

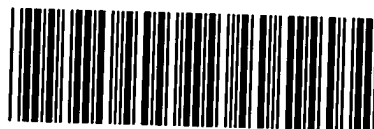
Betfred Group Holdings Limited

**Annual report and consolidated
financial statements**

Registered number 07717019

30 March 2025

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Company information

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Strategic report

The directors present their annual strategic report and the audited financial statements for the 78 week period ended 30 March 2025. The comparative period is presented for the 53 week period ended 1 October 2023. The current period is 78 weeks due to the Group changing its year end date from September to March. The long period means that comparative amounts may not be entirely comparable.

Principal activities

The principal activity of the Group continued to be trading as a bookmaker utilising the trade name Betfred. During the period the Group operated through Licensed Betting Offices (“LBOs”) and internet operations in the following countries - UK, Gibraltar, South Africa and US.

The Company acts as an investment holding company.

Performance of the business

The profit for the period after taxation was £128.8m (2023: loss of £71.7m).

An interim dividend of £25,376,000 was paid during the period (2023: £nil). The directors do not recommend the payment of a final dividend for the period (2023: £nil).

Key performance indicators

The Group's key financial performance indicators carefully monitored by the senior management team are:

£'000	78 week period ended 30 March 2025	53 week period ended 1 October 2023
Turnover	1,458,457	907,987
Gross profit	1,074,785	673,110
Exceptional costs	(3,414)	(60,850)
EBITDA, before operating exceptional items	293,772	117,150
Operating profit	209,665	467
Net assets	237,549	164,008

During the current period, the Group ceased trading in nine US states; disposed of its business in Spain; and acquired K2024367247 (South Africa) (Pty) Limited, a South Africa Investment Holding Company which owns 100% of BF SA Support Services Pty Limited. This operates as a Service Provider to the Group's South African business.

During the current period, the development of an online platform continued and as at 30 March 2025 development costs of £88,306,000 (2023: £65,396,000) are included in intangible assets. The platform went live in December 2023 for new customers and existing customers were successfully migrated at the start of 2024. The platform started to be amortised in the current period and the net book value included in intangible assets as at 30 March 2025 is £84,572,000 (2023: £65,396,000).

Turnover and pre-exceptional EBITDA for the period has increased mainly due to results being for a 78 week period. There has also been an increase in performance across all divisions in the Group, and a reduction of operating costs due to the Group exiting unprofitable overseas businesses.

Operating profit for the period is £209.7m (2023: £0.5m) which is after a charge to exceptional costs of £3.4m (2023: charge of £60.9m). There has been an increase in performance across the Group mainly due to exiting unprofitable overseas businesses; and a reduction in exceptional items mainly due to the impairment of all US assets, and a provision of £40,000,000 for onerous contracts in the prior period. The other movements in exceptional items to note are a net increase in the dilapidation provision of £9.1m and a reduction in the onerous lease provision of £5.7m in the current period.

Net assets as at 30 March 2025 have increased due to cash generated from operations less dividends paid out.

Strategic report *(continued)*

The number of LBOs operating at 30 March 2025 was 1,351 (2023: 1,387). Loss making shops are constantly reviewed and closed where the business feels necessary.

Non-GAAP measure: Earnings before interest, tax, depreciation, impairment, amortisation and exceptional items (EBITDA)		
£'000	78 week period ended 30 March 2025	53 week period ended 1 October 2023
Operating profit	209,665	467
Add back: depreciation of tangible fixed assets	24,130	15,947
Add back: amortisation of intangible fixed assets	56,563	39,886
Add back: exceptional items	3,414	60,850
EBITDA before exceptional items	293,772	117,150

EBITDA before exceptional items is considered to be a relevant, useful measure of underlying profitability and cash generation.

Principal risks and uncertainties

The Board of Directors routinely monitor the risks that the business faces in its day-to-day operations and appropriate actions are taken to mitigate these risks. The following risks are considered pertinent to the business:

General economic environment, market and trading conditions, and competitor activity

Given that discretionary spend represents a significant driver for turnover and profitability for all of the Group companies, they can be particularly susceptible to an economic downturn. Group companies also operate in highly competitive remote and non-remote market places.

The Board remains alive to, and monitors very closely, local economic conditions; anticipates adverse impacts on future profitability; strives to ensure group companies are free to innovate, and are both creative and competitive in their pricing and product offering. The Board also seeks to mitigate against the risk of losses arising from adverse sporting results.

Legal & regulatory compliance

Group companies all operate in highly regulated markets, where their compliance with laws and regulations relating to money laundering, customer identification and verification, fraud, and socially responsible gambling in particular, is closely monitored and scrutinised by Regulators. Consequences for non-compliance can include material fines and the suspension or loss of licence, coupled with reputational damage. Group companies also face legal compliance risks associated with, for example, the employment of staff and the management of data for staff and customers alike.

All group companies remain committed to ensuring that compliance with the applicable laws and regulations remains at the heart of their respective businesses; the Board is focused on fostering a culture of compliance, and has invested in effective and sufficiently resourced compliance departments in all of the Group companies. The Board also aims to ensure compliance across all areas of its businesses by deploying adequate resources and adopting and implementing appropriate risk management principles.

Future legislative changes

The laws governing the provision of facilities for betting and gaming (whether remote or non-remote) are subject to regular reviews by prevailing Governments and Regulators. These reviews, following consultation, often result in legislative changes that can have a significant impact on the manner and way in which the facilities provided by group companies are provided to their respective customers.

The Board aims to ensure that group companies prioritise positive engagement with Governments and Regulators, and take effective steps to adopt any consequential changes to the way in which they conduct their businesses.

Strategic report *(continued)*

Financial climate

Group companies rely on a mixture of debt finance and retained earnings to ensure that sufficient funds are always available for current operations, future developments, and expansion opportunities. This can be adversely affected (externally) by changes in interest rates and (internally) by poor liquidity and debt management, increased cost base, and reduced profitability. Expenditure is tightly measured against budget, regular forecasting is in place with mitigating actions taken when necessary and working capital controls are in place to ensure the Group has sufficient working capital for ongoing operations.

The Board remains focused on fostering prudent financial management across all group companies.

Cyber security

All Group companies depend on the robustness and reliability of their respective IT systems and infrastructures so as to ensure that their customers have uninterrupted access to their betting and gaming facilities. Their respective technology infrastructures are also responsible for managing customer data in accordance with applicable laws. The Board are also mindful of the potential threats posed by the ever more sophisticated development of AI. Consequently, the risk of a cyber-attack or a ransomware demand, impacting on the effective and continuous delivery of their betting and gaming facilities, and the secure retention of customer data, remains an ever-present material risk.

To mitigate against this risk, the Board has approved an IT risk management strategy in all Board companies which includes cyber security measures delivered by dedicated IT risk specialists.

Loss of key locations

Notwithstanding the global presence and reach enjoyed by group companies (within permitted territories) the Board is aware that there are four business critical locations (in Warrington and Manchester, England; Gibraltar; and Johannesburg, South Africa) the loss of which would have a significant material impact on the continuation of group company businesses. The Retail business is geographically spread across the UK which mitigates the detrimental impact of shop losses in one specific location of the UK.

Consequently, the Board has made sure that adequate resources have been allocated and appropriate measures have been taken, in order to maintain business continuity at those sites; particularly given the recent extensive redevelopment of the Warrington site.

The attraction and retention of key talent

All group companies rely on the dedication, hard work, calibre and talent of their employees, and particularly those in key operational roles, in order to be able to compete effectively, deliver a first-class service, and attain their respective business objective and strategic goals. Conversely, a failure on the part of group companies to attract and retain key talent will impact adversely on their ability to deliver on their priorities.

With that in mind, the Board remains focused on adequately resourcing the recruitment and retention of key personnel, identifying skills gaps and shortages, and ensuring that remuneration packages reward talent, innovation, and hard-work; promotion from within will also be encouraged.

A global pandemic

The global COVID-19 pandemic in 2020/21, which led to the prolonged closure of all of the Group's betting shops, and to extended periods of working from home for Head Office employees, served as a stark reminder for all group companies regarding the business interruption and general economic impact that a global pandemic can have. The digital business provides some mitigation to the impact of shop closures should there be another global pandemic.

The Board has learnt valuable lessons from that experience, and has put into place procedures and agile ways of working, designed to mitigate against the most significant impacts of any future business interruptions arising from another global pandemic.

Strategic report *(continued)*

Succession planning

A notable hallmark of the Group's success has been the stability and cohesion of its Senior Leadership Team, many of whom have worked for the Group for many years. Indeed, the Group's Chairman Fred Done began the business with just one betting shop in Salford nearly 60 years ago and he still remains at the helm.

Notwithstanding this constancy, the Board remains mindful of the need to plan for future success; has improved its governance and oversight arrangements in the past year, and is confident that the succession plans now in place for Senior positions safeguard the future of the business in the event of departures and retirements.

The health, safety, welfare and well-being of group company employees and their customers, and the impact that group company operations can have on the communities within which they operate

Group companies are required to adhere to legal obligations regarding the health, safety and welfare of their employees, breaches of which can risk adverse material financial sanctions and penalties, coupled with reputational damage. Similarly, there are legal obligations regarding the provision of socially responsible betting and gaming facilities in order to minimise the potential for customer harm. Certain group companies also operate in local communities alongside other retail leisure and entertainment businesses.

Across the wide spectrum of their business operations, the health, safety and welfare of group company employees, and the avoidance of harm for their customers, lies at the heart of their respective businesses: Particularly regarding decision making, the allocation of resources, and product design. Group companies are also mindful of, and take measures to attenuate, any adverse impacts that their operations may have on the communities where they operate, through increased awareness, a better understanding, and enhanced engagement.

Employees have access to a variety of health and wellbeing programmes provided by the Group, such as the Employee Assistance Programme. The business also donates to Safer Gambling related charities.

The customer experience

A number of group companies provide their respective betting and gaming products and services through interactions with their customers on digital platforms. As such, these group companies are highly susceptible to technology glitches and outages impacting on that provision, especially where they are dependent upon third party affiliates for the maintenance and operational effectiveness of those platforms and information systems. Such provision also needs to be delivered (via their platforms) in an innovative, fresh, exciting, user-friendly, and easy to navigate way, giving the user the best possible customer experience, particularly given the highly competitive nature of the markets within which these group companies operate.

To that end, the Board remains laser focused on ensuring that these group companies devote sufficient resources, energy, drive, and ambition so as to enable them to provide market leading products and services to their customers.

Section 172 Statement

This statement sets out how the Directors have approached and met their responsibilities under section 172 Companies Act 2006 and in particular how the Directors have satisfied themselves that they have acted in a way which is most likely to promote the success of the Group in the long-term and for the benefit of its shareholders as a whole, whilst also having regard for other stakeholders' interests. As such, the Board have considered the following (amongst other things):

Shareholders

The Board gives significant consideration through the assessment of strategic objectives and managing and mitigating the risks identified on pages 3-5 when considering the likely long term benefits to the Group when considering investment in new businesses, confirming that it is the Board's ultimate objective to deliver long-term sustainable earnings growth to enhance total shareholder returns. The Group gives consideration to long-term factors when setting its dividend and distribution policy.

As a Board, we need to balance the sometimes competing interests of our key stakeholders - our customers, employees, regulators, shareholders, suppliers and the wider community, in a way that builds trust, protects our license and supports the long-term sustainability of the Group.

Strategic report *(continued)*

Shareholders *(continued)*

Governance processes, such as board oversight, stakeholder engagement, compliance monitoring, and transparent reporting, ensure that decisions are made with all interests in mind, avoiding the unjust favouring of one group over another.

Employees

The Directors recognise that Betfred's long-term success is intrinsically linked to the well-being, development, and engagement of our employees. As one of the UK's largest independent bookmakers, we place a strong emphasis on fostering a supportive, inclusive, and high-performing work environment across our retail and digital operations.

The Directors are committed to effective engagement with employees at all levels of the business. The senior leadership team hold quarterly strategy presentations, and communication is facilitated through internal emails and videos, ensuring that staff are informed, involved, and empowered. Feedback mechanisms are in place to give colleagues a voice in shaping workplace policies and practices.

Employee welfare and safety remain a top priority. During the year, the Group continued to enhance its health and wellbeing initiatives, including mental health support, and access to employee assistance programmes.

Learning and development are central to Betfred's people strategy. The Group provides structured training programmes for both retail and corporate employees, with a focus on regulatory compliance, customer service excellence, and career progression.

Suppliers

The Group has regular engagement with its suppliers and regularly reviews its payment policies and adherence to those policies when producing the six monthly supplier reports. All material contracts with suppliers are discussed at Board level and in reaching final approval on decision for material contracts the Board has regard to a number of factors including: the business case and financial impact; the impact on our suppliers; and the long term reputation of the Group.

Customers

It is important that we look after the interests of our customers, which range from product availability, ethical behaviour, service, pricing and promoting responsible attitudes to gambling. The Group as part of its commitment to responsible and safer gambling engages through initiatives like Responsible Gambling Week, where responsible gambling messages dominate our websites, social media, retail premises and head office. Betfred is committed to responsible gambling and has produced an internal Safer Gambling Charter.

Community and the environment

We are committed to making a positive contribution to the communities within which we operate, including through payment of taxes, reducing our environmental impact through initiatives such as using LED lighting and moving to electric/hybrid vehicles. During the year we looked into the potential energy savings from switching off all of our in store machines overnight. This was successfully piloted and subsequently implemented, resulting in a reduction in energy use and cost. We donate money to various charities, and the Group has a matched charity funding scheme, where it matches amounts that employees raise for their chosen charities. Our Lottostar business in South Africa runs the 'Star Foundation' which gives significant sums of money to different charities to help make a difference to people's lives in South Africa.

During the period, we refurbished our head offices in Manchester and Warrington, England. This has provided our employees with modern facilities, improved lighting due to the addition of several windows around the building and provided breakout and relaxation areas to support employee wellbeing.

Regulators, governments and wider industry groups

We engage on a regular and open basis with our regulators to ensure that they are all engaged in our operating practices and that we can help policymakers shape our industry environment to best serve our stakeholder group whilst operating in a legal and fair way.

Strategic report *(continued)*

Non-financial and sustainability information statement

The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 (CFD), require certain publicly quoted companies and large private companies to incorporate climate disclosures in their annual reports. As a large private company, the Group is required to comply with the mandatory CFD recommendations. In the current period, the Group has complied with all of the CFD recommendations.

Governance

The Group's Board of Directors has overall authority and is responsible for overseeing climate matters within the Group, and has delegated responsibility for annually identifying, assessing and managing climate-related risks and opportunities to the Environmental, Social and Governance ("ESG") Committee and the Group Audit, Risk and Compliance ("ARC") Committee, the ESG committee and the Group ARC meet bi-annually. Board members sit on both the ARC and ESG Committee, thereby promoting a constant flow of updates and information across all three groups. The ESG Committee comprises the Group's Chief Executive Officer (CEO), who is the ESG committee chair, the Group's Chief Financial Officer (CFO), Group Head of Internal Audit and the Group's Head of Procurement. Therefore, the Board is kept thoroughly informed of climate matters as members sit across multiple committees.

The Board met regularly in the period to 30 March 2025, and climate-related risks were discussed in detail at one meeting, specifically considering the Group's Energy Saving Opportunity Scheme ("ESOS") report. Climate-related risks and opportunities have been considered part of the Group's strategic and financial planning process. For example, energy-efficiency projects with cost savings or reasonable paybacks are prioritised for implementation and considered when setting the budget. Next year, the Board will be updated on emissions and emission reduction initiatives. In March 2025, the Board reviewed the identified climate-related risks and opportunities, and Board Capacity Building information was provided to the Group's Head of Internal Audit, who sits on the ESG Committee. The Board Capacity Building information was presented to the Board in March 2025. The Board delegates all governance matters, including the responsibility for identifying climate-related risks to the Group ARC, and updates are provided to the Board when required.

Group Audit, Risk and Compliance Committee (Group ARC)

Members of the Board also sit within the Group ARC, sharing information easily and keeping the Board adequately informed. The Group ARC oversees the Group's enterprise risk management process and is responsible for identifying risks to the Group, including climate risk. The Group ARC receives reports from Business Unit ARCs (BU ARCs) and the ESG Committee and thoroughly considers all matters reported to it. The Group ARC and ESG Committee meet twice yearly, and the Business Unit ARC committees meet quarterly. The Group ARC is responsible for determining the material risks faced by the Group, known as principal risks, for inclusion in the Group's financial statements. The Group ARC reviewed the existing principal risks in March 2025. Using the results of the Climate Risk Workshop and the output from risk registers maintained through the risk management process, it was concluded that climate change is not a principal risk to the Group. The Group ARC is also responsible for reviewing and monitoring upcoming and existing changes to the Group, including climate-related legislation. During the current period, the Group ARC collaborated with third-party ESG specialists to identify climate-related risks. The Group Head of Internal Audit attends all the BU ARC and Group ARC meetings, encouraging the flow of information between groups. It provides all ESG updates to the BU ARC on behalf of the ESG Committee.

