

Merkur Casino Holdings UK Limited
Strategic Report, Directors' Report and
Financial Statements for the Year Ended 31 December 2025

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Merkur Casino Holdings UK Limited

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for the Year Ended 31 December 2025

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Merkur Casino Holdings UK Limited

Company Information
for the Year Ended 31 December 2025

Directors:

E Coskun
M S Schertle
S Blodau

Registered office:

Second Floor Matrix House
North Fourth Street
Milton Keynes
MK9 1NJ

Registered number:

07833708 (England and Wales)

Independent auditors:

BDO LLP
55 Baker Street
London
W1U 7EU

Merkur Casino Holdings UK Limited

Strategic Report for the Year Ended 31 December 2025

The directors present their Strategic Report for the year ended 31 December 2025.

Business Review

Principal activity

The Company operates as a centralised head office, providing a range of shared services to its subsidiaries in exchange for a management fee. These services include Compliance, Learning and Development, Finance, Human Resources, IT, Marketing, and Administration, all of which support the efficient operation of the subsidiaries' business activities. While the Company does not engage in direct trading, it plays a crucial role in ensuring the smooth functioning of the operational subsidiaries by centralising key functions.

The Company is responsible for managing group-wide strategies, resource allocation, policy development, and ensuring compliance with relevant laws and regulations. Additionally, it serves as a holding company for the Merkur Casino UK Limited Group's ("the Group") non-trading entities. A list of all of the Company's subsidiaries is shown in note 17 to these financial statements.

The subsidiary companies are focused on providing leisure services and entertainment facilities.

The directors are not aware, at the date of this report, of any likely major changes in the Company's principal activities in the forthcoming year.

Principal risks and uncertainties

The board formally reviews and documents the principal risks facing the Company at least annually. These risks, and the associated mitigating actions, are disclosed below and in the Directors' Report where appropriate.

Regulation

The gambling and leisure industry in which the Group's trading subsidiaries operate is subject to an evolving regulatory environment, driven by changes in government legislation and regulatory policy. Such changes may result in increased compliance costs, operational restrictions or other requirements at subsidiary level, which could indirectly impact the financial performance of the Group and, consequently, the Company.

As a holding company responsible for the provision of central management, governance and support services to its trading businesses, the Company plays a key role in overseeing regulatory compliance frameworks across the Group. The directors believe that appropriate governance structures, compliance oversight procedures and risk management processes are in place, and are kept under regular review, to enable the Group to respond effectively to regulatory developments. This centralised approach supports the mitigation of adverse impacts and, where possible, allows the Group to respond proactively to favourable changes within the sector.

In April 2023, the UK Government published its White Paper on gambling reform, setting out proposals to modernise the regulatory framework and strengthen consumer protections. Following the change of Government in July 2024, progress has continued through consultations, secondary legislation and regulatory updates, with further changes to technical standards and licensing requirements for land-based gambling expected over the coming years.

Although the direct operational impact of these reforms will primarily fall on the Company's trading subsidiaries, the directors recognise that regulatory change may affect group strategy, capital allocation, compliance resourcing and internal control requirements. The Company therefore continues to closely monitor developments and to coordinate group-wide responses, adapting governance, oversight and support arrangements as necessary to ensure that the Group remains aligned with evolving regulatory requirements.

Economic climate

The directors consider ongoing short- and long-term economic uncertainty to represent a principal risk to the Group's trading performance and, consequently, to the Company as the holding entity. Macroeconomic factors including inflationary pressures, changes in consumer confidence and spending patterns, fluctuations in disposable income and volatility in energy, wage and operating costs may adversely affect customer demand and the cost base of the Group's trading subsidiaries. This may in turn impact profitability, cash flows and funding capacity within the Group.

Merkur Casino Holdings UK Limited

Strategic Report for the Year Ended 31 December 2025

Principal risks and uncertainties – continued

Economic climate – continued

As a holding company providing central oversight and strategic direction, the Company monitors the broader economic environment and its potential impact on subsidiary operations. The directors seek to mitigate these risks through prudent financial planning, robust forecasting and active oversight of cost management initiatives across the Group. Economic assumptions are incorporated into Group budgets and forecasts where appropriate, and performance is regularly reviewed against those assumptions.

Mitigating actions at subsidiary level include disciplined cost control, operational efficiency initiatives and, where feasible, the advance purchase and hedging of energy costs to provide greater cost certainty. The Company supports these initiatives through centralised financial oversight, treasury management and capital allocation decisions designed to maintain financial resilience across the Group in periods of economic volatility.

Further information on the risks and strategies is disclosed in the Directors' Report and the consolidated financial statements of Merkur Casino UK Limited, the ultimate parent undertaking in the United Kingdom.

Key performance indicators

Management use a range of performance measures to monitor and manage the business as set out below.

The Operating result (including exceptional items) for the year was a profit of £1.9m (2024: profit of £3.6m). The decrease in the operating result is attributed to administrative expenses and exceptional items, which were not recharged to the subsidiary companies during the year.

Creditor days for the Company were 30 for the year (2024: 22 days).

Financial position at the reporting date

The Statement of Financial Position shows that the Company's net assets at the year-end increased by £5.2m, from £78.2m to £83.4m, primarily due to a dividend received from a subsidiary company.

Business development during the year

The Company provides central administrative support and expertise and arranges funding for activities outside the normal operations of its subsidiary companies. The provision of these functions by the Company is integral to and contributed directly to the delivery of the Group's strategy.

In 2025, the directors played a key role in driving the profitability of the Company's subsidiaries by offering strategic support and expertise. Furthermore, they actively pursued opportunities to expand the land-based adult gaming centre and casino operations of the Group.

On 14 October 2025, the Company completed the acquisition of a holding company, Oasis Leisure Group Limited, and its trading subsidiary, Oasis Retail Services Limited, operating in Northern Ireland. This transaction represents the Group's first expansion into the Northern Ireland market and forms part of the directors' strategy to strengthen the Group's geographic footprint within the United Kingdom. The acquisition was assessed against the Group's strategic, financial and regulatory criteria. Since completion, integration activities have focused on aligning governance, compliance, financial reporting and operational frameworks with Group standards. Further details regarding this acquisition can be found in note 17 of these financial statements.

Oasis Leisure Group Limited was renamed Merkur Operations NI Holdings Limited on 16 October 2025.

The Company continues to invest in its people, recognising that employee engagement, capability and leadership are fundamental to supporting strong operational performance, regulatory compliance and customer service standards across the Group. Through its oversight role and the provision of central support functions, the Company promotes consistent people practices and a culture aligned with the Group's values.

