in the market on his behalf and the cash proceeds of such sale forwarded to the relevant Restricted Overseas Shareholder (in each case after deduction of broking fees and other sale costs and expenses).

If the issue of CVRs to any Restricted Overseas Shareholder, or to any person who is reasonably believed to be an Restricted Overseas Shareholder, would or may infringe the laws of a jurisdiction

outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, the Company may, at its discretion, determine that such Restricted Overseas Shareholder shall not have issued to him the CVRs or certificates in respect of the CVRs and that the CVRs which would otherwise have been attributable to such Restricted Overseas Shareholder under the terms of the Acquisition will be held by a nominee on behalf of such Restricted Overseas Shareholder, and the cash proceeds (if any) following the issue and redemption of any Loan Notes issued under the terms of such CVRs be forwarded to such Restricted Overseas Shareholder following redemption of the Loan Notes (after deduction of fees and other costs and expenses).

US Shareholders

The New GVC Shares, the CVRs and any Loan Notes issued pursuant to the terms of the CVR Instrument have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States absent registration or an exemption from registration under the US Securities Act.

The New GVC Shares and the CVRs are expected to be offered in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. For the purpose of qualifying for this exemption, Ladbrokes Coral will advise the Court that its sanction of the Scheme will be relied upon by GVC as an approval of the Scheme following a hearing on its fairness to Ladbrokes Coral Shareholders at which hearing all such shareholders are entitled to appear in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all Ladbrokes Coral Shareholders.

Any Loan Notes issued to Ladbrokes Coral Shareholders in exchange for the CVRs issued pursuant to the Scheme will be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(9) thereof.

The New GVC Shares and CVRs to be issued to Ladbrokes Coral Shareholders pursuant to the Scheme and any Loan Notes to be issued to Ladbrokes Coral Shareholders in exchange for the CVRs generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive securities in the Scheme (other than “affiliates” as described in the paragraph below) may resell them without restriction under the US Securities Act.

Under US federal securities laws, a Ladbrokes Coral Shareholder who is an “affiliate” of either Ladbrokes Coral or GVC within 90 days prior to, or of GVC at any time following, the Effective Date will be subject to certain US transfer restrictions relating to the New GVC Shares and the CVRs received in connection with the Scheme. The New GVC Shares, CVRs or Loan Notes held by such affiliates may not be sold without registration under the US Securities Act, except pursuant to the applicable resale provisions of Rule 144 under the US Securities Act or another exemption from the registration requirements of the US Securities Act, including transactions conducted pursuant to Regulation S under the US Securities Act. Whether a person is an “affiliate” of a company for such purposes depends upon the circumstances, but affiliates of a company can include certain officers, directors and significant shareholders. A person who believes that he or she may be an affiliate of Ladbrokes Coral or GVC should consult his or her own legal advisers prior to any sale of any New GVC Shares, CVRs or Loan Notes

General

This Announcement has been prepared for the purposes of complying with English law, the Takeover Code and the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

21 Delisting of Ladbrokes Coral Shares, re-registration and re-organisation

Ladbrokes Coral intends, prior to the Scheme becoming Effective, to make an application to the UKLA and the London Stock Exchange, respectively, for the cancellation of the admission of Ladbrokes Coral Shares to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange, in each case to take effect from or shortly after the Effective Date. The last day of dealings in Ladbrokes Coral Shares on the main market for listed securities of the London Stock Exchange is expected to be the Business Day immediately prior to the Effective Date and no transfers will be registered after 6.30 p.m. (London time) on that date. On the Effective Date, share certificates in respect of Ladbrokes Coral Shares will cease to be valid and entitlements to Ladbrokes Coral Shares held within the CREST system will be cancelled.

The Ladbrokes Coral Resolutions is expected to contain a resolution to re-register Ladbrokes Coral as a private company, conditional on the Scheme becoming effective. Therefore, on or shortly after the Effective Date Ladbrokes Coral is expected to be re-registered as a private company. GVC also proposes that the Enlarged Group will be re-organised following the Acquisition becoming effective in order to remove surplus entities, simplify its corporate structure and make it easier and more efficient to move funds around the Enlarged Group as required. This will be considered in the context of both the ongoing integration and simplification of the Ladbrokes Coral Group and the GVC Group following their respective historic transactions and also the optimum structure for the Enlarged Group.

22 Offer-related arrangements and documents available on a website

Offer-related arrangements

Confidentiality Agreement

GVC and Ladbrokes Coral entered into a confidentiality agreement on 10 November 2016 pursuant to which GVC and Ladbrokes Coral have undertaken to each other to keep information provided to each other in connection with the Acquisition confidential and not to disclose it to third parties (other than to permitted recipients) unless required by law or regulation.

Co-operation Agreement

GVC and Ladbrokes Coral have entered into the Co-operation Agreement, pursuant to which GVC and Ladbrokes Coral have agreed to certain undertakings to co-operate and provide each other with reasonable information, assistance and access in relation to the filings, submissions and notifications to be made in relation to these regulatory clearances and authorisations that are required in connection with the Acquisition. GVC and Ladbrokes Coral have also agreed to provide each other with reasonable information, assistance and access for the preparation of certain parts of the key shareholder documentation.

GVC has agreed to certain limited restrictions on its conduct of business in respect of material matters pending the Acquisition becoming Effective. GVC has also represented to Ladbrokes Coral that it has served a Clean Break Notice, and undertaken it will not revoke it unless the Acquisition is withdrawn or lapses.

The Co-operation Agreement records GVC's and Ladbrokes Coral's intention to implement the Acquisition by way of the Scheme, subject to the ability of GVC to proceed by way of a takeover offer which is subject to the consent of Ladbrokes Coral, save where an independent competing transaction is announced or the Board of Ladbrokes Coral withdraws its unanimous and unconditional recommendation of the Acquisition.

The Co-operation Agreement shall be terminated with immediate effect if GVC and Ladbrokes Coral so agree in writing. Both GVC and Ladbrokes Coral have the right to terminate the Co-operation Agreement, *inter alia*, if (i) a Condition becomes incapable of satisfaction or is invoked so as to cause the Acquisition not to proceed, (ii) if the Acquisition is withdrawn or lapses in accordance with its terms and/or with the consent of the Panel (other than where such lapse or withdrawal is a result of the exercise of a right to switch to a Scheme or Offer (as applicable)), (iii) the Acquisition does not become Effective on or before the Long Stop Date, (iv) if one or more Ladbrokes Coral director withdraws his or her recommendation of the Acquisition, (v) if one or more GVC director withdraws his or her recommendation of any of the GVC Resolutions, and (vi) an independent competing transaction is announced which is unanimously and unconditionally recommended by the Ladbrokes Coral Board.

The Co-operation Agreement also contains provisions that will apply in respect of the Ladbrokes Coral Share Plans.

CVR

A summary of the terms of the CVR is set out in section 4 of this Announcement.

Loan Notes

A summary of the terms of the Loan Notes is set out in section 4 of this Announcement.

Cash Coverage Agreement

GVC and Ladbrokes Coral entered into an agreement on 7 December 2017 pursuant to which GVC agreed in certain circumstances to pay the reasonable documented costs and expenses of professional advisers properly incurred in connection with the Acquisition by Ladbrokes Coral and any of its subsidiaries or subsidiary undertakings from and including 27 November 2017 to and including the date on which the relevant obligation to make such payment was triggered, including any irrecoverable VAT thereon, up to a maximum amount of £5,000,000 (five million pounds sterling) (the "**Cash Coverage Agreement**").

Clean Break Notice

A summary of the terms of the Clean Break Notice is set out in section 8 of this Announcement.

Documents available on website

Copies of the following documents will, in accordance with Rule 26.2 of the Takeover Code, be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on GVC's and Ladbrokes Coral's websites at <http://www.gvc-plc.com/html/investor/welcome.asp> and <https://www.ladbrokescoralplc.com/investors> respectively, by no later than 12 noon on the Business Day following the date of this Announcement until the end of the Offer Period:

- a copy of this Announcement;
- the Confidentiality Agreement;
- the Co-operation Agreement;
- the CVR Instrument (including the agreed form Loan Note Instrument appended to it);
- the Cash Coverage Agreement;

- the Clean Break Notice;
- the irrevocable undertakings and the letter of intent referred to in paragraphs 11 and 12 above; and
- documents relating to the financing of the Acquisition referred to in paragraph 13 above.

For the avoidance of doubt, the contents of those websites are not incorporated and do not form part of this Announcement.

23 Interests of GVC in Ladbrokes Coral Shares

GVC confirms that it made an Opening Position Disclosure, setting out the details required to be disclosed by it under Rule 8.1(a) of the Takeover Code, on 21 December 2017.

Except for the irrevocable undertakings referred to in paragraph 12 above and save as otherwise disclosed in this Announcement, as at the close of business on the Last Practicable Date, neither GVC, nor any of the GVC Directors or any member of the Wider GVC Group, nor, so far as the GVC Directors are aware, any person acting in concert with GVC for the purposes of the Acquisition, had any interest in, right to subscribe for, or had borrowed or lent any Ladbrokes Coral Shares or securities convertible or exchangeable into Ladbrokes Coral Shares, nor did any such person have any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to take delivery, or any dealing arrangement of the kind referred to in Note 11 of the definition of acting in concert in the Takeover Code, in relation to Ladbrokes Coral Shares or in relation to any securities convertible or exchangeable into Ladbrokes Coral Shares.

"Interests in securities" for these purposes arise, in summary, when a person has long economic exposure, whether absolute or conditional, to changes in the price of securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person will be treated as having an "interest" by virtue of the ownership, voting rights or control of securities, or by virtue of any agreement to purchase, option in respect of, or derivative referenced to, securities.

Investec Capital and Investments (Ireland) Limited has confirmed that it holds 27,078 Ladbrokes Coral Shares, representing 0.0014 per cent. of the issued ordinary share capital of Ladbrokes Coral as at the Last Practicable Date.

Ladbrokes Coral confirms that it made an Opening Position Disclosure, setting out the details required to be disclosed by it under Rule 8.2(a) of the Takeover Code, on 21 December 2017.

24 General

GVC reserves the right to elect, with the consent of the Panel, and in certain circumstances, the consent of Ladbrokes Coral, to implement the acquisition of the Ladbrokes Coral Shares by way of a Takeover Offer as an alternative to the Scheme. In such event, the Acquisition will be implemented by GVC and/or one or more wholly-owned subsidiaries of GVC on substantially the same terms as those which would apply to the Scheme (subject to such amendments as are appropriate for an acquisition being made by way of takeover offer under Part 28 of the Companies Act, including, if the Panel so agrees, an acceptance condition set at up to 90 per cent. of the shares to which such Takeover Offer relates or at such other lower percentage as the Panel may agree, provided that if it became or was declared unconditional in all respects, the Offer would result in GVC holding Ladbrokes Coral Shares carrying greater than 50 per cent. of the voting rights in Ladbrokes Coral).

The Acquisition will be subject to the Conditions set out in Appendix I, and to the terms and conditions which will be set out in the Scheme Document. Appendix II contains the bases and sources of certain information used in this Announcement. Appendix III contains details of the irrevocable undertakings and the letter of intent received by GVC in respect of the Scheme and the Ladbrokes Coral Resolutions, as well as those received by Ladbrokes Coral in respect of the GVC Resolutions that are in each case referred to in this Announcement. Appendix IV Part A contains the statement made by the GVC Directors on the anticipated quantified financial benefits of the Acquisition together with the relevant bases of belief (including sources of information and principal assumption) supporting the statement and their analysis and explanation of the underlying constituent elements, and Parts B and C respectively contain the related reports from GVC's reporting accountants, Grant Thornton, and financial adviser, Houlihan Lokey.

For the purposes of Rule 28 of the Code, the Quantified Financial Benefits Statement contained in this Announcement is the responsibility of GVC and the GVC Directors. Each of Grant Thornton and Houlihan Lokey has given and not withdrawn its consent to the publication of its reports in this Announcement in the form and context in which they are included.

Appendix V contains definitions of certain terms used in this Announcement.

The Scheme and the Acquisition will lapse if there is a Phase 2 CMA Reference before the later of the Court Meeting and the Ladbrokes Coral General Meeting. In such event, Ladbrokes Coral will not be bound by the terms of the Scheme.

The Scheme will be governed by English law and will be subject to the jurisdiction of the courts of England and Wales. The Scheme will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the FCA.

Houlihan Lokey, Investec, Grant Thornton, Greenhill, UBS and Deutsche Bank have each given and not withdrawn their consent to the publication of this Announcement with the inclusion herein of the references to their names in the form and context in which they appear.

25 Rule 2.9

In accordance with Rule 2.9 of the Code, GVC confirms that, as at the date of this Announcement, it has in issue 303,726,475 ordinary shares of 0.01 euros each. GVC does not hold any ordinary shares in treasury. The International Securities Identification Number (ISIN) for GVC's ordinary shares is IM00B5VQMV65.

