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For Immediate Release

29 August 2017

Papillon Holdings Plc
(‘Papillon’ or ‘the Company’)

Final results

Papillon, the LSE listed investment company, is pleased to announce its final results for the year ended 31 December 2016.

Chairman’s Report

Papillon Holdings PLC (“the Company”) is an investment company incorporated on 19 October 2015, with the primary objective of undertaking a single acquisition of a target company, business or asset in the industrial or service sectors

In compliance with the strategy of the Directors, as described in its admission document, on 9 September 2016, the Directors announced that it had signed a non-binding Heads of Terms to acquire the entire issued share capital of myclubbetting.com Limited (“MCB”), a specialised betting and gaming related business, for new shares in the Company (the "Acquisition"). The Acquisition, if completed, would result in Papillon shareholders having a minority interest in the enlarged group (the "Group").

The Acquisition is subject and continues to be subject, inter alia, to the completion of due diligence, documentation and compliance with all regulatory requirements, including the Listing and Prospectus Rules and, as required, the Takeover Code. As the Acquisition will constitute a Reverse Takeover under the Listing Rules, the listing in the Company's ordinary shares were suspended, and continue to be suspended pending the publication of a prospectus and the application for the enlarged Company to have its Ordinary Shares readmitted to the Official List and to trading on the main market for listed securities of the London Stock Exchange.

On 20 December 2016, the Directors announced that further to the initial announcement of the reverse takeover of the Acquisition on 9 September 2016, it has executed a formal Sale and Purchase agreement (‘SPA’) with the Directors and principal shareholders of MCB. The SPA contains certain provisions regarding the completion and positive conclusion of due diligence by the Directors and its advisers on the Acquisition. Upon satisfaction of the foregoing, shareholders will be informed of the formal terms of the agreement, which will constitute a Reverse Takeover (‘RTO’) under the Listing rules since, inter alia, in substance it will result in a fundamental change in the business of the issuer.

After the SPA was signed, the Company advanced £50,000 to MCB by way of a loan. The loan was being applied to facilitate a bond being raised by MCB for £5 million. It is not intended that Papillon will raise any new equity as part of this Acquisition, the working capital requirements being totally satisfied by the issue of the Bond by MCB.

The Directors of Papillon have issued a letter of comfort that any shortfall of fees payable in connection with this acquisition, as provided for in the heads of terms, will be made up by the directors of Papillon personally where there is any shortfall in cash to pay for the costs thereof. This amount is unquantifiable currently but the contribution will be likely to commute the costs of the acquisition materially. The length of time it has taken to complete the transaction has also

meant that the ongoing costs of running the company has fallen to Papillon rather than the contemplated group. The directors have also provided a letter of comfort with regard to the working capital requirements of the Company pending completion of the acquisition.

James Longley
Director

29 August 2017

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2016

	Notes	Period from 19 October 2015 to 31 December 2016 £'000
Continuing operations		
Listing costs	5	(119)
Administrative expenses	5	(284)
Loss before taxation		<u>(403)</u>
Taxation	7	-
Loss and comprehensive loss for the period		<u>(403)</u>
Basic and diluted loss per share	8	(0.574p)

Since there is no other comprehensive loss, the loss for the period is the same as the total comprehensive loss for the period attributable to the owners of the Company.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

Notes	As at 31 December 2016 £'000
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Assets**Current assets**

Other receivables	10	268
Cash and cash equivalents	11	99
Total Assets		367

Equity and liabilities**Current liabilities**

Trade and other payables	12	36
Total Liabilities		36

Equity attributable to equity holders of the company

Share Capital - Ordinary shares	13	132
Share Premium account	13	602
Profit and Loss Account current period	14	(403)
Total Equity		331
Total Equity and liabilities		367

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

		Period from 19 October 2015 to 31 December 2016
	Notes	£'000
Cash flows from operating activities		
Operating loss	5	(403)
(Increase)/decrease in receivables		(68)
Increase/(decrease) in payables		36
Cash flow from operating activities		(435)
Cash flows from financing activities		
Issue of shares	13	534
Net cash from/(used in) financing activities		534
Net increase in cash and cash equivalents		99

Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at end of period	99
Represented by: Bank balances and cash	99

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2016

	Notes	Share capital £'000	Share premium £'000	Accumulated deficit £'000	Total equity £'000
On Incorporation		-	-	-	-
Shares issued during the period		132	742	--	874
Share issue costs		-	(140)	-	(140)
Loss for the Period		-	-	(403)	(403)
As at 31 December 2016		132	602	(403)	331

Share capital is the amount subscribed for shares at nominal value.