Competitive remuneration, structured training and development initiatives, and succession planning frameworks remain key components of the Group's strategy to attract, develop and retain skilled employees across its trading subsidiaries. The Company supports these initiatives through central human resources guidance, governance oversight and the sharing of best practice across the estate.

Merkur Casino Holdings UK Limited

Strategic Report for the Year Ended 31 December 2025

Business development during the year - continued

During the year, the Company continued to monitor developments in the regulatory framework and maintained central oversight to ensure that governance, policy and training frameworks remained aligned with evolving requirements.

Statement by the directors in performance of their Statutory duties in accordance with s172(1) of the Companies Act 2006

The directors are mindful of their duty under section 172(1) of the Companies Act 2006 to act in good faith in a way most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, the directors have regard to the long-term consequences of decisions, the interests of the Company's employees, the need to foster strong relationships with suppliers, customers and other stakeholders, the impact of the Group's operations on the community and the environment, the importance of maintaining high standards of business conduct, and the need to act fairly between members.

The Company is the holding company of the Group and serves as its head office, employing approximately 140 people across central support functions including finance, compliance, human resources, product, marketing, property, procurement and strategic management. Trading activities are undertaken by subsidiary undertakings; however, the Company plays a central role in setting Group strategy, overseeing governance and risk management, allocating capital and supporting operational delivery.

Section 172 considerations are embedded within the Company's governance and decision-making processes. The board receives regular reports from senior management covering financial and operational performance, regulatory compliance, employee matters, customer welfare and sustainability. This enables the directors to consider the wider impact of decisions and balance stakeholder interests appropriately.

Strategic focus during the year

During 2025, the directors focused on strengthening the long-term resilience and sustainability of the Group. Key matters considered included capital allocation, funding arrangements, portfolio oversight and the acquisition of a business in Northern Ireland. In making these decisions, the directors assessed financial stability, regulatory developments and the potential impact on employees and other stakeholders.

Stakeholder engagement

Employees

As the employing entity for the Group's head office functions, the Company recognises that its employees are critical to maintaining effective governance and regulatory oversight. The directors promote open communication and engagement, supported by structured management reporting and internal communication channels. Investment in professional development and competitive remuneration supports the attraction and retention of skilled employees.

Customers and regulators

While customer interactions take place within trading subsidiaries, the Company sets and oversees the Group's policies and compliance framework that govern customer protection and safer gambling standards. The board receives regular reporting on safer gambling performance and regulatory compliance matters, recognising that high standards of responsibility are fundamental to the Group's long-term success and reputation. Constructive engagement with regulators and ongoing monitoring of regulatory developments remain a priority.

Suppliers, community and environment

The Company oversees Group procurement frameworks to promote responsible and sustainable supplier relationships. The directors also consider the broader social and environmental impact of the Group's operations, including energy efficiency initiatives and charitable support for organisations.

Merkur Casino Holdings UK Limited

Strategic Report for the Year Ended 31 December 2025

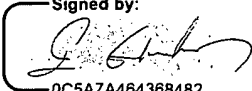
Statement by the directors in performance of their Statutory duties in accordance with s172(1) of the Companies Act 2006 – continued

In making decisions, the directors seek to act fairly between members and to promote the long-term sustainable success of the Company, recognising that this is closely linked to the performance, resilience and reputation of its subsidiaries.

This report was approved by the board on 26 March 2026 and is signed on its behalf.

On behalf of the board:

Signed by:



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E Coskun – Director

26 March 2026

Merkur Casino Holdings UK Limited

Directors' Report for the Year Ended 31 December 2025

The directors present their report with the financial statements of the Company for the year ended 31 December 2025.

Dividends

The profit for the year, after taxation, amounted to £5,265,000 (2024: £18,353,000). No dividend was paid or proposed during the year (2024: £nil).

Future developments

In 2026, the directors will continue to pursue strategic opportunities to enhance shareholder value and strengthen the Group's market position. This includes the active evaluation of acquisition opportunities, selective portfolio optimisation and continued expansion of the Group's land-based casino operations where attractive opportunities arise and are aligned with the Group's long-term objectives.

The Company will maintain a disciplined approach to capital allocation, ensuring that any potential transactions are assessed against robust financial, regulatory and strategic criteria. The board will continue to evaluate opportunities that enhance scale, operational capability and long-term earnings resilience, while maintaining appropriate funding capacity and financial stability across the Group.

The Company will continue to support its subsidiaries in the following areas:

Operational efficiency and strategic growth

The Company will promote operational efficiency and performance optimisation across the Group through central financial oversight, performance monitoring and investment in systems and data capabilities. These initiatives are designed to support both organic growth and the effective integration of any future acquisitions.

Service enhancement and governance

As the Group's head office, the Company will continue to refine and strengthen the shared services it provides to subsidiaries, including compliance, finance, human resources, marketing, IT, property and strategic development. The directors will support initiatives aimed at maintaining high standards of operational delivery and customer experience, while ensuring governance and risk management frameworks remain robust and scalable as the Group grows.

People and capability development

Recognising that sustainable growth requires strong leadership and technical capability, the Company will continue to invest in employee development across its central functions. Focus areas include leadership development, succession planning and strengthening expertise in regulatory compliance, integration planning and operational oversight to support the Group's growth ambitions.

Compliance and regulatory developments

The regulatory framework for land-based gambling is expected to continue evolving, including further changes to technical standards, licensing requirements and safer gambling expectations. The Company will continue to monitor developments closely, participate in industry consultations where appropriate, and ensure that governance, compliance oversight and training frameworks across the Group remain aligned with emerging requirements, particularly in the context of expansion and potential acquisitions.

Through these initiatives, the directors aim to support the sustainable long-term growth of the Group while maintaining high standards of governance, regulatory compliance and responsible business conduct.

Directors

The directors shown below have held office during the whole of the period from 1 January 2025 to the date of this report.

E Coskun
M S Schertle
S Blodau

Merkur Casino Holdings UK Limited

Directors' Report for the Year Ended 31 December 2025

Business risk

Regulatory risk

The Group operates within a highly regulated sector and is subject to ongoing changes in legislation, regulatory requirements and licensing conditions. Developments arising from the Government's 2023 White Paper on gambling reform continue to be implemented through consultations, secondary legislation and updates to the Gambling Commission's Licence Conditions and Codes of Practice ("LCCP"). Further changes to technical standards, consumer protection measures and reporting requirements are expected in the coming years.