Enquiries

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|--|----------------------|
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GVC Holdings Legal Entity Identifier: 213800GNI3K45LQR8L28

Ladbrokes Coral Legal Entity Identifier: 213800P7FJOPCV4H3J04

Classification: 2.2

Important notices

Houlihan Lokey EMEA, LLP ("Houlihan Lokey"), which is authorised and regulated by the Financial Conduct Authority, is acting for GVC and no one else in connection with the matters set out in this Announcement. In connection with such matters, Houlihan Lokey, its affiliates and their respective partners, directors, officers, employees and agents will not regard any person other than GVC as their client, nor will they be responsible to anyone other than GVC for providing the protections afforded to their clients or for providing advice in relation to the contents of this Announcement or any other matter referred to in this Announcement.

Investec Bank plc ("Investec"), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, is acting for GVC and no one else in connection with the matters set out in this Announcement. In connection with such matters, Investec, its affiliates and their respective directors, officers, employees and agents will not regard any person other than GVC as their client, nor will they be responsible to anyone other than GVC for

providing the protections afforded to their clients or for providing advice in relation to the contents of this Announcement or any other matter referred to in this Announcement.

Greenhill & Co. International LLP ("Greenhill") is authorised and regulated by the Financial Conduct Authority in the United Kingdom. Greenhill is acting as financial adviser to Ladbrokes Coral and for no one else in connection with the matters set out in this Announcement and will not be responsible to anyone other than Ladbrokes Coral for providing the protections afforded to clients of Greenhill, nor for providing advice in relation to the matters set out in this Announcement.

UBS Limited ("UBS") is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom. UBS is acting as financial adviser to Ladbrokes Coral and no one else for the purpose of the consideration of a proposed acquisition by GVC and will not be responsible to anyone other than Ladbrokes Coral for providing the protections offered to clients of UBS nor for providing advice in relation to this Announcement or any transaction, arrangement or other matter referred to herein.

Deutsche Bank AG ("Deutsche Bank") is authorised under German Banking Law (competent authority: European Central Bank) and, in the United Kingdom, by the Prudential Regulation Authority. It is subject to supervision by the European Central Bank and by BaFin, Germany's Federal Financial Supervisory Authority, and is subject to limited regulation in the United Kingdom by the Prudential Regulation Authority and Financial Conduct Authority. Deutsche Bank is acting as corporate broker to Ladbrokes Coral and no one else for the purpose of the consideration of a proposed acquisition by GVC and will not be responsible to anyone other than Ladbrokes Coral for providing the protections offered to clients of Deutsche Bank nor for providing advice in relation to this Announcement or any transaction, arrangement or other matter referred to herein. Neither Deutsche Bank nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Deutsche Bank in connection with this Announcement, any statement contained herein or otherwise.

Forward-looking statements

This Announcement contains statements about GVC, Ladbrokes Coral and the Enlarged Group that are or may be forward looking statements. All statements other than statements of historical facts included in this Announcement may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "should", "continue", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Ladbrokes Coral's, GVC's or the Enlarged Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on Ladbrokes Coral's, GVC's or the Enlarged Group's business.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. Ladbrokes Coral and GVC disclaim any obligation to update any forward looking or other statements contained herein, except as required by applicable law or regulation.

If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser, duly authorised under the FSMA if you

are resident in the United Kingdom, or from another appropriately authorised independent financial adviser.

Quantified Financial Benefits Statement

Statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. No statement in the Quantified Financial Benefits Statement, or this Announcement generally, should be construed as a profit forecast, or interpreted to mean that the Enlarged Group's earnings or earnings per share in the first full year following Completion, or in any subsequent period, would necessarily match or be greater than or be less than those of GVC and/or Ladbrokes Coral for the relevant preceding financial period or any other period.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You

should contact the Panel's Market Surveillance Unit on +44 (0) 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Further information

This Announcement is for information purposes only. It is not intended to and does not constitute, or form part of, any offer, invitation or the solicitation of any offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. The Acquisition will be effected solely by means of the Scheme Document which, together with the Forms of Proxy and the Form of Election, will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Scheme and on the Ladbrokes Coral Resolutions and how to make elections under the Mix and Match Facility.

Ladbrokes Coral will prepare the Scheme Document to be distributed to Ladbrokes Coral Shareholders and GVC will prepare the GVC Prospectus to be distributed to GVC Shareholders and Ladbrokes Coral Shareholders. Ladbrokes Coral urges Ladbrokes Coral Shareholders to read the Scheme Document and the GVC Prospectus when they become available because they will contain important information in relation to the Acquisition, the New GVC Shares and the Enlarged Group. GVC urges GVC Shareholders to read the GVC Prospectus when it becomes available because it will contain important information in relation to the New GVC Shares and the Enlarged Group. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document, or the GVC Prospectus, as appropriate.

This Announcement has been prepared for the purposes of complying with English law, the rules of the London Stock Exchange and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws and regulations of any other jurisdictions.

This Announcement does not constitute a prospectus or prospectus equivalent document.

Additional restrictions regarding the United States and other overseas jurisdictions

The release, publication or distribution of this Announcement in or into certain jurisdictions may be restricted by the laws of those jurisdictions. Accordingly, copies of this Announcement and all other announcements and documentation relating to the Acquisition are not being, and must not be, released, published, mailed or otherwise forwarded, distributed or sent in, into or from any jurisdiction where to do so would violate the laws of that jurisdiction or any Restricted Jurisdiction. Persons receiving such announcements or documentation (including, without limitation, nominees, trustees and custodians) should inform themselves of, and observe, these restrictions. Failure to do so may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies involved in the Acquisition disclaim any responsibility or liability for the violations of any such restrictions by any person.

The New GVC Shares, the CVRs and any Loan Notes issued pursuant to the terms of the CVR Instrument have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States and may not offered or sold in the United State absent registration or an exemption from registration under the US Securities Act.

The New GVC Shares and the CVRs are expected to be offered in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. For the purpose of qualifying for this exemption, Ladbrokes Coral will advise the Court that its sanction of the Scheme will be relied upon by GVC as an approval of the Scheme following a hearing on its fairness to

Ladbrokes Coral Shareholders at which hearing all such shareholders are entitled to appear in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all Ladbrokes Coral Shareholders.

Any Loan Notes issued to Ladbrokes Coral Shareholders in exchange for the CVRs issued pursuant to the Scheme will be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(9) thereof.

The New GVC Shares and CVRs to be issued to Ladbrokes Coral Shareholders pursuant to the Scheme and the Loan Notes to be issued to Ladbrokes Coral Shareholders in exchange for the CVRs generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive securities in the Scheme (other than “affiliates” as described in the paragraph below) may resell them without restriction under the US Securities Act.

Under US federal securities laws, a Ladbrokes Coral Shareholder who is an “affiliate” of either Ladbrokes Coral or GVC within 90 days prior to, or of GVC at any time following, the Effective Date will be subject to certain US transfer restrictions relating to the New GVC Shares and the CVRs received in connection with the Scheme. The New GVC Shares, CVRs or Loan Notes held by such affiliates may not be sold without registration under the US Securities Act, except pursuant to the applicable resale provisions of Rule 144 under the US Securities Act or another exemption from the registration requirements of the US Securities Act, including transactions conducted pursuant to Regulation S under the US Securities Act. Whether a person is an “affiliate” of a company for such purposes depends upon the circumstances, but affiliates of a company can include certain officers, directors and significant shareholders. A person who believes that he or she may be an affiliate of Ladbrokes Coral or GVC should consult his or her own legal advisers prior to any sale of any New GVC Shares, CVRs or Loan Notes.

The receipt of New GVC Shares pursuant to the Acquisition by a US Ladbrokes Coral Shareholder may be a taxable transaction for US federal income tax purposes and under applicable state and local, as well as foreign and other, tax laws. Each Ladbrokes Coral Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Acquisition.

It may be difficult for US Ladbrokes Coral Shareholders to enforce their rights and claims arising out of the US federal securities laws, since GVC and Ladbrokes Coral are located in countries other than the United States, and some or all of their officers and directors may be residents of countries other than the United States. US Ladbrokes Coral Shareholders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

None of the securities referred to in this Announcement have been approved or disapproved by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this Announcement. Any representation to the contrary is a criminal offence in the United States.

The Acquisition relates to the acquisition of shares of a UK company and is proposed to be effected by means of a scheme of arrangement under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to proxy solicitation or tender offer rules under the US Exchange Act. Accordingly, the Scheme is subject to the disclosure requirements, rules and practices applicable in the United Kingdom to schemes of arrangement, which differ from the requirements of US proxy solicitation or tender offer rules. However, if GVC were to elect, with the consent of the Panel, and, in certain circumstances, the consent of Ladbrokes Coral, to implement the Acquisition by means of a Takeover Offer, such Takeover Offer will be made in compliance with all applicable laws and regulations, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder.

Such a Takeover Offer would be made in the United States by GVC and no one else. In addition to any such Takeover Offer, any affiliates of GVC's financial advisers, GVC, its affiliates, any affiliates of Ladbrokes Coral's financial advisers or their respective affiliates, may make certain purchases of, or arrangements to purchase, shares in Ladbrokes Coral outside such Takeover Offer during the period in which such Takeover Offer would remain open for acceptance. If such purchases or arrangements to purchase were to be made they would be made outside the United States and would comply with applicable law, including the US Exchange Act. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website: www.londonstockexchange.com, or otherwise by press release.

The financial information included in this Announcement has been prepared in accordance with accounting standards applicable in the United Kingdom and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

Unless otherwise determined by GVC or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction.

The availability of New GVC Shares, CVRs and Loan Notes under the Acquisition to Ladbrokes Coral Shareholders who are not resident in the United Kingdom, and the availability of the Mix and Match Facility to such shareholders, may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements.

Information relating to Ladbrokes Coral Shareholders

Please be aware that addresses, electronic addresses and certain other information provided by Ladbrokes Coral Shareholders, persons with information rights and other relevant persons for the receipt of communications from Ladbrokes Coral may be provided to GVC during the Offer Period as required under Section 4 of Appendix 4 of the Takeover Code.

Publication on websites and availability of hard copies

In accordance with Rule 26.1 of the Takeover Code, a copy of this Announcement will be available on GVC's website at <http://www.gvc-plc.com/html/investor/welcome.asp> and at Ladbrokes Coral's website at <https://www.ladbrokescoralplc.com/investors> by no later than 12 noon on 27 December 2017, but will not be available to persons in Restricted Jurisdictions or any other jurisdictions where publication of this Announcement would violate the laws of such jurisdiction. The contents of the websites referred to in this Announcement are not incorporated into and do not form part of this Announcement.

Subject to certain restrictions relating to persons in Restricted Jurisdictions: (a) GVC Shareholders and persons with information rights may request a hard copy of this Announcement by contacting Robert Hoskin, Group Head of Legal, Suite 6, Atlantic Suites, Europort Avenue, Gibraltar, tel: +350 200 78700; and (b) Ladbrokes Coral Shareholders and persons with information rights may request a hard copy of this Announcement by contacting Ladbrokes Coral's Registrars, Computershare Investor Services PLC, tel: +44 (0) 370 702 0127. Those persons may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

APPENDIX I

TERMS AND CONDITIONS OF THE SCHEME AND THE OFFER

Part A: Conditions of the Scheme and the Acquisition

- 1 The Acquisition will be conditional upon the Scheme becoming unconditional and becoming Effective by not later than 11.59 p.m. (London time) on the Long Stop Date.
- 2 The Scheme will be conditional on:
 - (a) (i) the approval by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders who are on the register of members of Ladbrokes Coral at the Voting Record Time, present and voting, whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required (or any adjournment thereof); and (ii) such Court Meeting (or any adjournment thereof) being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as Ladbrokes Coral and GVC may agree in writing and the Court may allow);
 - (b) (i) all resolutions required to approve and implement the Scheme and to approve certain related matters being duly passed by the requisite majorities at the Ladbrokes Coral General Meeting (or any adjournment thereof); and (ii) the Ladbrokes Coral General Meeting (or any adjournment thereof) being held on or before the 22nd day after the expected date of the Ladbrokes Coral General Meeting to be set out in the Scheme Document in due course (or such later date as Ladbrokes Coral and GVC may agree in writing and the Court may allow); and
 - (c) (i) the sanction of the Scheme by the Court (with or without modification (but subject to such modification being acceptable to Ladbrokes Coral and GVC)) and the delivery of the office copy of the Court Order to the Registrar of Companies; and (ii) the Court Hearing being held on or before the 22nd day after the expected date of the Court sanction to be set out in the Scheme Document in due course (or such later date as Ladbrokes Coral and GVC may agree in writing and the Court may allow).
- 3 **Subject as stated in Part B below, the Acquisition will be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless such Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:**

