HELLENIC LOTTERIES S.A.

Member of OPAP Group of companies opap

FINANCIAL REPORT
For the Financial Year from 01.01.2024 to 31.12.2024
ACCORDING TO THE INTERNATIONAL
FINANCIAL REPORTING STANDARDS (as adopted by the European Union)

March 2025

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A. Representation of the Members of the Board of Directors

The Members of the Board of Directors for HELLENIC LOTTERIES S.A. (the "Company"):

- Jan Karas, Chairman and Chief Executive Officer,
- Odysseas Christoforou, Vice-Chairman and Member
- Pavel Mucha, Member and Chief Financial Officer

Certify and declare, as far as we know, that:

a) The Financial Statements for HELLENIC LOTTERIES S.A. for the financial year from 1st of January 2024 to 31st of December 2024 which were prepared in accordance with International Financial Reporting Standards as adopted by the European Union, truthfully represent the Issuer's assets, liabilities, equity and income.

b) The Board of Directors' report reflects the Company's true evolution, performance and position as well as the description of the principal risks and uncertainties that it faces.

Athens, 26 March 2025

Chairman & Chief Executive Officer	Vice Chairman & Member of the Board	Member of the Board & Chief Financial Officer
Jan Karas	**Odysseas Christoforou**	**Pavel Mucha**

B. *BOARD OF DIRECTORS' REPORT*

Under the provisions of the articles 150-153 of L.4548/2018 and the Company's Articles of Association, we submit for the financial year from 01.01.2024 to 31.12.2024 the Annual Report of the Board, which includes the audited Financial Statements, including the notes to the Financial Statements. The present report includes information pertaining to the company HELLENIC LOTTERIES S.A. - SOCIETE ANONYME FOR THE PRODUCTION, OPERATION, CIRCULATION, PROMOTION AND MANAGEMENT OF LOTTERIES (under the name "HELLENIC LOTTERIES S.A.").

The report describes the financial results of the Company for the period 01.01.2024 to 31.12.2024, as well as the significant events which took place in 2024 and the most significant events after the year end. The report also contains a description of the main risks and uncertainties and the expected course and development of the Company, the corporate governance, the dividend policy, the number and the nominal value of shares and finally, the material transactions with the Company's related parties.

1. General Information

HELLENIC LOTTERIES S.A. (the “Company”) was established on 15.06.2013 and is based in Athens at Athinon Avenue 112. Its purpose of business is the production, operation, distribution, promotion and the overall management of all state lotteries (Popular – National – European - Instant State Lottery – SCRATCH - State Housing Lottery - Special Social National Lottery - New Year's Eve lottery, as well as any other future State Lottery), under the terms and conditions of the Concession Agreement of 30.07.2013 with the Hellenic Republic Asset Development Fund, the general Greek legal and regulatory framework as well as the specific regulations of lotteries.

Number and nominal value of shares

The share capital on 31.12.2024 amounts to € 300 th., divided into 7,500,000 ordinary registered shares worth € 0.04 each. There was a change in the share capital structure compared to the year ended 31.12.2023, following the General Meeting of the Shareholders that took place on 17.06.2024, which approved the issuance of 2,400,000 new ordinary shares of € 0.04 each at an issue price of € 10.00 each (i.e. at a € 9.96 share premium each). Consequently, the Share Capital of HELLENIC LOTTERIES S.A. increased by € 96 th. and its Share Premium reserve by € 23,904 th.. As a result, share capital on 31.12.2024 amounts to € 300 th. divided into 7,500,000 ordinary shares with a nominal value of € 0.04 each.

The shareholder structure involves OPAP INVESTMENT LIMITED with an 83.50% stake, and SCIENTIFIC GAMES GLOBAL GAMING S.á.r.l. with a 16.50% stake of the Company’s ordinary shares.