From 6 April 2025, a mandatory statutory levy was introduced by the Department for Culture, Media and Sport ("DCMS"), requiring licensed operators to contribute 0.2% of Gross Gambling Yield ("GGY") towards research, education and treatment ("RET"). While the levy is payable by the Group's licensed trading subsidiaries, the Company incorporates the financial impact of regulatory developments, including the levy, into its Group-level financial planning and oversight.

Under the previous voluntary RET framework, the Company facilitated contributions on behalf of the Group. The directors continue to oversee the Group's approach to social responsibility funding as part of its governance responsibilities.

As the holding company and provider of central compliance and governance support, the Company oversees the regulatory framework across the Group. The directors maintain a structured approach to compliance oversight, safer gambling governance and regulatory monitoring, supported by regular reporting to the board on compliance performance and emerging regulatory developments.

The Company engages constructively with regulators, local authorities and relevant trade bodies to support awareness of emerging regulatory expectations and contribute to industry dialogue. The directors believe that the Group's embedded compliance culture and centralised oversight framework position it to respond effectively to future developments.

Financial risk

Liquidity

The management of the Group's cash and funding requirements is undertaken centrally by the Company. The objective is to ensure that sufficient liquidity is maintained to support operational requirements, investment plans and strategic initiatives across the Group. Cash flow forecasts are regularly reviewed, and funding capacity is monitored as part of ongoing financial oversight.

Interest rate

The Company's external financing arrangements are provided by its ultimate parent undertaking. As a result, the Company has no material exposure to movements in market interest rates and does not utilise interest rate hedging instruments.

Foreign currency

The Company has limited exposure to foreign currency risk arising primarily from transactions with overseas suppliers and related party undertakings. Given the nature and scale of these transactions, the directors consider the level of exposure to be low and do not consider formal hedging arrangements necessary.

Credit

As a holding and head office entity, the Company's exposure to customer credit risk is minimal. Counterparty exposure, including balances with related parties and financial institutions, is monitored as part of normal treasury oversight procedures.

Merkur Casino Holdings UK Limited

Directors' Report for the Year Ended 31 December 2025

Charitable and political donations

The Company made charitable donations during the year totalling £5,000 (2024: £206,000). The current year donation was contributed to the Merkur Initiative, which supports a range of local and national charitable causes.

In the prior year, donations included voluntary contributions made under the industry's RET framework. From 6 April 2025, the RET scheme was replaced by a mandatory statutory levy payable by licensed operators and is therefore no longer classified as a charitable donation.

In addition to the Company's direct contribution, the Merkur Initiative continues to raise funds from customers, employees and other stakeholders to support charitable organisations. Amounts raised through this initiative do not represent Company donations unless specifically contributed by the Company.

The Company made no political donations during the year (2024: £nil).

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of this report, therefore they continue to adopt the going concern basis for accounting in preparing the annual financial statements.

In reaching this conclusion, the directors have considered the Group's financial position, recognising the interconnected nature of the business and shared resources. They have reviewed the Group's financial stability and forecasts, which support the Company's continued ability to operate as a going concern. Additionally, the Company has received a letter of support from Merkur Casino UK Limited, confirming the group-wide commitment to provide financial assistance to the Company for the next 12 months if required.

For further information regarding the directors' assessment of the going concern status of the Company, refer to the accounting policies note in the financial statements.

Directors' indemnity

The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the Company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted or alleged to have been done or omitted, by them as officers or employees of the Company.

Appropriate directors' and officers' liability cover is in place in respect of all of the Company's directors.

Employee consultation

The Company maintains open and regular communication with its head office employees to ensure they are informed about Group performance, strategic priorities and matters affecting the wider organisation. Information is shared through structured one-to-one meetings, departmental forums, leadership briefings and internal communications.

As the provider of central support functions, the Company promotes a culture of compliance, integrity and social responsibility. Training and development programmes, including structured induction and ongoing professional development, support employees in understanding their responsibilities in relation to regulatory oversight, risk management and safer gambling governance across the Group.

The directors recognise that effective employee engagement within the Company's central functions is fundamental to maintaining strong governance and supporting the long-term sustainable success of the Group.

Merkur Casino Holdings UK Limited

Directors' Report for the Year Ended 31 December 2025

Employment of disabled persons

The Company is committed to providing equal opportunities in employment. Applications from individuals with disabilities are given full and fair consideration, having regard to their skills, experience and suitability for the role.

Where employees become disabled during their employment, the Company seeks to provide appropriate support, reasonable adjustments and, where necessary, retraining to enable them to continue in their role or transition to suitable alternative positions within the wider Group.

The Company is committed to fostering an inclusive working environment in which all employees are able to develop their skills and contribute fully to the success of the business.

Matters covered in the Strategic Report

In accordance with paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, certain matters required to be disclosed in the Directors' Report have instead been included within the Strategic Report. These matters include the principal risks and uncertainties facing the Group and the key performance indicators used to assess performance.

The Strategic Report also contains the statement required under section 172(1) of the Companies Act 2006, describing how the directors have had regard to the need to foster the Group's business relationships with suppliers, customers and other stakeholders, and the effect of those considerations on the principal decisions made during the year.

Statement of directors' responsibilities

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 financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Merkur Casino Holdings UK Limited

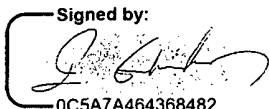
Directors' Report for the Year Ended 31 December 2025

Auditors

The auditors, BDO LLP, will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 26 March 2026 and signed on its behalf.

On behalf of the board:

Signed by:

0C5A7A464368482...
E Coskun - Director

26 March 2026

Independent Auditors' Report to the Members of Merkur Casino Holdings UK Limited

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Merkur Casino Holdings UK Limited ("the Company") for the year ended 31 December 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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.

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 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Strategic Report, Directors' Report and Financial Statements, 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.

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.

Independent Auditors' Report to the Members of Merkur Casino Holdings UK Limited

Other Companies Act 2006 reporting

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

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements – continued

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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management; and
- Obtaining an understanding of the Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be UK GAAP, Companies Act 2006, Corporate tax and VAT legislation.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation, Bribery Act and Licensing Act.

Independent Auditors' Report to the Members of Merkur Casino Holdings UK Limited

Auditor's responsibilities for the audit of the financial statements - continued

Non-compliance with laws and regulations - continued

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit;
- Review of legal expenditure accounts to understand the nature of expenditure incurred; and
- Enquiry with management and those charged with governance of any non-compliance with laws and regulations.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of journal entries throughout the year, from the remainder of the population of journal entries, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias such as the carrying value of investments.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Independent Auditors' Report to the Members of Merkur Casino Holdings UK Limited

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.