Approval of GVC Shareholders and Admission to Trading of New GVC Shares

- (a) the resolutions of the GVC Shareholders required to:
 - (i) approve, effect and implement the Acquisition;
 - (ii) authorise an increase in the authorised share capital of GVC;
 - (iii) confer authorities for the issue and allotment of the New GVC Shares to be issued in connection with the Acquisition;
 - (iv) dis-apply all relevant pre-emption rights in respect of the allotment of the New GVC Shares to be issued in connection with the Acquisition; and
 - (v) approve the amendment of GVC's articles of association in connection with the proposed increase in the authorised share capital of GVC,

being duly passed at the GVC General Meeting in each case by the requisite majority of the GVC Shareholders; and

- (b) (i) the UKLA having acknowledged to GVC or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the New GVC Shares issued pursuant to the Acquisition to the premium listing segment of the Official List and (after satisfaction of any conditions to which such approval is expressed to be subject (the "**listing conditions**")) will become effective as soon as a dealing notice has been issued by the UKLA and any listing conditions having been satisfied and (ii) the London Stock Exchange having acknowledged to GVC or its agent (and such acknowledgement not having been withdrawn) that the New GVC Shares will be admitted to trading on the main market for listed securities of the London Stock Exchange;

UK antitrust approval

- (c) either of the following events having occurred:
 - (i) confirmation having been received in writing from the CMA, in terms satisfactory to GVC, that the CMA does not intend to refer the Acquisition or any matters arising therefrom for a Phase 2 CMA Reference; or
 - (ii) the period within which the CMA is required by section 34ZA of the Enterprise Act 2002 to decide whether the duty to make a Phase 2 CMA Reference applies has expired without such a decision having been made;

German antitrust approval

- (d) confirmation having been received in writing from the German Federal Cartel Office (the "**FCO**") that the Acquisition does not meet the preconditions for prohibition in s.36(I) of the German Act against Restraints of Competition ("**ARC**") such that under the German merger control regime it can be concluded that the FCO does not intend to initiate an in-depth investigation of the Acquisition under s.40(2) ARC; or, the FCO not informing GVC and/or Ladbrokes Coral within one month of receipt of a complete notification that it intends to initiate an in-depth investigation of the Acquisition under s.40(2) ARC; or the FCO declaring that the Acquisition does not need to be filed;

Austrian antitrust approval

- (e) Austrian merger control clearance having been obtained or any waiting or other time or limitation period under the merger control rules in Austria having been expired, lapsed, waived or otherwise terminated in the framework of a merger control notification in Austria;

Maltese antitrust approval

- (f) the Director General of the Office for Competition:
 - (i) has issued a Phase I decision that despite the Acquisition constituting a concentration, the Director General has decided not to oppose the concentration and unconditionally declared it to be a lawful concentration in terms of the Control of Concentrations Regulations, 2002; and/or

- (ii) has not taken a decision within the deadlines set in the Control of Concentrations Regulations, 2002, as a result of which the concentration is deemed to have been declared lawful in terms of regulation 9(7) of these Regulations;

EU antitrust approval

- (g) in the event that the European Commission decides to examine the Acquisition or any matters arising therefrom pursuant to Article 22(3) of the EU Merger Regulation, the European Commission having declared it compatible with the internal market pursuant to Article 6(1)(b) of the EU Merger Regulation on terms satisfactory to GVC;

UK Gambling Commission change of control approval

- (h) the making of a determination by the UKGC pursuant to section 102(4)(a) of the Gambling Act and made in respect of all operating licences (as such term is defined in the Gambling Act) held by members of the Ladbrokes Coral Group that all such operating licences shall continue to have effect following the acquisition by GVC of the Scheme Shares, such determination to be made following an application in respect of the same submitted by Ladbrokes Coral to the UKGC pursuant to section 102(2)(b) of the Gambling Act;

Licensing Authority of Gibraltar change of control approval

- (i) the approval by the Licensing Authority (Gambling Division) of HM Government of Gibraltar of the acquisition of Ladbrokes Coral by GVC;

Malta Gaming Authority change of control approval

- (j) all necessary notifications, filings or applications having been made to the Malta Gaming Authority (“MGA”) and approval having been granted by the MGA in respect of a change in qualifying shareholding (as defined in the Maltese Remote-Gaming Regulations enacted by Legal Notice 176 of 2004) in the MGA-licensed entity of the Ladbrokes Coral Group;

Other notifications, waiting periods and Authorisations

- (k) without prejudice to any of the Conditions above, all material notifications, filings or applications which are necessary or are reasonably considered appropriate or desirable by GVC having been made in connection with the Acquisition and all appropriate waiting periods (including any extensions thereof) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with, in each case, in respect of the Scheme and the Acquisition and all Authorisations which are necessary or are reasonably considered appropriate in any relevant jurisdiction for or in respect of the Scheme or the Acquisition and, except pursuant to Part 26 of the Companies Act, the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, Ladbrokes Coral or any other member of the Wider Ladbrokes Coral Group by any member of the Wider GVC Group having been obtained in terms and in a form reasonably satisfactory to GVC from all appropriate Third Parties and (without prejudice to the generality of the foregoing) from any persons or bodies with whom any member of the Wider Ladbrokes Coral Group or the Wider GVC Group has entered into contractual arrangements, in each case, where the absence of such Authorisation would have a material adverse effect on the Wider

Ladbrokes Coral Group taken as a whole and all such Authorisations remaining in full force and effect at the time at which the Scheme becomes Effective and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew any of such Authorisations;

Other Third Party clearances

- (l) without prejudice to any of the Conditions above, no antitrust regulator or Third Party having announced or given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
 - (i) require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider GVC Group or by any member of the Wider Ladbrokes Coral Group of all or any material part of its businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any material portion of their assets or properties (or any part thereof);
 - (ii) require, prevent or materially delay a divestiture, or materially alter the terms envisaged for such divestiture by any member of the Wider GVC Group or any member of the Wider Ladbrokes Coral Group of any shares or other securities (or the equivalent) in any member of the Wider Ladbrokes Coral Group or any member of the Wider GVC Group;
 - (iii) except pursuant to Part 26 of the Companies Act, require any member of the Wider GVC Group or the Wider Ladbrokes Coral Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Ladbrokes Coral Group or any member of the Wider GVC Group or any asset owned by any Third Party (other than in the implementation of the Acquisition);
 - (iv) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider GVC Group directly or indirectly to acquire, hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Ladbrokes Coral or on the ability of any member of the Wider Ladbrokes Coral Group or any member of the Wider GVC Group directly or indirectly to hold or exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise voting or management control over, any member of the Wider Ladbrokes Coral Group;
 - (v) except as Disclosed, otherwise adversely affect any or all of the business, assets, profits, prospects or operational performance of any member of the Wider Ladbrokes Coral Group or any member of the Wider GVC Group in each case in a manner which is materially adverse to the Wider Ladbrokes Coral Group or the Wider GVC Group taken as a whole;
 - (vi) result in any member of the Wider Ladbrokes Coral Group or any member of the Wider GVC Group ceasing to be able to carry on a material business under

any name under which, or in any jurisdiction in which, it presently carries on business;

- (vii) make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Ladbrokes Coral or any member of the Wider Ladbrokes Coral Group by any member of the Wider GVC Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise, directly or indirectly, materially prevent or prohibit, restrict, restrain, or delay or otherwise materially interfere with the implementation of, or impose material additional conditions or obligations with respect to, or otherwise materially challenge, impede, interfere with or require material amendment of, the Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Ladbrokes Coral or any member of the Wider Ladbrokes Coral Group by any member of the Wider GVC Group; or
- (viii) impose any material limitation on the ability of any member of the Wider GVC Group or any member of the Wider Ladbrokes Coral Group to conduct its business or to integrate or coordinate all or any material part of its business with all or any material part of the business of any other member of the Wider GVC Group and/or the Wider Ladbrokes Coral Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such antitrust regulator or Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of, or otherwise intervene in the Scheme or Offer or the acquisition or proposed acquisition of any Ladbrokes Coral Shares having expired, lapsed or been terminated;

Certain matters arising as a result of any arrangement, agreement, etc.

- (m) except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider Ladbrokes Coral Group or the Wider GVC Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject, or any event or circumstance, which, as a consequence of the Scheme or the Acquisition or the acquisition or the proposed acquisition by any member of the Wider GVC Group of any shares or other securities (or the equivalent) in Ladbrokes Coral or any member of the Wider Ladbrokes Coral Group or because of a change in the control or management of any member of the Wider Ladbrokes Coral Group or otherwise, could or might reasonably be expected to result in (in any case to an extent which is or would be material in the context of the Wider Ladbrokes Coral Group or the Wider GVC Group taken as a whole):
 - (i) any monies borrowed by, or any other indebtedness, actual or contingent, of, or any grant available to, any member of the Wider Ladbrokes Coral Group or the Wider GVC Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or becoming capable of being withdrawn or inhibited;

- (ii) the creation, save in the ordinary and usual course of business, or enforcement of any mortgage, charge or other security interest over the whole or any material part of the business, property or assets of any member of the Wider Ladbrokes Coral Group or the Wider GVC Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
- (iii) any such arrangement, agreement, lease, licence, franchise, permit or other instrument being terminated or the rights, liabilities, obligations or interests thereunder of any member of the Wider Ladbrokes Coral Group or the Wider GVC Group being adversely modified or adversely affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
- (iv) any liability of any member of the Wider Ladbrokes Coral Group or the Wider GVC Group to make any severance, termination, bonus or other payment to any of its directors, or other officers;
- (v) the rights, liabilities, obligations, interests or business of any member of the Wider Ladbrokes Coral Group or any member of the Wider GVC Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Ladbrokes Coral Group or any member of the Wider GVC Group in or with any other person or body or firm or company (or any arrangement or arrangement relating to any such interests or business) being or becoming capable of being terminated, or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
- (vi) any member of the Wider Ladbrokes Coral Group or the Wider GVC Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (vii) the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Ladbrokes Coral Group or the Wider GVC Group being prejudiced or adversely affected;
- (viii) the creation or acceleration of any material liability (actual or contingent) by any member of the Wider Ladbrokes Coral Group or the Wider GVC Group other than the creation of liabilities incurred in the ordinary course of business;
- (ix) any assets owned or used by any member of the Wider Ladbrokes Coral Group or the Wider GVC Group, or any interest in any such asset, being or falling to be disposed of or charged or ceasing to be available to such member or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to such member; or
- (x) any requirement on any member of the Wider Ladbrokes Coral Group or the Wider GVC Group to acquire, subscribe, pay up or repay any shares or other securities (other than as contemplated by the terms of the Acquisition and the Scheme),

and no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Ladbrokes Coral Group or the Wider GVC Group is a party or by or to which any such member or any of its assets is or will become bound, entitled or subject,

would or might reasonably be expected to result in any of the events or circumstances as are referred to in Conditions 3(m)(i) to (x) (inclusive);

No material transactions, claims or changes in the conduct of the business of the Wider Ladbrokes Coral Group

- (n) except as Disclosed, no member of the Wider Ladbrokes Coral Group having, since 31 December 2016:
- (i) issued or agreed to issue, or authorised or proposed or announced its intention to authorise or propose the issue of, additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Ladbrokes Coral Shares out of treasury (except where relevant, as between Ladbrokes Coral and its wholly-owned subsidiaries, or between its wholly-owned subsidiaries, and except for the issue or transfer out of treasury of Ladbrokes Coral Shares on the exercise of employee share options or vesting of employee share awards granted, vested or exercised, as applicable in the ordinary course under the Ladbrokes Coral Share Schemes);
 - (ii) other than to Ladbrokes Coral or one of its wholly-owned subsidiaries or other than a Ladbrokes Coral Permitted Dividend, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution or return of value (whether payable in cash or otherwise);
 - (iii) other than pursuant to the Acquisition, and for transactions between Ladbrokes Coral and its wholly-owned subsidiaries, or between its wholly-owned subsidiaries implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment or acquisition or disposal of assets (in each case otherwise than in the ordinary course of business) or shares or loan capital (or the equivalent thereof) in any undertaking or undertakings in any such case to an extent which is material in the context of the Wider Ladbrokes Coral Group taken as a whole;
 - (iv) disposed of, or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any material asset or authorised, proposed or announced any intention to do so in any such case to an extent which is material in the context of the Wider Ladbrokes Coral Group taken as a whole ;
 - (v) (except for transactions between Ladbrokes Coral and its wholly-owned subsidiaries, or between its wholly-owned subsidiaries or transactions in the ordinary course of business) issued or authorised or proposed or announced an intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or become subject to any contingent liability or incurred or increased any indebtedness which in any such case is material in the context of the Wider Ladbrokes Coral Group taken as a whole ;
 - (vi) entered into or varied or authorised, proposed or announced its intention to enter into or vary any material contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, unusual or onerous nature or magnitude or which involves or

could reasonably be expected to involve an obligation of a nature or magnitude which is, in any such case, material in the context of the Wider Ladbrokes Coral Group or in the context of the Acquisition, or which is or is reasonably likely to be restrictive on the business of any member of the Wider Ladbrokes Coral Group to an extent which is or is likely to be material to the Wider Ladbrokes Coral Group taken as a whole;