Other Information

Legal Form: Société Anonyme

General Electronic Commercial Registry No: 125891401000

Chamber: Athens Chamber of Commerce and Industry

VAT No.: 800500383

Auditors: PricewaterhouseCoopers SA, SOEL Reg. No 113, Despina Marinou, Certified Auditor Accountant (SOEL Reg. No 17681).

2. FINANCIAL PROGRESS AND PERFORMANCES OF FINANCIAL YEAR 2024

For the fiscal year 2024, economic figures are as follows:

(Amounts in thousands of euro)	2024	2023	Δ
Revenue (GGR)	105,106	115,877	(9.3%)
GGR contribution	(50,000)	(50,000)	-
Net gaming revenue (NGR)	55,106	65,877	(16.3%)
Profit before interest, tax, depreciation and amortization (EBITDA)	4,642	9,885	(53.0%)
Loss before Tax	(11,335)	(20,772)	45.4%
Loss after Tax	(11,194)	(37,502)	70.1%
Net increase/ (decrease) in cash and cash equivalents	11,211	(39,461)	128.4%
Cash outflows from operating activities	(13,913)	(61,004)	77.2%
Cash inflows from investing activities	1,159	1,567	(26.1%)
Cash inflows from financing activities	23,965	19,976	20.0%

In the year 2024, Hellenic Lotteries experienced a decline in GGR across all game categories compared to 2023. Specifically, Instant Lotteries (Scratches) GGR decreased by 8.7%, and Passive Lotteries (Popular and National) GGR by 10.1%. The reduction in NGR (NGR) was further exacerbated by the fixed minimum annual fee of € 50,000 th..

This decline in gaming performance has been fully reflected in the Company's financial results. EBITDA decreased by 53.0% compared to the previous year. However, the loss before tax in 2024 was limited to € 11,335 th., representing a 45.4% improvement compared to 2023 mainly driven by the following factors:

- the reduced Right of game amortization of € 3,871 th., resulted by the impairment recorded in 2023 and;
- the one-off finance cost of € 12,462 th. in 2023 related to default interest on an overdue payment of the Minimum Annual Fee 2020-2022 (€ 70,668 th.).

Finally, the loss after tax in 2024 was further positively impacted by the reversal of a deferred tax asset amounted to € 15,547 th., recorded in 2023, relating to the nominal amount of the Minimum Annual Fee for 2020-2022.

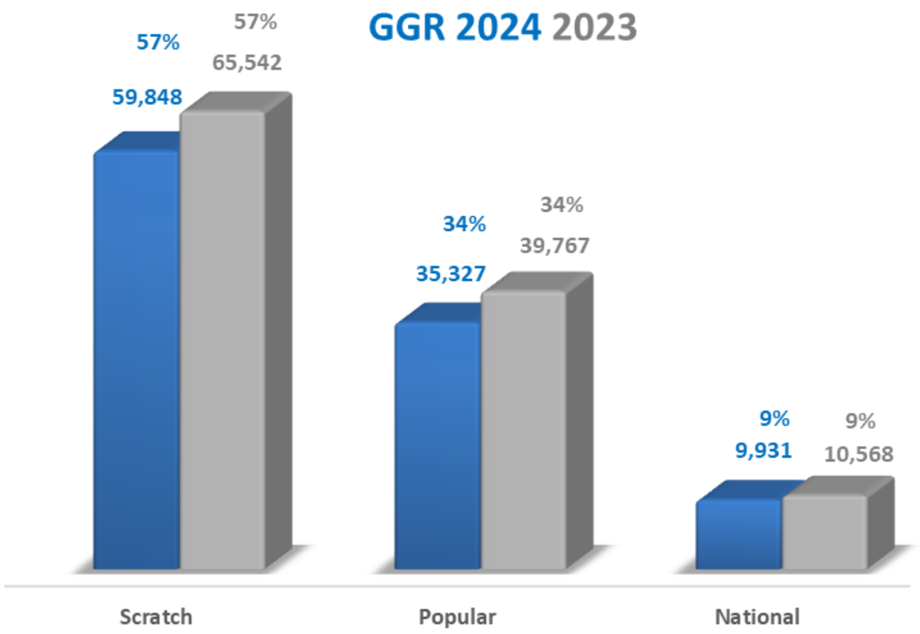
As far as the cash flows are concerned:

