



## Receives financial penalty from the UK Gambling Commission

The United Kingdom Gambling Commission (UKGC) has decided to impose a financial penalty on Enlabs after the audit of internal procedures in the subsidiary BestBet Ltd in 2017. UKGC has decided on a financial penalty of GBP 230 972.

In November 2016, Enlabs acquired the company BestBet Ltd, which had an online gaming license in the UK. In 2017, UKGC conducted an audit of internal procedures at BestBet Ltd. The audit pointed to organizational deficiencies of the rules that apply to licensees in the UK. Enlabs acted by closing the business in the UK immediately after the deficiencies became known. No business has been conducted under the UK license and thus has been reported from the UK since March 2018. The closure had no significant impact on Enlabs, as sales from the UK were very low.

After a combined assessment based on complexity, costs and risks associated with maintaining a license in the UK, related to the estimated possible future business volume based on the same, Enlabs has found it not commercially justifiable to remain licensed in the UK, and therefore decided to revoke the gaming license.

"We have not been operating in the UK since March 3rd 2018. We saw no business impact when we closed down and did not see a commercial reason to resume operations. The decision is also cost-effective. The acquisition of BestBet Ltd gave us important assets in the form of brands such as BestPoker, BestBet and BestCasino, of which the latter two since the beginning of this year are run as affiliate assets within our business area Media. Overall, it was a good and important acquisition we did," says Robert Andersson, President and CEO of Enlabs.

Enlab's financial statements for 2018 have not considered it likely that UKGC would decide on a financial penalty and therefore no provision has been made. Nor has any amount been estimated with reasonable probability. The fine of GBP 230 972 will therefore have a negative impact on the profit for 2019 in the second quarter.

For further information, please contact:

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### About ENLABS

Enlabs stands for Entertainment Laboratories. We are a company that creates entertainment through innovative thinking within three business areas: Brands, Media and Solutions. The corporate group has offices in Tallinn, Riga, Vilnius, Malta, Marbella and Stockholm. The operating subsidiaries hold national licenses for their operations and the Group employs approximately 190 employees. Enlabs is listed on NASDAQ First North in Stockholm. The company's Certified Adviser is Redeye, +46 (0)8 121 576 90, [Certifiedadviser@redeye.se](mailto:Certifiedadviser@redeye.se)

**For more information, visit [enlabs.se](http://enlabs.se)**

ENLABS AB is obliged to publish the above information in accordance with the EU's Market Abuse Regulation. The information was provided by the above contact person for publication at 09:20 CET on 3 May 2019.