- (vii) entered into or varied to a material extent the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of any contract, service agreement, commitment or arrangement with any director or senior executive of the Wider Ladbrokes Coral Group to an extent which is material in the context of the Acquisition, save for salary increases, bonuses or variations of terms in the ordinary course and consistent with past practice;
- (viii) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any employee of the Wider Ladbrokes Coral Group other than in accordance with the terms of the Acquisition;
- (ix) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, except in respect of the matters mentioned in subparagraph (i) above, made any other change to any part of its share capital;
- (x) waived, compromised or settled any claim otherwise than in the ordinary course of business which is material in the context of the Wider Ladbrokes Coral Group taken as a whole;
- (xi) terminated or varied the terms of any agreement or arrangement between any member of the Wider Ladbrokes Coral Group and any other person in a manner which would or might reasonably be expected to have a material adverse effect on the financial position of the Wider Ladbrokes Coral Group or the Wider GVC Group taken as a whole;
- (xii) made any material alteration to its memorandum or articles of association or other incorporation documents other than in accordance with the terms of the Acquisition;
- (xiii) made or agreed or consented to any change in any material respect to:
 - (A) the terms of the trust deeds and rules constituting the pension scheme(s) established by any member of the Wider Ladbrokes Coral Group for its directors or employees or their dependants;
 - (B) the contributions payable to any such scheme(s) or to the benefits which accrue, or to the pensions which are payable, thereunder;
 - (C) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - (D) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued, made, agreed or consented to;

- (xiv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business in any such case where such is material in the context of the Wider Ladbrokes Coral Group taken as a whole;
- (xv) (other than in respect of any member of the Wider Ladbrokes Coral Group which is dormant and was solvent at the relevant time) taken or proposed any steps or corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed which in any such case is material in the context of the Wider Ladbrokes Coral Group taken as a whole;
- (xvi) made, authorised, proposed or announced an intention to propose any change in its loan capital which in any such case is material in the context of the Wider Ladbrokes Coral Group taken as a whole;
- (xvii) entered into, implemented or effected, or authorised, proposed or announced its intention to implement or effect, any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement (other than the Acquisition) which is material in the context of the Wider Ladbrokes Coral Group taken as a whole or in the context of the Acquisition;
- (xviii) having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Ladbrokes Coral Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code; or
- (xix) entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition 3(n);

No material adverse change, litigation, regulatory enquiry or similar

- (o) except as Disclosed, since 31 December 2016:
 - (i) no adverse change having occurred in, and no circumstance having arisen which would or might reasonably be expected to result in any adverse change in, the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider Ladbrokes Coral Group which is material in the context of the Wider Ladbrokes Coral Group taken as a whole;
 - (ii) no any litigation, arbitration proceedings, prosecution or other legal proceedings by or against any member of the Wider Ladbrokes Coral Group or

to which any member of the Wider Ladbrokes Coral Group is or may become a party (whether as claimant, defendant or otherwise) having been threatened, announced or instituted or remaining outstanding by, against or in respect of, any member of the Wider Ladbrokes Coral Group, in each case in circumstances which might reasonably be expected to have a material adverse effect on the Wider Ladbrokes Coral Group taken as a whole;

- (iii) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Ladbrokes Coral Group having been threatened, announced or instituted or remaining outstanding by, against or in respect of any member of the Wider Ladbrokes Coral Group, in each case in circumstances which might reasonably be expected to have a material adverse effect on the Wider Ladbrokes Coral Group taken as a whole;
- (iv) no contingent or other liability having arisen, increased or become apparent to GVC, which is reasonably likely to affect adversely the business, assets, financial or trading position, profits, prospects or operational performance of any member of the Wider Ladbrokes Coral Group to an extent which is material in the context of the Wider Ladbrokes Coral Group taken as a whole; and
- (v) no steps having been taken and no omissions having occurred which are reasonably likely to result in the withdrawal (without replacement), cancellation, termination or modification of any licence held by any member of the Wider Ladbrokes Coral Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which might reasonably be expected to have a material adverse effect on the Wider Ladbrokes Coral Group taken as a whole;

No discovery of certain matters regarding information and liabilities

- (p) except as Disclosed, GVC not having discovered:
 - (i) that any financial, business or other information concerning the Wider Ladbrokes Coral Group publicly announced prior to the date of this Announcement or Disclosed to any member of the Wider GVC Group by or on behalf of any member of the Wider Ladbrokes Coral Group at any time prior to the date of this Announcement is misleading, contains a misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading, misleading and which has not subsequently been corrected before the date of this Announcement in any such case to an extent which is material in the context of the Wider Ladbrokes Coral Group taken as a whole;
 - (ii) that any member of the Wider Ladbrokes Coral Group, otherwise than in the ordinary course of business, is subject to any liability, contingent or otherwise which is material in the context of the Wider Ladbrokes Coral Group taken as a whole;
 - (iii) that any information which materially adversely affects the import of any information Disclosed to GVC at any time by or on behalf of any member of the Wider Ladbrokes Coral Group which is material in the context of the Wider Ladbrokes Coral Group or in the context of the Acquisition; or
 - (iv) that any past or present member of the Wider Ladbrokes Coral Group has not complied in any respect with all applicable legislation, regulations or other

requirements of any jurisdiction, or any Authorisations, relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including property) or harm human health or otherwise relating to environmental matters or the health and safety of humans, which noncompliance would be likely to give rise to any liability including any penalty for noncompliance (whether actual or contingent) on the part of any member of the Wider Ladbrokes Coral Group which in any such case is material in the context of the Wider Ladbrokes Coral Group taken as a whole;

Intellectual property

- (q) except as Disclosed, no circumstance having arisen or event having occurred in relation to any intellectual property owned or used by any member of the Wider Ladbrokes Coral Group taken as a whole which would have a material adverse effect on the Wider GVC Group or which is otherwise material in the context of the Acquisition, including:
 - (i) any member of the Wider Ladbrokes Coral Group losing its title to any intellectual property material to its business, or any intellectual property owned by the Wider Ladbrokes Coral Group and material to its business being revoked, cancelled or declared invalid;
 - (ii) any claim being asserted in writing or threatened in writing by any person challenging the ownership of any member of the Wider Ladbrokes Coral Group to, or the validity or effectiveness of, any of its intellectual property; or
 - (iii) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Ladbrokes Coral Group being terminated or varied;

Anti-corruption and sanctions

- (r) except as Disclosed, GVC not having discovered that:
 - (i) any past or present member, director, officer or employee of the Wider Ladbrokes Coral Group or any person that performs or has performed services for or on behalf of any such company (in such capacity or in connection with such activity) is or has at any time engaged in any activity, practice or conduct (or omitted to take any action) in contravention of the UK Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, as amended or any other applicable anti-corruption legislation; or
 - (ii) any past or present member, director, officer or employee of the Wider Ladbrokes Coral Group or any person that performs or has performed services for or on behalf of any such company (in such capacity or in connection with such activity) has engaged in any activity or business with, or made any investments in, or made any funds or assets available to, or received any funds or assets from, any government, entity or individual covered by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective member states) or the United States Office of Foreign Assets Control; and

No criminal property

- (s) except as Disclosed, GVC not having discovered in relation to the Wider Ladbrokes Coral Group that any asset of any member of the Wider Ladbrokes Coral Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

Part B: Waiver and invocation of the Conditions

- 4 The Scheme will not become Effective unless the Conditions have been fulfilled or (if capable of waiver) waived or, where appropriate, have been determined by GVC and Ladbrokes Coral to be or remain satisfied by no later than the date referred to in Condition 1 (or such later date as GVC and Ladbrokes Coral may agree and (if required) the Panel and/ or the Court may allow).
- 5 Conditions 3(a) to 3(s) (inclusive) must be fulfilled, be determined by GVC to be fulfilled or, where capable of waiver, waived by GVC by no later than a time which is immediately before the commencement of the Court Hearing (or such later time and/or date as the Court may allow), failing which the Scheme will lapse. Subject to the above, GVC shall not be under any obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of Conditions 3(a) to 3(s) (inclusive) by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions of the Acquisition may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
- 6 Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
- 7 Subject to the requirements of the Panel, the Takeover Code and to the extent permitted by law, GVC reserves the right, in its sole discretion, to waive, in whole or in part, Conditions 3(c) to 3(s) (inclusive). Conditions 1, 2, 3(a) and 3(b) shall not be capable of being waived.
- 8 Under Rule 13.5 of the Takeover Code, GVC may not invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to GVC in the context of the Acquisition. Conditions 1, 2 and 3(a) and/or any Takeover Offer acceptance conditions adopted on the basis specified in Part C are not subject to this provision of the Takeover Code.
- 9 The Acquisition will lapse and the Scheme will not become Effective if:
 - (a) the Acquisition or any matter arising from or in relation to the Scheme or Offer becomes subject to a Phase 2 CMA Reference; or
 - (b) the European Commission decides to examine the Acquisition or any matter arising from it pursuant to Article 22(3) of the EU Merger Regulation and the European Commission initiates proceedings under Article 6(1)(c) of the EU Merger Regulation in respect of the Acquisition,in each case before the later of the Court Meeting and the GVC General Meeting. In such event, GVC will not be bound by the terms of the Scheme.
- 10 If GVC is required by the Panel to make an offer for Ladbrokes Coral under the provisions of Rule 9 of the Takeover Code, GVC may make such alterations to the above Conditions and further terms of the Acquisition as are necessary to comply with the provisions of that rule.

Part C: Implementation by way of a Takeover Offer

Subject to the terms of the Co-operation Agreement, GVC reserves the right to elect, with the consent of the Panel and, in certain circumstances, the consent of Ladbrokes Coral, to implement the acquisition of the Ladbrokes Coral Shares by way of a Takeover Offer as an alternative to the Scheme. In such event, the acquisition will be implemented by GVC and/or one or more wholly-owned subsidiaries of GVC on substantially the same terms as those which would apply to the Scheme (subject to such amendments as are appropriate for an acquisition being made by way of takeover offer under Part 28 of the Companies Act, including, if the Panel so agrees, an acceptance condition set at up to 90 per cent. of the shares to which such Takeover Offer relates or at such other lower percentage as the Panel may agree, provided that if it became or was declared unconditional in all respects, the Offer would result in GVC holding Ladbrokes Coral Shares carrying greater than 50 per cent. of the voting rights in Ladbrokes Coral).

Part D: Certain further terms of the Acquisition

1 The Ladbrokes Coral Shares acquired under the Acquisition will be acquired fully paid and free from all liens, equitable interests, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights attaching or accruing to them, including voting rights and the right to receive the Ladbrokes Coral Permitted Dividend and any other dividend or distribution in respect of which a corresponding reduction has been made to the Offer Price as specified below.

2 If any dividend or other distribution or return of capital is announced, declared, made or paid in respect of the Ladbrokes Coral Shares after the date of this Announcement and prior to the Effective Date, other than a Ladbrokes Coral Permitted Dividend, or in excess of any Ladbrokes Coral Permitted Dividend, GVC reserves the right to reduce the Offer Price by the amount of all or part of any such excess, in the case of a Ladbrokes Coral Permitted Dividend, or otherwise by the amount of all or part of any such dividend or other distribution. The cash element of the Offer Price will be reduced first.

To the extent that such a dividend or distribution has been declared but not paid prior to the Effective Date, and such dividend or distribution is cancelled, then the Offer Price shall not be subject to change in accordance with this paragraph.

Any exercise of rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Acquisition.

3 Fractions on pence will not be paid to Scheme Shareholders and cash entitlements will be rounded down to the nearest penny. Fractions of New GVC Shares will not be allotted or issued to Scheme Shareholders and entitlements will be rounded down to the nearest whole number of GVC Shares and all fractions of New GVC Shares will be aggregated and sold in the market as soon as practicable after the Effective Date. The net proceeds of such sale (after deduction of all expenses and commissions incurred in connection with the sale) will be distributed by GVC in due proportions to Scheme Shareholders who would otherwise have been entitled to such fractions, save that individual entitlements to amounts of less than £5 will be retained for the benefit of the Enlarged Group.

4 The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.

- 5 The New GVC Shares, the CVRs and any Loan Notes to be issued pursuant to the terms of the CVR Instrument have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States absent registration or an exemption from registration under the US Securities Act.

The New GVC Shares and the CVRs are expected to be offered in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. For the purpose of qualifying for this exemption, Ladbrokes Coral will advise the Court that its sanction of the Scheme will be relied upon by GVC as an approval of the Scheme following a hearing on its fairness to Ladbrokes Coral Shareholders at which hearing all such shareholders are entitled to appear in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all Ladbrokes Coral Shareholders.

Any Loan Notes issued to Ladbrokes Coral Shareholders in exchange for the CVRs issued pursuant to the Scheme will be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(9) thereof.

The New GVC Shares and CVRs to be issued to Ladbrokes Coral Shareholders pursuant to the Scheme and any Loan Notes issued to Ladbrokes Coral Shareholders in exchange for the CVRs generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive securities in the Scheme (other than “affiliates” as described in the paragraph below) may resell them without restriction under the US Securities Act.