Share premium represents amounts subscribed for share capital in excess of nominal value.

Accumulated deficit represent the cumulative loss of the company attributable to equity shareholders.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

1 General information

Papillon Holdings Plc ('the company') is an investment company incorporated in the United Kingdom. The address of the registered office is disclosed on the company information page at the front of the annual report. The Company was incorporated and registered in England and Wales on 19 October 2015 as a private limited company and re-registered on 24 June 2016 as a public limited company.

2 Accounting policies

2.1. Basis of Accounting

This financial information has been prepared in accordance with International Financial Reporting Standards (IFRS), including IFRIC interpretations issued by the International Accounting Standards Board (IASB) as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These policies have been consistently applied.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3. The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Although these estimates are based on management's experience and knowledge of current events and actions, actual results may ultimately differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a) Going concern

These financial statements have been prepared on the assumption that the Company is a going concern. When assessing the foreseeable future, the Directors have looked at a period of at least twelve months from the date of approval of this report and have looked at the adequacy of funds required in connection with the proposed acquisition of Myclubbetting.com Limited as well as working capital requirements of the Company. The Directors have issued a letter of comfort to meet any shortfall of fees payable as well as working capital requirements of the Company, pending completion of the acquisition. The working capital requirements of the Company will be the responsibility of the combined group upon completion of the acquisition.

After making enquiries, the Directors firmly believe that together with their support the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

b) New and amended standards adopted by the company

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning that would be expected to have a material impact on the Company.

c) Standards, interpretations and amendments to published standards that are not yet effective

The following new standards, amendments to standards and interpretations have been issued, but are not effective for the financial period beginning 26 February 2016 and have not been early adopted. The Director anticipates that the adoption of these standard and the interpretations in future period will have no material impact on the financial statements of the company.

Reference	Title	Summary	Application date of standard	Application date of Company
IFRS 9	Financial Instruments	Revised standard for accounting for financial instruments	Periods commencing on or after 1 January 2018	1 January 2018
IFRS 10	Consolidated financial statement	Amended by Investment Entities: Applying the Consolidation Exception	Periods commencing on or after 1 January 2016	1 January 2017
IFRS 11	Joint Arrangements	Amended by Accounting for Acquisitions of Interests in Joint Operations	Periods commencing on or after 1 January 2016	1 January 2017
IFRS 12	Disclosure of Interests in Other Entities	Amended by Investment Entities: Applying the Consolidation Exception	Periods commencing on or after 1 January 2016	1 January 2017

IFRS 14	Regulatory deferral accounts	Aims to enhance the comparability of financial reporting by entities subject to rate-regulations	Periods commencing on or after 1 January 2016	1 January 2017
IFRS 15	Revenue from contracts with customers	Specifies how and when to recognise revenue from contracts as well as requiring more informative and relevant disclosures	Periods commencing on or after 1 January 2018	1 January 2018
IFRS 16	Leases	IFRS 16 <i>Leases</i> published	Periods commencing on or after 1 January 2019	1 January 2019
IFRS 17	Insurance Contracts	IFRS 17 <i>Insurance Contracts</i>	Periods commencing on or after 1 January 2021	1 April 2021
IAS 16	Property, Plant and Equipment	Amended standard for accounting treatment for property, plant and equipment	Periods commencing on or after 1 January 2016	1 January 2017
IAS 27	Separate financial statement	Amended by Equity Method in Separate Financial Statements (Amendments to IAS 27)	Periods commencing on or after 1 January 2016	1 January 2017
IAS 28	Investments in Associates and Joint Ventures	Amended by Investment Entities: Applying the Consolidation Exception	Periods commencing on or after 1 January 2016	1 January 2017

2.2 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions. In the opinion of the director, the company has one class of business, being that of an investment company. The company's primary reporting format is determined by the geographical segment according to the location of its establishments. There is currently only one geographic reporting segment, which is the UK. All costs are derived from the single segment.

