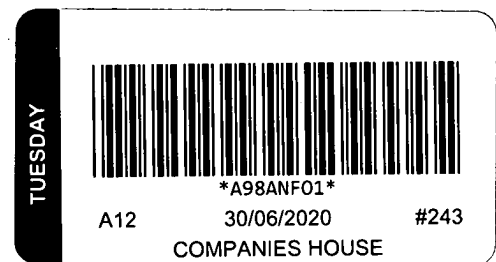


Registration number: 11104432

Bally Gaming and Systems Holdings Limited

Annual Report and Financial Statements
For the 13 month period ended 31 December 2018



Contents

Officers and Professional Advisers	1
Strategic Report	2-3
Director's Report	4
Statement of Director's Responsibilities	5
Independent Auditor's report	6-7
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes to the Financial Statements	10-22

Bally Gaming and Systems Holdings Limited

Officers and Professional Advisers

13 Month Period ended 31 December 2018

Director M Quartieri

Registered office SG House
1 Howarth Court
Gateway Crescent
Oldham
OL9 9XB

Auditor Deloitte LLP
Statutory Auditor
1 City Square
Leeds
LS1 2AL

Bally Gaming and Systems Holdings Limited

Strategic Report

13 Month Period ended 31 December 2018

The director presents his strategic report for Bally Gaming and Systems Holdings Limited (the Company) for the 13 month period ended 31 December 2018.

Principal Activity

The company was incorporated on 8 December 2017. The Company is a holding company for the Scientific Games Inc. Group.

Performance and KPIs

During the 13 month period the Company made a loss after tax of \$69,117,000. At the 13 month period end the Company has an investment value of \$669,446,000 and net liabilities of \$64,217,000.

The entity's principal activity is a holding company. As a holding company there are not considered to be any KPIs.

Principal risks and uncertainties

The principal risk facing the Company is from its underlying investments, which are held in the Gaming industry. The director and the management team monitor market conditions, general economic trends and competitor activity within its investments to ensure appropriate steps are taken to manage these risks.

Financial Risk Management Objectives and Policies

Financial risk

All key financial figures are monitored on an ongoing basis.

Liquidity risk

In order to maintain liquidity to ensure sufficient funds are available for ongoing operations and future developments, the Company utilises available resources provided within the Group. Effective cashflow forecasting allows for the provision of Group resources for any significant cash outflows that could not be covered by the Company individually.

Brexit

The impact of Brexit on the company is not yet known, however senior management has considered a range of potential impacts of Brexit on the Company and the group as a whole. Whilst there are potential risks to the Company from adverse changes in tax and other interactions with UK law, management considers the group and the Company to have adequate resources and to be sufficiently flexible to respond to any risks or opportunities resulting from any Brexit outcome.

Going concern

The Company is a holding company for the Scientific Games Inc. Group. The Company does not have an active trading position and has net liabilities of \$64,217,000 at 31 December 2018. The Director has reviewed the forecast of the Company's activities for a period of at least 12 months from the signing of the Statement of Financial Position. Taking into account current market conditions, volatility and the impact of COVID-19 on the Company's activities, the Director is satisfied that the Company has adequate resources to continue in business for the foreseeable future.

The Director has also received a letter of support provided by the Group's ultimate parent undertaking. The Director has reviewed forecasts, at both an entity and group level, and whilst it is recognised that COVID-19 will have an adverse impact on future profitability and cash flow, it is satisfied of their ability to continue to support the Company.

For this reason, the directors continues to adopt the going concern basis in preparing the Financial Statements

Important events since the year end

With the recent and rapid development of the Coronavirus disease (COVID-19) outbreak the world economy entered a period of unprecedented health care crisis that has already caused considerable global disruption in business activities and everyday life. Many countries have adopted extraordinary and economically costly containment measures. Certain countries have required companies to limit or even suspend normal business operations. Government have implemented restrictions on travelling as well as strict quarantine measures.

Industries such as tourism, hospitality and entertainment are expected to be directly disrupted significantly by these measures. Other industries such as manufacturing and financial services are expected to be indirectly affected and their results to also be negatively affected.

Bally Gaming and Systems Holdings Limited

Strategic Report

13 Month Period ended 31 December 2018

Important events since the year end (continued)

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the outbreak expands and the high level of uncertainties arising from the inability to reliably predict the outcome.

