

Stride Gaming plc

("Stride Gaming" or the "Company" or the "Group")

UKGC update

Further to the Company's announcements of 2 August and 26 September 2018, the Company announces that Daub Alderney Limited ("Daub"), a subsidiary of the Company, has been fined £7.1m by the Gambling Commission of Great Britain ("UKGC") for failings in its anti-money laundering and social responsibility procedures.

After careful consideration, the Group has concluded that whilst it believes the UKGC fine to be excessive and disproportionate, it is not in the interests of the Group's stakeholders to appeal the UKGC's finding or penalty.

The Board, having taken advice, remains of the belief that a penalty of no more than £4 million would be appropriate, particularly as the failings identified by the UKGC were procedural in nature and did not involve any incidence of identifiable money laundering.

Subsequent to the UKGC's initial findings, the failings identified by the UKGC have been addressed in full. Furthermore, the controls framework required to meet its licence conditions and codes of practice have been assessed by Daub and the Company to be effective. This has been achieved through a comprehensive evaluation of that framework, supported by an independent review carried out by Deloitte LLP. In order to provide further assurance of the robustness of Daub's existing and ongoing controls and to ensure that Daub is protecting vulnerable players, Daub has commissioned Deloitte LLP to carry out biennial control audits in order to independently assess the operating effectiveness of those controls.

Nigel Payne, Non-Executive Chairman of the Company commented:

"Stride Gaming considers that robust anti-money laundering and social responsibility controls are extremely important. It acknowledges and entirely supports the more robust steps taken by the UKGC in recent years to drive improvements across the industry.

"We remain disappointed with the particular circumstances of this case and with certain factual inaccuracies which were presented by UKGC to the Regulatory Panel in the course of the proceedings, which we believe coloured the size of the fine that has been imposed.

"We are of the view that both the industry and its regulator must be as one in its combined attempt to better regulate the industry and accordingly, we will be seeking to engage with the UKGC to improve the robustness of the process that we have just been through."

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The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

About Stride Gaming plc:

Stride Gaming plc, listed on AIM, is a leading online gaming operator. The Company operates a multi-branded strategy, using a combination of its proprietary and licensed software to provide an online gaming offering.

Stride Gaming's real money offering is presently focused on the UK market, where it is licensed and only operates from the regulated jurisdictions of the UK and Alderney. With a diverse portfolio of more than 170 brands, Stride Gaming is the third largest online bingo operator in the UK, and has over 25% share of the UK online bingo landscape.

Stride Gaming operates a partnership platform, Stride Together, through which the company licenses its proprietary platform to gaming operators, media partners and retailers in the UK and globally, enabling them to create an online presence for their customers and enabling Stride to penetrate new verticals both within UK markets and overseas territories.

Further information on the Group is available at: www.stridegaming.com.