ESG Committee

The ESG Committee has the delegated responsibility of assessing and managing climate-related risks. The ESG committee met in July 2024 and March 2025. At the July meeting, the Committee considered the draft ESOS Phase 3 report and agreed the next phase of emissions reduction actions for the next twelve months which are the rollout of LED lighting, the transition to hybrid vehicles for the fleet, the rollout of smart energy meters to better manage energy consumption and the reduction in electrical consumption of betting terminals. As the Committee members encompass members of the Board, no formal updates are provided from the Committee to the Board, and information is shared at Board meetings.

Strategic report *(continued)*

Non-financial and sustainability information statement *(continued)*

Members of the ESG Committee meet bi-weekly, to discuss progress on CFD reporting and emission calculations. A Climate Risk Workshop was held to aid the ESG Committee in fulfilling its climate-related responsibilities to assess and manage climate risks. At the March meeting, the Committee considered the output from the Climate Risk workshop. Based on the risk assessment produced by the workshop, the ESG committee concluded that no further climate-related mitigating actions were required at this time.

Business Unit Audit, Risk and Compliance Committee (BU ARC)

Each Business Unit considers climate-related risk as part of the quarterly risk management review process, the output of which is reported at each meeting and considered by the Group ARC. In 2024, the Group conducted a comprehensive assessment of flood risks across the Retail business unit, concluding that the flood risks posed to the business are minimal.

Risk Management

The enterprise risk management process is facilitated by the Group Risk Manager across the Group. Principal risks are considered twice yearly by the Group ARC. The Group acknowledges the potential long-term threat from climate change but its current impact on the business has been minimal. However, some costs relating to climate change have been incurred such as compliance costs, therefore, climate change has been deemed an emerging risk by the Group ARC and as such the Group will continue to monitor this risk. We have not and do not foresee significant short-term financial impacts relating to climate change, however, its current impact on the business is minimal. Physical risks arising from climate change are considered quarterly by the BU ARC and Group ARC, in the same way other business risks are considered, to ensure that changes in the risk profile are identified early so that risks can be appropriately managed. As climate change is an emerging risk, the climate risk register has not been incorporated into the Group's corporate risk register. However, the Group did identify climate change within its corporate risk register under Geopolitical Risks. As such, climate-related risk processes such as identification and management are already integrated into our corporate risk management processes. This is demonstrated by our proactive identification of flooding risks and mitigative approaches to physical risks. We will continue to enhance this through our CFD journey. We will review the feasibility of merging the risk registers in the next period. Our business model and strategy have been tested for resilience against the three climate scenarios, confirming their robustness.

Separately, a flood risk assessment exercise was conducted in the current period which included all our betting shops in the UK using the Environment Agency's own flood risk website to identify any sites requiring flood risk mitigation. The assessment showed no sites are at high risk of flooding in the short-term. The results of this exercise were used to assess flood risk for the risk register of the Retail business.

Risk identification

The Group ARC, identifies and monitors climate-related risks. Bi-weekly meetings are held to review climate data and legislative developments. A climate scenario analysis was conducted in January and February 2025, covering selected Betfred sites across three warming pathways. The results were presented in the March 2025 workshop.

Following CFD guidance, climate-related risks were categorised into transition risks (risks associated with the shift to a low-carbon economy), following themes of policy and legal, market shifts, technological advancements or lack thereof, and reputational risks. Physical risks (relating to the physical impacts of climate change) covered acute risks (event-driven, e.g. flooding) or chronic risks (longer-term shifts in the climate patterns, e.g. rising mean temperatures). Transition risks were assessed at the group level, while physical risks were analysed at the site level. Nineteen climate-related risks (thirteen transition, six physical) and six climate-related opportunities were identified.

Strategic report *(continued)*

Non-financial and sustainability information statement *(continued)*

Risk assessment

The Group has conducted a flood risk assessment covering 100% of our UK betting shops under this assessment using UK government tools. Building on this initial assessment, the March 2025 workshop incorporated the use of several additional international models and was attended by members of the ESG Committee and business representatives including the Head of Development and Property, Group Head of Internal Audit, Head of Internal Control, and Group Head of Procurement. A total of 20 key sites were assessed for climate-related vulnerabilities, selected based on Earnings Before Interest, Tax, Depreciation, and Amortisation (EBITDA). Our top 10 suppliers (by spend) were also analysed for climate-related risks. All are expected to be affected by rising temperatures and heatwaves, with one supplier also vulnerable to sea level rise. Looking at our supplier risks builds our resilience as we can anticipate potential future impacts of service delivery and implement measures to promote business continuity.

Risks were scored for likelihood and impact using a 1-5 scale for both indicators, with 1 being very unlikely or minimal and 5 being certain or severe. Existing mitigations were taken into account when scoring. The likelihood and impact scores were then multiplied to understand the inherent risk. If the combined scoring was greater than 9, the risk was deemed as material. Risks scored between 9-16 are deemed a 'moderate' risk and a score of above 16 is deemed a 'high' risk to the business. One transition risk was deemed material in the current period assessment. Although physical risks were considered, no physical risks met the materiality threshold. Material opportunities were selected based on appropriateness to the business. The resulting risk register was developed post-workshop, and owners were assigned to ensure the effective management of risks. It was approved by the Group ARC in March 2025. This process will be repeated annually.

Risk management

The climate risk workshop evaluated existing mitigation measures based on effectiveness. This process will be conducted at least annually, and ad hoc if required. All climate-related risks will be reviewed at least annually by the ESG Committee and Group ARC, but physical risks will be reviewed quarterly in collaboration with the Business Units, specifically retail. The Group actively manages energy costs through hedging and continues to explore renewable energy options. Initiatives such as "Power Down", the rollout of LED lighting, and upgrades to replace emission-intensive technologies have been implemented to reduce environmental impact and operational costs (see Table 1 for full mitigation list).

Strategy

Through a climate scenario analysis process, the Group identified the climate-related risks and opportunities in March 2025, as outlined in the Risk Management section above.

Climate scenarios are intended to explore various potential futures based on several predicted international responses to climate change. The scenarios provide a theoretically possible future state of our world by looking at policy and framework introductions, technological advancements, or lack thereof, market shifts, and reputational risks. Multiple climate models were used to analyse how multiple variables can alter outcomes including the International Energy Agency's World Energy Models ("WEM") looking at energy demands, supply, prices and policy impacts; Shared Socioeconomic Pathways ("SSPs") looking at population growth, technological advancement, and economic development, Climate Natural Catastrophe Damage Models looking at natural disasters and the exposure and vulnerability of areas, Coordinated Regional Climate Downscaling Experiment ("CORDEX") forecasts looking at changing weather patterns such as temperature and precipitation, and Integrated Assessment Models ("IAM") looking at emission trajectories, climate policies and land use change. These scenarios, aligned with the ISO 14091 Climate Adaptation standard, offer valuable insights into potential future outcomes but are associated with uncertainty, such as over-assumptions, under-estimations, or discrepancies between predictions and real-world conditions. Our climate scenario analysis uses a combination of quantitative and qualitative data, including temperature changes in degrees Celsius from the IPCC, and monitoring market changes in sectors and services.

Strategic report *(continued)*

Non-financial and sustainability information statement *(continued)*

Climate risk workshop

The results of this analysis were presented in March 2025 during the Climate Risk Workshop, to the Group Head of Internal Audit, Group Head of Procurement, Head of Internal Control, Head of Development & Property and other attendees at a workshop.

After assessing these risks, Betfred determined that one transition risk could have a moderate impact on the Retail business, namely the replacement of existing technology and support services with lower-emission alternatives. The increased costs associated with this risk are anticipated to be partially offset by the expected lower energy consumption of the new hardware. No physical risks were deemed significant due to our business's diverse geographical footprint, our online presence, and with appropriate physical mitigations already in place to reduce the impact of extreme climate events at the site level.

The outputs from the workshop were used to further develop the Group's climate risk register, which will be managed by the Group Risk Manager and incorporated into the enterprise risk management process.

Time horizons and warming pathways

The Group selected three time horizons to assess climate-related risks and opportunities across the short-, medium-, and long-term periods. The short-term horizon (2024–2028) provides insight into the near-term consequences of climate change, during which we expect the shift to a low-carbon economy to accelerate. This period will likely see stricter environmental regulations and increased stakeholder expectations, highlighting potential transition risks already emerging. The medium-term horizon (2029–2038) captures the growing intensity of both transition and physical risks, offering a deeper understanding of impacts, particularly if responses to these risks remain reactive. The long-term horizon (2039–2053) aligns with the UK's 2050 Net Zero commitment under the Paris Agreement. In this period, exposure to climate-related risks is expected to increase significantly, requiring robust, long-term climate strategies to support the UK's net zero target of 2050 (90% reduction from baseline emissions with up to 10% residual emissions for offsetting).

The Group selected three warming pathways: the "Proactive" scenario, which is a below 2°C increase, the "Reactive" scenario modelled using a between 2-3°C increase, and the "Inactive" scenario reflecting a greater than 3°C increase in global temperatures.

- The "Proactive" scenario aligns with the Paris Agreement and the UK's 2050 Net Zero target. Governments enforce strict environmental mandates, driving innovation and investment in low-emission technologies. Market demand shifts towards low-carbon, sustainable alternatives, increasing the need for related services. As more organisations take responsibility and decarbonise, major climate tipping points are avoided, creating a more stable environment. Betfred has continued to build operational resilience by conducting annual reviews of risks, and reporting year-on-year progress in its annual CFD disclosure.
- In the "Reactive" scenario, policies are introduced staggered and uncoordinatedly, creating compliance challenges and potential conflicts across jurisdictions. Investment in low-emission alternatives remains low, as decarbonisation lacks financial incentive. Physical risks intensify as climate tipping points are reached, causing unpredictable conditions and major supply chain disruptions. Betfred will continue to promote energy efficiency throughout the Group to build resilience under the "Reactive" scenario, decarbonise along its net zero journey, and work with key stakeholders to strengthen relations.
- The "Inactive" scenario, or "business as usual", reflects a future with no effective climate action. Governments fail to introduce policies, and organisations do not reduce emissions. Investment in low-emission alternatives remains minimal, leading to breached climate tipping points and escalating physical risks. A volatile climate disrupts operations, with some supply chains collapsing in newly inhospitable regions. In this scenario, Betfred will prioritise mitigation and adaptation to embed climate resilience across the Group. We will continue to report progress through our annual CFD disclosure, ensuring transparency and accountability to stakeholders.

Strategic report *(continued)*

Non-financial and sustainability information statement *(continued)*

Climate resilience

The Group's resilience to climate change is built on a proactive approach to mitigation and adaptation. Through ongoing risk management processes, we assess and manage the potential impacts of climate-related risks and opportunities annually, ensuring our strategies remain adaptable in the face of evolving legislation, market shifts, and physical risks. Our transition plans include adopting energy-efficient technologies where cost savings can be made and driving energy efficiency where cost-appropriate to mitigate transition risks. To prepare for non-material physical risks, we already have in place site-specific adaptations, such as air conditioning across the estate, among other measures, to ensure operational continuity. By preparing for climate-related transitional and non-material physical risks, Betfred can ensure operational resilience through diversified locations and digital platforms. The Group continues strengthening operational resilience, conducting annual climate-risk reviews, and reporting progress through yearly CFD disclosures to ensure accountability and transparency with stakeholders. We have mapped the business model and strategy against potential climate-related impacts under each of the three scenarios and have determined the Group is resilient to each climate scenario. We will conduct updated climate scenario analysis annually to ensure our climate approach remains effective and resilient.

Climate risks

In the current period, we have seen a reduction in the quantity of material risks. The Group has one material risk (Table 1) and one material opportunity (Table 2). This is primarily due to our proactive approach to risk identification, assessment and management. The Group ARC regularly reviews risks to the business, including climate-related risk, and the ESG Committee actively monitor and manage mitigations to ensure effectiveness and efficiency. The risk 'substitute existing products and services with lower-emissions alternatives' has remained material as this is an active challenge the Group is experiencing. However, Betfred is continually seeking new initiatives to ensure the Group remains resilient and profitable. Table 1 shows our mitigations. However, some notable risks to mention are heatwaves, rising mean temperatures and water stress. Although we fully considered all physical risks we did not deem any to be significant. This is due to our proactive risk management process and mitigation. We are aware that extreme heat, rising mean temperatures and water stress may cause disruptions to our services in the future through sporting cancellations and potential damage to IT systems, equipment or servers. However, we have not experienced any impacts relating to this risk so far, and do not predict this to be a material cost within the short-term. In addition, we have several mitigations in place such as air conditioning units, and a diverse platform with physical retail shops and an online service. Furthermore, the cancellation of one or a few sporting events relating to the climate impacts may not incur a significant cost as other events will continue. Although we do not recognise these as short-term risks we will continue to monitor this.

Strategic report (continued)

Non-financial and sustainability information statement (continued)

Table 1: Climate-related material transition risk and mitigations

Climate-related Risk	Impact Description	Mitigations
<p>Substitute existing products and services with lower-emissions alternates.</p> <p>Warming scenario: <2°C 2-3°C</p> <p>Time Horizon: Short-medium term (2025-2038)</p> <p>Likelihood score: 2 Impact score: 5 Overall score: 10</p>	<p>Actual</p> <p>Products and Services: Customer preferences are shifting towards environmentally conscious offerings.</p> <p>Financials: Sustainable materials are more expensive, and transitioning to efficient technologies may lead to asset write-offs.</p> <p>Potential</p> <p>Financials: Reduced demand for high-emitting products may require increased capital investments.</p>	<p>Hybrid vehicle replacements are part of the Group's standard cycle, minimising financial impact. As at 30 March 2025, 25% of the Group's fleet is made up of hybrids, totalling 60 vehicles, with an addition of five electric vehicles.</p> <p>Power-down features are active on 95% of Self-Service Betting Terminals (SSBT's), with full implementation expected in the next two years. For Fixed Odds Betting Terminals (FOBT's), the feature will be introduced as part of an upcoming system update. Once complete, this initiative will further reduce energy consumption across the Group.</p> <p>100% of stores now have LED lighting with the exception of a few smaller areas in stores such as kitchens and staff toilets. These will be replaced at the end of the natural lifecycle of the bulb.</p> <p>In-shop technology upgrades are seen as opportunities, not risks. This pro-active approach promotes energy efficiency, reducing our consumption and subsequently our emissions.</p> <p>Transition costs to low-carbon alternatives or energy-efficient equipment are expected to be offset by long-term energy savings promoting a reduction of operating costs and carbon emissions in the future. The Group is partnered with Inspired ESG to start its net zero journey and reduce emissions.</p> <p>Related metrics and targets: Scope 1 and 2 emissions</p>

Strategic report *(continued)*

Non-financial and sustainability information statement *(continued)*

Table 2: Key material opportunity identified and how the Group will capitalise on it

Opportunity	Financial Impact	Description
<p>Energy source Installing low-emission technology, adopting innovations, and engaging in the carbon market drive sustainability.</p> <p>Warming scenario: <2°C 2-3°C</p> <p>Time Horizon: Short-medium term (2025-2038)</p>	<p>Reduced operating expenses, reduced exposure to fossil fuel price increases, and improved reputation.</p>	<p>The Group is adopting low-emission energy technologies, such as LED lighting and power-down features in terminals, which can provide the opportunity for cost and emission reductions, and the potential to mitigate carbon price risks, and enhance its reputation, supported by financing schemes. Options such as solar could enable the Group to generate onsite electricity, reducing operating costs in addition to emissions.</p> <p>Furthermore, this is attractive to financing schemes as many schemes now require climate committees.</p> <p>The Group is capitalising on this through the annual publication of its CFD journey and emissions statements. Powering operations with low-emissions technology may also offer reputational benefits and potential financial gain.</p> <p>Related metrics and targets: Energy efficiency and energy savings</p>

Metrics and targets

The Group has been collecting and calculating its Scope 1 and 2 emissions and energy performance data since 2019, following the UK Streamlined Energy & Carbon Reporting (SECR) as implemented by the Companies (Directors' Report) and the Limited Liability Partnerships (Energy and Carbon Report) Regulations. A third party uses the Group's actual data to calculate emissions, but no formal assurance has been provided.

