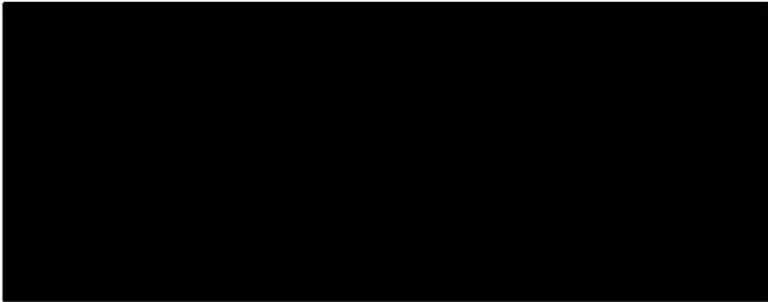


For the sake of transparency, we are notifying you that VTB Bank (Europe) SE, an affiliate of VTB Bank, and Sberbank CZ, a.s., an affiliate of Sberbank, are lenders under SAZKA Group a.s.'s senior facilities agreement dated 16 December 2020. Both VTB Bank and Sberbank have been named as sanctioned entities under UK and EU sanctions. SAZKA Group is continuing to assess with its advisors and with the agent under the senior facilities agreement the consequences of these sanctions and expects to terminate these lenders' participations in the senior facilities agreement in a manner that complies with all applicable laws. For the avoidance of doubt, this does not in any way impact the financial resources set out in our Application.



Borrower: SAZKA Group as (151155)			
Perm ID	5040256047		
Legal Entity ID (LEI)	3157001WZJ5035EAL536		
Deal Active Date	16-Dec-2020		
Deal Id	264280		
Deal PermID	47336960315		
Deal Amount (m)	EUR 640m		
Website	https://www.sazkagroup.com/		
Region	Eastern Europe/Russia		
Location	Praha, 160 00 Czech Republic		
Ultimate Parent	SAZKA Group as		
Sales Size	EUR 9.58m		
Broad Industry Group	Corporates		
Major Industry Group	Leisure and Entertainment		
SIC	7999: Amusement and recreation, nec		
NAIC	523910: Miscellaneous Intermediation		
Is company private?	Yes		
Borrower Rating	Current	Fitch Senior Unsecured	WD
		S&P Long-term Issuer Rating	-
		S&P Senior Secured	-
		S&P Senior Unsecured	-
	At Close	Fitch Senior Secured	BB-
		Fitch Senior Unsecured	BB-
		S&P Long-term Issuer Rating	-
		S&P Senior Unsecured	-
		Fitch Senior Secured	BB-
Deal Phase	Closed		
Active	Yes		
Deal Purpose	General Purpose		
Deal Purpose Comment	Credit refinances co's existing Bilateral loan facilities.		
Refinancing	Yes		
Deal Input Date	17-Dec-2020		
Tiered Upfront Fee	No		
Tranche 1	EUR 220m Term Loan A 16-Dec-2020 ~ 31-Jul-2024		
Tranche 2	EUR 200m Revolver/Line >= 1 Yr. 16-Dec-2020 ~ 31-Jul-2024		
Tranche 3	EUR 220m Term Loan B 16-Dec-2020 ~ 31-Jul-2024		
General Covenants	Prepayment	Material Restriction	No
Tranche 1 of 3 Term Loan A			
Tranche Id	398953		
Tranche PermID	47336960319		
Tranche Amount (m)	EUR 220m		
Original Tranche Amount (m)	EUR 220m		
Tranche Active	Yes		
Tranche Active Date	16-Dec-2020		
League Table Credit	Yes		
League Table Tranche Date	16-Dec-2020		

Borrower: SAZKA Group as (151155)		
Amend & Extend Flag	No	
Tranche Amended	No	
Secured	No	
Tranche Refinancing	Yes	
Sponsored	No	
Market of Syndication	Eastern Europe/Russia	
Country of Syndication	Czech Republic	
Primary Purpose	General Purpose	
Unitranche	No	
Cov-Lite	No	
Second Lien	No	
Asset-Based Loan	No	
Tranche Maturity Date	31-Jul-2024	
Other Dates	Completion date	16 Dec 2020
Tenor/Maturity	43 months	
Seniority Type	Senior	
Distribution Method	Syndication	
Repayment Information	Repayment Type	Term Amortization
Options	Competitive Bid	No
	Banker's Acceptance	No
Lender Titles/Roles	Arranger	Raiffeisen Bank International AG [RBI]
		Sberbank CZ
	Lead arranger	BNP Paribas SA
		VTB Bank Europe Plc
	Mandated Lead arranger	Erste Group Bank [Mandated arranger]
		HSBC [Mandated arranger]
Komerčni Banka as [Facility agent, Mandated arranger]		
	UniCredit [Bookrunner, Mandated arranger]	
Tranche 2 of 3 Revolver/Line >= 1 Yr.		
Tranche Id	398946	
Tranche PermID	47336960316	
Tranche Amount (m)	EUR 200m	
Original Tranche Amount (m)	EUR 200m	
Tranche Active	Yes	
Tranche Active Date	16-Dec-2020	
League Table Credit	Yes	
League Table Tranche Date	16-Dec-2020	
Amend & Extend Flag	No	
Tranche Amended	No	
Secured	No	
Tranche Refinancing	Yes	
Sponsored	No	
Market of Syndication	Eastern Europe/Russia	
Country of Syndication	Czech Republic	
Primary Purpose	General Purpose	
Unitranche	No	
Cov-Lite	No	
Second Lien	No	
Asset-Based Loan	No	
Tranche Maturity Date	31-Jul-2024	
Other Dates	Completion date	16 Dec 2020