Signed by:

Chris Isaac

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Chris Isaac (Senior Statutory Auditor)
for and on behalf of BDO LLP, Statutory Auditor
London, UK

26 March 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Merkur Casino Holdings UK Limited

Statement of Comprehensive Income for the Year Ended 31 December 2025

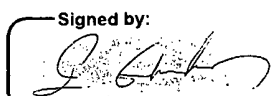
		2025	2024 (restated)
	Notes	£'000	£'000
Turnover	4	20,983	21,505
Exceptional administrative (expenses) / income	10	(908)	85
Administrative expenses		<u>(18,430)</u>	<u>(18,054)</u>
		1,645	3,536
Other operating income	5	<u>234</u>	<u>103</u>
Operating profit	8	1,879	3,639
Income from shares in group undertakings	11	5,501	17,320
Interest receivable and similar income	12	797	2,188
Interest payable and similar expenses	13	<u>(2,904)</u>	<u>(4,436)</u>
Profit before taxation		5,273	18,711
Tax on profit	14	<u>(8)</u>	<u>(358)</u>
Profit for the financial year		5,265	18,353
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>5,265</u></u>	<u><u>18,353</u></u>

The notes on pages 18 to 35 form part of these financial statements

Merkur Casino Holdings UK Limited (Registered number: 07833708)**Statement of Financial Position
31 December 2025**

	Notes	£'000	2025 £'000	£'000	2024 £'000
Fixed assets					
Intangible assets	15		6		13
Tangible assets	16		568		638
Investments	17		<u>150,126</u>		<u>112,299</u>
			150,700		112,950
Current assets					
Debtors: amounts falling due within one year	18	4,339		5,289	
Debtors: amounts falling due after more than one year	18	8,000		17,700	
Cash at bank	19	<u>1,277</u>		<u>137</u>	
		13,616		23,126	
Creditors					
Amounts falling due within one year	20	<u>(6,424)</u>		<u>(7,414)</u>	
Net current assets			<u>7,192</u>		<u>15,712</u>
Total assets less current liabilities			157,892		128,662
Creditors					
Amounts falling due after more than one year	21		(73,976)		(50,476)
Provisions for liabilities	22		<u>(485)</u>		<u>(20)</u>
Net assets			<u>83,431</u>		<u>78,166</u>
Capital and reserves					
Called up share capital	23		-		-
Retained earnings	24		<u>83,431</u>		<u>78,166</u>
Shareholders' funds			<u>83,431</u>		<u>78,166</u>

The financial statements were approved by the board and authorised for issue on 26 March 2026 and were signed on its behalf by:

Signed by:

 0C5A7A464368482...
 E Coskun - Director
 3/26/2026

The notes on pages 18 to 35 form part of these financial statements

Merkur Casino Holdings UK Limited

Statement of Changes in Equity for the Year Ended 31 December 2025

	Called up share capital £'000	Retained earnings £'000	Capital contribution £'000	Total equity £'000
Balance at 1 January 2024	-	55,112	4,701	59,813
Changes in equity				
Total comprehensive income	-	18,353	-	18,353
Capital Reduction	-	<u>4,701</u>	<u>(4,701)</u>	<u>-</u>
Balance at 31 December 2024	<u>-</u>	<u>78,166</u>	<u>-</u>	<u>78,166</u>
Changes in equity				
Total comprehensive income	-	<u>5,265</u>	-	<u>5,265</u>
Balance at 31 December 2025	<u>-</u>	<u>83,431</u>	<u>-</u>	<u>83,431</u>

The notes on pages 18 to 35 form part of these financial statements

Merkur Casino Holdings UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2025

1. Statutory information

Merkur Casino Holdings UK Limited is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

The principal activities of the Company are to act as a holding company for Merkur Slots UK Limited, Merkur Technical Support Limited, Merkur Bingo UK Limited (formerly Merkur Bingo and Casino Entertainment UK Limited), Merkur Casino Entertainment UK Limited, Merkur Operations NI Holdings Limited which acts as a holding company for the Group's Northern Ireland operations, and William Clark (Holdings) Limited. William Clark (Holdings) Limited is the holding company for the rest of the Group's non-trading entities.

The financial statements are presented in Sterling, which is also the functional currency of the Company, and rounded to the nearest £'000.

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirement of paragraph 33.7.

The cash flow information required by Section 7 and paragraph 3.17(d) is included within the consolidated financial statements of Merkur Casino UK Limited, the ultimate parent undertaking in the UK, as at 31 December 2025. A copy of these financial statements may be obtained from The Secretary, Merkur Casino UK Limited, Second Floor, Matrix House, North Fourth Street, Milton Keynes, MK9 1NJ.

The related party disclosures required by paragraph 33.7 are included in the consolidated financial statements of Merkur.com AG, the ultimate controlling party, as at 31 December 2025. A copy of these financial statements may be obtained from Merkur.com AG, Merkur Allee 1-15, 32339, Espelkamp, Germany.

Preparation of consolidated financial statements

The financial statements contain information about Merkur Casino Holdings UK Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Merkur Casino UK Limited, Second Floor, Matrix House, North Fourth Street, Milton Keynes, MK9 1NJ.

Merkur Casino Holdings UK Limited

Notes to the Financial Statements – continued for the Year Ended 31 December 2025

2. Accounting policies – continued

Standards issued but not yet effective – Revised FRS 102

On 10 September 2024, the Financial Reporting Council issued amendments to FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', which are effective for accounting periods beginning on or after 1 January 2026.

The directors have considered the impact of the revised standard and expect that the amendments to Section 20 – Leases will have a material impact on the Company's financial statements on adoption.

Under the revised requirements, lessees will be required to recognise right-of-use assets and corresponding lease liabilities in the Statement of Financial Position for leases previously classified as operating leases. The lease liability will be measured at the present value of future lease payments, with a corresponding right-of-use asset recognised at a similar amount, subject to certain adjustments.

As a consequence, lease costs currently recognised within operating expenses will instead be recognised as depreciation of right-of-use assets and interest expense on lease liabilities.

The Company expects to apply the modified retrospective transition approach, under which the cumulative effect of initially applying the revised standard will be recognised in retained earnings at 1 January 2026, the date of initial application, with comparative information not restated.

The Company is currently assessing the detailed impact of these changes, and it is not yet practicable to quantify the financial effect of adoption.

Going concern

The directors have reviewed the Group's budgets and forecasts for 12 months from the date of this report, their liquid resources and their medium-term plans. In considering the going concern status of the Group, sensitivity testing has been performed, which included a range of downside scenarios being applied to the latest forecast position.