In the current period, the Group has expanded its reporting to include scope 3 emissions for the first time. In March 2024, an applicability review was conducted to determine which categories relate to our business and found 10 out of 15 categories applied to the Group. The non-applicable categories include Category 8: Upstream Leased Assets, Category 9: Downstream Transportation and Distribution, Category 10: Processing of Sold Products, Category 11: Use of Sold Products, and Category 14: Franchises. These categories are not applicable because Betfred is a service-based provider and does not manufacture, process, transport, or distribute physical products (Categories 9, 10, and 11). Additionally, Betfred does not operate a franchise model (Category 14) and does not have any upstream leased assets (Category 8).

In accordance with the SECR requirements, the information below summarises our energy usage, associated emissions, energy efficiency actions, and energy performance, across our UK operations for the financial period to 30 March 2025:

The Group's Scope 1 direct emissions (consumption of natural gas and transportation fuels) for the period are 1,380.60 tCO₂e (2023: 938.30 tCO₂e), resulting from the direct combustion of 6,292,524 kWh of fuel (2023: 4,348,273 kWh of fuel).

Scope 2 indirect emissions (purchased electricity) for the period are 11,982.32 tCO₂e (2023: 8,866.15 tCO₂e), resulting from the consumption of 57,871,615 kWh (2023: 42,816,288 kWh) of electricity purchased and consumed in day to day business operations.

Scope 3 indirect emissions (sources not directly owned by the Group) for the period are 471.14 tCO₂e (2023: 1,171.97 tCO₂e), resulting from the consumption of 2,113,877 kWh (2023: 5,203,860 kWh) of grey fleet business travel undertaken in employee-owned vehicles only.

Strategic report (continued)

Non-financial and sustainability information statement (continued)

The methodology used to calculate scope 1, 2 and 3 emissions is that of the greenhouse gas protocol. We followed the Corporate Accounting and Reporting Standard (World Resources Institute and World Business Council for Sustainable Development, 2004), the Greenhouse Gas Protocol – Scope 2 Guidance (World Resources Institute, 2015), the ISO 14064-1 and ISO 14064-2 (ISO, 2018; ISO, 2019), and the Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance (HM Government, 2019).

To convert our consumption to scope 1, 2 and 3 greenhouse gas emissions, we used the Government Emissions Factor Database 2024 version 1.1.

Estimates were applied to account for missing billing periods for properties directly invoiced to Betfred Group Limited. These were calculated on a kWh/day pro-rata basis at the meter level. Where Betfred is indirectly responsible for utilities or where no data was available, a median consumption figure was calculated from comparable properties and applied accordingly. In total, estimations accounted for 5.14% of reported consumption, covering nine electricity supplies and zero gas supplies.

Market-based electricity emissions reflect the supplier-specific fuel mixes of Betfred's energy providers. These include British Gas (0.000191 tCO₂/kWh), Southern Electric (0.000373 tCO₂/kWh), EDF Energy (0.000254 tCO₂/kWh), and Shell Energy (0.0001113 tCO₂/kWh), applied in line with energy procured during the reporting period.

The Group's operations have an intensity metric of 9.49 tCO₂e per £m of Turnover for the period to 30 March 2025 (2023: 12.07 tCO₂e per £m of Turnover). The intensity metric has been calculated utilising Total Turnover in £m and the total tCO₂e was divided by this figure.

As part of its energy reduction initiatives, the Group is implementing a range of measures identified through energy savings audits to support SECR and CFD objectives. In the current period, the Group rolled out the planned initiative to install LED replacements across its estate by December 2024. This has been achieved and is expected to deliver first-year savings of 998,274 kWh. In addition, 95% of self-service betting terminals are now placed in overnight standby mode, contributing to further reductions in energy usage. Progress was also made in transitioning our vehicle fleet, which currently consists of 65 cars, 5 electric and 60 plug-in hybrids, having shifted from self-charging to plug-in hybrid models. Investigations were undertaken into replacing our 71 diesel-powered vans with electric alternatives; however, operational mileage requirements currently limit the feasibility of electrifying the van fleet. Looking forward, the Group plans to place all Self-Service Betting Terminals and Fixed Odds Betting Terminals in overnight standby mode by the end of 2025, saving an estimated 3,666,667 kWh and 270,465 kWh in the first year, respectively. The phased transition of the vehicle fleet will continue between March 2025 and June 2027, with expected transport-related savings of 63,797 kWh in the first year. Cumulative savings across these initiatives are projected to reach over 14 million kWh by December 2027.

Strategic report (continued)

Table 3: Climate targets

Theme	Target	Metric	Absolute/Intensity
Energy Efficiency	<p>The Group is committed to a minimum year-on-year 1% absolute reduction target for scope 1 and 2 (location-based) emissions. The feasibility of setting scope 3 targets will be reviewed in the next financial year, in addition to deciding a baseline year for targets.</p> <p>Related climate risk: Substitute existing products and services with lower emissions alternatives.</p> <p>Related climate opportunity: Energy source.</p>	Percentage change (%) in GHG emissions (scope 1 and 2)	Absolute
Energy Savings	<p>Install software upgrades to 100% of Fixed Odds Betting Terminals in the next financial year. This software will promote a reduction of energy consumption overnight reducing emissions and supporting the Group in meeting the above target.</p> <p>Related climate risk: Substitute existing products and services with lower emissions alternatives.</p> <p>Related climate opportunity: Energy source.</p>	<p>Total percentage (%) of Fixed Odds Betting Terminals installed with software upgrades.</p> <p>Energy consumption in kWh. This metric is associated with SECR.</p>	Absolute

By order of the Board



N Barr
Director

Date: 23/10/25

The Spectrum
56-58 Benson Road
Birchwood, Warrington
Cheshire, WA3 7PQ

Directors' report

The directors present their directors' report and the audited financial statements for the 78 week period ended 30 March 2025. The comparative period is presented for the 53 week period ended 1 October 2023. The current period is 78 weeks due to the Group changing its year end date from September to March. The long period means that comparative amounts may not be entirely comparable.

Directors

The following directors served during the period and up to the date of signature of the financial statements:

F Done

N Barr

J Whittaker

None of the directors benefitted from qualifying third party indemnity provisions or qualifying pension scheme indemnity provisions during the period.

Proposed dividend

An interim dividend of £25,376,000 was paid during the period (2023: £nil). The directors do not recommend the payment of a final dividend for the period (2023: £nil).

Political and charitable donations

During the period the Group made charitable donations of £1,397,000 (2023: £926,000) to various recipients including local charities serving the communities in which the Group operates and to gambling related charities.

The Group made no political donations during the period (2023: £nil).

Financial instruments

The Group's cash flow fluctuates according to the timing of payments and receipts and the Group's overall profitability. The directors manage deposits to gain favourable interest rates commensurate with having funds available to meet the requirements on demand. Although interest received will vary according to interest rate levels, the differences to Group results arising are not sufficient to warrant the Group using derivatives or other methods to manage interest rates in any way.

The Group held highly liquid investments in listed equities and unlisted investments. The Group did not hedge these investments as they considered the diversity in the investment portfolio was appropriate to cover any individual equity price risk with the overall portfolio expected to return positive returns to the Group. The investments were disposed of in the current period.

Going concern

These Group and Company financial statements have been prepared on a going concern basis notwithstanding net current liabilities of £28,821,000 at 30 March 2025 (2023: net current liabilities of £45,697,000). The Directors have formed the conclusion that this is appropriate for the reasons set out below.

As the Company does not trade and is party to cross group banking arrangements with the rest of its Group the consideration of the going concern status of the Group as a whole including the Subsidiaries listed in note 17 is the same as that for the Company.

The Group is funded by working capital balances including cash generated from operations and from a revolving credit facility that has a limit of £60m and a balance of £nil at the year end. This facility was extended in the current period and is due for renewal on 18th October 2027. Covenants relating to this facility measure Leverage and Fixed Charge Cover and are measured quarterly. Covenant measurements which include 'Earnings Before Interest, Tax, Depreciation and Amortisation ('EBITDA') in their calculation exclude exceptional items and the Directors have agreed with the lender that items they have excluded from actual and forecast covenant compliance calculations are appropriately excluded.

Directors' report *(continued)*

Going concern *(continued)*

In making their going concern assessment the Directors have considered a forecast period of at least 12 months from the date of approval of these financial statements. Both base case and severe but plausible downside scenarios have been considered. Downside sensitivities model severe but plausible reductions in income and increases in overheads, together with scenarios which factor in settlement of provisions detailed in note 25 at levels above those expected and provided for. In all downside scenarios the Group remains within covenant thresholds and has available cash to continue to meet obligations as they fall due. Whilst the balance sheet shows a net current liabilities balance at the year end, within short-term liabilities is £18,297,000 in respect of expected future dividend payments to non-controlling interests of Lottostar. In order for these liabilities to crystallise, Lottostar needs to make future profits, and therefore, these liabilities don't pose a risk to the Group's going concern.

On the basis of the considerations above the Directors have a reasonable expectation that the Group and Company will be able to meet liabilities as they fall due for the forecast period and as such have prepared the financial statements on a going concern basis.

Streamlined Energy and Carbon Reporting (SECR)

The Group's Streamlined Energy and Carbon Reporting (SECR) is included in the Strategic report (see metrics and targets section on page 13).

Statement of corporate governance arrangements

The Group has considered the principles of various Corporate Governance regimes and has analysed how this fits into the Wates Corporate Governance Principles for large private companies below.

Principle 1: Purpose and leadership

The Group has evolved over the years to become a multi-national organisation operating in four countries with both a retail and online presence. Central to the approach and offering across both business streams are our communities and customers.

The purpose of the Wates principles for the Group is to set a standard for responsible business practices that prioritise the well-being of all stakeholders, including employees, customers, suppliers, and the wider community. Leadership plays a crucial role in this purpose by setting the tone from the top and driving a culture of integrity, transparency, and accountability throughout the organisation.

Effective leaders within the Group demonstrate a commitment to ethical behaviour and responsible decision making that aligns with the Group's values and purpose. They prioritise the well-being of their teams, creating a supportive and inclusive culture that fosters innovation, collaboration and continuous improvement. They also take a proactive approach to risk management, identifying and addressing potential issues before they escalate and working to mitigate any negative impacts on stakeholders.

To support the principles of purpose and leadership the Group has established clear policies and procedures that reflect its commitment to responsible business practices. These policies are communicated clearly and consistently to all employees and stakeholders and are regularly reviewed and updated to ensure they remain relevant and effective. In addition, leaders within the Group work to foster a culture of open communication and transparency, encouraging feedback and input from all stakeholders and take action to address any concerns or issues that arise.

Directors' report (continued)

Statement of corporate governance arrangements (continued)

Principle 2: Board composition

The Group Board comprises our Chairman, Chief Executive Officer (CEO), and Chief Financial Officer (CFO), each bringing distinct skills and perspectives to the Group's leadership. With many years of experience in the betting industry, our Chairman provides oversight and ensures the Board operates effectively, with a clear focus on strategic direction and governance. Our CEO leads the business in line with the agreed strategy, which is set by the Senior Leadership Team, fostering a culture of performance and responsibility. The CFO, with many years of experience in both accountancy practice and the Betting and Gaming industry, provides financial leadership, ensuring transparency, robust risk management, and sound decision-making. Together, the Board maintains an appropriate balance of operational insight and financial expertise oversight to support the Group's long-term success and uphold high standards of governance.

The Group Strategy, which is set by the Senior Leadership Team, ensures full adherence to Group policies, which are reviewed and updated, where necessary, and distributed to all relevant employees on an annual basis. As with any Betting and Gaming Group, there is a large focus on our anti-money laundering and Safer Gambling responsibilities. We have significant compliance and internal audit functions that aim to safeguard our integrity, ensure lawful operations and protect our customers.

Principle 3: Directors' responsibilities

The Board of Directors of the Group recognises its responsibility to provide strategic leadership and oversight in a manner that promotes transparency, accountability, and sustainable success. We have implemented clear and robust governance structures to ensure that all directors understand and effectively discharge their duties.

All directors are fully aware of their legal and fiduciary responsibilities under company law and regulatory requirements relevant to the betting and gaming sector. This includes ensuring the Group operates within the framework of all applicable licensing conditions, anti-money laundering regulations, and responsible gambling standards. The Board is committed to upholding high ethical standards in its decision-making and ensuring that the Group's conduct is consistent with its values and obligations to its stakeholders, including regulators, customers, and shareholders.

Day-to-day operations are delegated to the Senior Leadership Team within clear delegated authorities, allowing the Board to focus on oversight and strategic direction. The Board is also supported by dedicated committees – including the Audit and Risk Committee and Remuneration Committee – which enable focused oversight in areas of financial integrity, risk management, and executive remuneration. These committees operate under formal terms of reference and report to the Board regularly, ensuring integrated and accountable decision-making.

In the regulated Betting and Gaming industry, the Board takes seriously its responsibility to maintain a culture of compliance, integrity, and fairness across the business. Directors are expected to lead by example and demonstrate the behaviours expected throughout the Group.

Principle 4: Opportunity and risk

The Board seeks out opportunity whilst mitigating risk.

Opportunity

Long term strategic opportunities are highlighted in the annual Group strategy process which is presented to the Board. Opportunities are drawn from the business, the wider enterprise strategy and the various committees to which responsibility is delegated. Short term opportunities to improve performance, resilience and liquidity are collated as part of the regular reforecast process which is discussed with the Board.

Directors' report (continued)

Statement of corporate governance arrangements (continued)

Risks

Risk registers are maintained by the Group Risk Manager for each trading entity within the Group and discussed within each trading division at their Audit and Risk Committee meetings, which are held on a quarterly basis. The Group Audit and Risk Committee, which is made up of the CEO, CFO, Head of Internal Audit, Group Director of Compliance and an independent Chair, reviews the minutes of the subsidiary meetings and discusses the significant points from the subsidiary meetings. The key operational risks are outlined in the strategic report (pages 3 to 5), and a list of emerging risks is considered at each Audit and Risk Committee meeting.

Responsibilities

The Group has a defined authority matrix. Any material contract or capital commitment above predetermined levels (as defined by the Board) is approved by the relevant director to ensure the appropriate level of diligence has been performed in understanding the obligations, risks and terms associated with large commitments. This enables the Group to protect the integrity and long-term sustainability for the Group, to meet its strategic objectives and create value for its shareholders, colleagues, customers and suppliers.

Principle 5: Remuneration

The Group has a remuneration committee comprising of the CEO, CFO and People Director, with the Committee's main objective being to set remuneration at levels that will enhance the Group's resources by securing and retaining quality senior management who can deliver the Group's strategic goals and ambitions in a manner consistent with the visions, purpose and interests of shareholders and stakeholders. Each overseas subsidiary is responsible for reviewing remuneration for their division.

The remuneration committee is responsible for making recommendations to the Board in respect of the Group's remuneration strategy, recruitment framework and the long term incentive for senior executives and management. We're currently working on a grading structure for all our UK employees. The director's remuneration is disclosed in note 8.

The Group reports annually on the Gender Pay Gap, which continues to highlight improvement. It is Group policy that there shall be no discrimination in respect of sex, colour, religion, race, nationality or ethnic origin, and that all employees be given equal opportunities in respect of training, career development and promotion.

Applications for employment from disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure their employment within the Group continues and appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Principle 6: Stakeholder relationships and engagement

The Board is committed to social responsibility, community engagement and environmental sustainability. It achieves this in part through its commitment to:

- implementing ways to protect our customers whether in our retail stores or online
- a culture of safety, health and well-being of everyone who works for us
- being an employer of choice where everyone is valued and respected
- seeking new ways to reduce the environmental impact of our head offices and retail stores.

Stakeholders and business relationships

The Board promotes accountability and transparency with all external stakeholders and the fundamental belief in promoting and influencing our industry for the greater good of customers is reflected in our CEO's active engagement across industry bodies.

The Group publicly issues details of the "Gender Pay Reporting", "Supplier Payment Performance Reporting" and the "Tax Strategy". The Group welcomes the focus these reports provide as it is constantly looking to improve its engagement with all stakeholders.

Directors' report *(continued)*

Statement of corporate governance arrangements *(continued)*

We have a dedicated procurement team which ensures that all suppliers are treated fairly and consistently. The Group has regular engagement with its suppliers and regularly reviews its payment policies and adherence to those policies when producing the six-monthly supplier reports. All material contracts with suppliers are discussed at board level and in reaching final approval on decision for material contracts the Board has regard to a number of factors including: the business case and financial impact; the impact on our suppliers; and the long-term reputation of the Group.