Borrower: SAZKA Group as (151155)				
Tenor/Maturity	43 months			
Seniority Type	Senior			
Distribution Method	Syndication			
Repayment Information	Repayment Type	Revolving		
Options	Competitive Bid	No		
	Banker's Acceptance	No		
Lender Titles/Roles	Arranger	Raiffeisen Bank International AG [RBI]		
		Sberbank CZ		
	Lead arranger	BNP Paribas SA		
		VTB Bank Europe Plc		
	Mandated Lead arranger	Erste Group Bank [Mandated arranger]		
		HSBC [Mandated arranger]		
Komerčni Banka as [Facility agent, Mandated arranger]				
UniCredit [Bookrunner, Mandated arranger]				
Tranche 3 of 3 Term Loan B				
Tranche Id	398960			
Tranche PermID	47336960321			
Tranche Amount (m)	EUR 220m			
Original Tranche Amount (m)	EUR 220m			
Tranche Active	Yes			
Tranche Active Date	16-Dec-2020			
League Table Credit	Yes			
League Table Tranche Date	16-Dec-2020			
Amend & Extend Flag	No			
Tranche Amended	No			
Secured	Yes			
Collateral/Security Type	Unknown			
Tranche Refinancing	Yes			
Sponsored	No			
Market of Syndication	Eastern Europe/Russia			
Country of Syndication	Czech Republic			
Primary Purpose	General Purpose			
Tranche Market Segment	Institutional			
Unitranche	No			
Cov-Lite	No			
Second Lien	No			
Asset-Based Loan	No			
Tranche Maturity Date	31-Jul-2024			
Other Dates	Completion date	16 Dec 2020		
Tenor/Maturity	43 months			
Average Life	3.625 years			
Seniority Type	Senior			
Distribution Method	Syndication			
Repayment Information	Repayment Type	Bullet		
Repayment Schedule	Number	Period	Payment	Begin Date
	1	Bullet	EUR 220m (220m)	31-Jul-2024
Options	Competitive Bid	No		
	Banker's Acceptance	No		

Borrower: SAZKA Group as (151155)		
Lender Titles/Roles	Arranger	Raiffeisen Bank International AG [RBI]
		Sberbank CZ
	Lead arranger	BNP Paribas SA
		VTB Bank Europe Plc
	Mandated Lead arranger	Erste Group Bank [Mandated arranger]
		HSBC [Mandated arranger]
		Komerčni Banka as [Facility agent, Mandated arranger]
		UniCredit [Bookrunner, Mandated arranger]

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From: [REDACTED]
To: [Andrew Rhodes](#)
Subject: FW: CALL: 4NLC/ Rothschild & Co - Re: Update on planning for the announcement
Date: 02 March 2022 15:25:02
Attachments: [REDACTED]

TBA

[REDACTED]



[REDACTED]
[REDACTED]
Gambling Commission
21 Bloomsbury Street
London
WC1B 3HF
[REDACTED]

From: [REDACTED]
Sent: Wednesday, March 2, 2022 3:20 PM
To: [REDACTED]; [REDACTED]
<[REDACTED]@gamblingcommission.gov.uk>; [REDACTED]
<[REDACTED]@gamblingcommission.gov.uk>; [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>
Cc: [REDACTED]
[REDACTED]
[REDACTED]
<[REDACTED]@gamblingcommission.gov.uk>; [REDACTED]
<[REDACTED]@gamblingcommission.gov.uk>
Subject: CALL: 4NLC/ Rothschild & Co - Re: Update on planning for the announcement

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[REDACTED]

Just to flag further to our call this morning that we have identified that Sberbank and VTB's participation in the Dec-20 financing is publicly available information (as per the attached which is behind a paywall but otherwise freely accessible and a commonly used resource in financing circles).

[REDACTED]

[REDACTED]
[REDACTED]

2 March 2022

[REDACTED]
Gambling Commission
Victoria Square House
Victoria Square
Birmingham
B2 4BP

Fourth National Lottery Licence - UK/EU Sanctions on Russia

Dear [REDACTED]

Further to our letter to you dated 28 February 2022 and discussions I had earlier today with [REDACTED] I wanted to provide you with a further update regarding our plans to unwind and terminate certain lending relationships in compliance with applicable sanctions laws.

As we wrote to you in our 28 February letter, German and Czech affiliates, respectively, of VTB Bank and Sberbank, which are subject to recent UK and EU sanctions, are lenders under SAZKA Group a.s.'s senior facilities agreement dated 16 December 2020. We intend to repay these participations (which amount to €63.1 million, out of total gross debt outstanding at SAZKA Group a.s. of €2.0 billion as of 28 February 2022) as soon as possible and in any event prior to 26 March 2022. We have been advised by Clifford Chance LLP, our legal counsel, that such repayments would be in compliance with UK and EU sanctions laws. Following repayment, SAZKA Group a.s. would no longer have any lending or other relationships with any entities subject to UK or EU sanctions.

We would like to reiterate that the above has no bearing whatsoever on the financial resources put in place in respect of Allwyn Entertainment Ltd (our Proposed Licensee) as described in our Application.

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

3 March 2022

Dear [REDACTED]

Fourth National Lottery Licence (the “Licence”) – Sanctions on Russia

Thank you for your letter dated 28 February 2022 which we have considered carefully.

1. PURPOSE AND BACKGROUND TO THIS LETTER

As you know the National Lottery etc Act 1993 (the “**Act**”) provides that the Commission may not grant a licence to operate the National Lottery unless it is satisfied that the proposed licensee is a fit and proper person. The Commission is required to revoke the Licence if it is satisfied that the applicant is no longer, or never was, a fit and proper person. In this context, as contemplated by the Act, the Commission will consider whether any person who is likely to benefit from the business of operating the National Lottery is a fit and proper person to do so.

In the context of the unprecedented situation in Ukraine and the associated sanctions, the Commission is today writing to all Applicants to set out certain steps which it has decided to take with a view to satisfying itself that Applicants for the Licence, Proposed Licensees (and, in due course, the Incoming Licensee) and any other person who is likely to benefit from the business of operating the National Lottery (for example, a material direct or indirect shareholder in the Incoming Licensee) takes all appropriate steps to ensure compliance with sanctions.

2. DEFINED TERMS

In this letter:

- “**Funding Sanctions Issue**” means any issue which might involve:
 - funding being provided in a manner which is in breach of any UK and other applicable sanctions; and/or
 - access to funding being restricted as a result of the application of any UK and other applicable sanctions;
- “**Other Sanctions Issue**” means any relationship (including via an ownership interest in an entity) or activity of a Lottery Beneficiary (as such term is defined in the form of the Fourth Licence) which breaches, or may give rise to a breach of, UK and other applicable sanctions;
- “**Sanctions Issue**” means any Funding Sanctions Issue or Other Sanctions Issue;
- “**Potential Financing Arrangements**” any arrangement for financing from which your Proposed Licensee may directly or indirectly benefit, including financing provided to a parent or



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Birmingham B2 4BP

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F+44 121 230 6720
www.gamblingcommission.gov.uk

other group company of your Proposed Licensee which may enable such parent or group company to provide debt or equity finance for the benefit of your Proposed Licensee.

3. **MATTERS RAISED BY YOUR CORRESPONDENCE WITH US**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

As part of this, it is necessary for the Commission to consider the possibility of Sanctions Issues arising in connection with the availability of equity finance (directly or indirectly) from Sazka to the Proposed Licensee.