Under US federal securities laws, a Ladbrokes Coral Shareholder who is an “affiliate” of either Ladbrokes Coral or GVC within 90 days prior to, or of GVC at any time following, the Effective Date will be subject to certain US transfer restrictions relating to the New GVC Shares and the CVRs received in connection with the Scheme. The New GVC Shares, CVRs or Loan Notes held by such affiliates may not be sold without registration under the US Securities Act, except pursuant to the applicable resale provisions of Rule 144 under the US Securities Act or in a transaction not subject to such requirements, including transactions conducted pursuant to Regulation S under the US Securities Act. Whether a person is an “affiliate” of a company for such purposes depends upon the circumstances, but affiliates of a company can include certain officers, directors and significant shareholders. A person who believes that he or she may be an affiliate of Ladbrokes Coral or GVC should consult his or her own legal advisers prior to any sale of any New GVC Shares, CVRs or Loan Notes.

- 6 If the issue of New GVC Shares to any Restricted Overseas Shareholder, or to any person who is reasonably believed to be an Restricted Overseas Shareholder, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, GVC may at its discretion determine that such Restricted Overseas Shareholder shall either not have allotted or issued to him New GVC Shares and that the New GVC Shares which would otherwise have been attributable to such Restricted Overseas Shareholder under the terms of the Offer shall be sold in the market and the cash proceeds of such sale be forwarded to such Restricted Overseas Shareholder or that the New GVC Shares shall be issued to such Restricted Overseas Shareholder but shall be sold in the market on his behalf and the cash proceeds of such sale forwarded to the relevant Restricted Overseas Shareholder (in each case after deduction of broking fees and other sale costs and expenses).

- 7 If the issue of CVRs to any Restricted Overseas Shareholder, or to any person who is reasonably believed to be an Restricted Overseas Shareholder, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, the Company may, at its discretion, determine that such Restricted Overseas Shareholder shall not have issued to him the CVRs or certificates in respect of the CVRs and that the CVRs which would otherwise have been attributable to such Restricted Overseas Shareholder under the terms of the Acquisition will be held by a nominee on behalf of such Restricted Overseas Shareholder, and the cash proceeds (if any) following the issue and redemption of any Loan Notes issued under the terms of such CVRs be forwarded to such Restricted Overseas Shareholder following redemption of the Loan Notes (after deduction of fees and other costs and expenses).
- 8 The New GVC Shares, CVRs and any Loan Notes to be issued pursuant to the Acquisition have not been and will not be registered under any of the relevant securities laws of Australia, Canada or Japan. Accordingly, the New GVC Shares, CVRs and Loan Notes may not be offered, sold or delivered, directly or indirectly, in Australia, Canada or Japan, except pursuant to exemptions from, or transactions not subject to, applicable requirements of any such jurisdiction
- 9 The Acquisition is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any jurisdiction where to do so would violate the laws of that jurisdiction.
- 10 The Acquisition will be governed by the laws of England and Wales and will be subject to the exclusive jurisdiction of the English courts and to the Conditions and further terms set out in this Appendix I and to be set out in the Scheme Document, the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the CMA, FSMA and the FCA.
- 11 The New GVC Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the existing GVC Shares, save that they will not rank with existing GVC Shares for any dividends of GVC declared, made or paid on or prior to Completion.

APPENDIX II

SOURCES OF INFORMATION AND BASES OF CALCULATION

In this Announcement, unless otherwise stated, or the context otherwise requires, the following sources and bases of calculation have been used:

- 1 Unless otherwise stated, the financial information relating to GVC is extracted (without adjustment) from the audited consolidated financial statements for GVC for the year ended 31 December 2016 or from the interim results statement of GVC for the six months ended 30 June 2017.
- 2 Unless otherwise stated, the financial information relating to Ladbrokes Coral is extracted (without adjustment) from the audited consolidated financial statements for Ladbrokes Coral for the year ended 31 December 2016 which shows the pro-forma information for the Ladbrokes Coral Group or from the interim results statement of Ladbrokes Coral for the six months ended 30 June 2017.
- 3 As at the close of business on the Last Practicable Date, GVC had in issue 303,726,475 GVC Shares. The fully diluted share capital of GVC (being 313,883,779 GVC Shares) is calculated on the basis of 303,726,475 GVC Shares in issue on the Last Practicable Date, and in addition up to 10,157,304 further GVC Shares which may be issued on or after the date of this Announcement following the exercise of options, or settled via alternative means, or via the vesting of awards under the GVC Share Schemes.
- 4 As at the close of business on the Last Practicable Date, Ladbrokes Coral had in issue 1,916,106,857 Ladbrokes Coral Shares. The fully diluted share capital of Ladbrokes Coral (being 1,932,240,602 Ladbrokes Coral Shares) is calculated on the basis of 1,916,106,857 Ladbrokes Coral Shares in issue on the Last Practicable Date, and in addition up to 16,133,745 further Ladbrokes Coral Shares which may be issued on or after the date of this Announcement following the exercise of options, or settled via alternative means, or via the vesting of awards under the Ladbrokes Coral Share Schemes.
- 5 Unless otherwise stated, all prices and Closing Prices for GVC Shares and Ladbrokes Coral Shares are closing middle market quotations derived from the Daily Official List.
- 6 Unless otherwise stated, the exchange rate used for the conversion of EUR into GBP is 1.13 and has been derived from Bloomberg and is based on the exchange rate on the Last Practicable Date.
- 7 The International Securities Identification Number for GVC Shares is IM00B5VQMV65. The International Securities Identification Number for Ladbrokes Coral Shares is GB00B0ZSH635.

APPENDIX III

IRREVOCABLE UNDERTAKINGS

PART A – IN RESPECT OF THE SCHEME AND THE LADBROKES CORAL RESOLUTIONS

Ladbrokes Coral Directors' Irrevocable Undertakings

The following Ladbrokes Coral Directors have given irrevocable undertakings to vote (or procure the voting) in favour of the Scheme at the Court Meeting and the Ladbrokes Coral Resolutions to be proposed at the Ladbrokes Coral General Meeting (or in the event that the Acquisition is implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer) in relation to the following Ladbrokes Coral Shares, in which they or their family members and connected persons are beneficially interested, representing in aggregate approximately 0.5 per cent. of the existing issued ordinary share capital of Ladbrokes Coral at the Last Practicable Date:

| Name | Number of Ladbrokes Coral Shares | Percentage of Ladbrokes Coral Shares in issue at the Last Practicable Date |
|--------------------|---|---|
| John Kelly | 77,441 | <0.01 |
| James Mullen | 120,139 | 0.01 |
| Paul Bowtell | 1,763,323 | 0.09 |
| Mark Clare | 50,000 | <0.01 |
| Mark Pain* | 50,000 | <0.01 |
| Stephanie Spring | 38,240 | <0.01 |
| Robert Templeman** | 7,498,252 | 0.39 |

* Includes interests held by Mark Pain's wife

** Includes interests held by Robert Templeman's wife

These irrevocable undertakings will cease to be binding if:

- (a) GVC announces that it does not intend to make or proceed with the Acquisition and no new, revised or replacement Scheme or Takeover Offer is announced by GVC or its affiliates contemporaneously in accordance with Rule 2.7 of the Code;
- (b) the Acquisition is implemented by way of the Scheme (and no change in the structure of the Acquisition from the Scheme to the Takeover Offer is announced), the Scheme Document is not dispatched to Ladbrokes Coral Shareholders within the permitted period under the Code or such other date as is agreed in writing between GVC and the Ladbrokes Coral with the consent of the Panel;
- (d) the Scheme has not become effective or the Acquisition has lapsed or been withdrawn (for the avoidance of doubt, this shall not apply where the Scheme lapses or is withdrawn in connection with GVC exercising its right to implement the Acquisition by way of a Takeover Offer rather than a Scheme) and no new, revised or replacement Scheme or Takeover Offer (to which the

relevant undertaking applies) has been announced by GVC or its affiliates in accordance with Rule 2.7 of the Code, or is announced by GVC or its affiliates contemporaneously in accordance with Rule 2.7 of the Code;

- (e) the Scheme (or a Takeover Offer announced in implementation of the Acquisition as the case may) has not become effective (or become or been declared unconditional in all respects as the case may be) prior to 30 June 2018 (or such later time or date as the Ladbrokes Coral and GVC agree in writing with the consent of the Panel); or
- (f) the Acquisition is implemented by way of a Takeover Offer, the offer document is not dispatched to Ladbrokes Coral Shareholders within the permitted period under the Code or such other date as is agreed in writing between GVC and the Panel.

Other Ladbrokes Coral Shareholders' Irrevocable Undertakings

Certain other Ladbrokes Coral Shareholders have given irrevocable undertakings to vote (or procure the voting) in favour of the Scheme at the Court Meeting and the Ladbrokes Coral Resolutions to be proposed at the Ladbrokes Coral General Meeting (or in the event that the Acquisition is implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer) in relation to the following Ladbrokes Coral Shares, in which they are interested, representing in aggregate approximately 9.2 per cent. of the existing issued ordinary share capital of Ladbrokes Coral at the Last Practicable Date:

| Name | Number of Ladbrokes Coral Shares | Percentage of Ladbrokes Coral Shares in issue at the Last Practicable Date |
|--|----------------------------------|--|
| Anchorage Capital Master Offshore, Ltd. | 109,754,294 | 5.7 |
| Anchorage Illiquid Opportunities Offshore Master III, L.P. | 33,989,780 | 1.8 |
| Majedie Asset Management Limited | 32,216,265* | 1.7 |

* The irrevocable undertaking from Majedie Asset Management is in respect of 32,216,265 Ladbrokes Coral Shares if the Acquisition is implemented by Scheme and 33,933,721 Ladbrokes Coral Shares if the Acquisition is implemented by Takeover Offer.

The irrevocable undertakings from Anchorage Capital Master Offshore, Ltd. and Anchorage Illiquid Opportunities Master III, L.P. will cease to be binding if:

- (a) GVC announces that it does not intend to make or proceed with the Acquisition and no new, revised or replacement Scheme or Takeover Offer is announced by GVC or its affiliates contemporaneously in accordance with Rule 2.7 of the Code;
- (b) the Acquisition is implemented by way of the Scheme (and no change in the structure of the Acquisition from the Scheme to the Takeover Offer is announced), the Scheme Document is not dispatched to Ladbrokes Coral Shareholders within the permitted period under the Code or such other date as is agreed in writing between GVC and the Panel;
- (c) the Scheme has not become effective or the Acquisition has lapsed or been withdrawn (for the avoidance of doubt, this shall not apply where the Scheme lapses or is withdrawn in connection

with GVC exercising its right to implement the Acquisition by way of a Takeover Offer rather than a Scheme) and no new, revised or replacement Scheme or Takeover Offer (to which the relevant undertaking applies) has been announced by GVC or its affiliates in accordance with Rule 2.7 of the Code, or is announced by GVC or its affiliates contemporaneously in accordance with Rule 2.7 of the Code;

- (d) the Scheme (or a Takeover Offer announced in implementation of the Acquisition as the case may be) has not become effective (or become or been declared unconditional in all respects as the case may be) prior to 30 June 2018 (or such later time or date as Ladbrokes Coral and GVC agree in writing with the consent of the Panel);
- (e) the Acquisition is implemented by way of a Takeover Offer, the offer document is not dispatched to Ladbrokes Coral Shareholders within the permitted period under the Code or such other date as is agreed in writing between GVC and the Panel; or
- (f) prior to the tenth day after the posting of the Scheme Document or the offer document (as the case maybe), an offer (whether implemented by way of a takeover offer or by way of a scheme of arrangement) is announced for the entire share capital of the Company (other than any shares held by GVC or its associates) which is not expressed to be subject to a pre-condition provided that the valuation of the consideration payable pursuant to such offer represents a value of at least 210.00 p per Ladbrokes Coral Share.

The irrevocable undertaking from Majedie Asset Management will cease to be binding if:

- (a) the Acquisition is implemented by way of a Takeover Offer, when the Takeover Offer lapses or is withdrawn without becoming or being declared unconditional in all respects;
- (b) GVC announces, with the consent of any relevant authority (if required) and before the Scheme Document or Takeover Offer document is posted, that it does not intend to proceed with the Acquisition and no new, revised or replacement Scheme or Takeover Offer is announced by GVC in accordance with the Code at the same time or within 28 days thereafter;
- (c) the Scheme does not become effective by 30 June 2018 (or such later date as GVC and Majedie Asset Management agree in writing); or
- (d) if a an offer for the entire issued and to be issued ordinary share capital of Ladbrokes Coral (other than any shares held by GVC or its associates (as defined in section 988 of the Act)) and the posting of which is not expressed to be subject to a pre-condition and which GVC reasonably determines, after consultation with its financial and legal advisers, values each ordinary share in the capital of Ladbrokes Coral at a price which equals or exceeds 224.70 p per ordinary share in the capital of Ladbrokes Coral available under the terms of the Acquisition, having regard to the total amount, cash and non-cash elements of the Acquisition and such competing offer.

