



Ad hoc Press Release
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betandwin.com acquires 100% holding in Simon Bold (Gibraltar) Ltd.

- Established sports betting company with experienced management acquired
- License base extended and taxes on international betting optimized
- New sales channel: horse and greyhound racing and various other sports including rugby and cricket added to range of products

Established sports betting company acquired together with experienced management team

On 25 June 2001 **betandwin.com** signed a sales contract under which it acquired 100% of the shares in Simon Bold (Gibraltar) Ltd. (referred to below as SBGL). The agreed purchase price was around EUR 2 million in shares and cash.

SBGL was founded in Gibraltar by Simon Bold in 1999 in order to play an active role in the rapidly expanding market for telephone and online betting. This followed the lead of other well-known UK betting companies such as Ladbrokes, Coral, Victor Chandler and Stan James, securing the last of seven betting licenses issued in Gibraltar for SBGL.

Simon Bold has over 25 years of experience in the international betting business. He was founder and majority shareholder in Mawdsley Bookmakers based in Liverpool, which had more than 40 betting shops in the North of England, over 200 employees, and annual betting turnover in excess of EUR 32 million. In 1991 Simon sold the majority of the company's shops to Stanley Leisure PLC and continued to develop his telephone betting business, pioneering the concept and practice of betting via debit and credit cards.

In November 1999 SBGL acquired the last betting license issued in Gibraltar, setting up a telephone betting service in December 1999. This was followed in June 2000 by online betting on the Internet. With the SBGL team's extensive experience of the betting business, in excess of 4,000 active betting customers, an established telephone and Internet platform, and recent monthly betting turnover of over EUR 1.5 million, the company ideally complements **betandwin.com** on its way to becoming a leading online gaming company.

Simon Bold himself (along with other key members of staff) is bound to **betandwin.com** by a long-term employment contract in combination with a share options agreement. As Managing Director of SBGL, he will be responsible for the development and operations of the international betting business.

"In Simon Bold we have found an experienced person to fill the vacant position of head of our international betting business," comments Norbert Teufelberger, **betandwin.com**'s Co-CEO. "Thanks to the resulting synergies in the betting business, we anticipate that our collaboration will be productive and efficient."



"In identifying a suitable partner with whom to progress, **betandwin.com's** strategic positioning, its consequent and energetic pursuit of its objectives, and management's farsighted approach weighed heavily in the company's favor," explains Simon Bold, SBGL Managing Director. "I am happy to take on the challenges posed by **betandwin.com** in a key position that will enable me to assist in building up a leading international online gaming company."

License base extended and taxes on international betting business optimized in a legal system regulated in line with British standards

With the takeover of SBGL, **betandwin.com** will be shifting its international business and the management of its betting business to Gibraltar, a move that will mean significant tax advantages. Whereas the betting fees normally charged in Austria average about 3% of betting turnover, betting fees in Gibraltar are just 1% of betting turnover, with an annual maximum of EUR 410,000. In addition to its Austrian betting license, **betandwin.com** has now also gained an international license in an established legal environment and can benefit from the advantageous tax status of the jurisdiction.

"By completely integrating Simon Bold Ltd. we have made a decisive step towards becoming an international online gaming company," rationalizes Manfred Bodner, **betandwin.com** Co-CEO. "This has also enabled us to establish the tax basis for further acquisitions and international growth."

New sales channels opened up: horse and greyhound racing plus additional sports added to range of betting products

The newly acquired management team of SBGL has extensive experience of horse and greyhound racing in addition to various other specialist sports such as cricket and rugby, which will be added to **betandwin.com's** already comprehensive range of betting products.

A further advantage of the acquisition is that the SBGL call center will be extended to offer **betandwin.com** customers a complete range of betting products by telephone. As a result, in the medium term this traditional sales channel will feature 24x7 availability.

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***betandwin.com** Interactive Entertainment AG is a public company based and licensed in Austria. The company's strategic concept is based on the pillars of betting, information and entertainment. Listed on the Vienna Stock Exchange since March 2000, **betandwin.com** intends to use its unique Internet presence coupled with strong strategic partnerships to achieve its objective of becoming one of the world's leading online gaming companies appealing to a wide public.*

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