2.3 Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Other receivables

Other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to the initial recognition, other receivables are measured at amortised cost less impairment losses for bad and doubtful debts.

Impairment losses for bad and doubtful debts are measured as the difference between the carrying amount of financial asset and the estimated future cash flows, discounted where the effect of discounting is material.

Cash and cash equivalents

Cash and cash equivalents comprised of cash at bank and in hand.

Fair values

The carrying amounts of the financial assets and liabilities such as cash and cash equivalents, receivables and payables of the company at the statement of financial position date approximated their fair values, due to relatively short term nature of these financial instruments.

Other payables

Other payables are initially recognised at fair value and thereafter stated in amortised cost.

2.4 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.5 Taxation

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

There is no tax currently payable based on the Company making a loss for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income and expense that are taxable or deductible in other years, and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3 Critical accounting estimates and judgments

The company makes certain judgements and estimates which affect the reported amount of assets and liabilities. Critical judgements and the assumptions used in calculating estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the process of applying the Company's accounting policies, which are described above, the Directors do not believe that they have had to make any assumptions or judgements that would have a material effect on the amounts recognised in the financial information.

4 Financial risk management

The Company's activities may expose it to some financial risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

a) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The responsibility for liquidity risks management rest with the Board of Directors, which has established appropriate liquidity risk management framework for the management of the company's short term and long-term funding risks management requirements. During the period under review, the Company has not utilised any borrowing facilities. The Company manages liquidity risks by maintaining adequate reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

b) Capital risk

The Company takes great care to protect its capital investments. Significant due diligence is undertaken prior to making any investment. The investment is closely monitored.

5 Operating loss, expenses by nature and personnel

	Period from 19 October 2015 to 31 December 2016 £'000
Operating loss is stated after charging:	
Directors Remuneration	20
Directors fees	111
Premises	11
Legal and professional fees	78
Listing costs	119
Audit fees	5
Other administrative expenses	59
Total administrative expenses	<u>403</u>

6 Personnel

The average monthly number of employees during the period was two directors.

There were no benefits, emoluments or remuneration payable during the period for key management personnel other than the £131,000 disclosed in Note 5 and £75,000 paid in fees which have been included in share premium and disclosed in note 19 as a related party transaction.

7 Taxation

	Period from 19 October 2015 to 31 December 2016 £'000
Total current tax	<u>-</u>
Factors affecting the tax charge for the period	
Loss on ordinary activities before taxation	<u>(403)</u>

Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20%	(80)
Effects of:	
Non-deductible expenses	43
Tax losses carried forward	37
Current tax charge for the period	<u><u>-</u></u>

No liability to UK corporation tax arose on ordinary activities for the current period.

The company has estimated tax losses of £186,000 available for carry forward against future trading profits.

The tax losses have resulted in a deferred tax asset of approximately £37,000 which has not been recognised in the financial statements due to the uncertainty of the recoverability of the amount.

8 Earnings per share

**Period from 19
October 2015 to
31 December 2016**

Basic loss per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of ordinary shares in issue during the period:

Loss after tax attributable to equity holders of the company	(402,742)
Weighted average number of ordinary shares	70,108,868
Basic and diluted loss per share	<u><u>(0.574p)</u></u>

There were no potential dilutive shares in issue during the period.

9 Capital risk management

The Directors' objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. At the date of this financial information, the Company had been financed by the introduction of capital. In the future, the capital structure of the Company is expected to consist of borrowings and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

10 Other receivables

	2016 £'000
Unpaid share capital	200
Other receivables	52
Prepayments	16
	<u><u>268</u></u>

Details of unpaid share capital are disclosed in note 13 to the financial statements.

11 Cash and cash equivalents

2016

	£'000
Cash at bank	99
	<u>99</u>
12 Trade and other payables	
	2016 £'000
Trade payables	4
Accruals	32
	<u>36</u>
13 Share capital	
	For the year end 31 December 2016 £'000
Allotted, called up and fully paid	
132,400,000 Ordinary shares of £0.001 each	132
	<u>132</u>

During the period the company had the following share transactions:

On 19 October 2015, the Company was incorporated with an issued share capital of two Ordinary shares of £1 each.