Other Ladbrokes Coral Shareholder's Letter of Intent

The following Ladbrokes Coral Shareholder has delivered to GVC a non-binding and revocable letter of intent to, among other things to vote in favour of the Scheme at the Court Meeting and in favour of the Ladbrokes Coral Resolutions to be proposed at the Ladbrokes Coral General Meeting or if the Acquisition is implemented by way of a Takeover Offer to accept and procure the acceptance of a Takeover Offer in respect of the following number Ladbrokes Coral Shares

| Name | Number of Ladbrokes Coral Shares | Percentage of Ladbrokes Coral Shares in issue at the Last Practicable Date |
|--|----------------------------------|--|
| Old Mutual Global Investors UK Limited | 55,584,826 | 2.90 |

Aggregate Irrevocable Undertakings and Letter of Intent

In aggregate, therefore, GVC has received irrevocable undertakings and a letter of intent to vote in favour of the Scheme at the Court Meeting and in favour of the Ladbrokes Coral Resolutions to be proposed at the Ladbrokes Coral General Meeting in respect of 241,142,560 Ladbrokes Coral Shares, representing approximately 12.6 per cent. of the share capital of Ladbrokes Coral in issue on the Last Practicable Date.

IRREVOCABLE UNDERTAKINGS

PART B – IN RESPECT OF THE GVC RESOLUTIONS

GVC Directors' Irrevocable Undertakings

The following GVC Directors have given irrevocable undertakings to vote (or procure the voting) in favour of the GVC Resolutions to be proposed at the GVC General Meeting in relation to the following GVC Shares, in which they or their family members and connected persons are beneficially interested, representing in aggregate approximately 1.1 per cent. of the existing issued ordinary share capital of GVC at the Last Practicable Date:

| Name | Number of GVC Shares | Percentage of GVC Shares in issue at the Last Practicable Date |
|----------------------|----------------------|--|
| Kenneth Alexander | 1,898,788* | 0.63 |
| Lee Feldman | 734,141 | 0.24 |
| Norbert Teufelberger | 755,276 | 0.25 |
| Jane Anscombe | 1,406 | <0.01 |

* 313,333 of these shares are legally and beneficially owned by Caroline Alexander

The irrevocable undertakings will cease to be binding: if:

- (a) the Scheme does not become effective or, if GVC elects, subject to GVC (with the consent of the Takeover Panel and as otherwise as permitted in accordance with the co-operation agreement entered into with Ladbrokes Coral), to implement the Acquisition by way of an Offer, the Offer does not become and is not declared unconditional as to acceptances, in each case by 30 June 2018 or such later date as GVC and Ladbrokes Coral may agree in writing;
- (b) the board of directors of GVC withdraws, adversely modifies or qualifies its recommendation to the GVC shareholders to vote in favour of the resolutions concerning the Acquisition;
- (c) the Offer or Scheme lapses or is withdrawn and no new, revised or replacement Scheme or Offer has been announced, in accordance with Rule 2.7 of the Code, in its place or is announced, in accordance with Rule 2.7 of the Code, at the same time; or
- (d) the Offer becomes or is declared wholly unconditional or the Scheme becomes effective.

APPENDIX IV
QUANTIFIED FINANCIAL BENEFITS STATEMENTS

The information in this Appendix IV has been compiled by GVC.

Part A

Paragraph 3 of this Announcement includes statements of estimated cost savings and synergies arising from the Acquisition (together, the "**Quantified Financial Benefits Statement**").

A copy of the Quantified Financial Benefits Statement is set out below:

"Following analysis undertaken by GVC and discussions with Ladbrokes Coral, the Directors of GVC have identified significant opportunities for cost and revenue synergies as a result of the Acquisition which are expected to create shareholder value.

The Board of GVC believes that the Enlarged Group will be able to achieve recurring annual pre-tax cost synergies of not less than £100 million. GVC expects that these cost synergies are split between and would be realised principally from:

- (a) Technology and data enabled efficiencies, accounting for approximately 44 per cent. of the identified cost synergies:
 - consolidating the Enlarged Group's sportsbetting and gaming operations and other business operations onto common platforms, where possible;
 - deploying and promoting the Enlarged Group's own gaming content rather than that of a third party, where possible; and
 - using the increased bargaining power of the Enlarged Group to negotiate better contracted rates with common suppliers for data content and streaming.
- (b) Corporate and administrative efficiencies, accounting for approximately 30 per cent. of the identified cost synergies:
 - consolidating the trading and customer service teams to service all brands across the Enlarged Group and consolidating technology costs to the GVC technology platform;
 - utilising technology and lower cost locations to drive greater staff productivity; and
 - moving common operational marketing and central functions to a central service group.
- (c) Marketing efficiencies, accounting for approximately 14 per cent. of the identified cost synergies:
 - applying Ladbrokes Coral's business intelligence to GVC brands to achieve savings from reduced marketing and bonus spend.
- (d) Other efficiencies, accounting for approximately 12 per cent. of the identified cost synergies:
 - consolidating some international businesses by combining platforms and harmonising teams;
 - reducing external costs including payment processing and professional services fees; and
 - reducing other expenditure such as office and travel costs.

The Board of GVC expects that synergy and saving realisation of £100 million will take place progressively, whereby approximately £7 million of the total cost synergies will be achieved in the first calendar year following Completion, rising to approximately £33 million by year two and approximately £56 million by year three following Completion. It is expected that a benefit of £100 million of identified cost synergies will be achieved by 2021. The synergies programme is expected to continue after 2021, but the scale of further synergies have not been fully quantified, and so are not being reported on for the purposes of the Takeover Code. The expected synergies will accrue as a direct result of the Acquisition and would not be achieved on a standalone basis.

Non-recurring restructuring costs of approximately £100 million are expected to be incurred in delivering the identified cost synergies in the four years post completion. The phasing of these costs will be £17 million in the financial year ending 31 December 2018, £30 million in 2019, £31 million in 2020 and £22 million in 2021. No recurring restructuring costs have been identified as a consequence of the Acquisition.

Other than these identified restructuring costs and the waiver by GVC of its rights to earn-out consideration following the sale of its Turkish facing business which was payable over a five-year period up to a maximum of €150m (summarised in paragraph 8 below), the Board of GVC does not expect any dis-synergies to arise as a result of the Acquisition."

Bases of belief

The assessment and quantification of the potential synergies from the Acquisition have been informed by GVC and Ladbrokes management's industry knowledge as well as their combined experience of executing and integrating past acquisitions, including GVC's acquisition of Sportingbet and bwin.party and Ladbrokes' merger with Coral.

The principal assumption for assessing the potential synergies is that the Ladbrokes business activities will be supported by the GVC infrastructure as much as practicable, and that business and central functions will be consolidated where appropriate. This approach reflects the fact that both GVC and Ladbrokes operate substantial online gaming businesses and there are operational and cost advantages to consolidating activities on a single platform where possible.

In order to prepare the Quantified Financial Benefits Statement of potential synergies that are expected to be available, GVC took the following steps:

- GVC held several meetings with senior finance, commercial and strategy personnel at Ladbrokes and both sides shared sufficient operating and financial information to enable GVC to quantify initial estimates of potential synergies and associated costs available from the Acquisition;
- In areas where data has been limited for commercial or other reasons, GVC has made estimates and assumptions to aid its development of individual synergy initiatives;
- The 2016 cost bases for GVC and Ladbrokes were added to establish a pro-forma cost base as a base line for the synergies analysis (the "Initial Cost Base"). The cost base for GVC used as the basis for the Quantified Financial Benefits Statement is the pro-forma combined cost base for the 12 months ended 31 December 2016, giving effect to the acquisition of bwin.party as if that acquisition had occurred on 1 January 2016. The cost base for Ladbrokes used as the basis for the Quantified Financial Benefits Statement is the pro-forma combined cost base for the 12 months ended 31 December 2016, giving effect to the combination of Ladbrokes and Coral as if that combination had occurred on 1 January 2016;

- Unless otherwise stated, the financial information relating to GVC is extracted (without adjustment) from management accounts and audited consolidated financial statements for GVC for the year ended 31 December 2016, from the interim results statement of GVC for the six months ended 30 June 2017 or the 2017 latest estimate financial information (actual for January to October 2017 and forecast for November – December 2017);
- Unless otherwise stated, the financial information relating to Ladbrokes Coral is extracted (without adjustment) from management accounts and audited consolidated financial statements for Ladbrokes Coral for the year ended 31 December 2016 which shows the pro-forma information for Ladbrokes Coral from the interim results statement of Ladbrokes Coral for the six months ended 30 June 2017 or the 2017 latest estimate financial information (actual for January to October 2017 and forecast for November – December 2017);
- GVC then assessed the increase in staff costs and operating expenses required from the GVC 2016 cost base to support Ladbrokes Coral's business operations (the "GVC Plus methodology"), after giving effect to the sale of GVC's Turkish facing business (completed in December 2017) and the sale of GVC Kalixa business (completed in May 2017). The GVC 2016 cost base and the assessed increase in staff costs and operating expenses were added to establish the ending cost base under the GVC Plus methodology (the "Final Cost Base");
- The gross synergies (the "Gross Synergies") were calculated as the Initial Cost Base minus the Final Cost Base;
- During 2016 and 2017 GVC was integrating the bwin.party business, with expectation of significant cost savings which were publicly announced in September 2015 to be €125 million. GVC identified those elements of the Gross Synergies which were due to the GVC/bwin.party integration programme (the "bwin.party Synergies"), and confirmed that the bwin.party Synergies would still be achieved if the Acquisition proceeded;
- During 2016 and 2017 Ladbrokes and Coral have been integrating their businesses, with expectation of significant synergies which were publicly announced in July 2017 to be £150 million. GVC and Ladbrokes identified those elements of the Gross Synergies which were due to the Ladbrokes/Coral integration programme (the "Ladbrokes/Coral Synergies"), and confirmed that the Ladbrokes/Coral Synergies would still be achieved if the Acquisition proceeded;
- The potential synergies available from the Acquisition were calculated as the Gross Synergies minus the bwin.party Synergies minus the Ladbrokes/Coral Synergies;
- The phasing of the benefits and the one-off costs involved in delivering the potential synergies were assessed as part of this process; and
- Gross incremental synergies (after deducting synergies from previous transactions) were risk-weighted by GVC Management, reflecting their assessment on the likely delivery of the targeted benefits.

GVC Management have used an exchange rate of 1.150 €/£

Reports

As required by Rule 28.1(a) of the Takeover Code, Grant Thornton, as reporting accountants to GVC, have provided a report stating that, in their opinion, the Quantified Financial Benefits Statement has been properly compiled on the basis stated. In addition Houlihan Lokey as financial adviser to GVC, has

provided a report stating that, in its opinion, the Quantified Financial Benefits Statement has been prepared with due care and consideration.

Copies of these reports are included in Parts B and C of this Appendix IV. Grant Thornton and Houlihan Lokey have given and not withdrawn their consent to the publication of their reports in the form and context in which they are included.

Notes

- 1 The statements of estimated cost synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost synergies referred to may not be achieved, or may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. No statement in the Quantified Financial Benefits Statement, or this Announcement generally, should be construed as a profit forecast or interpreted to mean that the Enlarged Group's earnings in the first full year following the Acquisition, or in any subsequent period, would necessarily match or be greater than or be less than those of GVC and/or Ladbrokes Coral for the relevant preceding financial period or any other period
- 2 Due to the scale of the Enlarged Group, there may be additional changes to the Enlarged Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.
- 3 In arriving at the estimate of cost synergies set out in this Announcement, the GVC Directors have assumed that there will be no significant impact on the underlying operations of either business as a result of the Acquisition or the Triennial Review.

Part B

Report from Grant Thornton UK LLP on the Quantified Financial Benefits Statement

Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

The Directors
GVC Holdings Plc
32 Athol Street
Douglas
Isle of Man
IM1 1JB

Houlihan Lokey EMEA, LLP
83 Pall Mall
London
SW1Y 5ES

22 December 2017

Dear Sirs,

GVC Holdings plc (the Company) - the Quantified Financial Benefits Statement

We report on the statement made by the directors of the Company (the **Directors**) on the quantified financial benefits set out in Part A of Appendix IV to the announcement (**Statement**) issued by the Company on 22 December 2017 (**Announcement**).

The Statement has been made in the context of the disclosures in Part A of Appendix IV to the Announcement setting out, inter alia, the bases of the belief of the Directors (including sources of information and assumptions) supporting the Statement and their analysis and explanation of the underlying constituent elements.

This report is required by Rule 28.1 (a)(i) of The City Code on Takeovers and Mergers (**the Code**) and is given for the purpose of complying with that rule and for no other purpose.

Responsibilities

It is the responsibility of the Directors to prepare the Statement in accordance with the requirements of the Code.

It is our responsibility to form an opinion, as required by Rule 28.1(a)(i) of the Code as to whether the Statement has been properly compiled on the basis stated and to report that opinion to you.