The event is considered as a non-adjusting event and is therefore not reflected in the recognition and measurement of the assets and liabilities in the financial statements as at 31 December 2018.

Approved by the Board on 26 June 2020 and signed on its behalf by:



M Quartieri
Director

Bally Gaming and Systems Holdings Limited

Director's Report

13 Month Period ended 31 December 2018

The director presents his annual report, together with the audited financial statements, for Bally Gaming and Systems Holdings Limited (the Company) for the 13 month period ended 31 December 2018.

Dividends

The director has not recommended a final dividend payment in respect of the 13 month financial period ended 31 December 2018.⁶

Director of the company

M Quartieri (appointed 8 December 2017) has held office during the period and subsequently up to the date of this report.

Political and charitable donations

The Company has not made any political or charitable donations during the 13 month period.

Future developments and going concern

The company will continue to operate as a holding company.

Director indemnity

The Company has maintained throughout the year directors and officers liability insurance for the benefit of the Company, the Director and its officers.

Disclosure of Information in the Strategic Report

The Company has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the Company's Strategic Report information required by Large and Medium-sized Companies and Group (Accounts and Reports) Regulations 2008 Sch.7 to be contained in the Directors' Report.

Disclosure of information to the auditor

The director confirms that at the date of approval of this report:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Appointment of auditor

The auditor Deloitte LLP is deemed to be appointed under section 485 of the Companies Act 2006.

Approved by the Board on 26 June 2020 and signed on its behalf by:



M Quartieri
Director

Bally Gaming and Systems Holdings Limited

Statement of Director's Responsibilities

13 Month Period ended 31 December 2018

Statement of Director's Responsibilities

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the director 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 Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the director is required to:

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

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Bally Gaming and Systems Holdings Limited

**Independent Auditor's report to the members of Bally Gaming and Systems Holdings Limited
13 Month Period ended 31 December 2018**

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Bally Gaming and Systems Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the 13 month period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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

We are required by ISAs (UK) to report in respect of the following matters where:

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

We have nothing to report in respect of these matters.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in respect of these matters.

Bally Gaming and Systems Holdings Limited

Independent Auditor's report to the members of Bally Gaming and Systems Holdings Limited
13 Month Period ended 31 December 2018

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the director is 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 director determines 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 director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

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.



Matthew Hughes, BSc (Hons), ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Leeds, UK
26 June 2020

Bally Gaming and Systems Holdings Limited

Statement of Comprehensive Income

13 Month Period ended 31 December 2018

	Note	13 Month Period from 8 December 2017 to 31 December 2018 \$000
Interest payable on intercompany loans		(69,117)
Loss before tax		(69,117)
Tax on loss	5	-
Loss after taxation		(69,117)

The above results were derived from continuing operations.

There were no items of income or expense for the period other than those included in the Statement of Comprehensive Income.

The notes form an integral part of these financial statements.

Bally Gaming and Systems Holdings Limited


Statement of Financial Position

13 Month Period ended 31 December 2018

	Note	2018 \$000
Non-current assets		
Investment in subsidiaries	6	669,446
		<u>669,446</u>
Non-current liabilities		
Inter group loan and interest	7	(733,663)
Net liabilities		<u>(64,217)</u>
Equity		
Share capital	8	
Share premium	9	4,900
Profit and loss account		(69,117)
Total deficit		<u>(64,217)</u>

The notes form an integral part of these financial statements.

Approved by the Board and authorised for issue on 26 June 2020 and signed on its behalf by:



M Quartieri
Director

Company registration number 11104432

Bally Gaming and Systems Holdings Limited

Statement of Changes in Equity

13 Month Period ended 31 December 2018

	Share capital (Note 8) \$ 000	Share premium (Note 9) \$ 000	Profit and loss account \$ 000	Total \$ 000
On incorporation	-	-	-	-
Loss for the period and total comprehensive expense	-	-	(69,117)	(69,117)
Issue of shares	-	4,900	-	4,900
Balance at 31 December 2018	-	4,900	(69,117)	(64,217)

Bally Gaming and Systems Holdings Limited

Notes to the Financial Statements

13 Month Period ended 31 December 2018

1. General information

The company is a private company limited by share capital, registered in England and Wales and incorporated in the UK under the Companies Act 2006. The address of its registered office is:

SG House
1 Howarth Court
Gateway Crescent
Oldham
OL9 9XB

2. Significant accounting policies

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006 on a going concern basis using the historical cost convention.