We engage on a regular and open basis with our regulators to ensure that they are all engaged in our operating practices and that we can help policymakers shape our industry environment to best serve our stakeholder group whilst operating in a legal and fair way.

It is important that we look after the interests of our customers, which range from product availability, ethical behaviour, service, pricing and promoting responsible attitudes to gambling. The Group, as part of its commitment to responsible and safer gambling, engages through initiatives like Responsible Gambling Week, where responsible gambling messages dominate our websites, social media, retail premises and head office. Betfred is committed to responsible gambling and has produced a Safe Gambling Charter for both Retail and Online.

We are committed to making a positive contribution to the communities within which we operate, including through payment of taxes, reducing our environmental impact through initiatives such as using LED lighting and moving to electric/hybrid vehicles. During the year we looked into the potential energy savings from switching off all of our in store machines overnight. This was successfully piloted and subsequently implemented, resulting in a reduction in energy use and cost. We donate money to various charities, and the Group has a matched charity funding scheme, where it matches amounts that employees raise for their chosen charities. Our Lottostar business in South Africa runs the 'Star Foundation' which gives significant sums of money to different charities to help make a difference to people's lives in South Africa.

Employee involvement

The Board and senior management team are actively involved in looking after the interests of our employees through training, development, diversity and inclusion, health and safety and working conditions. Senior management regularly engages with employees via email, the staff portal and quarterly presentations. At Betfred, we are committed to creating a workplace where everyone feels valued, respected, and empowered. We believe that embracing diversity and promoting equality and inclusion enhances our business, enriches our work environment, and improves our ability to meet the needs of our diverse customer base. Our equality, diversity and inclusion (EDI) policy outlines our commitment to EDI and the responsibilities of all colleagues in fostering an inclusive culture. At Betfred Group, we also want a workplace that is free from wrongdoing and with a culture where employees know they can raise genuine concerns, without fear of victimisation or dismissal, and know that the business will take concerns raised seriously and investigate them thoroughly and sensitively. We view speaking up as a positive act; it is not disloyal to individuals or the business to speak up, provided you have a genuine concern. We want the Betfred Group to be free of any wrongdoing and malpractice, as it is vital for the long-term success of the business and for the well-being of employees. We cannot achieve this without the help of employees speaking up when they have a genuine concern. Our 'Speak Up' policy explains how our employees can raise a genuine concern about wrongdoing or malpractice within the Betfred Group.

Equality, Diversity and Inclusion

At Betfred, we are committed to creating a workplace where everyone feels valued, respected, and empowered. We believe that embracing diversity and promoting equality and inclusion enhances our business, enriches our work environment, and improves our ability to meet the needs of our diverse customer base. We are fully committed to equality, diversity, and inclusion (EDI) and the responsibilities of all colleagues in fostering an inclusive culture.

We aim to ensure that no job applicant, colleague or worker is discriminated against either directly or indirectly on the grounds of age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

We maintain a neutral working environment in which no colleague or worker feels under threat or intimidated.

Directors' report (continued)

Research and Development

Research and Development (R&D) remains a critical strategic focus for Betfred, underpinning the Group's commitment to innovation, operational efficiency, and customer engagement in a highly competitive and rapidly evolving betting industry.

The betting and gaming sector is increasingly driven by technological advancements and customer demand for seamless, personalised, and secure digital experiences. In this context, our R&D initiatives play a central role in maintaining and enhancing our proprietary platforms, mobile applications, and trading systems. Investment in R&D enables the Group to respond swiftly to regulatory changes, develop new betting products, and optimise in-house risk management and pricing algorithms.

During the financial period, R&D activities were primarily directed towards the continued development of our digital sportsbook platform, including improvements in user interface, data analytics, and machine learning capabilities. Significant focus was also placed on enhancing infrastructure scalability and security, particularly in preparation for high-demand periods and to support growth in regulated international markets.

The amount spent on R&D activities in the period ended 30 March 2025 was £22,910,000 (2023: £17,545,000).

By embedding innovation into our core operations, we ensure we remain adaptable and resilient in a dynamic marketplace. Ongoing R&D investment not only drives long-term value creation but also reinforces the Group's position as a leader in delivering cutting-edge, responsible, and entertaining betting solutions.

Strategic report cross reference

The Group has chosen in accordance with Companies Act 2006, s. 414C (11) to set out in the Group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of S172 reporting, risk management, SECR reporting and engagement with employees, suppliers, customers and others in a business relationship.

Subsequent Events

There are no events after the reporting date significant enough to be disclosed in these financial statements.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and RSM UK Audit LLP will therefore continue in office.

By order of the Board



N Barr
Director

Date: 23/10/25

The Spectrum
56-58 Benson Road
Birchwood, Warrington
Cheshire, WA3 7PQ

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

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

Company law requires the directors to prepare Group and Company financial statements for each financial year. Under that law the directors have elected to prepare the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the group and the company for that period..

In preparing each of the Group and Company financial statements, the directors are required to:

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

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

Independent auditor's report to the members of Betfred Group Holdings Limited

Opinion

We have audited the financial statements of Betfred Group Holdings Limited (the 'parent company') and its subsidiaries (the 'Group') for the 78 week period ended 30 March 2025 which comprise the consolidated profit and loss account and other comprehensive income, the consolidated balance sheet, the company balance sheet, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 30 March 2025 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- Review of management's forecasts covering a period of 12 months from the date of approval of the financial statements.
- Assessment of the forecasts against both historical and current trading levels, including a review of key assumptions.
- Assessment of sensitivities, considering the business risks inherent to the Group.
- Review of management's consideration of cash resources and the facilities available to the Group and parent company.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the members of Betfred Group Holdings Limited *(continued)*

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement (see page 22), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditor's report to the members of Betfred Group Holdings Limited *(continued)*

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the Group audit engagement team and component auditors:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the Group and parent company operate in and how the Group and parent company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures. In addition we utilised in house tax specialists and experts where appropriate, inspected correspondence with local tax authorities and evaluated advice received by management from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the provision of sports betting and casino, games, bingo and poker, and employment law. This is in respect of both the online and retail offering of the Group in the relevant jurisdictions the Group operates within. We performed audit procedures to inquire of management, those charged with governance and relevant client personnel as to whether the Group is in compliance with these laws and regulations, inspected correspondence with licensing or regulatory authorities and reviewed key controls operated by management. Employment law compliance is achieved through a dedicated human resource department and use of external professionals.

Independent auditor's report to the members of Betfred Group Holdings Limited *(continued)*

The group audit engagement team identified the risk of management override of controls, and the existence, valuation and completeness of revenue and amounts due to customers, linked to the information technology systems of the group, as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to, performing data analytics on journals and testing a sample of manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions entered into outside the normal course of business. Utilising in house IT specialists to assist the audit team, we understood the IT control environment and tested key IT and manual controls in relation to the recognition of revenue and customer balances. This testing was supplemented by tests of detail.

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

Use of our report

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

Adam Krupski

Adam Krupski (Senior Statutory Auditor)
for and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Festival Way
Stoke-on-Trent
Staffordshire
ST1 5BB

24/10/25

Consolidated profit and loss account and other comprehensive income

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

		78 week period ended 30 March 2025 £000	53 week period ended 1 October 2023 £000
Turnover	4	1,458,457	907,987
Betting duty		(197,919)	(120,220)
Machine gaming duty		(90,302)	(56,854)
Statutory betting levy		(18,003)	(12,589)
Commissions paid		(77,448)	(45,214)
Gross profit		1,074,785	673,110
Administrative expenses - before goodwill & licence amortisation		(811,037)	(575,003)
Administrative expenses - goodwill & licence amortisation	14-15	(56,563)	(39,886)
Administrative expenses - exceptional costs	9	(3,414)	(60,850)
Other operating income	5	5,894	3,096
Operating profit	5-9	209,665	467
Income from other fixed asset investments	10	6,509	2,320
Fair value gains on other fixed asset investments	10	9,210	2,746
Interest receivable and similar income	11	13,026	5,729
Re-measurement of mandatory dividend liability	12	(33,931)	(33,384)
Other interest payable and similar expenses	12	(15,797)	(13,725)
Profit/(loss) before taxation		188,682	(35,847)
Tax on profit/(loss)	13	(59,834)	(35,845)
Profit/(loss) after taxation		128,848	(71,692)
<i>Profit/(loss) attributable to</i>			
Shareholders of the parent company		120,541	(61,482)
Non-controlling interest		8,307	(10,210)
Total profit/(loss)		128,848	(71,692)
Other comprehensive expense			
Foreign exchange differences on translation of foreign operations		(12,807)	(22,254)
Re-measurement of the net defined benefit pension scheme liability	26	(3,417)	(2,650)
Total comprehensive income/(expense) for the financial period		112,624	(96,596)
<i>Total comprehensive income/(expense) attributable to</i>			
Shareholders of the parent company		106,236	(80,960)
Non-controlling interest		6,388	(15,636)
Total comprehensive income/(expense)		112,624	(96,596)

The notes on pages 34 to 69 form an integral part of these financial statements.

Consolidated balance sheet
at 30 March 2025

	<i>Note</i>	30 March 2025 £000	30 March 2025 £000	1 October 2023 £000	1 October 2023 £000
Fixed assets					
Intangible assets					
Goodwill	14	121,877		168,057	
Other intangibles	15	156,644		156,204	
		<u>278,521</u>		<u>324,261</u>	
Tangible fixed assets	16	83,960		64,063	
Investments	17	18,800		95,644	
			381,281		483,968
Current assets					
Stock		466		491	
Debtors (including £21.6m (2023: £42.8m) due beyond one year)	18	94,199		101,829	
Cash at bank and in hand		76,514		67,653	
		<u>171,179</u>		<u>169,973</u>	
Creditors: amounts falling due within on year	20	(200,000)		(215,670)	
Net current liabilities			(28,821)		(45,697)
Total assets less current liabilities			352,460		438,271
Creditors: amounts falling due after more than one year	21		(75,401)		(190,204)
Provision for liabilities and charges	25		(39,510)		(84,059)
Pension liability and similar obligations	26		-		-
Net assets			237,549		164,008
Capital and reserves					
Called up equity share capital	27		19		19
Profit and loss account	27		307,056		226,196
Equity attributable to the parent's shareholders			307,075		226,215
Non-controlling interest			(69,526)		(62,207)
Shareholders' funds			237,549		164,008

The notes on pages 34 to 69 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and were signed on its behalf by:



N Barr
 Director

Date: 23/10/25

Registration number: 2578161

Company balance sheet
at 30 March 2025

	<i>Note</i>	30 March	1 October
		2025	2023
		£000	£000
Fixed assets			
Investments	17	113,015	113,015
Current assets			
Cash at bank		<u>2</u>	<u>-</u>
Net assets		<u>113,017</u>	<u>113,015</u>
Capital and reserves			
Called up equity share capital	27	19	19
Profit and loss account	27	2	-
Merger relief reserve	27	<u>112,996</u>	<u>112,996</u>
Shareholders' funds		<u>113,017</u>	<u>113,015</u>

Betfred Group Holdings Limited has not presented its own profit and loss account as permitted by section 408 of the Companies Act 2006. The Company reported a profit for the period ended 30 March 2025 of £25,378,000 (2023: £nil).

The notes on pages 34 to 69 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and were signed on its behalf by:



N Barr
 Director

Date: 23/10/25

Registration number: 2578161

Consolidated statement of changes in equity

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

Group

	Called up share capital £000	Profit & Loss account £000	Non-controlling interest £000	Total Shareholder Equity £000
Balance at 25 September 2022	19	307,156	(1,853)	305,322
Total comprehensive expense for the period				
Non-controlling interest arising on acquisition	-	-	38,704	38,704
Dividend liability arising on acquisition	-	-	(83,422)	(83,422)
Loss for the period	-	(61,482)	(10,210)	(71,692)
Other comprehensive expense	-	(19,478)	(5,426)	(24,904)
Total comprehensive expense for the period	-	(80,960)	(60,354)	(141,314)
Balance at 1 October 2023	19	226,196	(62,207)	164,008

	Called up share capital £000	Profit & Loss account £000	Non-controlling interest £000	Total Shareholder Equity £000
Balance at 1 October 2023	19	226,196	(62,207)	164,008
Total comprehensive income for the period				
Profit for the period	-	120,541	8,307	128,848
Other comprehensive expense	-	(14,305)	(1,919)	(16,224)
Total comprehensive income for the period	-	106,236	6,388	112,624
Transactions with owners, recorded directly in equity				
Dividends	-	(25,376)	(13,707)	(39,083)
Balance at 30 March 2025	19	307,056	(69,526)	237,549

The notes on pages 34 to 69 form an integral part of these financial statements.

Company statement of changes in equity

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

Company

	Called up share capital £000	Profit & Loss account £000	Merger relief reserve £000	Total Shareholder Equity £000
Balance at 25 September 2022	19	-	112,996	113,015
Total comprehensive income for the period				
Profit for the period	-	-	-	-
Total comprehensive income for the period	-	-	-	-
Balance at 1 October 2023	19	-	112,996	113,015

	Called up share capital £000	Profit & Loss account £000	Merger relief reserve £000	Total Shareholder Equity £000
Balance at 1 October 2023	19	-	112,996	113,015
Total comprehensive income for the period				
Profit for the period	-	25,378	-	25,378
Total comprehensive income for the period	-	25,378	-	25,378
Transactions with owners, recorded directly in equity				
Dividends	-	(25,376)	-	(25,376)
Balance at 30 March 2025	19	2	112,996	113,017

The notes on pages 34 to 69 form an integral part of these financial statements.

Consolidated cash flow statement

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

	78 week period ended 30 March 2025 £000	53 week period ended 1 October 2023 £000
Cash flows from operating activities		
Profit/(loss) for the period	128,848	(71,692)
<i>Adjustments for:</i>		
Depreciation, amortisation and impairment	78,201	77,206
Interest receivable and similar income	(13,026)	(5,729)
Re-measurement of mandatory dividend liability	33,931	33,384
Other interest payable and similar expenses	15,797	13,725
Profit from other fixed asset investments	(6,509)	(2,320)
Change in fair value of other fixed asset investments	(9,210)	(2,746)
(Profit)/loss on sale of intangible and tangible fixed assets	(670)	1,061
Profit on disposal of business	(1,600)	-
Exchange gains/(losses)	5,425	(1,053)
Taxation	59,834	35,845
	291,021	77,681
Decrease in trade and other debtors	2,212	3,828
Decrease/(increase) in stock	24	(58)
Increase/(decrease) in trade and other creditors	11,599	(655)
(Decrease)/increase in provisions	(40,873)	28,824
	263,983	109,620
Contributions to defined benefit scheme	(3,000)	(2,000)
Tax paid	(62,764)	(36,588)
Net cash from operating activities	198,219	71,032
Cash flows from investing activities		
Proceeds from sale of intangible and tangible fixed assets	4,178	1,275
Proceeds from disposal of investments	86,054	25,000
Proceeds from disposal of business	1,600	-
Interest received	8,002	2,564
Dividends received	3,396	264
Amounts repaid by related parties (capital and interest)	56,812	26,055
Amounts loaned to related parties	(47,159)	(12,755)
Acquisition of a business (net of cash acquired)	(62,026)	(131,681)
Acquisition of investments	-	(14,421)
Capitalised development expenditure	(22,910)	(17,545)
Acquisition of other intangible assets	(444)	(1,907)
Acquisition of tangible fixed assets	(46,229)	(42,059)
Net cash from/(used in) investing activities	(18,726)	(165,210)

Consolidated cash flow statement (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

	<i>Note</i>	78 week period ended 30 March 2025	53 week period ended 1 October 2023
		£000	£000
Cash flows from financing activities			
New borrowings (including related party borrowings)		91,000	187,840
Repayment of borrowings (including related party borrowings)		(194,080)	(84,760)
Loan issue costs		-	(200)
Payment of finance lease liabilities		(643)	(515)
Interest paid		(5,992)	(4,313)
Dividends paid to shareholders of the parent company		(25,376)	-
Dividends paid to non-controlling interest		(51,781)	(20,191)
		<hr/>	<hr/>
Net cash (used in)/from financing activities		(186,872)	77,861
		<hr/>	<hr/>
	<i>Note</i>	2025	2023
		£000	£000
Net decrease in cash and cash equivalents		(7,379)	(16,317)
Cash and cash equivalents at start of period		67,653	84,718
Effect of exchange rate fluctuations on cash held		(1,312)	(748)
		<hr/>	<hr/>
Cash and cash equivalents at end of period	<i>19</i>	58,962	67,653
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 34 to 69 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Betfred Group Holdings Limited (the “Company”) is a private company limited by shares, incorporated, domiciled and registered in England in the UK. The registered number is 2578161 and the registered address is The Spectrum, 56-58 Benson Road, Birchwood, Warrington, Cheshire, WA3 7PQ.