- The significant variation in the Company's operating cash outflows is attributed to the payment of €70,668 th. made in 2023 to the Hellenic Republic, related to the Minimum Annual Fee for the years 2020-2022. Additionally, € 12,462 th. out of the total € 13,913 th. operating cash outflows in 2024 pertain to default interest on the overdue payment of the Minimum Annual Fee for 2020-2022, which had been charged in 2023.

- The Company's financing cash inflows for both comparative years includes predominantly the shareholder's capital increase by € 24,000 th. in 2024 and € 20,000 th, in 2023.

(Amounts in thousands of euro)	31.12.2024	31.12.2023
Net loss attributable to the shareholders	(11,194)	(37,502)
Weighted average number of ordinary shares	6,300	4,100
Basic losses per share (in €)	**(1.7769)**	**(9.1469)**

The GGR of each game and its contribution as a percentage (%) in total GGR for the two comparative periods is presented in the graphs below:



3. SIGNIFICANT EVENTS DURING FINANCIAL YEAR 2024 AND THEIR EFFECT ON THE FINANCIAL STATEMENTS

1. Scratch games

The Company continues to actively invest in its portfolio by offering even more options to players. During fiscal year 2024, HELLENIC LOTTERIES S.A. updated the products it offers by adding 7 new scratch games. Additionally, during the current year, the Company initiated the expiration of ten scratch games in accordance with the predetermined procedure. Management's assessment determined that the relevant codes were no longer commercially viable. The financial impact of these expirations is not reflected in the Company's 2024 results as the process has not been finalized yet.

As at 31.12.2024 the active scratch games amount to 49.

2. Share capital increase

The Board of Directors of the Company decided on 29.04.2024 to propose to its shareholders at the Annual General Meeting, the increase of its share capital by € 24,000 th.. The Annual General Meeting of the Company, dated 17.06.2024, approved the issuance of 2,400,000 new ordinary shares of € 0.04 nominal price at an issue price of € 10.00 each (i.e. at a € 9.96 share premium each). Consequently, the Share Capital of the Company increased by € 96 th. and its Share Premium reserve by € 23,904 th.. The respective amount was paid on 22.08.2024 by OPAP INVESTMENT LTD, while the amount by the other shareholder, SCIENTIFIC GAMES GLOBAL GAMING S.á.r.l.. was paid on 01.11.2024.

3. Loan amendment

The Company, according to its BoD approval dated 29.08.2024, resolved the extension of the maturity date of its loan of nominal amount of € 50,000 th. from the initial maturity date of 27.10.2024 to 27.10.2026.

4. Description of Main Risks and Uncertainties

We present the main risks and uncertainties to which the Company may be exposed.

Risk related to political and economic conditions, as well as market conditions and developments in Greece

In 2024 the Greek economy continued recording solid GDP growth, above euro area, on the back of high investment levels, further reduction in unemployment and solid private consumption. The economy is projected to maintain its growth momentum in 2025 supported by European funds, prudent fiscal policy, strong private consumption and a thriving tourism sector, while at the same time the forecasted reduction of debt levels alongside primary surpluses that are estimated to exceed 2% of GDP are expected to improve Greece's creditworthiness and positively impact confidence in the economy. On the other hand, existing geopolitical risks arising from conflicts in Ukraine and Middle East and the uncertainty surrounding global trade policies could weigh negatively on euro area projected growth. An early resolution of geopolitical conflicts and an improvement of global trade conditions could, however, improve economic sentiment and the outlook for the year. Furthermore, inflation in Greece is expected to gradually decline throughout the year despite still existing pressures from energy and housing that negatively affect consumer confidence. Notwithstanding, the anticipated deceleration of euro area inflation is possible to allow further interest rate reductions by the European Central Bank in order to boost sluggish economic growth.