In your letter of 28 February you have identified a specific relationship between Sazka and each of VTB Bank (Europe) SE and Sberbank CZ, a.s. which we consider could give rise to a Sanctions Issue (the “**Identified Issue**”). Your subsequent letter of 2 March 2022 provided some further explanation of this matter and an indication of the steps you are taking to ensure, that the Identified Issue is resolved. [REDACTED]

[REDACTED]

4. **REQUIREMENTS OF THIS LETTER**

We are therefore writing to you for two purposes:

- (a) to ask you to provide, **no later than 5pm 4 March 2022:**
 - (i) an update (including supporting evidence such as a letter or memorandum prepared by a recognised law firm) to demonstrate the steps being taken to address and resolve the Identified Issue on an urgent basis expanding as appropriate on your letter of 2 March 2022; and

[REDACTED]

4 March 2022

[REDACTED]
Gambling Commission
Victoria Square House
Victoria Square
Birmingham
B2 4BP

Fourth National Lottery Licence (the "Licence") - Sanctions on Russia

Dear [REDACTED]

We are writing in response to your letter dated 3 March 2022. Capitalised terms used and not otherwise defined in this letter have the respective meanings ascribed to them in your letter.

As described below, SAZKA Group a.s. ("**SAZKA Group**") will terminate its lending relationships with a German affiliate of VTB Bank and a Czech affiliate of Sberbank by the week commencing 14 March. Upon the prepayment of these lenders' participations in SAZKA Group's senior facilities agreement dated 16 December 2020 (the "**SFA**"),¹ [REDACTED]

1. Steps being taken to address and resolve the Identified Issue

Further to our 2 March letter, SAZKA Group has already initiated the process to repay and cancel the participations of VTB Bank (Europe) SE and Sberbank CZ, a.s. under its SFA on an urgent basis and in any event prior to 26 March 2022. While Sberbank is not at present the subject or the target of UK or EU sanctions that would prohibit it from participating in the SFA, SAZKA Group's Board of Directors is committed to sever all connections with both of these institutions with the utmost urgency. [REDACTED]

¹ SAZKA Group Financing (Czech Republic) a.s., a direct, wholly owned subsidiary of SAZKA Group a.s., is the original borrower under the SFA. This entity does not have any direct or indirect beneficial ownership of the Proposed Licensee.

- [REDACTED]

- [REDACTED]

- [REDACTED]

- [REDACTED]

[REDACTED]

[REDACTED]

Repayment of the VTB Bank (Europe) SE and Sberbank CZ, a.s. participations under SAZKA Group's SFA as described under Part 1 above will not have a material impact on the group's liquidity. SAZKA Group's financial condition remains very strong, with all of our businesses

generating healthy cash flows, which provides the group with flexibility as to our capital resources.

[REDACTED]

[REDACTED]

We would, of course, be happy to provide you with any further information you require in connection with the foregoing.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: 25 March 2022 20:37
To: [REDACTED]
Cc: [REDACTED]
Subject: Update on payments

Hi both,

In from Jaggaer this evening:

Message

Dear [REDACTED],

We are following up on our message dated 22 March 2022 to provide a further update on the steps SAZKA Group is taking to resolve the Identified Issue.

Today we have transferred all outstanding amounts owing to Sberbank CZ a.s. ("Sberbank") under the Senior Facilities Agreement ("SFA") to the SFA Agent, who is in the process of wiring the amount to Sberbank. Under the terms of the SFA, as of today we have fulfilled all our obligations towards Sberbank.

Kind regards

[REDACTED]

[REDACTED]

They confirmed that their facility agreements with (EU affiliates of) Sberbank and VTB (both subject to sanctions) would be repaid and unwound by 27 March 2022 per legal advice to Applicant 6 from their legal advisors.

Applicant 6 provided a written response on 28 February detailing that their wider group facilities were being reviewed with a view to repaying them prior to the deadline of 27 March as set by UK legislation. The Commission responded to the Applicant on this point and received a further update letter on 3 March, [REDACTED]

The Commission responded to the 3 March letter requesting an update on progress on 9 March. As at 11 March, the Applicant confirmed it had completed two of the steps outlined in their legal advisors approach to repayment and unwinding, noting that the commitments to the sanctioned entities had been cancelled as at 11 March. The remaining three steps [REDACTED] would be completed by no later than the end of the week commencing 14 March, resulting in there being no obligation to, or lending from, either sanctioned entity.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

From: [REDACTED]
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Update on repayments
Date: 22 March 2022 14:47:02
Attachments: [image001.png](#)

CAUTION: This email is from an external source - be careful of attachments and links

Dear [REDACTED],

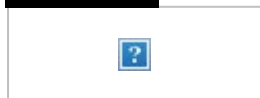
We are following up on our message dated 18 March 2022 to provide a further update on the steps SAZKA Group is taking to resolve the Identified Issue.

Today we have completed the repayment of all outstanding amounts of VTB Bank (Europe) SE (“VTB”) under the Senior Facilities Agreement and can confirm that SAZKA Group has no further obligations or any other relationship with VTB. Repayment of Sberbank CZ a.s. (“Sberbank”) (which is currently not subject to UK sanctions that would prohibit it from participating in the Senior Facilities Agreement) will follow in the coming days to avoid any potential negative public relations.

We will notify you as soon as the repayment to Sberbank has been made.

Kind regards

[REDACTED]



[REDACTED]

t
e
a
w
[REDACTED]

From: [REDACTED]
Sent: 18 March 2022 17:53
To: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>
Cc: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>; [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>; [REDACTED]
Subject: Update on repayments

Dear [REDACTED],

We are following up on our message dated 11 March 2022 to provide a further update on the steps SAZKA Group is taking to resolve the Identified Issue.

We continue the process of repaying the participations of VTB Bank (Europe) SE (“VTB”) and Sberbank CZ a.s. (“Sberbank”) under the Senior Facilities Agreement (“SFA”) on an urgent basis. As mentioned in our last message, VTB’s and Sberbank’s commitments were cancelled as of 11 March 2022.

[REDACTED]

[REDACTED] However, we have experienced delays in the RCF drawdown that is to be used for repayment of VTB and Sberbank due to longer than usual internal administrative processes experienced by some of our syndicate banks.