After making enquiries, and the receipt of a letter of support from Merkur Casino UK Limited, confirming the intention to provide group-wide financial assistance to the Company if required, for the next 12 months, the directors have a reasonable expectation that both the Company, and the Group, have adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Turnover

Turnover comprises amounts invoiced to subsidiary undertakings for management and administrative services provided by the Company in the ordinary course of business. Revenue is recognised in the Statement of Comprehensive Income over the period in which the services are provided.

Other operating income

Other operating income comprises amounts receivable from fellow group undertakings for services provided by the Company that do not form part of its ordinary activities.

Rental Income

Operating lease income from properties is recognised in the Statement of Comprehensive Income on a straight-line basis over the lease term.

Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Software – 3 to 5 years

Merkur Casino Holdings UK Limited

Notes to the Financial Statements – continued for the Year Ended 31 December 2025

2. Accounting policies – continued

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance costs are charged to the Statement of Comprehensive Income during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Short leasehold property	- period of lease
Fixtures & fittings	- 3 to 10 years

Assets under construction are not depreciated.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less any accumulated impairment losses. Cost comprises the purchase price and directly attributable acquisition costs.

Dividends receivable from subsidiary undertakings are recognised in profit or loss when the right to receive payment is established. Where such dividends are clearly attributable to profits of the subsidiary earned prior to the date of acquisition, they are treated as a return of part of the cost of the investment and are deducted from the carrying amount of the investment in the subsidiary.

Impairment of fixed assets

Fixed asset investments and assets that are subject to depreciation are assessed at each Statement of Financial Position date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash generating unit ("CGU") to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGU's). Non-financial assets that have been previously impaired are reviewed at each Statement of Financial Position date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

Operating leases: the Company as a lessee

Rentals payable under operating leases are recognised in the Statement of Comprehensive Income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern of consumption of the leased asset's economic benefits.

Lease incentives received are recognised as an integral part of the total lease expense and are spread over the lease term on the same basis.

Merkur Casino Holdings UK Limited

Notes to the Financial Statements – continued for the Year Ended 31 December 2025

2. Accounting policies – continued

Financial instruments

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds basic financial instruments, which comprise cash at bank, other receivables, trade and other payables and intercompany balances. The Company has chosen to apply the provisions of Section 11 Basic Financial Instruments and Section 12 Other Financial Instruments in full.

Financial assets and liabilities – classified as basic financial instruments

(i) Cash at bank

Cash at bank includes deposits held with banks.

The Company participates in a composite banking arrangement with its principal banking provider under which multiple individual bank accounts are administered within a consolidated reporting framework. Each account represents a separate legal balance and cash balances are not physically pooled as part of the arrangement.

The Company recognises cash balances and overdrafts gross in the Statement of Financial Position. Assets and liabilities are offset only to the extent that a legally enforceable right of set-off exists and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously in accordance with FRS 102.

(ii) Other receivables

Other receivables are initially recognised at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

At the end of each reporting period, the Company assesses whether there is objective evidence that any receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in the Statement of Comprehensive Income.

(iii) Trade and other payables, loans, and borrowings – classified as basic financial instruments

Trade and other payables and loans and borrowings are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of the cash expected to be paid.

Loans with an interest rate higher or lower than the market rate of interest are measured at the present value at inception of the loan by discounting the loan cash flows over the term using the market rate of interest. The difference arising on the initial recognition of the loan is recognised in equity as a capital contribution.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date.

Merkur Casino Holdings UK Limited

Notes to the Financial Statements – continued for the Year Ended 31 December 2025

2. Accounting policies – continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Finance costs

Finance costs relating to loans from other group undertakings are recognised in the Statement of Comprehensive Income using the effective interest method, so as to produce a constant rate of return on the carrying amount of the liability over the term of the debt.

Where such loans bear interest at a stated rate and are advanced at par with no transaction costs, the effective interest rate is equal to the contractual rate of interest.

Intercompany trading balances are short-term in nature and arise from operational transactions between Group companies. Where month end balances exceed £1m, interest is charged at an agreed rate (5.4% in 2025; 6.0% in 2024) and recognised in the period in which it accrues. No interest is charged on balances below this threshold.

Foreign currencies

Functional and presentation currency

The Company's functional and presentational currency is Sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

Pension costs and other post-retirement benefits

The Group operates two defined contribution plans into which the employees of Merkur Casino Holdings UK Limited are enrolled. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid, the Group has no further payments obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income of the employing Company when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

Merkur Casino Holdings UK Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2025

2. Accounting policies - continued

Interest

Interest income and expenses are recognised in the Statement of Comprehensive Income using the effective interest method.

Exceptional items

Exceptional items are those that due to their size, nature, or incidence, are disclosed separately in the Statement of Comprehensive Income to provide further understanding of the Company's financial performance. These items are outside the normal course of business and are disclosed in the Statement of Comprehensive Income separately from the usual operating activities.

Provisions

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that requires probable settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation. The provision is discounted using the risk-free rate of interest pertaining to the duration of the provision. Where a provision represents the present value of the obligation, it is not discounted.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation and are measured at the best estimate at the date of the Statement of Financial Position of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are made, they are charged to the provision held in the Statement of Financial Position.

Merkur Casino Holdings UK Limited

Notes to the Financial Statements – continued for the Year Ended 31 December 2025

3. Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements in accordance with FRS 102 requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and underlying assumptions are based on historical experience and other factors considered reasonable in the circumstances. Actual results may differ from those estimates.

The areas involving significant judgment or estimation uncertainty that may have a material impact on the financial statements are set out below.

Critical accounting judgments

Dilapidations provision on guaranteed leases

The Company has recognised a provision for dilapidations in respect of leasehold properties for which it acts as guarantor on lease arrangements. In determining whether a provision is required, management has exercised judgment when considering whether the guarantee gives rise to a present obligation at the Statement of Financial Position date, based on the terms of the relevant agreements and the likelihood that the Company will be required to settle the obligation. The amount recognised reflects management's best estimate of the expenditure required to settle the obligation.

Interest on balances owed by group undertakings

The directors exercise judgment in determining whether interest should be charged on balances owed by group undertakings. Interest is applied to outstanding balances exceeding £1m at each month-end at a rate of 5.4% (2024: 6%). In making this judgment, the directors consider the materiality of balances, the short-term and fluctuating nature of intercompany positions, and whether the charging of interest reflects the commercial substance of the arrangements.

Key sources of estimation uncertainty

Fixed asset investments, intangible and tangible fixed assets

The application of the accounting policies in these areas requires management to exercise judgment and estimation in determining the recoverable amount of the cash-generating units ("CGU's") to which intangible and tangible assets are allocated. CGU's are identified based on groups of venues acquired together, reflecting the level at which management monitors performance and assesses returns.