These Group and Company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (“FRS 102”). The presentational currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000 unless otherwise stated.

The results presented cover a 78 week period ended 30 March 2025 (2023: 53 week period ended 1 October 2023). The current period is 78 weeks due to the Group changing its year end date from September to March. The long period means that comparative amounts may not be entirely comparable.

The Company is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the Company financial statements have been applied:

- The reconciliation of the number of shares outstanding from the beginning to the end of the period has not been included;
- No separate Company Cash Flow Statement with related notes is included; and
- Key management personnel compensation has not been included.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: financial instruments classified at fair value through the profit or loss.

1.2 Going concern

These Group and Company financial statements have been prepared on a going concern basis notwithstanding net current liabilities of £28,821,000 at 30 March 2025 (2023: net current liabilities of £45,697,000). The Directors have formed the conclusion that this is appropriate for the reasons set out below.

As the Company does not trade and is party to cross group banking arrangements with the rest of its Group the consideration of the going concern status of the Group as a whole including the Subsidiaries listed in note 17 is the same as that for the Company.

The Group is funded by working capital balances including cash generated from operations and from a revolving credit facility that has a limit of £60m and a balance of £nil at the year end. This facility was extended in the current period and is due for renewal on 18th October 2027. Covenants relating to this facility measure Leverage and Fixed Charge Cover and are measured quarterly. Covenant measurements which include ‘Earnings Before Interest, Tax, Depreciation and Amortisation (‘EBITDA’) in their calculation exclude exceptional items and the Directors have agreed with the lender that items they have excluded from actual and forecast covenant compliance calculations are appropriately excluded.

Notes *(continued)*

1.2 *Going concern (continued)*

In making their going concern assessment the Directors have considered a forecast period of at least 12 months from the date of approval of these financial statements. Both base case and severe but plausible downside scenarios have been considered. Downside sensitivities model severe but plausible reductions in income and increases in overheads, together with scenarios which factor in settlement of provisions detailed in note 25 at levels above those expected and provided for. In all downside scenarios the Group remains within covenant thresholds and has available cash to continue to meet obligations as they fall due. Whilst the balance sheet shows a net current liabilities balance at the year end, within short-term liabilities is £18,297,000 in respect of expected future dividend payments to non-controlling interests of Lottostar. In order for these liabilities to crystallise, Lottostar needs to make future profits, and therefore, these liabilities do not pose a risk to the Group's going concern.

On the basis of the considerations above the Directors have a reasonable expectation that the Group and Company will be able to meet liabilities as they fall due for the forecast period and as such have prepared the financial statements on a going concern basis.

1.3 *Basis of consolidation*

The consolidated financial statements include the financial statements, or management accounts where the period end does not fully align, of the Company and its subsidiary undertakings made up to 30 March 2025. A subsidiary is an entity that is controlled by the Company. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

In the Company financial statements, investments in subsidiaries, jointly controlled entities and associates are carried at cost less impairment.

1.4 *Foreign currency*

Transactions in foreign currencies are translated to the Group companies' functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account in accordance with FRS 102 section 30 and exchange differences arising from monetary items which form part of the net investment in subsidiaries are recorded in other comprehensive expense in the consolidated financial statements.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the period where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive expense.

Notes *(continued)*

1.5 Classification of financial instruments issued by the Group

In accordance with FRS 102.22, financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and
- (b) where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the entity's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.6 Basic financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Investments in ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition, investments that can be measured reliably are measured at fair value with changes recognised in profit or loss. Other investments are measured at cost less impairment in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.7 Other financial instruments

Financial instruments not considered to be basic financial instruments (Other financial instruments)

Other financial instruments not meeting the definition of basic financial instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment; and
- hedging instruments in a designated hedging relationship shall be recognised as set out below.

Such investments are classified as fixed asset investments as it is managements intention to hold into the long term (unless otherwise stated).

Notes (continued)

1.7 Other financial instruments (continued)

Derivative financial instruments and hedging

Derivative financial instruments are recognised at fair value. The gain or loss on re-measurement to fair value is recognised immediately in profit or loss.

Mandatory dividends

On 1 October 2022, as part of the Lottostar acquisition, Lottostar committed to mandatory future dividend streams equalling 75% of the future profits after tax of Lottostar (Pty) Limited ('Lottostar'), paid to each shareholder based on relevant shareholdings. The mandatory dividend meets the definition of a financial liability, per Section 22.3(a) of FRS102 as it represents a contractual obligation to pay a mandatory dividend in cash to shareholders of Lottostar.

On consolidation, an amount representing the mandatory future dividend to the other minority shareholders of Lottostar, is recognised as a financial liability of the Group. This is based on the discounted estimated future distributable profits of Lottostar. As this represents a transaction with shareholders, a corresponding entry has been recognised in non-controlling interest within equity.

The financial liability meets the definition of 'other financial instruments' per Section 12, as it does not meet the definition of basic financial instruments. In accordance with FRS102.12.8(c), it has been measured at amortised cost.

At year-end, the re-measurement of this financial liability is based on the updated estimated future distributable profits with changes recognised in interest payable in the profit and loss account.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of tangible fixed assets that had been revalued to fair value on or prior to the date of transition to FRS 102, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Leases in which the entity assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease. Lease payments are accounted for as described at 1.15 below.

The Group assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

Property - freehold buildings	-	2% per annum
Property - leasehold buildings	-	Period of the lease
Alterations to premises	-	10-15% per annum
Plant, machinery and equipment	-	20-33.3% per annum
Fixtures and fittings	-	10-15% per annum

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change, since the last annual reporting date, in the pattern by which the Company expects to consume an asset's future economic benefits.

Notes (continued)

1.9 Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the entity.

At the acquisition date, the Group recognises goodwill as:

- the fair value of the consideration (excluding contingent consideration) transferred; plus
- estimated amount of contingent consideration (see below); plus
- the fair value of the equity instruments issued; plus
- directly attributable transaction costs; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities and contingent liabilities assumed.

Consideration which is contingent on future events is recognised based on the estimated amount if the contingent consideration is probable and can be measured reliably. Any subsequent changes to the amount are treated as an adjustment to the cost of the acquisition.

1.10 Intangible assets, goodwill and negative goodwill

Goodwill

Goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on consolidation in respect of acquisitions is capitalised. Positive goodwill is amortised to nil by equal annual instalments over its useful economic life.

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10 to 20 years

Research and development

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

Expenditure on development activities may be capitalised if the product or process is technically and commercially feasible and the Group intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Group can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve design for, construction or testing of the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the profit and loss account as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses.

Other intangible assets

Intangible assets purchased separately from a business are capitalised at their cost.

Intangible assets acquired as part of an acquisition are capitalised at their fair value where this can be measured reliably.

Intangible assets are amortised to nil by equal annual instalments over their useful economic lives, generally their respective unexpired periods, as follows:

Betting licences	-	5 to 10 years
Purchased software and software development costs	-	5 to 20 years
Brand costs	-	10 years

Notes *(continued)*

1.10 Intangible assets, goodwill and negative goodwill *(continued)*

Impairment of fixed assets and goodwill

The carrying amounts of the Group's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated. The carrying value of intangible assets is also reviewed for impairment indicators at the end of the first full period after acquisition.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account unless they arise on a previously revalued fixed asset. An impairment loss on a revalued fixed asset is recognised in the profit and loss account if it is caused by a clear consumption of economic benefits.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units, then to any capitalised intangible and tangible assets in the cash-generating unit on a pro rata basis. A cash-generating unit is the smallest identifiable group of assets that generates income that is largely independent of the income streams from other assets or groups of assets.

1.11 Impairment excluding stock and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1.12 Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The entity's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The entity determines the net interest/income on the net defined benefit liability/asset for the period by applying the discount rate as determined at the beginning of the annual period to the net defined benefit liability/asset taking account of changes arising as a result of contributions and benefit payments.

The discount rate is the yield at the balance sheet date on AA credit rated bonds denominated in the currency of, and having maturity dates approximating to, the terms of the entity's obligations. A valuation is performed annually by a qualified actuary using the projected unit credit method. The entity recognises net defined benefit plan assets to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Notes *(continued)*

1.12 Employee benefits *(continued)*

Changes in the net defined benefit liability arising from employee service rendered during the period, net interest on net defined benefit liability, and the cost of plan introductions, benefit changes, curtailments and settlements during the period are recognised in profit or loss.

Re-measurement of the net defined benefit liability/asset is recognised in other comprehensive income in the period in which it occurs.

Termination benefits

Termination benefits are recognised as an expense when the entity is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the entity has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

1.13 Provisions

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its Group, the Company treats the guarantee contract as a contingent liability in its individual financial statements until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

1.14 Turnover

The fair value of revenue is total amounts wagered less amounts payable to winning customers. Amounts wagered comprises gross stakes in respect of individual bets placed on betting products in the period.

Retail turnover represents the amounts wagered by customers in respect of individual bets placed at Licensed Betting Offices (LBOs), less the amounts paid to winning customers.

In the online business, turnover represents the amounts wagered, less pay-outs on sportsbook betting and online gaming, less promotional credits offered to customers. Turnover in respect of progressive jackpots is total amounts wagered less amounts payable to winning customers and the initial jackpot seed.

Open bets meet the definition of other financial instruments under FRS102 section 12 and therefore the Group recognise the fair value of the estimated pay out based on the average percentage by sport for any open betting positions as at the period end.

1.15 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Finance lease

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Notes (continued)

1.15 Expenses (continued)

Interest receivable and interest payable

Interest payable and similar expenses include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income includes interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

1.16 Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.17 Grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are recognised in other operating income when they become receivable.

1.18 Exceptional items

The Group categorises certain income or costs as Exceptional items which is not defined by FRS102. The Directors use this measure in order to assess the underlying operational performance of the Group to facilitate year-on-year comparison of the underlying trade of the business. The categorisation of Exceptional items may not be directly comparable with other companies' classification and the Directors do not intend these to be a substitute for, or superior to, FRS 102 measures. These Exceptional items are separately disclosed and are usually items that are significant in size. Underlying operational performance excludes the impact of items that are significant in size that warrant separating to help with the understanding of the financial performance of the Group.

Notes (continued)

2 Accounting estimates and judgements

The preparation of financial statements in conformity with FRS102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Group

The following are considered to be significant estimates and judgements relevant to the Group financial statements:

Mandatory dividends (estimate)

As part of the Lottostar acquisition, the Group committed to mandatory future dividends equalling 75% of the future profits after tax of Lottostar. This has been classified as a financial liability and valued using the discounted estimated future distributable profits of Lottostar (see 1.7). The key assumptions within this are therefore the estimation of the future distributable profits of Lottostar and the discount rate. The future distributable profits have been estimated based on the following years' budget of the Lottostar business and thereafter with a growth rate of 5% into perpetuity. The discount rate has been based on the estimated cost of equity of Lottostar of 30.9%. If the discount rate increased or decreased by 5% it would decrease or increase the liability by £15.0m and £22.1m respectively.

Investment in preference shares (judgement)

On 1 October 2022, K2022390467 (South Africa) (Pty) Limited ('K2022') subscribed for 200 cumulative, redeemable preference shares in Insequor Proprietary Limited ('Insequor') for a subscription price of ZAR 289,967,040 translated as £14.4m. This was to enable Insequor to acquire a 5.1% indirect shareholding in Lottostar (Pty) Limited ('Lottostar'). This shareholding is held via a 51% shareholding in Igolide Gold Investments (Proprietary) Limited ('Igolide'). This structure contemplated the requirements of the B-BBEE regulation in South Africa and ensured that Insequor, owned by a B-BBEE accredited shareholder, was able to obtain a shareholding in the new group structure.

K2022 is a South African subsidiary of the Group and the investment in preference shares in Insequor is secured against Insequor's indirect shareholding in Lottostar, such that in the event of default against the terms of the preference share agreement the Group, through K2022, can take ownership of those shares in Lottostar. K2022 was provided no other security in relation to the preference shares.

The shares indirectly held by Insequor in Lottostar cannot be disposed of for a period of ten years, unless agreed by a Special Resolution of the board of Lottostar being over 75% of the votes. If the shares were disposed of, they would need to be acquired by another B-BBEE accredited shareholder in order for Lottostar to retain their B-BBEE accreditation. The other key terms of the preference shares are as follows:

- Upfront dividend of R5,799,341 (£287,000)
- Annual cumulative performance dividend of prime rate + 300 basis points
- Additional performance dividend of R5m (£217,000) if the principal plus accrued interest is paid by 30 June 2035
- The preference shares are to be held until the shares and accrued dividends are repaid in full
- The capital and dividend repayments relating to the preference shares are repaid from dividends received from Lottostar which are paid to Igolide and onto Insequor. An amount equal to 80% of all dividends received must be paid, with the first payment due on 1 October 2025, based on cumulative dividends paid to that date.

The Directors considered the accounting treatment in respect of the preference shares and concluded that they represent a financial asset in accordance with paragraph 3 of Section 11 'Basic Financial Instruments' of FRS 102. Further, having considered FRS102.11.8-9A, they have concluded the financial asset is non-basic and should be measured at fair value through profit or loss in accordance with FRS102.12.8.

Notes *(continued)*

2 Accounting estimates and judgements *(continued)*

In arriving at their conclusion, the Directors did consider an alternative accounting treatment for the preference shares. This alternative view is that, due to the only recourse for the preference shares held in Insequor being to Insequor's indirect 5.1% shareholding in LottoStar, the substance of the arrangement is the grant of a share option over the shares of Lottostar and that the accounting of the arrangement should follow the treatment of a share option.

This accounting would have had the effect of treating the preference share acquisition as additional consideration in the acquisition accounting for Lottostar and the Group as acquiring an additional 5.1% shareholding. This treatment would lead to additional goodwill and a higher annual amortisation charge, as well as impacting the calculation of non-controlling interest. In addition, a share option charge, representing the discount between the £14.4m paid for the 5.1% shareholding and their fair value, would be recorded in the profit and loss account, spread over the period until the preference shares are fully redeemed and all risks and rewards of ownership transfer to Insequor. The Directors consider that under this treatment any such share option charge would have been immaterial.

If the alternative accounting treatment outlined above had been adopted, it would have had the following impact on the consolidated financial statements at the balance sheet date:

- An increase in goodwill of £6.6m *(2023: £9.4m)* and an increase in the associated amortisation charge of £1.3m *(2023: £1.0m)*.
- A reduction in other investments of £14.4m *(2023: £14.4m)* and an associated decrease in accrued income from investments (balance sheet and profit and loss account) of £3.1m *(2023: £2.1m)*.
- An increase in comprehensive income attributable to non-controlling interest of £8.9m *(2023: reduction of £0.7m)* and a reduction in comprehensive income attributable to shareholders of the parent company of £1.5m *(2023: increase of £0.4m)*.
- A reduction in dividends paid to non-controlling interest of £5.4m *(2023: £1.7m)*.
- A reduction in the dividend liability creditor of £9.6m *(2023: £10.1m)*. This is made up of a reduction of £1.9m *(2023: £0.3m)* due within one year and £7.7m *(2023: £9.8m)* due after more than one year; and a reduction in the finance charge on the dividend liability creditor of £13.6m *(2023: £3.5m)* as if consolidating 56.1% it would be calculated based on a liability of 43.9% rather than 49%.
- An immaterial share based payment charge.
- A reduction in the profit and loss reserve of £2.2m *(2023: increase of £0.6m)* and an increase in the non-controlling interest reserve of £6.7m *(2023: increase of £4.0m)*.

Having considered the facts of the arrangement, the Directors have determined that their treatment reflects both the legal form and substance of the transactions. Further, they do not consider the accounting for the preference shares in Insequor to be material to the financial statements as a whole.

The following are considered to be further areas of estimates and judgements:

The recoverable amount of internally generated capitalised development costs (estimate)

The Group has developed its own online platform and as a result has internally generated capitalised development costs of £88.3m. The platform "went live" during the current period. The Directors consider there to be no indicators of impairment and therefore there to be limited risk of impairment of this asset due to the ongoing profitability of the Group's UK on-line business, Petfre (Gibraltar) Limited.