The Company's activity is significantly affected by disposable income and private consumption, which in turn are affected by the current economic conditions in Greece, such as the GDP, unemployment, inflation, taxation levels and increased energy costs. As such, a potential deterioration of the aforementioned indicators together with a decline in economic sentiment and/or consumer confidence, could result in a decrease of the gaming related frequency and spending of the Company's customers.

Change in regulatory requirements

The gaming sector in Greece is intensively regulated by the Hellenic Gaming Commission. The Greek authorities may unilaterally alter the legislative and regulatory framework that governs the provision of the games offered by the Company, whilst respecting obligations coming from valid concession agreements. Modifications of the Greek regulatory framework, drive evolving challenges for the Company and may have a substantial impact, due to the restrictions of betting activities or the increase of compliance costs.

HELLENIC LOTTERIES S.A. consistently complies with regulatory standards and its obligations under its various licences and continuously monitors, analyses and addresses changing regulatory requirements in an efficient and effective manner.

A potential inability on the Company’s part to comply with the regulatory and legal framework, as in force from time to time, could have a negative impact on the Company’s business activities. Additionally, potential restrictions on advertising can reduce the ability to reach new customers, thus impacting the implementation of the strategic objectives to focus on sustainable value increase of the Company’s business activities.

HELLENIC LOTTERIES S.A. participates in the public consultations of laws and regulations proposals and drafts, related to the business activities of the Company which are submitted by the competent authorities (Hellenic Gaming Commission, Ministry of Finance etc.). Furthermore, HELLENIC LOTTERIES S.A. continually adapts to the changing regulatory/legal framework, while through appropriate policies, processes and controls a rational and balanced gaming regulation has been achieved.

Tax Change risk

The Company’s business activities and the sector in which it operates are subject to various taxes and charges, such as the special contribution regarding the games which is calculated based on the Gross Gaming Revenue (GGR), the tax on players’ winnings and the income tax of legal entities.

The Company is exposed to the risk of changes to the existing gaming taxation status or the gaming tax rates, creating unexpected increased costs for the business and impacting the implementation of Companys’s strategic objectives for sustainable revenues and additional investments. The Company is seeking to promptly respond to any potential tax changes, by maintaining the required tax planning resources and developing contingency plans so as to implement the required mitigating actions and to minimize the overall impact.

Market risk

Market risk arises from the possibility that changes in market prices such as exchange rates and interest rates affect the results of the Company, or the value of financial instruments held. The management of market risk consists in the effort of the Company to control its exposure to acceptable limits, mainly through monitoring interest rates on borrowings and restricting investments in volatile financial instruments that are sensitive to market risks.

The main risks that comprise market risk are described below:

i) Currency risk

Currency risk is the risk that the fair values or the cash flows of a financial instrument fluctuate due to foreign currency changes. The Company operates in Greece and there are no agreements with suppliers in place in currencies other than in euro. All revenues from games are in euro, transactions and costs are denominated or based in euro. Consequently, there is no substantial foreign exchange currency risk.

ii) Interest Rate Risk

The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. Fair value interest rate risk is the risk that the value of a financial asset or liability will fluctuate because of changes in market interest rates.

The only existing debt liability as at 31.12.2024 was the Company's Bond Loan which bears a variable interest rate. The Company follows all market developments and acts in a timely manner when needed.

Capital Management

The primary objective of the Company, relating to capital management is to ensure and maintain strong credit ability and healthy capital ratios to support the business plans and maximize value for the benefit of shareholders.

The Company manages the capital structure and makes the necessary adjustments to conform to changes in business and economic environment in which they operate.