The recoverable amount of each CGU is the higher of fair value less costs of disposal and value in use. Fair value less costs of disposal is estimated internally by senior management using market evidence, knowledge of comparable transactions and, where appropriate, external advice. Value in use is determined using projected cash flows derived from approved financial budgets and forecasts, discounted using an appropriate rate.

Investments in subsidiary undertakings are assessed for impairment where indicators of impairment exist. Where such indicators are identified, the recoverable amount of the investment is estimated based on the underlying performance and expected future cash flows of the relevant subsidiary or group of subsidiaries.

Changes in the assumptions underlying these projections, including expected trading performance and discount rates, could impact the carrying value of the related assets and investments.

Merkur Casino Holdings UK Limited

Notes to the Financial Statements – continued for the Year Ended 31 December 2025

4. Turnover

The turnover and profit before taxation are attributable to the one principal activity of the Company.

An analysis of turnover by class of business is given below:

	2025	2024 (restated)
	£'000	£'000
Management recharges	<u>20,983</u>	<u>21,505</u>
	<u>20,983</u>	<u>21,505</u>

All turnover arose within the United Kingdom.

In the prior year, income arising from services provided to group undertakings was presented within other operating income. Following a review of the nature of these transactions, the directors consider that such income forms part of the Company's ordinary activities and should therefore be included within turnover. Accordingly, the comparative figures have been restated. This reclassification has no effect on the reported profit or net assets.

5. Other operating income

	2025	2024 (restated)
	£'000	£'000
Other operating income	234	78
Intra-group rents received	<u>-</u>	<u>25</u>
	<u>234</u>	<u>103</u>

In the prior year, income arising from services provided to group undertakings was presented within other operating income. Following a review of the nature of these transactions, the directors consider that such income forms part of the Company's ordinary activities and should therefore be included within turnover. Accordingly, the comparative figures have been restated. This reclassification has no effect on the reported profit or net assets.

6. Employees and directors

	2025	2024
	£'000	£'000
Wages and salaries	9,284	8,343
Social security costs	1,254	1,246
Other pension costs	<u>316</u>	<u>322</u>
	<u>10,854</u>	<u>9,911</u>

The average number of employees during the year was as follows:

	2025	2024
Management and administration	<u>141</u>	<u>136</u>

Merkur Casino Holdings UK Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2025

7. Directors' emoluments

	2025	2024 (restated)
	£'000	£'000
Directors' emoluments	1,013	944
	<u>1,013</u>	<u>944</u>

During the year retirement benefits were accruing to two directors (2024: two) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £444,000 (2024: £442,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £26,000 (2024: £30,000).

Included in directors' emoluments is £386k (2024 - restated: £215k) in respect of amounts recharged by group undertakings for the services of international directors made available to the Company. In the prior year, these amounts were not included within directors' emoluments. These amounts have now been included to reflect the total remuneration attributable to directors' services received by the Company.

8. Operating profit

The operating profit is stated after charging:

	2025	2024
	£'000	£'000
Depreciation of tangible fixed assets - owned	227	184
Amortisation of intangible assets	7	25
Defined contribution pension cost	316	322
Other operating leases	<u>667</u>	<u>781</u>

9. Auditors' remuneration

	2025	2024
	£'000	£'000
Audit fees payable to Company's auditors	<u>25</u>	<u>20</u>

The audit fee disclosed represents the Company's share of the group audit fee. The Company also bears the cost of audit fees for other companies in the Group. Details of amounts incurred by the Company on behalf of other group companies can be found in the respective financial statements for each company.

The Company's auditor, BDO LLP, has not undertaken any non-audit services in the current or prior year.

Merkur Casino Holdings UK Limited

Notes to the Financial Statements – continued for the Year Ended 31 December 2025

10. Exceptional administrative expenses

	2025 £'000	2024 £'000
Historic parent company recharge	908	-
Re-measurement of the carrying value of parent company loan	-	(85)
	<u>908</u>	<u>(85)</u>

Historic parent company recharge

During the year, the Company received recalculated staff recharges for stakeholder support from its parent company, Merkur Casino GmbH. The charge included in exceptional administrative expenses is relevant to the period from 2019 to 2024. Charges for 2025 have been included in administrative expenses.

Re-measurement of the carrying value of the parent company loan

In the prior year, a group loan with an initial interest rate of 1% per annum, which had been recognised at fair value using a market rate of 4.22%, was repaid in full. The difference between the carrying amount of the liability at the date of settlement and the repayment amount resulted in a credit of £85,000 recognised in the Statement of Comprehensive Income.

11. Income from shares in group undertakings

	2025 £'000	2024 £'000
Shares in group undertakings	<u>5,501</u>	<u>17,320</u>

During the year, the Company received dividends of £5,501,000 from Merkur Bingo UK Limited (formerly Merkur Bingo and Casino Entertainment UK Limited) (2024: £17,320,000).

12. Interest receivable and similar income

	2025 £'000	2024 £'000
Interest income	115	230
Interest income – affiliates	<u>682</u>	<u>1,958</u>
	<u>797</u>	<u>2,188</u>

Interest on long-term intercompany loans, or short-term intercompany trading balances when the month end balance exceeds £1m, is charged at a rate of 5.4% (2024: 6.0%). No interest is charged on trading balances below this threshold. During the year, interest of £682,000 was charged on long-term intercompany loans (2024: £1,958,000).

The total amount outstanding from group undertakings as at 31 December 2025 is disclosed in note 18.

Interest income is mainly attributable to bank interest earned during the year.

13. Interest payable and similar expenses

	2025 £'000	2024 £'000
Interest payable – affiliates	<u>2,904</u>	<u>4,436</u>

Interest on long-term intercompany loans, or short-term intercompany trading balances when the month end balance exceeds £1m, is charged at a rate of 5.4% (2024: 6.0%). No interest is charged on trading balances below this threshold. During the year, interest of £2,904,000 was charged to the Company on long-term intercompany loans (2024: £4,436,000).

The total amount outstanding to group undertakings as at 31 December 2025 is disclosed in note 20.