Defined benefit pension scheme (estimate and judgement)

Pension assumptions are used to estimate the amount of defined benefit obligations including future rates of inflation, discount rates and mortality of members (see note 26). These assumptions are made utilising the expertise of specialist Pension advisors. In addition there is judgement over whether the pension surplus should be recognised. In accordance with FRS102.28.22 the Group considers it does not have an unconditional right to a refund if the scheme is in surplus and therefore has not recognised the pension surplus.

Notes (continued)

2 Accounting estimates and judgements (continued)

Recoverable amount of tax assets and liabilities (judgement)

Given the global and complex nature of the Group and the tax landscape, there is a level of uncertainty with regards to the measurement of the Group's tax assets and liabilities. Uncertainties have been measured using the best estimates of the likely outcomes. This assessment relies on estimates and assumptions and may involve a series of judgements about future events.

Where uncertain tax treatments exist, the Group assesses whether it is probable that a tax authority will accept the uncertain tax treatment applied or proposed to be applied in its tax filings. The Group assesses each uncertain tax treatment as to whether it should be considered independently or whether some tax treatments should be considered collectively based on what the Group believes provides a better estimate of the resolution of the uncertainty. The Group considers whether it is probable that the relevant authority will accept each uncertain tax treatment, or group of uncertain tax treatments, assuming that the taxation authority will have full knowledge of all relevant information when doing so.

Recognition of deferred tax assets requires consideration of the value of those assets and the likelihood that those assets will be utilised in the foreseeable future. The recognition relies on the availability of sound and relatively detailed forecast information regarding the future performance of the business which has the legal right to utilise the deferred tax assets. The Group performed its assessment of the recovery of deferred tax assets at the balance sheet date, taking into account the Group's actual and historic performance, the impact of tax legislation enacted at the reporting date and the detailed financial forecasts and budgets for the business covering the periods over which the assets are expected to be utilised.

New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax assets and liabilities; such changes to tax assets and liabilities will impact the income tax in the period in which such a determination is made. Management uses in-house tax experts, professional firms and previous experience when assessing tax risks and the Group believes that the position for all tax assets and liabilities at the balance sheet date is adequate based on its assessment of the range of factors outlined above but given the inherent uncertainty, it is possible that resolution of tax uncertainties may differ from the amounts provided for.

Onerous lease and dilapidation provisions (estimate)

The Group is party to a number of non-cancellable leases on properties that are either loss making or closed. Judgement is applied in determining whether leases are onerous. The principal element of uncertainty in these provisions is the future performance of the loss making stores, if the forecast loss/revenue on these stores were to change it would change the onerous lease provision. Where a lease is onerous to the Group, a provision is established for the difference between amounts contractually payable to the landlord and amounts contractually receivable from the tenant (if any).

In addition, provisions exist for the expected future dilapidation cost on all leasehold properties. Judgement is applied when determining the average cost per store of the future dilapidation cost.

Acquisition accounting (estimate)

The acquisition method of accounting is used to account for all business combinations. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. If the purchase consideration exceeds the fair value of the net assets acquired, then the difference is recognised as goodwill. The Group has one year from the acquisition date to re-measure the fair values of the acquired assets and liabilities and the resulting goodwill if new information is obtained relating to conditions that existed at the acquisition date. Acquisition related costs are included as part of the cost of the combination where they are directly attributable. The business combinations entered into during the year are disclosed in Note 3.

Due to the ongoing profitability of the associated cash generating units, the Group do not consider there to be a significant estimation over the valuation of Goodwill within the Group.

Notes *(continued)*

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

3 Acquisitions and disposal of businesses

Acquisitions in the current period

On 1 October 2024, Betting World Pty Limited acquired 100% of K2024367247, a South Africa Investment Holding Company which owns 100% of BF SA Support Services Pty Limited. This operates as a Service Provider to the Group's South African business. The Group has a 70% holding in Betfred South Africa Holdings Pty Limited which owns 100% of Betting World Pty Limited. BF SA Support Services Pty Limited contributed revenue of £nil and a net profit of £77,000 to the Group's revenue and net profit for the period.

Effect of acquisition

The acquisition had the following effect on the Group's assets and liabilities:

	Book values	Fair value adjustments	Recognised values on acquisition
	£000	£000	£000
Acquiree's net assets at the acquisition date	-	-	-
Acquiree's net liabilities at the acquisition date	-	-	-
Consideration paid			2,026
Goodwill on acquisition			2,026

The consideration paid is made up of a cash consideration of £1,966,000 and legal fees of £60,000.

Goodwill represents the assembled workforce and the expected synergy savings for the Group's cost base as a result of the acquisition.

The expected useful life of goodwill from this acquisition is 10 years.

Acquisitions in the prior period

On 1 October 2022, the Group acquired 51% of the ordinary share capital of Lottostar (Pty) Limited, a South African online gaming company, for a total cash consideration of £184,322,000. Lottostar (Pty) Limited contributed revenue of £133,935,000 and a net profit of £41,412,000 to the Group's revenue and net profit for the period.

As at 1 October 2023, deferred consideration of £40,000,000 was discounted to £37,122,000 and accrued. The deferred consideration of £40,000,000 was paid on 30 September 2024.

As at 1 October 2023, contingent consideration of £20,000,000 was discounted to £14,178,000 and provided for. The contingent consideration of £20,000,000 was paid on 3 March 2025.

Disposal of businesses in the current period

On 9 September 2024, the Group disposed of Betfred Spain SA, its online Spanish business for proceeds of £2,000,000. The profit on disposal of the business was £1,600,000.

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

4 Turnover

All activities relate to gambling operations.

	2025	2023
	£000	£000
Retail gambling	894,841	576,977
Online gambling	563,616	331,010
	1,458,457	907,987
	1,458,457	907,987

A geographical analysis of turnover has not been presented as in the opinion of the directors such disclosure would be severely prejudicial to the interests of the Group.

5 Other operating income

	2025	2023
	£000	£000
Rental income	1,252	796
Other income receivable	4,642	2,300
	5,894	3,096
	5,894	3,096

6 Profit/(loss) before taxation

Included in profit/(loss) before taxation are the following:

	2025	2023
	£000	£000
Impairment of intangible assets	114	10,571
Reversal of impairment of intangible assets	(1,605)	(1,293)
Impairment of tangible fixed assets	1,038	14,301
Reversal of impairment of tangible fixed assets	(2,039)	(2,206)
Depreciation of tangible fixed assets	24,130	15,947
Amortisation of intangible assets	56,563	39,886
Net profit/(loss) on disposal of intangible and tangible fixed assets	670	(1,061)
Operating lease land & buildings	55,922	40,757
Operating lease plant & machinery	5,254	3,604
Gain on remeasurement of investments to fair value	9,210	2,746
<i>Auditor's remuneration:</i>		
Audit of these financial statements	216	208
Audit of subsidiary financial statements pursuant to legislation	1,257	1,068
	1,257	1,068
	1,257	1,068

Notes *(continued)*

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

7 Employee numbers and costs

The average number of persons employed by the Group during the period:

	2025	2023
	No.	No.
Directors, office, management and sales staff	<u>9,622</u>	<u>9,949</u>

As the Group employs a large number of part-time colleagues, the average number of persons employed by the Group on a full-time equivalent basis is also presented below:

	2025	2023
	No.	No.
Directors, office, management and sales staff	<u>7,872</u>	<u>8,031</u>

The aggregate payroll costs of the above were:

	2025	2023
	£000	£000
Wages and salaries	326,715	225,703
Social security costs	25,309	16,409
Other pension costs	<u>9,549</u>	<u>5,816</u>
	<u><u>361,573</u></u>	<u><u>247,928</u></u>

The aggregate payroll costs includes £15,783,000 (2023: £11,952,000) which was capitalised as Intangible Assets and included as additions in note 15.

The Company did not have any direct employees in the current or prior period.

8 Directors' remuneration

The directors' aggregate emoluments in respect of qualifying services were:

	2025	2023
	£000	£000
Aggregate emoluments	2,444	1,844
Company contributions to money purchase pension schemes	12	7
	<u>2,456</u>	<u>1,851</u>

The aggregate emoluments of the highest paid director were £912,000 (2023: £591,000) and company pension contributions of £nil (2023: £nil) were made to a money purchase scheme on their behalf.

The number of directors who accrued benefits under company pension schemes was as follows:

	2025	2023
	No.	No.
Money purchase scheme	<u>1</u>	<u>2</u>

Notes *(continued)*

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

9 Exceptional items

	2025	2023
	£000	£000
<i>Pre-operating profit</i>		
Reversal of impairment of intangible assets	(1,605)	(1,293)
Impairment of intangible assets	114	10,571
Reversal of impairment of tangible fixed assets	(2,039)	(2,206)
Impairment of tangible fixed assets	1,038	14,301
Net onerous lease provision reversed during the period	(5,710)	(7,337)
Net dilapidation provision made during the period	9,116	-
Other provisions reversed during the period	-	(250)
Write off related party loan	3,704	-
Onerous contract (reversal)/provision	-	40,000
Write off US prepayments	-	6,727
Profit on disposal of business	(1,600)	-
Closure costs	396	337
	3,414	60,850

Exceptional items amounted to a net charge of £3,414,000 (2023: net charge of £60,850,000). The charge to exceptional items in the current period includes a net charge of £914,000 in relation to impairments and provisions which includes a net credit on onerous lease provisions relating to loss making shops in the prior year now being profitable and a net charge on dilapidation provisions; £3,704,000 to write off a related party loan which is no longer recoverable; a credit of £1,600,000 relating to disposal of a foreign subsidiary; and a charge of £396,000 relating to closure costs of a foreign subsidiary. Prior year exceptional items includes a net charge of £13,786,000 in relation to impairments and provisions which includes a net credit on onerous lease provisions relating to loss making shops in the prior year now being profitable and a net charge on intangible and tangible fixed asset impairments due to the impairment of all US assets; a provision of £40,000,000 for onerous contracts, a charge of £6,727,000 relating to the write-off of US prepayments; and a charge of £337,000 relating to closure costs of a foreign subsidiary.

10 Other fixed asset investments

The Group holds a 5.99% investment in Sports Information Services (Holdings) Limited. A dividend of £1,984,000 was received in the period ended 30 March 2025 (2023: £264,000). The Group's investment in Sports Information Services (Holdings) Limited was revalued in the period resulting in a fair value loss of £2,190,000.

The Group held an investment in a third party managed investment portfolio. The investment was revalued in the period ended 30 March 2025 resulting in a fair value gain of £11,400,000 (2023: fair value gain of £2,746,000). Dividends of £1,411,000 were received in the period ended 30 March 2025 (2023: £nil) in relation to the third party managed investment portfolio. The investment was disposed of in the current period.

The Group holds an investment in preference shares in Insequor Proprietary Limited, a Broad Based Black Economic Empowerment (B-BBEE) company in South Africa. A dividend of £3,114,000 was accrued in the period ended 30 March 2025 (2023: £2,056,000).

Notes *(continued)*

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

11 Interest receivable and similar income

	2025	2023
	£000	£000
Bank interest receivable	8,000	2,281
Net interest received on pension liabilities	417	650
Interest receivable on related party loans	4,607	2,516
Other interest receivable	2	282
	13,026	5,729
	13,026	5,729

12 Interest payable and similar expenses

	2025	2023
	£000	£000
Interest payable on bank loans	4,858	4,575
Amortisation of loan issue costs	136	64
Unwinding of discounted provision	1,608	1,187
Unwinding of discounted deferred consideration	8,700	6,978
Net foreign exchange losses	324	221
Interest payable on related party loans	83	651
Re-measurement of mandatory dividend liability	33,931	33,384
Other interest payable	88	49
	49,728	47,109
	49,728	47,109

Re-measurement of mandatory dividend liability of £33,931,000 (2023: £33,384,000) relates to the movement in the forecast mandatory element of future dividends relating to Lottostar (see note 1.7 and the key judgements section of note 2).

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

13 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	2025		2023		
	£000		£000		£000
<i>Current tax</i>					
UK tax on income for the period	20,098		6,808		
Overseas tax on income for the period	44,955		27,706		
Adjustments in respect of prior periods	(2,765)		(2,200)		
Total current tax	62,288		32,314		
<i>Deferred tax (see note 24)</i>					
Origination and reversal of timing differences	(3,701)		2,893		
Adjustments in respect of prior periods	1,247		638		
Total deferred tax	(2,454)		3,531		
Total tax	59,834		35,845		
	2025	2025	2025	2023	2023
	£000	£000	£000	£000	£000
	Current	Deferred	Total	Current	Deferred
	tax	tax	tax	tax	tax
Recognised in profit and loss account	62,288	(2,454)	59,834	32,314	3,531
Recognised in other comprehensive expense	-	-	-	-	-
Total tax	62,288	(2,454)	59,834	32,314	3,531

Reconciliation of effective tax rate

The tax charge for the period is higher (2023: higher) than the average standard rate of corporation tax in the UK of 25% (2023: 22%). The differences are explained below:

	2025	2023
	£000	£000
Profit/(loss) for the period	128,848	(71,692)
Total tax expense	59,834	35,845
Profit/(loss) excluding taxation	188,682	(35,847)
Tax using the UK corporation tax rate of 25% (2023: 22%)	47,171	(7,886)
Effect of tax rates in foreign jurisdictions	(4,348)	(38)
Difference in tax rate on deferred tax balances	-	744
Non-deductible expenses	20,668	13,946
Tax exempt revenues	(746)	(823)
Deferred tax not recognised	-	31,464
Other provisions	(1,394)	-
Adjustments in respect of prior periods	(1,517)	(1,562)
Total tax expense included in profit or loss	59,834	35,845

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

13 Taxation (continued)

The Group has unrecognised deferred tax assets of £41,000,000 (2023: £43,545,000). These amounts have not been recognised as there is uncertainty surrounding the future profitability of the entities to which they relate.

The Group is within the Pillar Two Global Anti-Base Erosion (GloBE) rules. This legislation was effective from 1 January 2024 and there is no current tax impact for the period ended 30 March 2025. The first year which could be impacted by this legislation is the year ended March 2026. The assessment of the impact of this new legislation is ongoing but currently it is not expected to materially impact the annual tax charge. The Group has taken the mandatory exception from recognising deferred tax in relation to Pillar Two top-up taxes.

14 Intangible assets - Goodwill

	Goodwill £000
Cost	
At 1 October 2023	500,940
Acquisitions	2,026
Disposals	(150)
Effect of movements in foreign exchange	(14,583)
	488,233
At 30 March 2025	488,233
Amortisation and impairment	
At 1 October 2023	332,883
Charge for the period	34,163
Disposals	(90)
Effect of movements in foreign exchange	(600)
	366,356
At 30 March 2025	366,356
Net book value	
At 1 October 2023	168,057
At 30 March 2025	121,877

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

15 Intangible assets - other intangibles

Group

	Licences £000	Favourable leases £000	Software Development £000	Brand £000	Purchased Software £000	Total £000
Cost						
At 1 October 2023	37,315	487	65,396	85,789	7,332	196,319
Additions - internally developed	-	-	22,910	-	-	22,910
Additions - externally purchased	444	-	-	-	-	444
Disposals	(5,228)	(487)	-	-	-	(5,715)
Effect of movements in foreign exchange	(294)	-	-	(2,341)	(200)	(2,835)
At 30 March 2025	32,237	-	88,306	83,448	7,132	211,123
Amortisation and impairment						
At 1 October 2023	29,586	484	-	8,579	1,466	40,115
Charge for the period	3,790	3	3,734	12,702	2,171	22,400
Disposals	(5,229)	(487)	-	-	-	(5,716)
Impairment of assets	114	-	-	-	-	114
Reversal of impairment	(1,605)	-	-	-	-	(1,605)
Effect of movements in foreign exchange	(339)	-	-	(419)	(71)	(829)
At 30 March 2025	26,317	-	3,734	20,862	3,566	54,479
Net book value						
At 1 October 2023	7,729	3	65,396	77,210	5,866	156,204
At 30 March 2025	5,920	-	84,572	62,586	3,566	156,644

Company

The Company has no intangible assets.