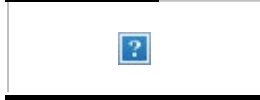
As of today, we expect to send a prepayment notice to VTB on Monday, 21 March 2022 and repay all outstanding amounts to VTB on Tuesday, 22 March 2022, ahead of the deadline of 27 March 2022 when the general licence for winding down positions involving VTB Bank expires. Repayment of Sberbank (which is currently not subject to UK sanctions) will follow to avoid any potential negative public relations.

We will notify you as soon as the repayments to VTB and Sberbank have been made and SAZKA

Group will have no further obligations or other relationship towards these banks.

Kind regards

[REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Legal Disclaimer:

SAZKA Group UK Limited, trading as Allwyn (a company with its registered seat at 1 Connaught Place, London, W2 2ET, United Kingdom (the "Company").

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Sanctions

Following the first tranche of sanctions notifications from the Office of Financial Sanctions Implementation (OFSI) on Tuesday 22 February 2022, the Commission issued several Applicant Notes (see Sanctions Applicant Note) seeking information and clarification from Applicants as to the appropriate steps undertaken to ensure compliance with sanctions.

[REDACTED]

- **Cancellation of wider group facilities from Russian Banks and their Affiliates:** *Although not relevant to their 4NLC funding Application, Allwyn confirmed wider group facility agreements with (EU affiliates of) Sberbank and VTB (both subject to sanctions) were unwound and repaid by 27 March 2022. Allwyn confirmed that following the repayment, Allwyn Group a.s. would no longer have any lending or other relationships with any entities subject to UK or EU sanctions.*
- [REDACTED]
 - [REDACTED]

Dear Sir,

████████████████████ and I'm writing to you because we are considering publishing a story about Allwyn International a.s. and its financing, in particular loans taken by the group from two Kremlin-controlled banks, VTB and Sberbank, as part of a syndicated loan.

We are considering reporting that Allwyn International (the parent company of the Allwyn UK entities and ultimately the company behind the bid), via its financing division previously known as Sazka Group Financing, was financed by these two banks during the period when Allwyn Entertainment Limited was bidding for the UK National Lottery contract. It therefore appears that Allwyn's bid to run the National Lottery was partly funded by borrowing from these two banks. The information set out below is based on publicly available corporate records.

In addition, we are considering reporting that the Allwyn group was still borrowing from these two banks, which had both been sanctioned in the UK following the full scale invasion of Ukraine, when it was named the Gambling Commission's "preferred applicant" for the Lottery contract.

We believe there is considerable public interest in reporting on these matters.

We would like to give you an opportunity to comment upon and clarify or correct our information.

From: [REDACTED]
To: [REDACTED]
Subject: Sanctions - in particular Sazka Group financing
Date: 22 February 2024 18:23:00
Attachments: [REDACTED]

Both

For ease of reference I have extracted and appended to this email the relevant files in relation to KKCG/Sazka/AEL banking as impacted by sanctions. In date order these are as follows:

25/2/22 – Applicant note re sanctions

28/2/22 – Sazka letter confirming that lottery funding unaffected by sanction but flagging, for purposes of transparency, wider Sazka Group impacts re VTB Bank and Sberbank CZ as, an affiliate of VTB

2/3/22 – letter from Sazka Group to GC confirming steps being taken and that these are in compliance with sanctions regime

3/3/22 – GC letter to Allwyn re 28/2 letter

4/3/22 – letter from Sazka Group setting out steps it was taking in relation to sanctions

[REDACTED]

18/3/2022 – confirmation of cancellation of VTB's and Sberbank's commitments on 11/3/22 and process of repayment, [REDACTED]

22/3/2022 - confirmation of VTB repayments concluded. Update on Sberbank, not then subject to UK sanctions

NB 25/3/22 – confirmation of Sberbank repayment is not in the zip file, although it should be.

[REDACTED] **can you please try to locate this email from Allwyn?**

In addition:

[REDACTED]

[REDACTED]

[REDACTED]



[Redacted]

www.gamblingcommission.gov.uk

Making gambling safer, fairer and crime free
I work in a hybrid way and flexibly. An email out of hours does not mean you need to reply.



From: [Redacted] <[Redacted]@gamblingcommission.gov.uk>

Sent: Thursday, February 22, 2024 5:51 PM

To: [Redacted] <[Redacted]@gamblingcommission.gov.uk>

Cc: [Redacted] <[Redacted]@gamblingcommission.gov.uk>

Subject: FW: Tortoise

Hi [Redacted]

You may need to go through these tomorrow/Friday if we get a media inquiry about Saskia/Allwyn's banking arrangements and the two Russian Banks that they ended their relationship with after the renewed Russian invasion of Ukraine in Feb 22. Myself and [Redacted] will try and find the relevant letters this evening.

[Redacted]

[Redacted]

Thanks,

[Redacted]

From: [Redacted] <[Redacted]@gamblingcommission.gov.uk>

Sent: Thursday, November 9, 2023 11:16 AM

To: [Redacted] <[Redacted]@gamblingcommission.gov.uk>; [Redacted]

<[Redacted]@gamblingcommission.gov.uk>; [Redacted]

<[Redacted]@gamblingcommission.gov.uk>; [Redacted]

<[Redacted]@gamblingcommission.gov.uk>

Cc: [Redacted] <[Redacted]@gamblingcommission.gov.uk>; [Redacted]

<[Redacted]@gamblingcommission.gov.uk>

Subject: RE: Tortoise

[Redacted]

[Redacted]

[Redacted]

From: [REDACTED]
To: [REDACTED]
Subject: RE: [* EXT *] RE: [REDACTED]
Date: 26 February 2024 14:10:00
Attachments: [image001.png](#)
[image003.png](#)

Hi [REDACTED]

See below and our signed off response which I think is in line with your own:

- when the Gambling Commission was informed of the loans and what steps it took to verify that these loans did not put the Allwyn Group at risk of breaching sanctions.

- [REDACTED]
- [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Question responses:

1. Allwyn informed us about these loans via letter on 28 February 2022 despite being under no obligation as they did not concern the financing of their application for the Fourth Licence or how it would fund the Fourth Licence if it won. We required, and received, an independent view of the sanctions impact on the 4 March 22. This confirmed Allwyn was cancelling the loans and repaying borrowed funds from other unaffected sources. The loans were repaid by 25 March 2022 - the same date we received

Here is the statement from Allwyn Group [REDACTED]

Statement:

“Allwyn has never borrowed from any banks in violation of sanctions restrictions. The Allwyn Group secured a dedicated bank facility to fund its investments in the Fourth Licence which did not include funds from any Russian banks.