The Company was exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. The results of the Company are included in the consolidated financial statements of the ultimate parent company, Scientific Games Corporation, which is a company registered in the United States of America.

Summary of disclosure exemptions

In preparing these financial statements the Company has taken advantage of the following disclosure exemptions conferred by FRS 101, including:

- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of IAS 24 related party disclosures to disclose related party transactions entered into between two or more members of the group as they are wholly owned within the group;
- disclosure of key management personnel compensation;
- presentation of comparative reconciliation of the number of shares outstanding at the beginning and at the end of the year;
- the requirements of IFRS 7 Financial Instruments: Disclosures, because equivalent disclosures are included within the consolidated financial statements in which the entity is consolidated;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurements, because equivalent disclosures are included within the consolidated financial statements in which the entity is consolidated.

Functional currency

The functional currency of the entity is US dollars as management considers this currency to best reflect its underlying assets and liabilities as well as the economic environment it operates in.

Going concern

The Company is a holding company for the Scientific Games Inc. Group. The Company does not have an active trading position and has net liabilities of \$64,217,000 at 31 December 2018. The Director has reviewed the forecast of the Company's activities for a period of at least 12 months from the signing of the Statement of Financial Position. Taking into account current market conditions, volatility and the impact of COVID-19 on the Company's activities, the Director is satisfied that the Group has adequate resources to continue in business for the foreseeable future.

The Director has also received a letter of support provided by the Group's ultimate parent undertaking. The Director has reviewed forecasts, at both an entity and group level, and whilst it is recognised that COVID-19 will have an adverse impact on future profitability and cash flow, it is satisfied of their ability to continue to support the Company.

For this reason, the director continues to adopt the going concern basis in preparing the Financial Statements.

Bally Gaming and Systems Holdings Limited

Notes to the Financial Statements

13 Month Period ended 31 December 2018

2. Significant accounting policies (continued)

Investments

Investments are stated at cost, less any impairments.

Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards.

Shortfalls between the carrying value of investments and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Foreign currencies

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments/hedge accounting).

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Bally Gaming and Systems Holdings Limited

Notes to the Financial Statements

13 Month Period ended 31 December 2018

2. Significant accounting policies (continued)

Financial instruments (continued)

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Director considers that there are no critical accounting judgements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Investments in subsidiaries

The Company reviews the carrying value of its investments by comparing the fair value of the investment to its carrying value. The fair value is calculated by estimating the future cash flows expected to arise within the investment and a suitable discount rate in order to calculate present value. In the event that the carrying value exceeds the fair value, an impairment charge is recorded in the operating income. No impairment charge was recognised in the 13 month period ended 31 December 2018. See note 6 for further details.

4. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's financial statements are \$10,000 and are borne by a fellow Group company.

Bally Gaming and Systems Holdings Limited

Notes to the Financial Statements

13 Month Period ended 31 December 2018

5. Tax on loss on ordinary activities

Tax result in the statement of comprehensive income

13 Month Period
from 8
December 2017
to 31 December
2018
\$

Current taxation

UK corporation tax

The tax assessed on the loss for the period is higher than the average standard rate of corporation tax in the UK of 19.00%.

The result for the year can be reconciled below:

13 Month Period
from 8
December 2017
to 31 December
2018

	\$000
Loss before taxation	(69,117)
Loss multiplied by the rate of tax @ 19.00%	(13,132)
Effects of:	
Disallowable interest expense	6,195
Group relief surrendered	6,937
Total tax result	-

On 6 September 2016 legislation was enacted that reduced the rate of corporation tax from 19% to 17% as of 1 April 2020. The director is not aware of any other factors which are expected to impact upon the tax position in the future.

6. Investments

	2018 \$000
On incorporation	-
Acquisitions in the year	669,446
As at 31 December 2018	669,446

During the 13 month period the Company acquired all of the share capital of NYX Gaming Group LLC, registered in Nevada, in the United States of America.

