

APPENDIX 3.1
(referred to in paragraphs 2.5, 2.13, 2.208, 3.20, 3.21, 3.23, 3.26 and 3.42
and in Tables 3.9 and 3.10)

The Coral betting business

The assets subject to the sale agreement between Bass and Ladbroke were as follows:

1. The issued share capital of Coral Holdings Limited, which (together with its subsidiaries) operated:
 - (a) most (that is, some 730) of the 833 Coral UK off-course betting shops, through Coral Racing Limited;
 - (b) Coral's eight betting shops in Jersey, through Coral (Channel Islands) Limited;
 - (c) Coral's telephone betting business, through Coral Racing (Accounts) Limited;
 - (d) Coral's on-course and sporting events betting activities, through Joe Coral (Course) Limited; and
 - (e) Coral's interest in 49's Limited.
2. The issued share capital of Arthur Prince (Turf Accountants) Limited, which operated the remainder (that is, some 100) of the Coral UK off-course betting shops.
3. The issued share capital of Coral Estates (Holdings) Limited, which (together with its subsidiary) held the majority property interests of the Coral group.
4. The issued share capital of Coral Stadia Limited, which (together with its subsidiary) operated the Brighton and Hove, and Romford greyhound stadiums.
5. Brighton and Hove greyhound stadium and three other specific properties.
6. Trade marks used in the Coral betting business.
7. The issued share capital of (and a related debt owed by) Coral Leisure (Ireland) Limited, a company incorporated in the Republic of Ireland. This company owns and operates Coral's Irish betting business, principally the 50 off-course shops which trade under the Coral name in the Republic of Ireland. (The acquisition of this company by Ladbroke was subject to Irish competition law clearance.)
8. Bass's shares in SIS. Following the exercise of pre-emption rights by the shareholders under the Articles of Association, Ladbroke's holding increased to 22.8 per cent of the issued share capital by the acquisition of 11,171 ordinary shares (representing 5.04 per cent of the issued share capital).
9. Bass's two shares in Lucky Choice Limited. Following the exercise of pre-emption rights by the shareholders under the Articles of Association on 10 March 1998, one of the shares was transferred to William Hill. Accordingly, William Hill and Ladbroke each now hold 50 per cent of the issued share capital of Lucky Choice Limited.
10. Bass's shares in Tote Direct and two promissory notes issued by Tote Direct. The Articles of Association of Tote Direct prevent a member transferring its shares without the consent of all other members, but it has been agreed between Ladbroke and the Tote that the shares held by Bass will be transferred so that they would each have a 50 per cent holding. These arrangements were formally approved by the board of Tote Direct on 25 March 1998. Certain technical formalities remain to be concluded before the registration of the share transfer can be effected.

Source: Ladbroke.