“As soon as Russia invaded Ukraine, and before being named by the Gambling Commission as the Preferred Applicant for the Fourth National Lottery Licence, Allwyn and its legal advisers initiated the process to repay borrowings provided by the European arms of VTB (based in Frankfurt, Germany) and Sberbank (based in Prague, Czechia) as part of a broad syndicated bank financing in 2020.

“Allwyn promptly informed the Gambling Commission, and this process was done in full accordance with the wind down guidance published by HM Treasury. By March 25, 2022, only one month after the invasion of Ukraine, Allwyn had repaid all amounts owed to VTB and Sberbank. The amount borrowed from these two banks represented less than 3% of the Group’s external debt as at the end of 2021.

“Allwyn has repeatedly expressed its horror at Russia’s invasion. Any suggestion that Russia or its government had any role in Allwyn’s bid for the Fourth National Lottery Licence or has any influence over Allwyn is an unjustified smear.”

[REDACTED]

- [REDACTED]
- Loans from the European subsidiaries of the VTB and Sberbank represented less than 3% of overall Group debt at the end of FY20 and FY21.
- [REDACTED]
- On Monday, 28 February 2022, KKCG notified the Gambling Commission that VTB Bank (Europe) SE, an affiliate of VTB Bank, and Sberbank CZ, a.s., an affiliate of Sberbank, were lenders under SAZKA Group a.s.’s senior facilities agreement dated 16 December 2020 and that it would “terminate these lenders’ participations in the senior facilities agreement in a manner that complies with all applicable laws.”
- On 1 March 2022, management reported to the Allwyn International a.s. (SAZKA Group a.s. at the time) board of directors its plans to repay VTB and Sberbank and cancel their participations in Allwyn’s bank facilities.

On 11 March 2022, VTB's and Sberbank's available commitments were cancelled.

- On 22 March and 25 March 2022, VTB's and Sberbank's outstanding loan amounts were fully repaid, respectively.

- All of this was done inside HM Treasury's deadline of 27 March 2022.

- [REDACTED]

- NB: There seems to be general confusion about the situation with Sberbank. As at 1 March 2022, there were sectoral sanctions prohibiting UK Persons from directly or indirectly granting a new loan or credit with a maturity exceeding 30 days to Sberbank, its more than 50% owned subsidiaries or any entity acting on behalf or at the direction of the above. These restrictions would have prevented a new loan *to* Sberbank CZ (assuming it is more than 50% owned by Sberbank PJSC). There were no restrictions on accepting a loan *from* Sberbank CZ or repaying a loan *from* Sberbank CZ. There were also restrictions on UK credit and financial institutions processing sterling payments to, from or via Sberbank or any credit or financial institution more than 50% owned or controlled by Sberbank. However, the loans were voluntarily repayed in full on 25 March 2022.

- In summary, it would be entirely false to suggest that there was Russian influence in connection with the bid for the Fourth National Lottery Licence or that it was in any way financed by entities connected to the Russian State. Further, as made clear from the above, the GC were fully informed and kept up to date on matters, therefore any suggestion that they or any other party was misled would also be false.

Cheers,

[REDACTED]

Please note that I work flexibly and I do not expect responses to my emails out of standard office hours



[REDACTED]

Legal Disclaimer:

Allwyn Services UK Ltd., a company with its registered seat at 1 Connaught Place, London, W2 2ET, United Kingdom (the "Company")



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I work in a hybrid way and flexibly. An email out of hours does not mean you need to reply.

From: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>

Sent: Monday, February 26, 2024 1:08 PM

To: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>; [REDACTED]
[REDACTED]@gamblingcommission.gov.uk>

Cc: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>

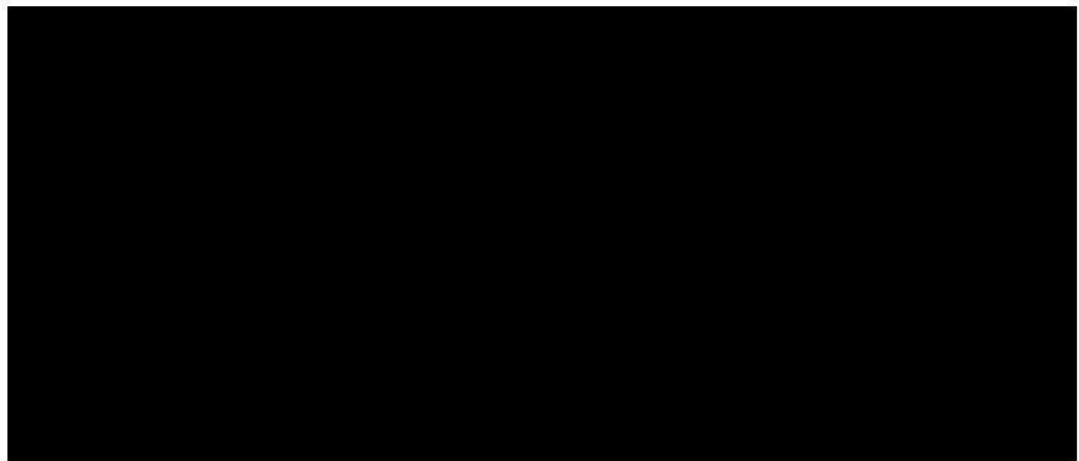
Subject: FW: Guardian - deadline 4pm today

Hi [REDACTED] and [REDACTED]

All happy with this?

Main response

Ahead of announcing our Preferred Applicant the Commission reviewed the funding structures for all applicants, including Allwyn, and was - and still is - satisfied that no sanctioned entities are involved in funding Allwyn.



Question responses:

1. Allwyn informed us about these loans via letter on 28 February 2022 despite being under no obligation as they did not concern the financing of their application for the Fourth Licence or how it would fund the Fourth Licence if it won. We required, and received, an independent view of the sanctions impact on the 4 March 22. This confirmed Allwyn **was cancelling had cancelled** the loans and **repaying** borrowed funds from other unaffected sources. The loans were repaid by 25 March 2022 - the same

date we received final confirmation of this fact.

2. In addition to the above, we continue to get updates on sanctions compliance and received further independent confirmation of Allwyn's compliance with sanctions in January 2024.