Credit risk

The Company's exposure to credit risk arises mainly from its operating activities and more specifically, it is linked to the collection process from its sales network. The aforementioned process leaves the Company exposed to the risk of financial loss if one of its counterparties/agents fails to meet its financial obligations.

In order to mitigate the aforementioned risk, the Company established and implements a credit risk management policy. The main characteristics of the policy are:

- The establishment of a Credit Committee responsible to approve and/or to make recommendations to the BoD for credit risk related matters.

- The classification of agents based on a credit risk scoring model which is continuously updated.
- The establishment of credit limits per agent based on their individual credit ratings.
- The immediate suspension of operation in case of overdue amounts.

The carrying value of financial assets at each reporting date is the maximum credit risk to which the Company is exposed.

Impairment of financial assets

The Company hold two types of financial assets that are subject to the expected credit loss model:

- Trade receivables
- Other current assets

While cash and cash equivalents are also subject to impairment under IFRS 9, no impairment loss was identified due to the fact that the cash and cash equivalents of the Company are held at reputable European financial institutions.

The Company applies the IFRS 9 simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables. It is mentioned that the expected credit losses are based on the difference between the cash inflows which are receivable and the actual cash inflows that the Company expects to receive. All cash inflows in delay are discounted.

The remaining financial assets are considered to have low credit risk, therefore the Company applies the IFRS 9 general approach, and the loss allowance was limited to 12 months expected losses.

Liquidity risk

The liquidity risk consists of the Company's potential inability to meet its financial obligations. The Company manages liquidity risk by performing a detailed forecasting analysis of the inflows and outflows of the Company on a yearly basis.

The aforementioned exercise takes into account:

- Revenues forecast based on expected payout ratios of the games
- Tax obligations and other financial commitment towards the government
- Financial obligations arising from the Company’s loan portfolio
- Operating Expenses
- Capital Expenditure
- Extraordinary inflows and outflows

The Company's liquidity position is monitored on a daily basis from the Treasury Department and if needed makes recommendations to the CFO and the Board of Directors to assure no cash shortfalls.

Security risk

Reliability and transparency in relation to the operation of the Company games are ensured through the adoption and implementation of effective technical and organizational security controls, which are designed to ensure the integrity, availability and confidentiality of information systems and data. The above, ensures smooth operation and protection against any security breaches, such as data leakage and theft, as well as data corruption. The applied and enforced security controls protect data processing systems, software applications, data integrity and availability as well as the operation of online services. All operationally critical applications related to the conduct and disposal of games are hosted in infrastructure which ensures high availability and smooth operational transition to Secondary Infrastructure and Services. Furthermore, system criticality is continuously evaluated whether they are directly related to the availability of the games or not, in order to be included in the existing disaster recovery plan (Disaster Recovery Plan) if necessary. Finally, applications are part of a backup program following policies and procedures according to their criticality.

Climate change risk

The Company is conscious of global climate change and environmental issues. Climate risks pose potential challenges for our operations, including increased energy cost and vulnerability in non-renewable energy pricing and resources availability due to dependency on non-renewable resources in conjunction with energy and fuel price volatility, energy supply interruptions, financial and/ or litigation risks due to non-compliance with relevant climate related and environmental legislation and regulations (existing and coming into force). In addition, climate risks include potential business disruption in retail operations (i.e. inability to offer services in specific areas due to extreme weather incidents) along with potential damage to our facilities due to extreme weather events, resulting in potential operational disruptions or even possible reputational issues.

However, in our effort to contribute to the mitigation of such challenges, we systematically work towards minimizing our potential negative impact and proactively address risks throughout our operations. We comply with current environmental legislation and relevant provisions, incorporate sustainable practices and procedures, as well as conduct the necessary environmental impact assessments. Additionally, through our Environmental and Energy

Policy and relevant management systems (ISO14001, ISO50001), we are committed to conducting business in an environmentally responsible way, acknowledging that the protection of the environment, energy saving and the conservation of natural resources are integral parts of responsible and sustainable business development.