Merkur Casino Holdings UK Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2025

14. Taxation

	2025 £'000	2024 £'000
Corporation tax		
Current tax charge on profit for the year	132	501
Adjustments in respect of prior periods	(153)	(174)
Total current tax	(21)	327
Deferred tax		
Origination and reversal of timing differences	(37)	(62)
Adjustments in respect of prior periods	66	93
Total deferred tax	29	31
Total tax charge	8	358

Factors affecting the tax charge for the year

The tax assessed for the year is lower than (2024: lower than) the standard rate of corporation tax in the UK of 25% (2024: 25%). The differences are explained below:

	2025 £'000	2024 £'000
Profit on ordinary activities before tax	5,273	18,711
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25% (2024: 25%)	1,318	4,678
Effects of:		
Expenses not deductible for tax purposes	152	91
Group income not taxable	(1,375)	(4,330)
Adjustments in respect of prior periods	(87)	(81)
	8	358

Factors that may affect future tax charges

At the year end, a deferred tax asset of £86,000 (2024: £115,000) has been recognised in the financial statements of the Company. Details of the deferred tax asset is shown in note 17 to these financial statements.

Changes in tax legislation

The directors are not aware of any factors currently existing that are expected to have a material effect on future tax charges.

Merkur Casino Holdings UK Limited

Notes to the Financial Statements – continued for the Year Ended 31 December 2025

15. Intangible fixed assets

	Software £'000	Total £'000
Cost		
At 1 January 2025	148	148
At 31 December 2025	148	148
Amortisation		
At 1 January 2025	135	135
Charge for the year	7	7
At 31 December 2025	142	142
Net Book Value		
At 31 December 2025	6	6
At 31 December 2024	13	13

The amortisation charge for the year is included in the Statement of Comprehensive Income under administrative expenses.

16. Tangible fixed assets

	Short leasehold property £'000	Fixtures & fittings £'000	Assets under construction £'000	Total £'000
Cost				
At 1 January 2025	36	900	2	938
Additions	-	157	-	157
Transfers	-	2	(2)	-
At 31 December 2025	36	1,059	-	1,095
Amortisation				
At 1 January 2025	3	297	-	300
Charge for the year	4	223	-	227
At 31 December 2025	7	520	-	527
Net book value				
At 31 December 2025	29	539	-	568
At 31 December 2024	33	603	2	638

Merkur Casino Holdings UK Limited

Notes to the Financial Statements – continued for the Year Ended 31 December 2025

17. Fixed asset investments

	2025 £'000
Cost or valuation	
At 1 January 2025	154,736
Additions	45,827
Return on investment (pre-acquisition dividend)	<u>(8,000)</u>
At 31 December 2025	192,563
Impairment	
At 1 January 2025	<u>42,437</u>
At 31 December 2025	42,437
Net book value	
At 31 December 2025	<u>150,126</u>
At 31 December 2024	<u>112,299</u>

During the year, the following changes to the value of investments took place:

Acquisition

On 14 October 2025, the Company acquired 100% of the issued share capital of Oasis Leisure Group Limited for total consideration of £45.8m, including transaction costs. Oasis Leisure Group Limited is the parent company of Oasis Retail Services Limited.

On 16 October 2025, the Company received a dividend of £8m from Oasis Leisure Group Limited, which had been declared out of pre-acquisition reserves. In accordance with FRS 102, this amount has been treated as a reduction in the cost of the investment.

Oasis Leisure Group Limited was renamed Merkur Operations NI Holdings Limited on 16 October 2025.

Merkur Casino Holdings UK Limited

Notes to the Financial Statements – continued for the Year Ended 31 December 2025

Subsidiary undertakings

The following are subsidiary undertakings of the Company:

Name	Shares	Holding	Principal Activity
Merkur Slots UK Limited	Ordinary	100%	Adult gaming centre operator
Merkur Casino Entertainment UK Limited	Ordinary	100%	Casino operator
Merkur Technical Support Limited	Ordinary	100%	Maintenance services company
Merkur Operations NI Holdings Limited	Ordinary	100%	Intermediate holding company
Oasis Retail Services Limited*	Ordinary	100%	Adult gaming centre and gaming machine operator
Merkur Bingo UK Limited (formerly Merkur Bingo and Casino Entertainment UK Limited)	Ordinary	100%	Non-trading company
William Clark (Holdings) Limited	Ordinary	100%	Intermediate holding company
Baleday Limited*	Ordinary	100%	Non-trading company
Thomas Holdings Limited*	Ordinary	100%	Non-trading company
Cashino Gaming (E&J) Limited*	Ordinary	100%	Non-trading company
Classic Leisure (Northern) Limited*	Ordinary	100%	In Members Voluntary Liquidation
United Leisure Limited*	Ordinary	100%	In Members Voluntary Liquidation
Dolphin Gaming Limited*	Ordinary	100%	In Members Voluntary Liquidation
Mirage Centres Limited*	Ordinary	100%	In Members Voluntary Liquidation
William Clark Limited*	Ordinary	100%	In Members Voluntary Liquidation
Mayfair Acquisitionco Limited*	Ordinary	100%	In Members Voluntary Liquidation
Merkur Technical Support UK Limited*	Ordinary	100%	In Members Voluntary Liquidation

* Denotes entities which are indirectly owned by Merkur Casino Holdings UK Limited. All subsidiaries are based in the UK.

The registered address for Merkur Operations NI Holdings Limited and Oasis Retail Services Limited is Oasis House, Mallusk Drive, Newtownabbey, County Antrim, BT36 4GX. The registered address for all other companies listed above is Second Floor Matrix House, North Fourth Street, Milton Keynes, MK9 1NJ.

Dividends

During the year, in addition to the £8,000,000 pre-acquisition dividend received from Oasis Leisure Group Limited, the Company received a dividend of £5,501,000 from Merkur Bingo UK Limited (formerly Merkur Bingo and Casino Entertainment UK Limited) (2024: £17,320,000).

18. Debtors

	2025 £'000	2024 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	3,644	4,545
Other debtors	75	35
Deferred tax asset	86	115
Prepayments and accrued income	534	594
	<u>4,339</u>	<u>5,289</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>8,000</u>	<u>17,700</u>
Aggregate amounts	<u>12,339</u>	<u>22,989</u>

Merkur Casino Holdings UK Limited

Notes to the Financial Statements – continued for the Year Ended 31 December 2025

18. Debtors – continued

Amounts due from group undertakings falling due within one year are unsecured and fluctuate throughout the year. There are no fixed terms for repayment. Interest is charged at a rate of 5.4% (2024: 6.0%) on month end balances exceeding £1m and is added to the intercompany balance. During the year, balances did not exceed £1m at any month end and therefore no interest was charged (2024: £nil).

In 2021, £46.0m of the Company's balance with Merkur Slots UK Limited was formalised into a loan agreement. The balance outstanding as at 31 December 2025 was £8.0m (2024: £17.7m). The loan carries interest at 5.4% (2024: 6.0%) and no portion of this loan is repayable before 1 April 2027. Interest receivable recognised in the period in respect of this loan was £682,000 (2024: £1,958,000) (see note 12).