3. [Redacted]

Best regards,

[Redacted]

?	<p>[Redacted]</p> <p>[Redacted]</p> <p>www.gamblingcommission.gov.uk</p> <p>Making gambling safer, fairer and crime free</p>	?
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From: [Redacted] <[Redacted]@gamblingcommission.gov.uk>

Sent: Monday, February 26, 2024 12:06 PM

To: [Redacted] <[Redacted]@gamblingcommission.gov.uk>; [Redacted]

<[Redacted]@gamblingcommission.gov.uk>

Cc: [Redacted] <[Redacted]@gamblingcommission.gov.uk>

Subject: RE: Guardian - deadline 4pm today

Hi [Redacted]

Answers to each point below. Attached is the letter we received on the 28 Feb 22, where they voluntarily tell us about the loans and the independent review too.

[REDACTED]

[REDACTED]

[REDACTED]

From: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>

Sent: Monday, February 26, 2024 11:24 AM

To: [REDACTED]@gamblingcommission.gov.uk

Cc: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>; [REDACTED]
<[REDACTED]@gamblingcommission.gov.uk>

Subject: Guardian - deadline 4pm today

Hi [REDACTED] et al,

We've been approached by The Guardian regarding banking arrangements at Allwyn.

Please see the Guardian's enquiry below and the response given to The Guardian by Allwyn last week.

In short, the journo wants to know:

- when the Gambling Commission was informed of the loans and what steps it took to verify that these loans did not put the Allwyn Group at risk of breaching sanctions. **28 February 22 by letter. Allwyn were under no obligation to tell us as it did not concern the financing of the their application for the Fourth Licence or how it would fund the Fourth Licence if it won. We required and received an independent view of sanctions impact on the 4 March 22 which confirmed Allwyn were cancelled the loans and repaid borrowed funds from other unaffected sources. The loans were repaid by the 25 March 22, the same date we received final confirmation of this fact.**
- what assurances the Commission sought and received. **See above. Further to this we continue to get updates on sanctions compliance and we received further independent confirmation of Allwyn's compliance with sanctions in January 24.**

- [REDACTED]

[REDACTED]

Please can you let us know the responses to these questions?

(Sorry – not close enough to the details to have a stab as I usually do)

Our deadline is 4pm.

Best regards,

[REDACTED]



[REDACTED]

[REDACTED]

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Hi

I'm considering publishing a story stating that the Allwyn group had loans from VTB and Sberbank - Russia's two largest lenders, both controlled by the Kremlin - at the time it was named preferred application for the fourth National Lottery licence.

My understanding is that the Gambling Commission was aware of this. I'm also aware of the timeline of when the loans were taken and when they were repaid, in late March.

I'd like to know when the Gambling Commission was informed of the loans and what steps it took to verify that these loans did not put the Allwyn Group at risk

of breaching sanctions.

My understanding is that the loans were repaid in line with guidance laid down by the Treasury but I'd still like to know what assurances the Commission sought and received.

Further, I can't understand why this did not come up during the June 2022 select committee session. Andrew Rhodes was asked about Russian links several times. Clive Effort raised the prospect of there being ties beyond the Czech gas partnership with Gazprom.

Yet neither Rhodes nor [REDACTED] volunteered the information about Sberbank and VTB? Why, when they could have described the loans and repayments to which I'm referring?

I'd be grateful for a response by the end of today if possible.

Many thanks,

From: [REDACTED] <[REDACTED]>
Sent: Friday, February 23, 2024 4:13 PM
To: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>
Cc: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>
Subject: [REDACTED]

CAUTION: This email is from an external source - be careful of attachments and links

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

From: [REDACTED]
To: [REDACTED]
Subject: RE: Allwyn and Russian loans
Date: 27 February 2024 10:09:00
Attachments: [image001.png](#)
[image002.png](#)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

?	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>www.gamblingcommission.gov.uk</p> <p>Making gambling safer, fairer and crime free</p>	?
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From: [REDACTED]
Sent: Tuesday, February 27, 2024 10:06 AM
To: [REDACTED]
Subject: RE: Allwyn and Russian loans

Hi [REDACTED]

In response to your questions directly below: As a regulator it is not for us to reveal **the** commercially confidential information.

Below is our main response to the thrust of all your questions:

Commission spokesperson:

“Ahead of announcing our Preferred Applicant the Commission required all applicants to declare any and all sources of funding that were to be used for both their application or for the running of the National Lottery. We were - and still are - satisfied that no sanctioned entities are involved in funding Allwyn.”

Best regards,

[REDACTED]

[REDACTED]



[REDACTED]
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From: [REDACTED]
Sent: Monday, February 26, 2024 5:39 PM
To: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>
Subject: Re: Allwyn and Russian loans

CAUTION: This email is from an external source - be careful of attachments and links

[REDACTED]

On Mon, 26 Feb 2024, 17:14 [REDACTED], <[REDACTED]@gamblingcommission.gov.uk> wrote:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]
[REDACTED]
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From: [REDACTED]
Sent: Monday, February 26, 2024 5:02 PM
To: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>
Subject: Re: Allwyn and Russian loans

CAUTION: This email is from an external source - be careful of attachments and links

Hi

The revolving credit facility referred to in this answer appears to refer to the £60m RCF provided by HSBC, mentioned in my previous letter. However, while this was agreed in October 2021, it could not be utilised until September 2022 and thus cannot have financed the bid.

Allwyn has not referred to an RCF from a UK bank funding the bid in our correspondence with them, so I can only conclude that you are referring to the HSBC loan, which should be excluded from bid funding for the reasons described above.

Please confirm you are referring to the facility I described and, if so, how this can have funded the bid when it could not be utilised until September 2022. If not, please provide further clarification on what RCF you are referring to. No RCF from a UK bank is referred to in Sazka's 2021 annual report.

thanks,

[REDACTED]

[REDACTED]

[REDACTED]

On Mon, 26 Feb 2024 at 16:54, [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>

wrote:

Hi [REDACTED]

Please find further clarification below:

Point one

As part of their application Allwyn had to declare both how they were funding their bid and, if successful, the subsequent running of the National Lottery. No sanctioned entities were part of this. All the providers of guarantees also had to be declared and no sanctioned entities were listed and their provider of a Revolving Credit Facility was a UK bank and not a sanctioned entity.

Point two

The loans did not concern the financing of Allwyn's application for the Fourth

Licence or how it would fund the Fourth Licence if it won. We would only raise a matter with the Committee if we had specific concerns. As we had examined the funding streams and the wider ownership groups (explained by Andrew Rhodes to the Select Committee) and were satisfied there were no issues it would not be fair to prioritise the matter when the Committee had limited time for their own questions.