Going Concern risk

The Company has had losses for five consecutive years, of an accumulated amount of € 142,685 th.. The Company's Total Equity is negative and consequently has fallen below the threshold of 50% of its Share Capital, therefore there are reasons for application of paragraph 4 of Article 119 of Law 4548/2018. As reflected in the Statement of Financial Position, the Company has positive working capital. The working capital, calculated by subtracting current liabilities from current assets, amounts to € 19,254 th.. In contrast, for 2023, it was negative € 47,105 th.. This change is attributed to the restructuring of borrowings, which included a two-year extension of the maturity date. The Company's shareholders and OPAP S.A. are committed to improve its capital structure and intend to continue providing financial support and take all necessary steps to ensure that the Company continues to operate as a going concern for a period of at least 12 months from the approval of the Financial Statements. The Management concludes by taking into account the future expected cash flows and all other available information for the foreseeable future that the Company will continue to operate on a going concern basis.

5. SIGNIFICANT TRANSACTIONS OF THE COMPANY WITH RELATED PARTIES

The significant transactions with related parties as defined by IAS 24 are presented below:

Company's transactions with related companies

2024	Expenses	Income	Payables	Receivables
	(Amounts in thousands of euro)			
SCIENTIFIC GAMES GLOBAL GAMING S.Á.RL	-	-	36	-
OPAP S.A.	5,027	3	4,310	29
SCIENTIFIC GAMES WORLDWIDE LTD	4,255	-	1,119	-
TORA WALLET SINGLE MEMBER S.A	34	13	33	14
TORA DIRECT SINGLE MEMBER S.A	7	-	-	4
HORSE RACES SINGLE MEMBER S.A.	-	-	-	8
Total	**9,322**	**16**	**5,498**	**55**

2023	Expenses	Payables	Receivables
	(Amounts in thousands of euro)		
SCIENTIFIC GAMES GLOBAL GAMING S.Á.RL	-	36	-
OPAP S.A.	4,818	5,297	33
SCIENTIFIC GAMES WORLDWIDE LTD	4,662	943	-
TORA WALLET SINGLE MEMBER S.A	24	7	2
TORA DIRECT SINGLE MEMBER S.A	6		7
HORSE RACES S.A.	-	-	8
Total	**9,510**	**6,284**	**50**

The Company's shareholder structure involves OPAP INVESTMENT LTD with an 83.50% stake, and SCIENTIFIC GAMES GLOBAL GAMING S.á.r.l. with a 16.50% stake of the Company's ordinary shares.

In addition, OPAP S.A. is guarantor of 83.5% of the Company's bond loan, for both periods 2024 and 2023 and has also granted total corporate guarantees of € 108,550 th. (2023: € 108,550 th.) in favor of HELLENIC LOTTERIES S.A..

Transactions and balances with Board of Directors members

(Amounts in thousands of euro)			
Category	**Description**	**01.01.2024-31.12.2024**	**01.01.2023-31.12.2023**
BOARD OF DIRECTORS	Salaries	58	58
	Cost of social insurance	12	12
Total		**70**	**70**

(Amounts in thousands euro)		
Liabilities from Bod compensation & remuneration	**31.12.2024**	**31.12.2023**
Board Of Directors	1	1
Total	**1**	**1**

6. CORPORATE GOVERNANCE

Pursuant to the Concession Agreement dated 30.07.2013 between the Hellenic Republic Asset Development Fund S.A. (HRADF) and HELLENIC LOTTERIES - SOCIETE ANONYME FOR THE PRODUCTION, OPERATION, CIRCULATION, PROMOTION AND MANAGEMENT OF LOTTERIES (the "Company"), ratified by the Hellenic Parliament via L. 4183/2013 (Government Gazette A' no 186/ 2013), the Company , a subsidiary of OPAP S.A., obtained the exclusive right to produce, operate, circulate, promote and manage State Lotteries for twelve (12) years (hereinafter the "Concession Agreement").