Bally Gaming and Systems Holdings Limited

Notes to the Financial Statements

13 Month Period ended 31 December 2018

6. Investments (continued)

The Company has the following direct and indirect subsidiaries:

Entity Name	Direct/Indirect Subsidiary	Address of registered office and principal business address	Identity and proportion of shares held (ordinary shares unless otherwise stated)	Principal activity
Bally Gaming & Systems UK Limited	Direct	1 Howarth Court, Gateway Crescent, Oldham OL9 9XB	100% (10,000 ordinary shares of £0.01 each and 375,000 preference shares of £1 each)	Intermediate holding company
E-Sys Technologie Em Informatica S.A	Indirect	Rua José Marques Pinheiro Filho, no. 301, Piso Superior, Vila Harmonia, CEP 14802- 480, Araraquara, São Paulo, Brazil	70%	Content studio
Red7 Mobile Limited	Indirect	1 Howarth Court, Gateway Crescent, Oldham OL9 9XB	100%	Content studio
Customized Games Limited	Indirect	1 Howarth Court, Gateway Crescent, Oldham OL9 9XB	100%	Content studio
SG Digital UK Holdings Limited	Indirect	1 Howarth Court, Gateway Crescent, Oldham OL9 9XB	100%	Intermediate holding company
NYX Gaming Group LLC	Direct	6601 Bermuda Road, Las Vegas, Nevada, 89119, USA	100%	Intermediate holding company
NYX Digital Gaming (Americas) LLC	Indirect	6601 Bermuda Road, Las Vegas, Nevada, 89119, USA	100%	Distribution of digital sports and casino gaming
1044200B.C. Limited	Indirect	666 Burrard Street, Suite 1700, Park Place, Vancouver, BC, V6C 2X8, Canada	100%	Inactive entity
NYX Digital Gaming (OB Holdings) Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Intermediate holding company * Put into a liquidation process in January 2019

Bally Gaming and Systems Holdings Limited

Notes to the Financial Statements

13 Month Period ended 31 December 2018

6. Investments (continued)

NYX Interactive AB	Indirect	Vastra Järnvagsgatan 7, 111 64, Stockholm, Sweden	100%	Distribution of digital casino gaming
NextGen Gaming Pty Limited	Indirect	Levels 5 and 6, 99 Mount Street, North Sydney, NSW 2060	100%	Content studio
NYX Digital Holdings (Bet Digital Holdings) Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Intermediate holding company
ELKAB Studios AB	Indirect	111 64, Stockholm, Sweden	<10%	Content studio
CryptoLogic Limited	Indirect	The Grange, St. Peters Port, Guernsey, GY1 2QJ	100%	Inactive entity
CryptoLogic Malta Holding Limited	Indirect	Villa Semenzi, 8, Sir, Temi Zammit Avenue Ta' Xbiex XBX1011 Malta	100%	Inactive entity
WagerLogic Casino Software Limited	Indirect	Villa Semenzi, 8, Sir, Temi Zammit Avenue Ta' Xbiex XBX1011 Malta	100%	Inactive entity
CryptoLogic Malta Limited	Indirect	Villa Semenzi, 8, Sir, Temi Zammit Avenue Ta' Xbiex XBX1011 Malta	100%	Inactive entity
CryptoLogic Asia Pacific Pte Limited	Indirect	180 Clemenceau Avenue, #02-02, Haw Par Centre, Singapore	1%	Inactive entity
CryptoLogic Callco ULC	Indirect	1300-1969 Upper Water Street, Purdy's Wharf Tower II, Halifax, NS B3J 3R7	100%	Inactive entity
CryptoLogic Exchange Corporation	Indirect	199 Bay Street, Suite 5300, Commerce Court West, Toronto, ON M5L 1B9, Canada	100%	Inactive entity
CryptoLogic Inc	Indirect	199 Bay Street, Suite 5300, Commerce Court West, Toronto, ON M5L 1B9, Canada	100%	Inactive entity