Best regards,

█



█
█

█

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From: █
Sent: Monday, February 26, 2024 2:32 PM
To: █ <█@gamblingcommission.gov.uk>
Subject: Re: Allwyn and Russian loans

CAUTION: This email is from an external source - be careful of attachments and links

Hi,

I want to come back on a couple of points here.

First, your response states that Allwyn were under no obligation to reveal the loans as they "did not concern the financing of their application for the Fourth Licence".

Can I ask on what basis you say that? A detailed analysis of Sazka/Allwyn's group accounts reveals that the syndicated loan facility of which the VTB/Sberbank loans were part was the largest loan facility that the group had. Further, the accounts make no mention of any other facility specifically dedicated to funding the bid. There was a £60m loan facility taken out by Allwyn Entertainment Limited in October 2021 but this could not be utilised until the licence award became official in September 2022. Given that the VTB/Sberbank loans were part of Sazka/Allwyn's group financing, and it was the group that funded the bid, on what basis can you say that the loans did not concern financing of their application?

Second, you state that Mr Rhodes and █ made it "abundantly clear" that Allwyn's funding streams had been examined but they also omitted to mention the

VTB/Sberbank loans. Given the line of questioning, in particular by [REDACTED], about any links between Mr Komarek's business interests and Russia, this seems like a surprising omission. Did the Gambling Commission inform the committee, or any of its members, of the VTB/Sberbank loans and why it was satisfied with them by any other means, such as letter?

Many thanks,

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

On Mon, 26 Feb 2024 at 13:42, [REDACTED]
<[REDACTED]@gamblingcommission.gov.uk> wrote:

Hi [REDACTED]

Please see our responses below:

Main response:

Ahead of announcing our Preferred Applicant the Commission reviewed the funding structures for all applicants, including Allwyn, and was - and still is - satisfied that no sanctioned entities are involved in funding Allwyn.

This confirmation, provided by applicants had to be independently verified by legal professionals and was subject to further scrutiny and further correspondence with applicants to explore any questions the Commission had. The independent verification was again re-confirmed at the end of January this year.

The Commission also worked with United Kingdom Security Vetting (UKSV), the

single government provider of National Security Vetting. The vetting carried out by UKSV, and the Commission not only covered the four applicants and proposed licensee (the entity proposed to run the National Lottery) of each applicant but also specific checks on key individuals involved in each application.

Question responses (marked numerically for ease):

1. Allwyn informed us about these loans via letter on 28 February 2022 despite being under no obligation as they did not concern the financing of their application for the Fourth Licence or how it would fund the Fourth Licence if it won. We required, and received, an independent view of the sanctions impact on the 4 March 22. This confirmed Allwyn was cancelling the loans and repaying borrowed funds from other unaffected sources. The loans were repaid by 25 March 2022 - the same date we received final confirmation of this fact.
2. In addition to the above, we continue to get updates on sanctions compliance and received further independent confirmation of Allwyn's compliance with sanctions in January 2024.
3. During [discussion of sanctions](#) (pages 10/11) Andrew said:

"...we then assessed the applicants against those sanctions. We undertook detailed work on the Allwyn application, but also on the Camelot application, and because Camelot is the holder of the third licence we undertook a number of inquiries into the Ontario Teachers' Pension Plan wider ownership group.

"There are requirements under Section 5 of the National Lottery Act as to who receives money from the National Lottery—so, these are beneficiaries. There were no implications for the funding stream for the bids with anything connected to sanctioned entities in the Russian action, but we also looked at the wider ownership groups to make sure that there was nothing there that might pose an issue in being a beneficiary of National Lottery funds and we were very satisfied that there were no issues."

This makes it abundantly clear to the committee that we had examined the funding streams and the wider ownership groups and were satisfied there were no issues.

Best regards,



[Redacted]

[Redacted]

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From: [Redacted]
Sent: Monday, February 26, 2024 10:51 AM
To: [Redacted] <[Redacted]@gamblingcommission.gov.uk>; [Redacted]
<[Redacted]@gamblingcommission.gov.uk>
Subject: Allwyn and Russian loans

CAUTION: This email is from an external source - be careful of attachments and links

Hi

I'm considering publishing a story stating that the Allwyn group had loans from VTB and Sberbank - Russia's two largest lenders, both controlled by the Kremlin - at the time it was named preferred application for the fourth National Lottery licence.

My understanding is that the Gambling Commission was aware of this. I'm also aware of the timeline of when the loans were taken and when they were repaid, in late March.

I'd like to know when the Gambling Commission was informed of the loans and what steps it took to verify that these loans did not put the Allwyn Group at risk of breaching sanctions. (1)

My understanding is that the loans were repaid in line with guidance laid down by the Treasury but I'd still like to know what assurances the Commission sought and received. (2)

Further, I can't understand why this did not come up during the June 2022 select committee session. Andrew Rhodes was asked about Russian links several times. [Redacted] raised the prospect of there being ties beyond the Czech gas partnership with Gazprom.

Yet neither Rhodes nor [Redacted] volunteered the information about Sberbank and VTB? Why, when they could have described the loans and repayments to which I'm referring? (3)

From: [REDACTED]
To: [REDACTED]
Subject: FW: Sanctions - in particular Sazka Group financing
Date: 19 April 2024 15:45:00
Attachments: [REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: Friday, February 23, 2024 1:11 PM
To: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>; [REDACTED]
<[REDACTED]@gamblingcommission.gov.uk>; [REDACTED]
<[REDACTED]@gamblingcommission.gov.uk>
Subject: RE: Sanctions - in particular Sazka Group financing

Hi All

Please see attached, confirmation of Sberbank repayment.

I've copied it to the relevant folder for future reference.

Kind regards

[REDACTED]

From: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>
Sent: Friday, February 23, 2024 9:14 AM
To: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>; [REDACTED]
<[REDACTED]@gamblingcommission.gov.uk>; [REDACTED]
<[REDACTED]@gamblingcommission.gov.uk>
Subject: RE: Sanctions - in particular Sazka Group financing

Thank you, [REDACTED]

Will review and revert with questions I may have or that may come up otherwise

Kind regards

[REDACTED]

From: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>

Sent: Thursday, February 22, 2024 6:26 PM

To: [REDACTED] <[REDACTED]@gamblingcommission.gov.uk>; [REDACTED]
<[REDACTED]@gamblingcommission.gov.uk>; [REDACTED]
<[REDACTED]@gamblingcommission.gov.uk>

Subject: Sanctions - in particular Sazka Group financing

Importance: High

Both

For ease of reference I have extracted and appended to this email the relevant files in relation to KKCG/Sazka/AEL banking as impacted by sanctions. In date order these are as follows:

25/2/22 – Applicant note re sanctions

28/2/22 – Sazka letter confirming that lottery funding unaffected by sanction but flagging, for purposes of transparency, wider Sazka Group impacts re VTB Bank and Sberbank CZ as, an affiliate of VTB

2/3/22 – letter from Sazka Group to GC confirming steps being taken and that these are in compliance with sanctions regime

3/3/22 – GC letter to Allwyn re 28/2 letter

4/3/22 – letter from Sazka Group setting out steps it was taking in relation to sanctions

[REDACTED]

18/3/2022 – confirmation of cancellation of VTB's and Sberbank's commitments on 11/3/22 and process of repayment, [REDACTED]

22/3/2022 - confirmation of VTB repayments concluded. Update on Sberbank, not then subject to UK sanctions

NB 25/3/22 – confirmation of Sberbank repayment is not in the zip file, although it should be.