Save for any responsibility arising under Rule 28.1(a)(i) of the Code to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report, which is required by and given solely for the purposes of complying with Rule 23.2(b) of the Code, or our statement consenting to its inclusion in the Announcement.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included considering whether the Statement

has been accurately computed based upon the disclosed bases of belief (including the principal assumptions). Whilst the basis of belief (and the principal assumptions) upon which the Statement is based are solely the responsibility of the Directors, we considered whether anything came to our attention to indicate whether any of the bases of belief (or principal assumptions) adopted by the Directors which, in our opinion, are necessary for a proper understanding of the Statement have not been disclosed and whether any bases of belief (or principal assumption) made by the Directors appears to us to be unrealistic. Our work did not involve any independent examination of any of the financial or other information underlying the Statement.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Statement has been properly compiled on the basis stated. We have discussed the Statement together with the bases of belief (including sources of information and assumptions) with the Directors and with Houlihan Lokey EMEA, LLP.

Since the Statement (and the principal assumptions on which it is based) relates to the future and may therefore be affected by unforeseen events, the actual financial benefits achieved are likely to be different from those anticipated in the Statement and differences may be material. Accordingly, we can express no opinion as to the achievability of the financial benefits identified by the Directors in the Statement.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted outside the United Kingdom, including the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, on the basis of the foregoing, the Statement has been properly compiled on the basis stated.

Yours faithfully

Grant Thornton UK LLP
Chartered Accountants

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Part C
Report from Houlihan Lokey on the Quantified Financial Benefits Statement

The Directors
GVC Holdings Plc
32 Athol Street
Douglas, Isle of Man
IM1 1JB

22 December 2017

Dear Sirs,

We refer to the Quantified Financial Benefits Statement, the bases of belief thereof and the notes thereto (together, the "**Statement**"), for which the Directors of GVC are solely responsible under Rule 28 of the City Code on Takeovers and Mergers (the "**Code**").

We have discussed the Statement (including the assumptions and sources of information referred to therein), with the Directors of GVC and those officers and employees of GVC who developed the underlying plans. The Statement is subject to uncertainty as described in this Announcement and our work did not involve an independent examination of any of the financial or other information underlying the Statement.

We have relied upon the accuracy and completeness of all the financial and other information provided to us by, or on behalf of, GVC, or otherwise discussed with or reviewed by us, and we have assumed such accuracy and completeness for the purposes of providing this letter. We have also reviewed the work carried out by Grant Thornton LLP and have discussed with them the opinion set out in their letter of 22 December 2017 addressed to the Directors of GVC and ourselves.

We do not express any opinion as to the achievability of the quantified financial benefits identified by the Directors of GVC.

We have also reviewed the work carried out by Grant Thornton and have discussed with them the opinion set out in Part B of Appendix IV of this Announcement addressed to yourselves and ourselves on this matter.

This letter is provided pursuant to our engagement letter with GVC solely to the Directors of GVC in connection with Rule 28.1(a)(ii) of the Takeover Code and for no other purpose. We accept no responsibility to GVC or its shareholders or any person other than the Directors of GVC in respect of the contents of, or any matter arising out of or in connection with, this letter. No person other than the Directors of GVC can rely on the contents of this letter, and to the fullest extent permitted by law, we exclude all liability (whether in contract, tort or otherwise) to any other person in respect of this letter, its results, or the work undertaken in connection with this letter, or any of the results that can be derived from this letter or any written or oral information provided in connection with this letter, and any such liability is expressly disclaimed except to the extent that such liability cannot be excluded by law.

On the basis of the foregoing, we consider that the Statement, for which the Directors of GVC are solely responsible, has been prepared with due care and consideration.

Yours truly,

Houlihan Lokey EMEA, LLP

APPENDIX V

DEFINITIONS

The following definitions apply throughout this Announcement unless the context requires otherwise:

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| "£", "GBP", "pence" or "p" | pounds sterling, the lawful currency of the United Kingdom |
| "Acquisition" | the acquisition by GVC of Ladbrokes Coral to be effected by means of the Scheme, or a Takeover Offer on the terms and subject to the Conditions set out in this Announcement and, where the context admits, any subsequent revision, variation, extension or renewal thereof |
| "Admission" | the satisfaction of the Conditions in paragraph 3(b) of Part A Appendix I to this Announcement in respect of the admission of the New GVC Shares to (i) the premium listing segment of the Official List and (ii) trading on the main market for listed securities of the London Stock Exchange |
| "Announcement" | this announcement, made in accordance with Rule 2.7 of the Takeover Code, including its summary and appendices |
| "Authorisations" | any and all authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, clearances, permissions, exemptions and approvals |
| "B2 Standards" | the "Machine standards category B2" Revision 2, dated June 2012 as published by the UKGC as at the date of the CVR Instrument |
| "Base Value" | has the meaning given in paragraph 4 of this Announcement |
| "Board" | in relation to GVC and Ladbrokes Coral, the board of directors of the relevant company |
| "Business Day" | a day, not being a public holiday, Saturday or Sunday, on which banks in the City of London are open for normal banking business |
| "Cash Coverage Agreement" | has the meaning given in paragraph 22 of this Announcement |
| "Clean Break Notice" | has the meaning given in paragraph 8 of this Announcement |
| "Clean EBITDA" | earnings before interest, taxation, depreciation, amortisation, impairment charges, changes in the fair value of derivative financial instruments, share option charges and exceptional items after accounting for net synergies from the transaction and the impact of the Triennial Review, and before transaction costs and one-time restructuring charges |
| "Closing Price" | the closing middle market price of a share as derived from the Daily Official List on any particular date |

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| "CMA" | the Competition and Markets Authority in the United Kingdom |
| "Code" or "Takeover Code" | the City Code on Takeovers and Offers in the United Kingdom |
| "Coral" | Coral Group Limited, a company incorporated in England and Wales with registered number 05282058 |
| "Coral Annual Report and Financial Statements" | the annual report and audited financial statements of Coral for the year ended 26 September 2015 |
| "Companies Act" | the Companies Act 2006 |
| "Completion" | the day on which the Acquisition becomes Effective |
| "Conditions" | the conditions of the Acquisition, as set out in Appendix I to this Announcement and to be set out in the Scheme Document |
| "Confidentiality Agreement" | the confidentiality agreement entered into between GVC and Ladbrokes Coral dated 10 November 2016 |
| "Consulting Parties" | has the meaning given in paragraph 4 of this Announcement |
| "Co-operation Agreement" | the agreement dated 22 December 2017 between GVC and Ladbrokes Coral relating, among other things, to commitments to provide information and assistance for the purposes of obtaining official authorisation or regulatory clearance |
| "Coral" | Coral Group Limited, a company incorporated in England and Wales with registered number 05282058 |
| "Coral Annual Report and Financial Statements" | the annual report and audited financial statements of Coral for the year ended 26 September 2015 |
| "Court" | the High Court of Justice in England and Wales |
| "Court Hearing" | the hearing of the Court to sanction the Scheme |
| "Court Meeting" | the meeting(s) of Scheme Shareholders (or the relevant class or classes therefore, if applicable) to be convened pursuant to an order of the Court pursuant to section 896 of the Companies Act, notice of which will be set out in the Scheme Document, for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment), including any adjournment, postponement or reconvention thereof |
| "Court Order" | the order of the Court sanctioning the Scheme under section 899 of the Companies Act |
| "CREST" | the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear is the operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form |

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| "CVRs" | the contingent value rights constituted by the CVR Instrument issued to holders of Scheme Shares |
| "CVR Holder" | a holder of a CVR |
| "CVR Instrument" | the deed poll dated the date of this Announcement and entered into by GVC, under which the CVRs have been constituted |
| "CVR Representative" | has the meaning given in paragraph 4 of this Announcement |
| "Daily Official List" | the daily official list of the London Stock Exchange |
| "DCMS" | the Department for Digital, Culture, Media & Sport of the UK Government, or any successor to such department |
| "Disclosed" | information which has been fairly disclosed: (i) by, or on behalf of, Ladbrokes Coral to GVC (or its advisers) in a data room established by GVC for the purposes of the Acquisition or otherwise in writing; (ii) in the Ladbrokes Coral Annual Report and Accounts or in the Coral Annual Report and Financial Statements; (iii) in any announcement to a Regulatory Information Service by, or on behalf of, Ladbrokes Coral, prior to the publication of this Announcement; or (iv) in this Announcement |
| "Early Redemption Date" | has the meaning given in paragraph 4 of this Announcement |
| "EBITDA" | earnings before interest, taxation, depreciation and amortisation |
| "EBITDA Impact Projection" | has the meaning given in paragraph 4 of this Announcement |
| "Effective" | the Scheme having become effective pursuant to its terms or, if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Takeover Code |
| "Effective Date" | the date upon which the Court Order is filed at Companies House |
| "Enacted" | in respect of a particular Triennial Measure, either: <ul style="list-style-type: none"> (a) a statutory instrument in respect of such Triennial Measure having been laid before Parliament by the UK Government pursuant to section 172 or section 240 of the Gambling Act, and a period of 40 calendar days having elapsed since the date of such statutory instrument having been laid before Parliament, without a petition having been presented either by the House of Commons or the House of Lords for the annulment of such statutory instrument; or (b) a statutory instrument in respect of such Triennial Measure having been proposed to Parliament by the UK |

Government pursuant to section 236 of the Gambling Act, and an affirmative vote in respect of such statutory instrument having been obtained from both the House of Commons and the House of Lords; or

- (c) Royal Assent in respect of any primary legislation to give effect to any such Triennial Measure having been given; or
- (d) the making by the UKGC of a specification of a licence condition pursuant to section 76 of the Gambling Act (after any necessary consultation period having occurred) to bring into effect such Triennial Measure, or the following of any equivalent process in respect of any amendment to the B2 Standards,

and "**Enactment**" shall be construed accordingly

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| " Enlarged Group " | the GVC Group as enlarged by the Ladbrokes Coral Group following Completion |
| " Envisaged Maximum Stake " | any of the possible Maximum Stakes set out in the Row 1 of the Maximum Stakes Table |
| " EPS " | earnings per share |
| " EU " | the European Union |
| " EU Merger Regulation " | Council Regulation (EC) No 139/2004 |
| " Euroclear " | Euroclear UK and Ireland Limited |
| " Excluded Shares " | <ul style="list-style-type: none">(a) any Ladbrokes Coral Shares which are registered in the name of or beneficially owned by GVC or its nominee(s) or any subsidiary undertaking of GVC or its nominee(s); and(b) any Ladbrokes Coral Shares held in treasury (unless such Ladbrokes Coral Shares cease to be so held) |
| " Expert " | has the meaning given in paragraph 4 of this Announcement |
| " FCA " or " Financial Conduct Authority " | the UK Financial Conduct Authority or its successor from time to time |
| " Final Redemption Date " | has the meaning given in paragraph 4 of this Announcement |
| " FOBT " | a gaming machine falling within regulation 5(5) of the Categories of Gaming Machine Regulations 2007 (SI 2007/2158) as amended, made by the DCMS pursuant to section 236(1) of the Gambling Act |
| " Form of Election " | the form of election for use by an eligible Scheme Shareholder to participate in the Mix and Match Facility |

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| "Forms of Proxy" | the forms of proxy in connection with each of the Court Meeting and the Ladbrokes Coral General Meeting, which shall accompany the Scheme Document |
| "FSMA" | the Financial Services and Markets Act 2000, as amended |
| "Gambling Act" | the UK Gambling Act 2005 |
| "Grant Thornton" | Grant Thornton UK LLP |
| "Greenhill" | Greenhill & Co. International LLP |
| "GVC" | GVC Holdings plc, a company incorporated in the Isle of Man with registered number 4685V |
| "GVC Directors" | the Board of GVC at the date of this Announcement |
| "GVC General Meeting" | the general meeting of GVC Shareholders to be convened in connection with the Proposals to consider and, if thought fit, pass the GVC Resolutions, including any adjournment, postponement or reconvention thereof |
| "GVC Group" | GVC and its subsidiaries and subsidiary undertakings and, where the context admits, each of them |
| "GVC Permitted Dividend" | has the meaning given in paragraph 16 of this Announcement |
| "GVC Prospectus" | the combined prospectus and shareholder circular to be published by GVC in connection with the Proposals and sent to GVC Shareholders and Ladbrokes Coral Shareholders summarising, amongst other things, the background to and reasons for the Acquisition and containing details of, amongst other things, the Enlarged Group and the New GVC Shares, which will include a notice convening the GVC General Meeting |
| "GVC Representative" | has the meaning given in paragraph 4 of this Announcement |
| "GVC Resolutions" | the resolutions to be proposed at the GVC General Meeting in connection with the Acquisition, including, amongst other things, resolutions to: to (i) approve, effect and implement the Acquisition including the grant of uncapped indemnities to the GVC Representative and the CVR Representative (under the Listing Rules, as a "Class 1" transaction); (ii) authorise an increase in the authorised share capital of GVC; (iii) confer authorities for the issue and allotment of the New GVC Shares to be issued pursuant to the Acquisition; (iv) the disapplication of pre-emption rights in respect of the allotment of the New GVC Shares in accordance with article 5.2 (d) of the articles of association of GVC; and (v) the amendment of the articles of association of GVC in connection with the proposed increase in the share capital of GVC to be set out in the notice of general meeting of GVC in the GVC Prospectus |