On 18 March 2016, the Company subdivided each ordinary share of £1 into 1,000 Ordinary shares of £0.001 each.

On 18 March 2016, the Company issued and allotted 49,998,000 Ordinary shares of £0.001 each at par.

On 15 June 2016, the Company issued and allotted 82,400,000 Ordinary shares of £0.001 each at £0.01. Furthermore, on 24 June 2016, the entire share capital was listed on the London Stock Exchange Main Market- Standard Segment ("Main Market").

Of the 82,400,000 Ordinary shares allotted 10,000,000 Ordinary shares of £0.001 each were allotted to each of the Directors, James Longley and Charles Tatnall, and of the £200,000 unpaid subscription monies at the year-end, £140,000 was paid into the Company's bank account equally by James Longley and Charles Tatnall on 21 August 2017 with the balance being offset against ongoing expenses of the company borne by Messrs Longley and Tatnall.

The ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) right; they do not confer any rights of redemption.

The Company has issued Placing warrants to the Placees to subscribe at 1.5 pence per Ordinary share for up to 41,200,000 Ordinary shares each on the basis of one Placing warrant for every two Placing shares subscribed for by each Placee. The Placing warrants are unlisted and are exercisable up to the second anniversary of Admission in whole or in a minimum aggregate amount of 50,000 Placing warrants.

The Company has issued Founder warrants to James Longley and Charles Tatnall, to subscribe at 1.25 pence per Ordinary share for up to 10 million Ordinary shares each, they also hold placee warrants of 5 million each. The Founder warrants are unlisted and are exercisable up to the third anniversary of Admission in whole or in a minimum aggregate amount of 50,000 Founder warrants.

The Company has issued Broker warrants to JIM Nominees Limited to subscribe at the Placing Price for up to 10,300,000 Ordinary Shares. The Broker warrants are unlisted and are exercisable up to the fifth anniversary of Admission in whole or in a minimum aggregate amount of 50,000 Broker warrants.

14 Accumulated deficit

	2016
	£'000
At start of period	-
Loss for the period	(403)
At 31 December 2016	<u>(403)</u>

15 Contingent liabilities

The company has no contingent liabilities in respect of legal claims arising from the ordinary course of business.

16 Capital commitments

There was no capital expenditure contracted for at the end of the reporting period but not yet incurred.

17. Ultimate controlling party

As at 31 December 2016 the ultimate controlling parties of the Company are the Directors, Charles Tatnall and James Longley, who have a combined shareholding of more than 50% of the ordinary share capital of the company.

18. Events after the reporting period

As detailed in the Chairman's statement the Company is in the process carrying out due diligence, documentation and compliance with all regulatory requirements, including the Listing and Prospectus Rules and, as required, the Takeover Code in relation to the proposed acquisition of MyClubbetting.Com Limited. The Company's ordinary shares continue to be suspended pending the publication of a prospectus and the application for the enlarged Company to have its Ordinary Shares readmitted to the Official List and to trading on the main market for listed securities of the London Stock Exchange.

19. Related party transactions

During the period ended 31 December 2016 the Directors received consultancy fees through the following companies:

Director	Company	Fees paid £
James Longley	James Longley Limited	53,000
Charles Tatnall	Tatbels Limited	<u>53,000</u>
		<u>£106,000</u>

During the period ended 31 December 2016 the Directors were paid fees for raising corporate finance which amounted to £75,000 as follows:

Director	Fees paid
	£
James Longley	37,500
Charles Tatnall	<u>37,500</u>
	<u>£75,000</u>

The above fees were payable to their jointly owned company, Spencer Chapman Limited and are included as part of share issue costs charged to the share premium account.

During the period ended 31 December 2016 the Company paid rent of £10,789 in respect of rental of offices. The head lease on these offices is owned by James Longley.

20. Nature of financial information

These are not full accounts in terms of Section 434 of the Companies Act 2006. Full accounts for the period ended 31 December 2016 have been lodged with the Registrar of Companies. The audited financial statements for the period ended 31 December 2016 contain an unqualified audit report.

****ENDS****

For further information visit www.papillonholdingsplc.com or contact the following:

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Elisabeth Cowell /
Grace-Anne Marius

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (MAR).