[REDACTED] **can you please try to locate this email from Allwyn?**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Meeting with the APPG Gambling Related Harms Officers regarding 4NL

- █
- █
- █

TIMELINE (19.04.24 update)

[25/2/22](#) – Applicant note re sanctions.

[28/2/22](#) – Sazka letter confirming that lottery funding unaffected by sanction but flagging, for purposes of transparency, wider Sazka Group impacts re VTB Bank and Sberbank CZ as, an affiliate of VTB

[2/3/22](#) – letter from Sazka Group to GC confirming steps being taken and that these are in compliance with sanctions regime

[3/3/22](#) – GC letter to Allwyn re 28/2 letter

[4/3/22](#) – letter from Sazka Group setting out steps it was taking in relation to sanctions.

[18/3/2022](#) – confirmation of cancellation of VTB's and Sberbank's commitments on 11/3/22 and process of repayment, including refence to external memorandum from Clifford Change.

[22/3/2022](#) - confirmation of VTB repayments concluded. Update on Sberbank, not then subject to UK sanctions.

[25/3/22](#) – confirmation of Sberbank repayment

5.4.1 Steps taken to address and resolve the Identified Issue (as defined in section 1.3.4 of the Guidance Note and specifically para (a)(i))

<p>Section 1.3.4(a)(i), Guidance Note</p>	<p><i>a reconfirmation of the statement provided by the Applicant prior to the issue of this Outcome Notification (the “Preliminary Sanctions Statement”) detailing steps undertaken by the Applicant to address the Identified Issue (as defined in the Preliminary Sanctions Statement) and to satisfy itself as at the date of the RAAS, no other Sanctions Issues arise, or are likely to arise, in connection with any of the Potential Financing Arrangements. The Commission expects that this reconfirmation will be accompanied by supporting evidence (including, for example, a memorandum or opinion prepared by a recognised law firm);</i></p>
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As of 11th March 2022, SGAS cancelled the participations of VTB Bank (Europe) SE (“**VTB**”) and **Sberbank** CZ, a.s. (“**Sberbank**”) under its Senior Facilities Agreement (the “**SFA**”). As of 22nd March 2022, SGAS completed the repayment of all outstanding amounts of VTB under the SFA, after which SGAS has no further obligations or any other relationship with VTB. SGAS completed the repayment of all outstanding amounts of **Sberbank** under the SFA on 25th March 2022, after which SGAS has no further obligations or any other relationship with **Sberbank**.



Extract from letter dated 10/10/2022

Update on Implementation Plans and Assurance related to the Fourth National Lottery Licence

Given the current tensions arising from Russia's invasion of Ukraine, we understand that any interests Allwyn's parent company's business has in Russia are a cause for concern. As a responsible regulator, we conducted due diligence to ensure all applicants were not impacted by sanctions and we continue to do so with regard to Allwyn. Allwyn have informed the Commission of the following business interests relating to Russia and the steps taken regarding divestment:

- **cancellation of wider group facilities from Russian Banks and their Affiliates:** although not relevant to their 4NLC funding Application, Allwyn confirmed wider group facility
- agreements with (EU affiliates of) Sberbank and VTB (both subject to sanctions) were unwound and repaid by 27 March 2022. Allwyn confirmed that following the repayment, Allwyn Group a.s. would no longer have any lending or other relationships with any entities subject to UK or EU sanctions



10th May 2024

Dear Mr Rhodes,

GRH APPG and Gambling Commission Meeting Follow-up

Thank you very much for meeting with us recently. Further to that discussion, we said we would write to clarify a number of the issues raised as set out below:

1. You gave the APPG assurances that Allwyn no longer has any links to Russian state-owned companies. Please could you provide information on:
 - a. Allwyn and its ownership structure, you mentioned that they do not currently have links to any Russian state owned companies but our understanding is that they still have an interest in the Moravian Gas storage facility that KKCG owns. Please could you clarify the position? Are there any other interests which connect them to Russian state owned companies?
 - b. Further to your correspondence with the Culture, Media and Sport Select Committee, the relationship between MND Group and Gazprom. When will they be removing their final 3% stake in the Moravian Gas storage facility that KKCG owns?
 - c. The links between Allwyn's owners and links to Russian backed companies during the lottery application process. Are the accusations in the Guardian [article](#) from the 9th March 2024 incorrect? Specifically, regarding Russia's two largest lenders, VTB and Sberbank, being part of a syndicate that agreed to lend up to €640m (£545m) to Allwyn in 2020. These funds appear to have helped support the group during the time it was in the costly process of bidding for the lottery. If these loans were in place did they directly or indirectly contribute towards Allwyn's bidding process? Indeed, the Guardian reporting on VTB/Sberbank appears to have been through a post-publication editorial process that does not contradict the central thrust of the story and in fact only appears to correct one of Allwyn's own statements.
 - d. Did the Commission know about these loans before awarding the licence to Allwyn? If not, why not? If so, why was the licence still awarded?
 - e. Why were Allwyn's links to both a Russian state-owned company and Russian state-owned banks not disclosed to the Culture, Media and Sport Committee in June 2022 when the Commission gave oral evidence?
 - f. The 'fit and proper' checks that were undertaken, and continue to be undertaken regarding Allwyn's financial links with Russian owned companies.

■ [Redacted text block]

■ [Redacted text block]

■ [Redacted text block]

Mr Andrew Rhodes
Chief Executive and Commissioner
Gambling Commission
Victoria Square House
Birmingham B2 4BP



Gambling Related Harm APPG

We look forward to hearing from you and appreciate your time and further time taken to respond to this letter.

Yours sincerely,