Bally Gaming and Systems Holdings Limited

Notes to the Financial Statements

13 Month Period ended 31 December 2018

6. Investments (continued)

Davisville Game Studio Inc	Indirect	199 Bay Street, Suite 5300, Commerce Court West, Toronto, ON M5L 1B9, Canada	100%	Inactive entity
WagerLogic Limited	Indirect	P.C. 1095, Nicosia, Cyprus	100%	Inactive entity
A.L.I Online Inc	Indirect	666 Burrard Street, Suite 1700, Park Place, Vancouver, BC, V6C 2X8, Canada	100%	Inactive entity
WagerLogic (UK) Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Inactive entity
Hillbeck Trading Limited	Indirect	P.C. 1095, Nicosia, Cyprus	100%	Inactive entity
NYX Digital Gaming (Canada) ULC	Indirect	666 Burrard Street, Suite 1700, Park Place, Vancouver, BC, V6C 2X8, Canada	100%	Distribution of digital sports and casino gaming
NYX Digital Gaming (Alberta) Inc	Indirect	4300 Bankers Hall West, 888-3rd Street, S.W. Calgary, AB, T2P 5C5, Canada	100%	Content studio
NYX Digital Gaming (Alderney) Limited	Indirect	1 The Crusher, Braye Harbour, Alderney, GY9 3XX	100%	Distribution of digital sports and casino gaming
Wagerlogic (Ireland) Limited	Indirect	Third Floor Marine House, Clanwilliam Place, Dublin 2, Republic of Ireland	100%	Inactive entity
NYX Digital Gaming (Malta Holdings) Limited	Indirect	Villa Semenzi, 8, Sir, Temi Zammit Avenue Ta' Xbiex XBX1011 Malta	100%	Intermediate holding company
NYX Digital Gaming (Services) Limited	Indirect	Villa Semenzi, 8, Sir, Temi Zammit Avenue Ta' Xbiex XBX1011 Malta	100%	Distribution of digital casino gaming

Bally Gaming and Systems Holdings Limited

Notes to the Financial Statements

13 Month Period ended 31 December 2018

6. Investments (continued)

NYX Digital Gaming (International) Limited	Indirect	Villa Semenzi, 8, Sir, Temi Zammit Avenue Ta' Xbiex XBX1011 Malta	100%	Distribution of digital casino gaming
NYX Digital Gaming (Malta) Limited	Indirect	Vincenti Buildings, 28/19, Suite 1685, Strait Street, Valletta, Malta	100%	Distribution of digital casino gaming
Les Studio Side City Inc.	Indirect	385, Place d'Youville, Suite 300 Montreal, QC H2Y 2B7, Canada	100%	Content studio
NYX Digital Gaming (Gibraltar II) Limited	Indirect	57/63 Line Wall Road, PO Box 199, Gibraltar	100%	Inactive entity
NYX Digital Gaming (Guernsey) Limited	Indirect	The Grange, St. Peters Port, Guernsey, GY1 2QJ	100%	Intermediate holding company
OpenBet Technologies Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Distribution of digital sports and casino gaming
SG Digital (Gibraltar) Limited	Indirect	57/63 Line Wall Road, PO Box 199, Gibraltar	100%	Distribution of digital sports and casino gaming
NYX Digital Gaming (USA) LLC	Indirect	6601 Bermuda Road, Las Vegas, Nevada, 89119, USA	100%	Distribution of digital sports and casino gaming
NYX Digital Gaming (OB SPV) Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Intermediate holding company * Put into a liquidation process in January 2019
NYX Interactive Malta Limited	Indirect	Villa Semenzi, 8, Sir, Temi Zammit Avenue Ta' Xbiex XBX1011 Malta	100%	Distribution of digital casino gaming

Bally Gaming and Systems Holdings Limited

Notes to the Financial Statements

13 Month Period ended 31 December 2018

6. Investments (continued)

NextGen Gaming (USA) LLC	Indirect	6601 Bermuda Road, Las Vegas, Nevada, 89119, USA	100%	Distribution of digital sports and casino gaming
Betdigital Limited	Indirect	3a & 3b Radley Road Industrial Estate, Abingdon, Oxfordshire, OX14 3RY	100%	Content studio
OnGame Network Limited	Indirect	57/63 Line Wall Road, PO Box 199, Gibraltar	100%	Inactive entity
Game 360 S.R.L	Indirect	Via Euclide Turba, 1, 00195, Roma RM, Italy	100%	Distribution of digital sports and casino gaming
OBTopco Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Intermediate holding company
OnGame Services AB	Indirect	Vastra Järnvagsgatan 7, 111 64, Stockholm, Sweden	100%	Intermediate holding company * Put into a liquidation process in January 2019
OBMidco Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Intermediate holding company * Put into a liquidation process in January 2019
DMWSL 699 Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Intermediate holding company * Put into a liquidation process in January 2019