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

16 Tangible fixed assets

Group

	Property £000	Alterations to premises £000	Plant, machinery & equipment £000	Fixtures & fittings £000	Total £000
Cost					
At 1 October 2023	16,450	57,974	169,302	59,978	303,704
Additions	5,710	10,468	25,492	4,559	46,229
Disposals	(2,150)	(23,166)	(31,169)	(5,931)	(62,416)
Effect of movements in foreign exchange	-	(69)	(1,525)	(10)	(1,604)
At 30 March 2025	20,010	45,207	162,100	58,596	285,913
Depreciation and impairment					
At 1 October 2023	5,784	54,166	126,706	52,985	239,641
Charge for the period	518	1,914	18,146	3,552	24,130
Disposals	(1,174)	(23,163)	(30,260)	(5,871)	(60,468)
Impairment of assets	-	397	53	588	1,038
Reversal of impairment	-	(389)	-	(1,650)	(2,039)
Effect of movements in foreign exchange	-	(64)	(281)	(4)	(349)
At 30 March 2025	5,128	32,861	114,364	49,600	201,953
Net book value					
At 1 October 2023	10,666	3,808	42,596	6,993	64,063
At 30 March 2025	14,882	12,346	47,736	8,996	83,960

The net book value of equipment includes an amount of £477,000 (2023: £1,056,000) in respect of assets held under finance leases. Depreciation on these assets in the current period was £579,000 (2023: £102,000).

The net book value of properties comprises:

	2025 £000	2023 £000
Freeholds	14,122	9,775
Long leaseholds (over 50 years)	754	848
Short leaseholds (under 50 years)	-	3
Other expenditure related to buildings	5	40
Total property	14,881	10,666

Contracted, but not accrued, capital commitments at 30 March 2025 were £nil (2023: £nil).

Company

The Company has no tangible fixed assets.

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

17 Investments

Group

	Other investments £000	Total £000
Cost		
At 1 October 2023	95,644	95,644
Disposals	(86,054)	(86,054)
Change in fair value	9,210	9,210
	18,800	18,800
At 30 March 2025	18,800	18,800
Provisions		
At 1 October 2023 and 30 March 2025	-	-
Net book value		
At 1 October 2023	95,644	95,644
	18,800	18,800
At 30 March 2025	18,800	18,800

Other investments of £18,800,000 (2023: £95,644,000) includes £4,291,000 (2023: £6,481,000) in relation to an investment in Sports Information Services (Holdings) Limited (SIS), in which the Group has a 5.99% holding; £85,000 (2023: £85,000) in relation to SportstuffTV Limited, in which the Group has a 16.67% holding; £14,421,000 (2023: £14,421,000) in relation to an investment in preference shares in Insequor Proprietary Limited ("Insequor"), a B-BBEE company in South Africa; and £nil (2023: £74,654,000) in relation to amounts held in a third party managed investment portfolio which was classified within fixed assets as it was the Directors intention to hold these assets for the long term. The investment was disposed of in the current period.

A dividend of £1,984,000 was received in the period ended 30 March 2025 (2023: £264,000) in relation to the SIS investment; dividends of £1,411,000 were received in the period ended 30 March 2025 (2023: £nil) in relation to the third party managed investment portfolio; and a dividend of £3,114,000 was accrued in the period ended 30 March 2025 (2023: £2,056,000) in relation to the Insequor investment. Further details relating to the preference shares in Insequor are included in note 2.

Company

	Shares in Group undertakings £000
Cost and net book value	
At 1 October 2023 and 30 March 2025	113,015

The trading companies in which the Company held an interest at the period end are as follows:

	Registered office*	Principal activity	Class of shares held	Ownership 2025 %	Ownership 2023 %
Subsidiary undertakings					
Betfred Group Limited	UK	Investment holding company	Ordinary	100	100
Done Brothers (Cash Betting) Limited	UK	Retail gambling	Ordinary	100	100
Tote (Successor Company) Limited	UK	Investment holding company	Ordinary	100	100
Tote Bookmakers Limited	UK	Retail gambling	Ordinary	100	100
Petfre (Gibraltar) Limited	Gibraltar	Online gambling	Ordinary	100	100

Notes *(continued)*

17 Investments *(continued)*

	Registered office*	Principal activity	Class of shares held	Ownership 2025 %	Ownership 2023 %
<i>Subsidiary undertakings</i> <i>(continued)</i>					
Betfred International Holdings Limited***	UK	Investment holding company	Ordinary	100	100
Betfred USA Sports LLC	US	Investment holding company	**	100	100
Betfred USA Sports (Two) LLC	US	Investment holding company	**	100	100
Betfred Sports (Iowa) LLC	US	Retail & Online gambling	**	100	100
Betfred Sports (Colorado) LLC	US	Retail & Online gambling	**	100	100
Betfred Sports (Pennsylvania) LLC	US	Retail & Online gambling	**	100	100
Betfred Sports (Nevada) LLC	US	Retail gambling	**	100	100
Betfred Sports (Washington) LLC	US	Retail gambling	**	100	100
Betfred Sports (Virginia) LLC	US	Online gambling	**	100	100
Betfred Sports (Ohio) LLC	US	Online gambling	**	100	100
Betfred Sports (Arizona) LLC	US	Retail & Online gambling	**	100	100
Betfred Sports (Louisiana) LLC	US	Retail gambling	**	100	100
Betfred Sports (Maryland) LLC	US	Retail & Online gambling	**	100	100
Betfred Technology Limited	UK	Development of platform	Ordinary	100	100
Gaming Technology SA (Pty) Limited	SA1619	IT services	Ordinary	100	100
Betfred South Africa Holdings (Pty)	SA1619	Investment holding company	Ordinary	70	70
Betting World (Pty) Limited	SA1619	Retail & Online gambling	Ordinary	70	70
Sepels Best Bets (Pty) Limited	SA1619	Retail gambling	Ordinary	70	70
Sepels Sportsbet Gauteng (Pty) Limited	SA1619	Retail gambling	Ordinary	70	70
K2024367247 (South Africa) (Pty) Limited	SA1619	Investment holding company	Ordinary	70	0
BF SA Support Services (Pty) Limited	SA2196	Service provider	Ordinary	70	0
K2022390467 (South Africa) (Pty) Limited	SA2196	Investment holding company	Ordinary	100	100
Lottostar (Pty) Limited	SA2196	Online gaming	Ordinary	51	51
<i>Associated undertakings</i>					
Betfred South Africa Trading North West (Pty) Limited	SA1619	Retail gambling	Ordinary	39.9	39.9
Betfred SA Gauteng (Pty) Limited	SA1619	Not trading	Ordinary	49	49
Lottostar Casino (Pty) Limited	SA2196	Not trading	Ordinary	38.25	38.25

Notes (continued)

17 Investments (continued)

	Registered office*	Principal activity	Class of shares held	Ownership 2025 %	Ownership 2023 %
The Company also holds the following investments in dormant subsidiary companies:					
Betfred Spain S.A.	Spain	Not trading	Ordinary	0	100
Betfred USA (IP) LLC	US	Not trading	**	100	100
Betfred Sports (Indiana) LLC	US	Not trading	**	100	100
Betfred Sports (Oregon) LLC	US	Not trading	**	0	100
Betfred Sports (South Dakota) LLC	US	Not trading	**	0	100
Betfred Sports (Minnesota) LLC	US	Not trading	**	0	100
Betfred Sports (Massachusetts) LLC	US	Not trading	**	0	100
Betfred Sports (California) LLC	US	Not trading	**	0	100
Betfred Sports (Missouri) LLC	US	Not trading	**	0	100
Betfred Sports (Kansas) LLC	US	Not trading	**	0	100
Bluegrass Limited	UK	Not trading	Ordinary	100	100
Tote Digital Limited	UK	Not trading	Ordinary	100	100
Tote Credit Limited	UK	Not trading	Ordinary	100	100
Tote Limited	UK	Not trading	Ordinary	100	100
Tote Investors Limited	UK	Not trading	Ordinary	100	100
Tote Computer Services Limited	UK	Not trading	Ordinary	100	100
Tote Course Limited	UK	Not trading	Ordinary	100	100
Tote Europools Limited	UK	Not trading	Ordinary	100	100
Tote UK International Limited	UK	Not trading	Ordinary	100	100
Totepool Limited	UK	Not trading	Ordinary	100	100
Totesport Limited	UK	Not trading	Ordinary	100	100
Demmy the Bookmaker Limited	UK	Not trading	Ordinary	100	100
Hanley Racing Limited	UK	Not trading	Ordinary	100	100
Giftcircle Limited	UK	Not trading	Ordinary	100	100
A&R Racing Limited	UK	Not trading	Ordinary	100	100
The Chase Retail Limited	UK	Not trading	Ordinary	100	100
Betfred Limited	UK	Not trading	Ordinary	100	100
Done Management Limited	UK	Not trading	Ordinary	100	100
Betfred Sports Café Limited	UK	Not trading	Ordinary	100	100
Campbells (Bookmakers)	UK	Not trading	Ordinary	100	100
Communications Agency	UK	Not trading	Ordinary	100	100
Dartlake Limited	UK	Not trading	Ordinary	100	100
Betting World Limpopo (Pty) Limited	SA1619	Not trading	Ordinary	70	70
Betting World Northern Cape (Pty) Limited	SA1619	Not trading	Ordinary	70	70
Betting World North West (Pty) Limited	SA1619	Not trading	Ordinary	70	70
Betting World Mpumalanga (Pty) Limited	SA1619	Not trading	Ordinary	70	70
Betting World Newton Park (Pty) Limited	SA1619	Not trading	Ordinary	70	70

Notes (continued)

17 Investments (continued)

	Registered office*	Principal activity	Class of shares held	Ownership 2025 %	Ownership 2023 %
K2022825939 (South Africa) (Pty) Limited	SA1619	Not trading	Ordinary	70	70

*The registered office address is as follows:

UK - The Spectrum, 56-58 Benson Road, Birchwood, Warrington, Cheshire, WA3 7PQ

Gibraltar - 5/2 Waterport Place, Gibraltar

Spain - Calle Pedro De Meneses 8, Local 51001, Ceuta, Spain

US - 4530 S.Decatur Blvd, Ste 202, Las Vegas, Nevada, 89103

SA1619 - 151 Monument Road, Aston Manor, Kempton Park, Gauteng, South Africa 1619

SA2196 - 345 Rivona Road, Sandton, Gauteng, South Africa 2196

**The US entities are Limited Liability Corporations

***Betfred International Holdings Limited has taken the exemption in section 479A of the Companies Act 2006 (the Act) from the requirement in the Act for their individual accounts to be audited. The guarantee given by the Company under section 479A of the Act is disclosed in note 29.

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

18 Debtors

	Group		Company	
	2025 £000	2023 £000	2025 £000	2023 £000
Trade debtors	2,850	901	-	-
Amounts owed by related parties	47,880	56,630	-	-
Deferred consideration	-	1,500	-	-
Corporation tax	309	-	-	-
Other debtors	16,622	16,037	-	-
Prepayments and accrued income	25,953	23,881	-	-
Deferred tax asset (note 24)	585	2,880	-	-
	<u>94,199</u>	<u>101,829</u>	<u>-</u>	<u>-</u>

Group

Deferred consideration of £nil (2023: £1,500,000) relates to the outstanding amount due following the sale of land & buildings. Included in this amount is £nil (2023: £500,000) which is not expected to be recovered in one year.

Included within amounts owed by related parties is £21,575,000 (2023: £42,305,000) which is not contractually due within one year.

Related Party	Interest rate	Due for Repayment	Amount owed	
			2025 £000	2023 £000
GGRecon Limited	1% plus Bank of England base	21 January 2026	-	2,591
Rainy City Investments Limited	4% per annum	30 November 2025	10,003	39,680
DOMIS Developments Limited	3% per annum	30 October 2023	-	1,733
DOMIS Construction Limited	11% per annum	31 December 2027	11,721	5,020
Goldentree Financial Services PLC	7% per annum	20 July 2026	7,628	7,606
Sports Tours International Limited	2% plus Bank of England base	N/A	2,533	-
Palsar Capital Holdings Limited	1% plus Bank of England base	24 January 2029	2,226	-
Fred Done Property Trading Group Limited	6% per annum	31 December 2025	13,769	-
			<u>47,880</u>	<u>56,630</u>

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

19 Cash and cash equivalents/bank overdrafts

	2025	2023
	£000	£000
Cash at bank and in hand	76,514	67,653
Bank overdrafts	(17,552)	-
	58,962	67,653

20 Creditors: amounts falling due within one year

	Group		Company	
	2025	2023	2025	2023
	£000	£000	£000	£000
Trade creditors	26,222	14,796	-	-
Customer accounts	29,640	30,220	-	-
Bank overdrafts	17,552	-	-	-
Amounts due to related parties	-	5,216	-	-
Deferred consideration	-	37,122	-	-
Obligations under finance leases (note 22)	-	255	-	-
Corporation tax	4,212	3,845	-	-
Other taxation and social security	47,234	42,950	-	-
Unfavourable leases	-	41	-	-
Dividend creditor	18,297	21,085	-	-
Other creditors	4,054	16,450	-	-
Accruals and deferred income	52,789	43,690	-	-
	200,000	215,670	-	-

Group

Deferred consideration of £nil (2023: £37,122,000) related to the discounted amount which was paid on 30 September 2024 following the acquisition of Lottostar (Pty) Limited on 1 October 2022.

Amounts due to related parties includes £nil (2023: £5,216,000) due to The F Done 2007 Family Discretionary Settlement which bore interest at SONIA plus 3% per annum. The loan was repaid on 15 November 2023.

Customer accounts includes amounts deposited and winnings, less amounts staked. These amounts can be withdrawn by customers on demand. Customer accounts also includes open bet valuations and payout liabilities.

The dividend creditor of £18,297,000 (2023: £21,085,000) relates to the discounted value on 30 March 2025 of the forecast mandatory element of future dividends relating to Lottostar (see note 1.7 and the key estimates and judgements section of note 2).

Notes *(continued)*

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

21 Creditors: amounts falling due after more than one year

	Group		Company	
	2025	2023	2025	2023
	£000	£000	£000	£000
Bank loans and overdrafts <i>(note 22)</i>	-	95,540	-	-
Obligations under finance leases <i>(note 22)</i>	-	388	-	-
Amounts due to related parties	-	3,150	-	-
Contingent consideration <i>(note 3)</i>	-	14,178	-	-
Unfavourable leases	-	107	-	-
Dividend creditor	74,174	75,529	-	-
Other creditors	61	61	-	-
Accruals and deferred income	1,166	1,251	-	-
	75,401	190,204	-	-

Group

Contingent consideration of £nil (2023: £14,178,000) related to the discounted amount paid on 3 March 2025 following the acquisition of Lottostar (Pty) Limited on 1 October 2022.

Amounts due to related parties includes £nil (2023: £3,150,000) due to Fred Done Property Trading Group Limited which bore interest at SONIA plus 3% per annum. The loan was repaid on 15 November 2023.

The dividend creditor of £74,174,000 (2023: £75,529,000) relates to the discounted value due after 30 March 2025 of the forecast mandatory element of future dividends relating to Lottostar (see note 1.7 and the key estimates and judgements section of note 2).

Notes *(continued)*

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

22 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's and Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	Group		Company	
	2025 £000	2023 £000	2025 £000	2023 £000
Creditors falling due more than one year				
Secured bank loans	-	95,676	-	-
Loans from related parties	-	3,150	-	-
Finance lease liabilities	-	388	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total borrowings	-	99,214	-	-
Less unamortised issue costs	-	(136)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total borrowings less unamortised issue costs	-	99,078	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Creditors falling within less than one year				
Secured bank loans	-	-	-	-
Loans from related parties	-	5,216	-	-
Loans from group undertakings	-	-	-	-
Finance lease liabilities	-	255	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total borrowings	-	5,471	-	-
Less unamortised issue costs	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total borrowings less unamortised issue costs	-	5,471	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Bank loans

On 27 January 2022, the Group entered into a securities backed lending facility with a limit of £60m. The facility was secured against the investment portfolio which was disposed of during the current period. The balance of the facility at 30 March 2025 is £nil (2023: £35,000,000). During the period, the Group drew down £41m from this facility and repaid £76m. The facility was repaid in full on 21 June 2024. The facility beared interest at bank base rate plus 0.65% per annum.

On 18 October 2022, the Group entered into a bank revolving credit facility of £40m. This was subsequently increased to £60m on 28 March 2023. During the period, the Group drew down £50m from this facility and repaid £110m. The balance at 30 March 2025 is £nil (2023: £60,000,000). The facility bears interest at SONIA plus 1.5% per annum and is available for draw down until 17 October 2027.

£200,000 of deferred finance costs relating to the bank revolving credit facility were capitalised in the prior period and were amortised over the life of the loan.