Deferred tax

	2025 £'000	2024 £'000
At 1 January 2025	115	147
Utilisation	(29)	(32)
At 31 December 2025	86	115

The deferred tax asset consists of the following deferred tax assets / (liabilities):

Accelerated capital allowances	(8)	69
Other timing differences	94	46
	86	115

19. Cash at bank

	2025 £'000	2024 £'000
Cash at bank	<u>1,277</u>	<u>137</u>

Cash at bank comprises balances held in individual bank accounts, legally owned by the entity, operated under a composite banking arrangement. This arrangement includes a contractual right for the bank to set off credit balances against amounts owed by participating entities. This right had not been exercised at the Statement of Financial Position date and the bank balance has been presented gross in the Statement of Financial Position.

Composite banking arrangement and cross-guarantee

The Company is party to a composite banking agreement under which all participating entities provide joint and several guarantees in respect of amounts owing to the bank by other participants. Under the terms of the agreement, the bank is contractually entitled to require any participating entity to settle amounts owed by another participant and may set off any credit balances held against such amounts.

At the Statement of Financial Position date, no amounts were owed to the bank, and the bank had not enforced either the cross-guarantee or its right of set-off. The directors have assessed the likelihood of an outflow of economic benefits arising from the guarantee and consider it to be remote. Accordingly, no provision has been recognised in the financial statements in accordance with FRS 102.

Merkur Casino Holdings UK Limited

Notes to the Financial Statements – continued for the Year Ended 31 December 2025

20. Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Trade creditors	110	140
Amounts owed to group undertakings	2,228	3,358
Corporation tax	367	393
Social security and other taxes	681	415
Other creditors	140	88
Accruals and deferred income	<u>2,898</u>	<u>3,020</u>
	<u>6,424</u>	<u>7,414</u>

The amounts owed to group undertakings are unsecured and fluctuate throughout the year. Interest is charged at a rate of 5.4% (2024: 6.0%) on balances exceeding £1m at each month end. There are no fixed terms for repayment and interest is rolled into the group balance.

During the year, amounts owed by the Company to group undertakings falling due within one year did not exceed £1 million at any month end. Therefore, no interest was charged (2024: £nil).

21. Creditors: amounts falling due after more than one year

	2025 £'000	2024 £'000
Amounts owed to group undertakings	<u>73,976</u>	<u>50,476</u>
	<u>73,976</u>	<u>50,476</u>

Amounts owed to group undertakings represent loans from Merkur Casino GmbH and Merkur.com AG. Analysis of the maturity of loans is given below:

	2025 £'000	2024 £'000
Amounts falling due within one year		
Loans from group undertakings	-	-
Amounts falling due 1 – 5 years		
Loan from Merkur Casino GmbH	33,976	50,476
Loan from Merkur.com AG	<u>40,000</u>	<u>-</u>
	<u>73,976</u>	<u>50,476</u>

All loans from group undertakings are unsecured and are measured at amortised cost using the effective interest method.

During the year, the Company received a loan of £40m from the ultimate parent undertaking, Merkur.com AG, to facilitate the purchase of Oasis Leisure Group Limited. The loan carries interest at 5.5% (2024: nil) and no portion of the loan is repayable before 31 December 2027.

The Company also has loans from Merkur Casino GmbH which carry interest at 5.302% (2024: 5.927%). These loans are not repayable within 12 months of the reporting date.

Merkur Casino Holdings UK Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2025

22. Provisions for liabilities

	Dilapidation provision £'000	Total £'000
At 1 January 2025	20	20
Additions	465	465
At 31 December 2025	485	485

As part of the Company's property leasing arrangements, there is an obligation to restore leased premises in accordance with the terms of the respective lease agreements. The provision represents the directors' best estimate of the costs expected to be incurred and reflects the accrued liability to 31 December 2025.

During the year, the Company recognised an additional provision in respect of the Northampton bingo club following its disposal by Merkur Bingo UK Limited (formerly Merkur Bingo and Casino Entertainment UK Limited) to a third party. The Company is a guarantor under the lease agreement and has recognised a provision reflecting its obligation under that guarantee.

The Company also continues to accrue a dilapidation provision in respect of its current head office lease, which expires in July 2033.

The provision is not discounted as it represents the present value of the obligation based on current estimates of the cost of repairs.

23. Called up share capital

Allotted, issued and fully paid:
Number: Class:

	Nominal value: £1	2025 £	2024 £
1 Ordinary		<u>1</u>	<u>1</u>

The Company has one class of ordinary shares which carry voting rights but no right to fixed income.

24. Reserves

Retained earnings

This reserve represents cumulative profits and losses.

25. Pension commitments

The Group operates two defined contribution pension schemes into which the employees of Merkur Casino Holdings UK Limited are enrolled. The pension charge for the year represents contributions payable by the Company to the funds and amounted to £316,000 (2024: £322,000). At the end of the year there were employer and employee contributions outstanding of £64,000 (2024: £81,000).

Merkur Casino Holdings UK Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2025

26. Commitments under operating leases

At 31 December 2025, the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2025 £'000	2024 £'000
Not later than 1 year	506	433
Later than 1 year and not later than 5 years	947	929
Later than 5 years	427	539
	<u>1,880</u>	<u>1,901</u>

27. Related party disclosures

The Company is a wholly owned subsidiary of Merkur Casino UK Limited and is included in the consolidated financial statements of that company. Consequently, the Company has taken advantage of the exemption, under the terms of FRS 102 Section 33 Related Party Disclosures, from disclosing related party transactions with wholly owned entities that are part of the Group.

During the year, the Company entered into transactions with other group companies which are under the common control of the ultimate parent company, Merkur.com AG. Under the terms of FRS 102 Section 33 Related Party Disclosures, an exemption from disclosing these transactions has been taken.

28. Ultimate controlling party

The immediate parent undertaking was Merkur Casino UK Limited, an intermediate holding company.

The immediate parent of Merkur Casino UK Limited is Merkur Casino GmbH, a company registered in Germany.

The smallest group in which the results of the Company are consolidated is that headed by Merkur Casino UK Limited. Copies of the Merkur Casino UK Limited financial statements may be obtained from The Secretary, Merkur Casino UK Limited, Second Floor, Matrix House, North Fourth Street, Milton Keynes, MK9 1NJ.

The largest group in which the results of the Company are consolidated is that headed by Merkur.com AG, the ultimate controlling party. A copy of these financial statements may be requested from Merkur.com AG, Merkur Allee 1-15, 32339, Espelkamp, Germany.