Bally Gaming and Systems Holdings Limited

Notes to the Financial Statements

13 Month Period ended 31 December 2018

6. Investments (continued)

OB Financing Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Intermediate holding company * Put into a liquidation process in January 2019
OB Acquisition Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Intermediate holding company
OpenBet Singapore Pte Limited	Indirect	6 Raffles Quay, #33-03, Singapore 048581	100%	Distribution of digital sports and casino gaming
OpenBet New Zealand Limited	Indirect	Level 12, 55 Shortland Street, Auckland, 1010 New Zealand	100%	Distribution of digital sports and casino gaming
OpenBet Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Distribution of digital sports and casino gaming
OpenBet North America Corporation	Indirect	199 Bay Street, Suite 4000, Commerce Court West, Toronto, ON M5L 1A9, Canada	100%	Distribution of digital sports and casino gaming
OpenBet Retail Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Distribution of digital sports and casino gaming
Electracade Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Distribution of digital sports and casino gaming
OpenBet Asia Pacific Pty Limited	Indirect	Tower Two Collins Square Level 3, 6727 Collins Street, Docklands VIC 3008	100%	Distribution of digital sports and casino gaming

Bally Gaming and Systems Holdings Limited

Notes to the Financial Statements

13 Month Period ended 31 December 2018

6. Investments (continued)

OpenBet Hellas S.A.	Indirect	7 Fragkoklisias Street, Marousi 15125, Athens, Greece	100%	Content studio
NYX Gaming (Krakow) sp z.o.o	Indirect	Al. 29 Listopada 20, 31- 401, Krakow	100%	Content studio
NT Media Limited	Indirect	4th Floor, Building 9, Chiswick Park, 566 Chiswick High Road, London W4 5XT	100%	Intermediate holding company

7. Inter group loan

	2018 \$000
Inter group loan repayable > 5 years	664,546
Inter group loan interest > 5 years	69,117
	<u>733,663</u>

The Inter group loan and interest is repayable on termination after 10 years from inception, being 1 January 2018 (\$90,701,000) and 5 January 2018 (\$573,845,000). There is no security for the loans. The interest rate on the loans is 10.50%.

8. Share capital

	2018 \$000
Issued and fully paid:	
10,001 Ordinary Shares of \$0.01 each	<u>-</u>
	<u>-</u>

During the 13 month period, 10,000 Ordinary shares of \$0.01 each were issued on incorporation and consideration of \$100 was received. A further share of \$0.01 was issued during the year following a group re-organisation, this was in exchange for share premium of \$4,900,000 as shown in note 9 below. There was no impact on the statement of comprehensive income for either share issue.

9. Share premium account

	2018 \$000
On incorporation	-
Premium arising on acquisition	4,900
Balance at 31 December 2018	<u>4,900</u>

Bally Gaming and Systems Holdings Limited

Notes to the Financial Statements

13 Month Period ended 31 December 2018

10. Remuneration of key management personnel

The Director was paid by other Group companies and his remuneration is disclosed in those financial statements. It is not possible to determine the element of his remuneration that relates to his role as a Director of the Company.

11. Ultimate parent disclosure

The immediate parent company is Bally Gaming Incorporated, which is registered in the United States of America. The Company's ultimate parent Company is Scientific Games Corporation which is incorporated and registered in the United States of America. This is both the largest and smallest company to produce consolidated financial statements. Copies of these financial statements, in which the Company's results are consolidated, can be obtained from Scientific Games Corporation, 6601 Bermuda Road, Las Vegas, NV 89119.

12. Non-adjusting subsequent event

During the first two quarters of 2020, the identification and subsequent widespread transmission of a new coronavirus has resulted in a reduction of global economic activity, substantial closures of retail premises and significant change in the behaviour of consumers. The financial impact of these conditions on the Company are not yet fully known however the director continues to monitor the situation closely.