Finance lease and hire purchase contracts

Finance lease and hire purchase contracts are repayable by instalments. Usual contract terms are 3-5 years.

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

22 Interest-bearing loans and borrowings (continued)

Terms and debt repayment schedule

Group	Currency	Nominal interest rate	Year of maturity	Repayment schedule	2025 £000	2023 £000
Securities backed lending facility	£	0.65% plus bank base rate	-	Rolling	-	35,624
Bank revolving credit facility	£	1.5% plus SONIA	2025	At maturity	-	60,052
Finance lease liabilities	£	N/A	2025	3 years	-	643
Loans from related parties	£	3% plus SONIA	2026	3 years	-	8,366
					-	104,685
					-	104,685

23 Net debt

The below is an analysis of changes in net debt of the Group from the beginning to the end of the current reporting period:

	Borrowings due within one year £000	Borrowings due after one year £000	Obligations under finance lease liabilities £000	Sub total £000	Cash and cash equivalents £000	Net debt £000
Net debt analysis						
Balance at 1 October 2023	5,216	98,690	643	104,549	67,653	36,896
Cash flows from operations	(5,216)	(98,826)	(643)	(104,685)	(5,350)	(99,335)
Changes from acquisition of subsidiaries	-	-	-	-	(2,029)	2,029
Other non-cash changes*	-	136	-	136	-	136
Effects of movements in foreign exchange	-	-	-	-	(1,312)	1,312
Balance at 30 March 2025	-	-	-	-	58,962	(58,962)
	-	-	-	-	58,962	(58,962)

*non-cash changes relates to £136,000 amortisation of capitalised loan fees

Net debt excludes £nil (2023: £74,654,000) which could be converted to cash immediately in relation to amounts held in a third party managed investment portfolio. This was classified within fixed assets as it was the Directors intention to hold these assets for the long term. In addition to the above, the Group holds a mandatory dividend liability of £92,471,000 (2023: £96,614,000) with £18,297,000 (2023: £21,085,000) due within one year and £74,174,000 (2023: £75,529,000) due after one year with a cash outflow of £51,781,000 (2023: £20,191,000) and non-cash movements of £4,143,000 (2023: £116,805,000).

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

24 Deferred tax

Deferred tax assets and liabilities are attributable to the following:

Group	Assets	Assets	Liabilities	Liabilities	Net	Net
	2025	2023	2025	2023	2025	2023
	£000	£000	£000	£000	£000	£000
Fixed asset timing differences	585	1,638	(2,081)	(1,257)	(1,496)	381
Arising on business combinations	-	-	(18,593)	(23,641)	(18,593)	(23,641)
Fair value gains	-	-	(1,073)	(1,229)	(1,073)	(1,229)
Other	-	1,242	904	-	904	1,242
Net tax assets/(liabilities)	585	2,880	(20,843)	(26,127)	(20,258)	(23,247)

The other deferred tax asset relates to losses and provisions in group undertakings.

The fair value gains movement relates to the revaluation of other investments.

The amount of deferred tax liability expected to reverse in the following period is £3.8m. This primarily relates to the reversal of timing differences on business combinations.

Company

The Company has no deferred tax.

25 Provisions for liabilities and charges

Group	Deferred tax	Dilapidation provision	Onerous lease provision	Onerous contract provision	Other provisions	Total
	£000	£000	£000	£000	£000	£000
Balance at 1 October 2023	26,127	4,574	11,358	40,000	2,000	84,059
Provisions made during the period	1,711	9,203	4,105	-	-	15,019
Provisions released during the period	(6,995)	(87)	(9,815)	-	(2,000)	(18,897)
Provisions used during the period	-	(2,014)	(265)	(40,000)	-	(42,279)
Unwinding of discounted amount	-	461	1,147	-	-	1,608
Balance at 30 March 2025	20,843	12,137	6,530	-	-	39,510

Property related provisions are expected to unwind over the next 3 to 5 years, and include:

- An onerous lease provision of £6,530,000 (2023: £11,358,000) in relation to loss making outlets within the Group shop portfolio. An associated impairment loss has been recorded in relation to assets dedicated to these contracts.
- £12,137,000 (2023: £4,574,000) in relation to dilapidation costs associated with the Group's retail estate.
- The onerous contract provision of £nil (2023: £40,000,000) was in relation to overseas businesses which had not been as profitable as expected. These businesses were exited during the period and the contracts were settled.

Company

The Company has no provisions.

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

26 Employee benefits

The Group operates a funded pension scheme, the Horserace Totalisator Board (1968) Pension Scheme. The scheme provides benefits based on final pensionable pay for all qualifying staff and as a result of its participation in that scheme, Tote (Successor Company) Limited is a sponsoring employer.

Assets are held, separately from those of Tote (Successor Company) Limited, in trustee-administered funds. The pension scheme has a sole independent corporate trustee.

There is no investment by the funds in the businesses of the Group, headed by Betfred Group Holdings Limited, the Company or any of its subsidiary or associated undertakings.

The pension scheme contributions are determined by professionally qualified actuaries on the basis of regular funding reviews using the projected unit method and, for the period ended 30 March 2025, amounted to £3,000,000 (2023: £2,000,000). £800,000 is due to be paid in the next 12 months as per the schedule of contributions.

The latest available actuarial review of the scheme was at 31 March 2024. This valuation has been updated to 30 March 2025 by a qualified actuary, independent of the scheme's sponsoring employer.

Net pension (liability)/asset

	2025	2023
	£000	£000
Defined benefit obligation	(63,518)	(67,726)
Plan assets	69,214	71,519
Surplus in plan	5,696	3,793
Unrecognised surplus	(5,696)	(3,793)
Net pension surplus/(deficit)	-	-

Movements in present value of defined benefit obligations

	2025	2023
	£000	£000
At 1 October 2023	67,726	71,226
Interest expense	5,370	3,637
Actuarial gains	(4,023)	(3,552)
Benefits paid	(5,555)	(3,585)
At 30 March 2025	63,518	67,726

Movements in fair value of plan assets

	2025	2023
	£000	£000
At 1 October 2023	71,519	82,818
Interest income	5,787	4,287
Expenses	(450)	(348)
Return on plan assets (excluding interest income)	(5,087)	(13,653)
Contributions by employer	3,000	2,000
Benefits paid	(5,555)	(3,585)
At 30 March 2025	69,214	71,519

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

26 Employee benefits (continued)

The net re-measurement loss for the current period recognised in other comprehensive expense is £3,417,000 (2023: loss of £2,650,000). In accordance with FRS102.28.22 the Group considers it does not have an unconditional right to a refund if the scheme is in surplus and therefore has not recognised the pension surplus.

Income recognised in the profit and loss account

	2025	2023
	£000	£000
Net interest receivable on net defined benefit liability	(417)	(650)
Total income recognised in profit or loss	<u>(417)</u>	<u>(650)</u>

The fair value of the scheme assets and the return on those assets were as follows:

	2025	2023
	Fair value	Fair value
	£000	£000
Debt instruments	41,157	38,173
Cash	2,188	706
Real estate	1,416	6,125
Other	24,453	26,515
	<u>69,214</u>	<u>71,519</u>

Debt instruments includes LDI components of £17.2m in the current period (2023: £18.6m).

None of the fair value of the assets include any of the Group's own financial instruments or property, or any other assets used by the Group.

The long-term expected rate of return on cash is determined by reference to bank base rates at the balance sheet dates. The long-term expected return on bonds is determined by reference to UK long dated government and corporate bond yields at the balance sheet date. The long-term expected return on the pensioner buy in insurance policy is determined by reference to UK long dated government yields at the balance sheet date. The long term expected rate of return on various classes of growth assets are each based on UK long dated government yields with an allowance for out-performance.

Principal actuarial assumptions (expressed as weighted averages) at the year end were as follows:

	2025	2023
Discount rate	5.70	5.45
Inflation (CPI)	3.15	3.25
Inflation (RPI)	2.80	2.85
Future salary increases	n/a	n/a
Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less	2.80	2.85
Allowance for revaluation of deferred pensions of CPI or 2.5% p.a. if less	2.50	2.50
Allowance for pension in payment increases of CPI or 5% p.a. if less	2.70	2.80
Allowance for pension in payment increases of CPI or 3% p.a. if less	2.15	2.30
Allowance for pension in payment increases of CPI or 2.5% p.a. if less	1.90	2.05
Allowance for pension in payment increases of RPI or 5% p.a. if less	2.95	3.15
Allowance for pension in payment increases of RPI or 3% p.a. if less	2.25	2.50
Allowance for pension in payment increases of RPI or 2.5% p.a. if less	<u>1.95</u>	<u>2.20</u>

The last full actuarial valuation was performed on 31 March 2024, and has been updated to 30 March 2025.

Notes *(continued)*

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

26 Employee benefits *(continued)*

In valuing the liabilities of the pension fund at 30 March 2025, mortality assumptions have been made as indicated below.

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 60-year old to live for a number of years as follows:

- Male retiring at age 60 in 2025: 24.7 years
- Female retiring at age 60 in 2025: 27.5 years
- Male retiring at age 60 in 2045: 26.3 years
- Female retiring at age 60 in 2045: 29.1 years

The duration of the scheme as at 30 March 2025 is 13 years *(2023: 14 years)*.

The Directors are aware that the Court of Appeal has upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgement means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained.

On 5 June 2025, the Government announced its intention to introduce legislation to give affected pension schemes the ability to retrospectively obtain written confirmation that historical benefit changes met the necessary standards. However, details of the legislation have not been announced. Subject to the Directors being able to comply with the legislation and the pension scheme obtaining the required written actuarial confirmation, the Directors do not expect the valuation of the scheme liabilities to change.

Defined contribution plans

The Group operates defined contribution pension plans.

The total expenses relating to these plans in the current period was £9,549,000 *(2023: £5,816,000)*.

27 Capital and reserves

Called up share capital

	2025	2023
	£	£
<i>Allotted, called up and fully paid</i>		
195,200 ordinary shares of £0.10 each	19,520	19,520
	<u><u>19,520</u></u>	<u><u>19,520</u></u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Reserves for the Group and company represent the following:

Profit & Loss account

Cumulative profit and loss net of distributions to owners.

Non-controlling interest

Cumulative profit and loss net of distributions to non-controlling interests.

Other reserves

The merger relief reserve in the Company arose on the acquisition of Petfre (Gibraltar) Limited.

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

28 Operating leases

Leases as a lessee

Non-cancellable operating lease rentals are payable as follows: □

	Group	Group	Company	Company
	2025	2023	2025	2023
	£000	£000	£000	£000
Land and buildings				
Less than one year	20,345	20,860	-	-
Between one and five years	41,131	38,144	-	-
More than five years	13,613	2,856	-	-
	<u>75,089</u>	<u>61,860</u>	<u>-</u>	<u>-</u>
Other				
Less than one year	1,914	3,256	-	-
Between one and five years	2,074	3,766	-	-
More than five years	-	-	-	-
	<u>3,988</u>	<u>7,022</u>	<u>-</u>	<u>-</u>

During the period £61,176,000 (2023: £44,361,000) was recognised as an expense in the profit and loss account in respect of operating leases.

The operating leases for land and buildings are mainly for rental of several of the Group's LBOs and the lease terms vary between 3 and 35 years. Some of the leases have a break clause or an option to extend the lease term.

Leases as a lessor

Some properties are sub-let under operating leases. The future minimum lease payments receivable under non-cancellable leases are as follows:

	Group	Group	Company	Company
	2025	2023	2025	2023
	£000	£000	£000	£000
Land and buildings				
Less than one year	323	463	-	-
Between one and five years	165	659	-	-
More than five years	-	20	-	-
	<u>488</u>	<u>1,142</u>	<u>-</u>	<u>-</u>

During the period £1,177,000 (2023: £900,000) was recognised as other operating income in the profit and loss account in respect of rental income from operating leases.

29 Contingencies and guarantees

Given the Group's nature of business, the Group is susceptible to fraudulent customer activity, potential attempts of money laundering and legal proceedings which sometimes can give rise to future liabilities either by way of repayment of net winnings or by fines from regulatory authorities. Outcomes and potential future outflows of economic benefits in respect of open regulatory cases and reviews as at the date of the financial statements are not known, however there remains the risk of potential future liabilities given the Group's nature of business.

Notes *(continued)*

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

29 Contingencies and guarantees *(continued)*

In order for the subsidiary company Betfred International Holdings Limited to take the audit exemption in section 479A of the Companies Act 2006, the Company has guaranteed all outstanding liabilities of that subsidiary company at 30 March 2025 until those liabilities are satisfied in full.

The Company guaranteed property deposits amounting to £nil as at 30 March 2025 (2023: £25,248,000) to Salboy Central Limited; and property deposits amounting to £nil as at 30 March 2025 (2023: £6,629,000) to FG Victoria House Limited. Salboy Central Limited and FG Victoria House Limited are entities in which Mr F Done or close family has a beneficial interest

30 Related parties

Group

Loans from related parties

The following loans are from entities in which Mr F Done, close family or a director has a beneficial interest:

A loan of £7,800,000 was received in the prior period from The F Done 2007 Family Discretionary Settlement. The loan bore interest at SONIA plus 3% per annum and was repaid on 15 November 2023. During the period, interest of £51,000 was charged and repayments of £5,267,000 were made. The amount owed to The F Done 2007 Family Discretionary Settlement at 30 March 2025 is £nil (2023: £5,216,000).

A loan of £3,040,000 was received in the prior period from Fred Done Property Trading Group Limited. The loan bore interest at SONIA plus 3% per annum and was repaid on 15 November 2023. During the period, interest of £31,000 was charged and repayments of £3,181,000 were made. The amount owed to the Fred Done Property Trading Group Limited at 30 March 2025 is £nil (2023: £3,150,000).

Loans to related parties

The following loans are to entities in which Mr F Done, close family or a director has a beneficial interest:

Related Party	Balance outstanding 1 October 2023 £000	New borrowings in the period £000	Interest charged in the period £000	Re- payments in the period £000	Balance outstanding 30 March 2025 £000
GGRecon Limited	2,591	818	295	(3,704) *	-
Rainy City Investments Limited	39,680	-	1,292	(30,969)	10,003
DOMIS Developments Limited	1,733	-	4	(1,737)	-
DOMIS Construction Limited	5,020	5,000	1,701	-	11,721
Goldentree Financial Services PLC	7,606	4,000	903	(4,881)	7,628
Sports Tours International Limited	-	2,500	33	-	2,533
Palsar Capital Holdings Limited	-	2,126	100	-	2,226
Fred Done Property Trading Group Limited	-	32,714	279	(19,224)	13,769

*the loan to GGRecon Limited was written off in the current period as it was deemed to be irrecoverable.

Transactions with key management personnel

Total compensation of key management personnel in the period amounted to £7,302,000 (2023: £3,917,000).

Notes (continued)

for the 78 week period ended 30 March 2025 (the comparative period is presented for the 53 week period ended 1 October 2023)

30 Related parties (continued)

Administrative expenses

Excluding the rental costs referred to below, total expenses of £64,142,000 (2023: £43,120,000) were incurred in respect of entities in which Mr F Done or close family members have a controlling or beneficial interest.

A payment of £480,000 during the current period (2023: £nil) was made to a Director to hedge a marketing promotion. The payment is included in Administrative expenses.

Related Party	Description of Service	Amount paid		Amount owed	
		2025	2023	30 March	1 October
		£000	£000	£000	£000
Sports Information Services (Holdings) Limited	TV streaming in LBOs	49,269	42,481	4,565	1,977
DOMIS Construction Limited	Alterations to Head Office	14,352	341	-	89
Peninsula Business Services Limited	Employment advice	294	113	3	-
Palsar Capital Limited	Digital services	151	106	8	9
Great Leighs Estates Limited	Racecourse commissions	56	56	-	-
Fideliti Limited	Childcare vouchers	20	23	-	1
		<u>64,142</u>	<u>43,120</u>	<u>4,576</u>	<u>2,076</u>

Rental costs

Rental costs include £3,886,000 (2023: £2,808,000) which were paid for on behalf of entities in which Mr F Done, close family members, or a director, have a controlling or beneficial interest. £156,000 was outstanding as at 30 March 2025 (2023: £nil).

Investment income

Investment income during the period of £1,984,000 (2023: £264,000) was received from Sports Information Services (Holdings) Limited which is considered to be a related party as Mr F Done is a director of that company.

Company

There were no related party transactions in the Company.

31 Ultimate parent company

The directors consider the Company to be under the control of the Done family.

32 Subsequent events

There are no events after the reporting date significant enough to be disclosed in these financial statements.