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| "GVC Shareholders" | holders of GVC Shares from time to time |
| "GVC Shares" | fully paid up ordinary shares of €0.01 nominal value each in the share capital of GVC |
| "Houlihan Lokey" | Houlihan Lokey EMEA, LLP |
| "Investec" | Investec Bank plc |
| "Ladbrokes Coral" | Ladbrokes Coral Group plc, a company incorporated in England and Wales with registered number 00566221 |
| "Ladbrokes Coral Annual Report and Accounts" | the annual report and audited financial statements of Ladbrokes Coral for the year ended 31 December 2016 |
| "Ladbrokes Coral Directors" | the Board of Ladbrokes Coral at the date of this Announcement |
| "Ladbrokes Coral General Meeting" | the general meeting of Scheme Shareholders to be convened in connection with the Scheme to consider, and if thought fit pass, inter alia, the Ladbrokes Coral Resolutions, including any adjournment, postponement or reconvention thereof |
| "Ladbrokes Coral Group" | Ladbrokes Coral and its subsidiaries and subsidiary undertakings and, where the context admits, any of them |
| "Ladbrokes Coral Meetings" | the Court Meeting and the Ladbrokes Coral General Meeting |
| "Ladbrokes Coral Permitted Dividend" | has the meaning given thereto in paragraph 16 of this Announcement |
| "Ladbrokes Coral Resolutions" | the resolutions to be proposed by Ladbrokes Coral at the Ladbrokes Coral General Meeting in connection with, amongst other things, to authorise the directors to take all required action in relation to the Scheme, the amendment of Ladbrokes Coral's articles of association, the delisting of Ladbrokes Coral, its reregistration as a private limited company and such other matters as may be necessary to implement the Scheme |
| "Ladbrokes Coral Shareholders" | the holders of Ladbrokes Coral Shares |
| "Ladbrokes Coral Shares" | fully paid up ordinary shares of 28½ pence nominal value each in the share capital of Ladbrokes Coral |
| "Ladbrokes Coral Share Schemes" | the Ladbrokes Coral 1978 Share Option Scheme, the Ladbrokes Coral Executive Deferred Bonus Plan, the Ladbrokes Coral Performance Share Plan, the Ladbrokes Coral Restricted Share Plan, the Ladbrokes Coral 1983 Savings Related Option Scheme and the Ladbrokes Coral Share Incentive Plan |
| "Ladbrokes Coral UK Business" | the Ladbrokes Coral business of operating LBOs in England, Scotland and Wales |

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| "Last Practicable Date" | 21 December 2017 (being the latest practicable date prior to the publication of this Announcement) |
| "LBO" | a premises in respect of which a betting premises licence (as defined in section 150(1)(e) of the Gambling Act) has been issued by a licensing authority (as defined in section 2 of the Gambling Act) |
| "Linear Interpolation" | in circumstances where the Maximum Stake stipulated in the Maximum Stakes Measures falls between two Envisaged Maximum Stakes which are adjacent to one another in Row 1 of the Maximum Stakes Table, determining the Base Value associated with that stipulated Maximum Stake by assuming that the Base Value figure in Row 2 directly below the lower of those Envisaged Maximum Stakes in Row 1 of the Maximum Stakes Table increases on a straight-line basis up to the Base Value figure in Row 2 directly below the higher of those Envisaged Maximum Stakes in Row 1 of the Maximum Stakes Table, and "Linearly Interpolated" shall be construed accordingly |
| "Listing Rules" | the rules and regulations made by the FCA under Part VI of the FSMA, and containing the UK Listing Authority's publication of the same name, as amended from time to time |
| "Loan Note Issue Date" | the date of issuance of the Loan Notes, being within 14 days of the final determination of the Loan Note Principal Value |
| "Loan Notes" | any Loan Notes issued pursuant to the CVR Instrument |
| "Loan Note Instrument" | the deed poll constituting the Loan Notes to be made by GVC in certain circumstances following determination of the Loan Note Principal Value |
| "Loan Note Principal Value" | has the meaning given in paragraph 4 of this Announcement |
| "London Stock Exchange" | the London Stock Exchange plc or its successor from time to time |
| "Long Stop Date" | 30 June 2018 or such later date as Ladbrokes Coral and GVC may agree in writing, with the Panel's consent and the Court may approve (if such consent and/or approval is required) |
| "Maximum Machines Measures" | has the meaning given in paragraph 4 of this Announcement |
| "Maximum Stake" | the maximum stake which may be wagered by a player on any particular game cycle on a FOBT, disregarding any conditions imposed by law or regulation that may have to be satisfied before such maximum stake may be wagered |
| "Maximum Stakes Measures" | any changes to the Maximum Stake which are Enacted on or prior to the first anniversary of the Effective Date |

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| "Maximum Stakes Table" | the table set out in paragraph 4 of this Announcement under the heading "Scenario 1" |
| "MGA" | the Malta Gaming Authority |
| "Mix and Match Facility" | the mix and match facility under which eligible Ladbrokes Coral Shareholders will be able to elect, subject to there being equal and opposite elections made by other Ladbrokes Coral Shareholders, to vary the proportions in which they receive New GVC Shares and cash under the Acquisition |
| "Net Gaming Revenue" or "NGR" | the fair value of consideration received or receivable. In sportsbetting, NGR is calculated as the gains and losses in respect of bets placed on sporting events which have taken place in the period, stated net of betting taxes and certain promotional bonuses. In casino and gaming, NGR represents the net win in respect of bets placed in games that have concluded in the period, stated net of promotional bonuses. In poker, NGR represents the rake or commission for games that have concluded in the period, net of certain promotional bonuses; |
| "New GVC Shares" | the new GVC Shares proposed to be issued to Ladbrokes Coral Shareholders in connection with the Acquisition |
| "Offer Period" | the offer period (as defined by the Takeover Code) relating to Ladbrokes Coral, which commenced on 7 December 2017; |
| "Offer Price" | the consideration payable for each Ladbrokes Coral Share under the Acquisition, being 0.141 New GVC Shares, 32.7 pence in cash and a contingent entitlement of up to a further 42.8 pence plus an upward adjustment for the time value of money in principal value of Loan Note by way of a CVR linked to the outcome of the Triennial Review |
| "Official List" | the Official List maintained by the FCA |
| "Overseas Shareholders" | Ladbrokes Coral Shareholders (or nominees of, or custodians or trustees for, Ladbrokes Coral Shareholders) not resident in, or nationals or citizens of the United Kingdom |
| "Parliament" | the Parliament of the United Kingdom, and House of Lords and House of Commons mean the upper and lower chambers of such Parliament respectively |
| "Panel" | the Panel on Takeovers and Mergers |
| "Permitted Dividend" | GVC Permitted Dividend and Ladbrokes Coral Permitted Dividend |
| "Phase 2 CMA Reference" | a reference of the Acquisition or any matters arising therefrom to the chair of the Competition and Markets Authority for the |

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| | constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 |
| "Proposals" | the Acquisition and the GVC Resolutions |
| "Quantified Financial Benefits Statement" | as defined in Part A of Appendix IV to this Announcement |
| "Redemption Date" | has the meaning given in paragraph 4 of this Announcement |
| "Registrar of Companies" | the Registrar of Companies in England and Wales |
| "Regulatory Information Service" | any of the services set out in Appendix III to the Listing Rules |
| "Restricted Jurisdiction" | any jurisdiction where local laws or regulations may result in significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to Ladbrokes Coral Shareholders in that jurisdiction (in accordance with the Notes on Rule 30.4 of the Takeover Code); |
| "Restricted Overseas Shareholders" | in respect of any New GVC Shares or CVRs, an Overseas Shareholder other than a US Shareholder and, in respect of any Loan Notes, any Overseas Shareholder, in each case who has not, by or prior to the Scheme Record Time been able to satisfy Ladbrokes Coral and GVC in their absolute discretion, that the receipt of New GVC Shares, CVRs or Loan Notes pursuant to the Acquisition is exempt from or not subject to the registration or other legal or regulatory requirements or restrictions of the relevant jurisdiction |
| "Review Commencement Date" | has the meaning given in paragraph 4 of this Announcement |
| "Scheme" | the proposed scheme of arrangement under Part 26 of the Companies Act between Ladbrokes Coral and the Scheme Shareholders, with or subject to any modification thereof or addition thereto or condition approved or imposed by the Court and agreed by Ladbrokes Coral with the approval of GVC |
| "Scheme Document" | the document to be sent to Ladbrokes Coral Shareholders, persons with information rights and to holders of options and awards granted under the Ladbrokes Coral Share Schemes, containing, amongst other things, the Scheme and the notices convening the Court Meeting and the Ladbrokes Coral General Meeting |
| "Scheme Record Time" | the time and date specified in the Scheme Document as the record time for the Scheme or such later time and/or date as GVC and Ladbrokes Coral may agree |
| "Scheme Shareholders" | holders of Scheme Shares |

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| "Scheme Shares" | <p>(a) the Ladbrokes Coral Shares in issue at the date of the Scheme Document;</p> <p>(b) any Ladbrokes Coral Shares issued after the date of the Scheme Document and on or before the Voting Record Time;</p> <p>(c) any Ladbrokes Coral Shares issued after the Voting Record Time and on or before the Scheme Record Time on the terms that the holder or any subsequent holder thereof shall be bound by the Scheme or in respect of which the original or any subsequent holders thereof shall have agreed in writing to be, bound by the Scheme; and</p> <p>(d) any Ladbrokes Coral Shares issued pursuant to the Ladbrokes Coral Share Schemes at any time up to the Court Hearing to sanction the Scheme,</p> <p>but excluding (1) in the case of references in this Announcement to "Scheme Shares" or "Scheme Shareholders" in relation to voting at the Court Meeting any Excluded Shares in issue at the Voting Record Time and any Scheme Shares referred to in (c) above and (2) in the case of other references in this Announcement to "Scheme Shares" or "Scheme Shareholder" any Excluded Shares in issue at the Scheme Record Time</p> |
| "SEC" | the US Securities and Exchange Commission |
| "Significant Interest" | in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking |
| "Spin Speeds Measures" | has the meaning given in paragraph 4 of this Announcement |
| "Takeover Offer" | should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the recommended offer to be made by or on behalf of GVC to acquire the entire issued and to be issued share capital of Ladbrokes Coral and, where the context admits, any subsequent revision, variation, extension or renewal thereof |
| "Third Party" | each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction |
| "Triennial Measures" | has the meaning given in paragraph 4 of this Announcement |
| "Triennial Review" | the UK Government's Review of Gaming Machines and Social Responsibility Measures, as initiated by a Call for Evidence |

published by the DCMS on 24 October 2016, and including the consultation being undertaken by the DCMS in accordance with the terms set out in the Consultation Paper published by the DCMS on 31 October 2017

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| "UBS" | UBS Limited |
| "UK" or "United Kingdom" | the United Kingdom of Great Britain and Northern Ireland |
| "UKGC" | the UK Gambling Commission or any successor thereto |
| "UKLA" or "UK Listing Authority" | the FCA acting for the purposes of Part VI of the FSMA |
| "UK Government" | Her Majesty's Government of the United Kingdom from time to time and/or (i) any ministerial or non-ministerial department of it, including but not limited to the DCMS, and/or (ii) any executive agency of any such department |
| "US" or "United States" | the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia |
| "US Exchange Act" | the US Securities Exchange Act of 1934 |
| "US Securities Act" | the US Securities Act of 1933 |
| "US Shareholder" | a Ladbrokes Coral Shareholder resident or located in the United States |
| "Voting Record Time" | the date and time specified in the Scheme Document by reference to which entitlement to vote at the Court Meeting will be determined, expected to be 6.30 p.m. (London time) on the day which is two days before the Court Meeting or, if the Court Meeting is adjourned, 6.30 p.m. (London time) on the day which is two days before the date of such adjourned Court Meeting |
| "Wider GVC Group" | GVC and its associated undertakings and any other body corporate, partnership, joint venture or person in which GVC and all such undertakings (aggregating their interests) have a Significant Interest |
| "Wider Ladbrokes Coral Group" | Ladbrokes Coral and its associated undertakings and any other body corporate, partnership, joint venture or person in which Ladbrokes Coral and all such undertakings (aggregating their interests) have a Significant Interest |

For the purposes of this Announcement, "subsidiary", "subsidiary undertaking", "undertaking" and "associated undertaking" have the respective meanings given by the Companies Act (but for these purposes ignoring paragraph 20(1)(b) of Schedule 4A to the Companies Act).

All references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving

validity therefrom. All references to time in this Announcement are to London time unless otherwise stated.