A. LEGAL FRAMEWORK

By virtue of article 14 of the Concession Agreement, the Company undertook the obligation to establish and implement effective systems of internal controls and risk management, as well as to apply certain corporate governance arrangements, as are prescribed in the Concession Agreement and set out in this Corporate Governance Statement (hereinafter the "Statement"). Furthermore, by virtue of the Concession Agreement, the Company undertook to comply with the provisions of the abolished Codified Law 2190/1920, already replaced by Law 4548/2018 on sociétés anonymes, including the provisions thereof applying to companies listed on a regulated market, as well as with articles 1 to 8 of Law 3016/2002 (with the explicit exception of the requirements regarding the independent non-executive members of the Board of Directors). This obligation has also been reflected in the Company's Articles of Association [art. 8(5)]. Further, Law 3016/2002 was repealed by Law 4706/2020, and by virtue of the latter a new corporate governance regime has been established. As a result, applicable to the Company are those provisions of Law 4706/2020, that correspond to the abolished articles 1-8 of Law 3016/2002.

Given the foregoing, this Statement referring to financial year 2024 (01.01.2024 – 31.12.2024) has been prepared pursuant to and in accordance with article 152 of Law 4548/2018.

B. CORPORATE GOVERNANCE AND BEST PRACTICES OF THE COMPANY

Corporate governance is the system by which the Company is directed and controlled. It constitutes a framework of rules, principles and control mechanisms, based on which the Company conducts its business activities with transparency, aiming at the protection of the interests of the Company and its stakeholders in general.

After the issuance of Law 4706/2020, the Company proceeded with the implementation of a structured action plan with a view to advance its corporate governance system. Apart from complying with the applicable legal and regulatory framework, the primary objective of the Company is to implement best and effective corporate governance practices and to strengthen stakeholders' trust in the Company.

Given that article 17 of Law 4706/2020 is not applicable to the Company, a corporate governance code has not been adopted for the financial year 2024. Nevertheless, over and above its obligations, the Company has adopted appropriate and satisfactory corporate governance principles, which converge significantly with certain specific practices of the 2021 Hellenic Code of Corporate Governance, which has been published by the Hellenic Corporate Governance Council (the "HCCG").

In this context, this Statement contains the Company's corporate governance arrangements in light of the legal and regulatory framework applicable to the Company, as well as certain obligations imposed by the Concession Agreement. The Company states that, throughout the year ended 31 December 2024, it has complied with the applicable legal and regulatory requirements, and has also implemented additional, optional best practices, commensurate with the Company's specificities, needs and shareholder structure, in accordance with paragraph 1.a (cc) of article 152 of Law 4548/2018 and as set out in the subsections of this Statement.

Below, there is a description of the corporate governance practices that the Company adopted and implemented for the financial year 2024.

I. INTERNAL RULES AND REGULATIONS, ARTICLES OF ASSOCIATION, OTHER POLICIES & PROCEDURES

The Company has established its Internal Rules and Regulations (hereinafter the "IR&R"), having taken into account the size, the nature of its activities, its organizational structure and its internal procedures and policies.

The IR&R aim to regulate the organization and operation of the Company, to secure:

a) Business integrity,

b) Transparency of business activity,

c) Control over management and decision-making,

d) Compliance with the legal and regulatory framework and the obligations deriving from the Concession Agreement.

More specifically, the following are documented in the IR&R:

- The Company's basic operating principles,

- The organizational structure and main responsibilities of the Company's internal units,
- The critical characteristics of the Company's internal controls system, including the structure and operation of the Internal Audit, Risk Management and Compliance Teams;
- The competences of the executive and non-executive members of the Board of Directors (or "BoD"), as well as the obligations of the BoD members, including the processes for the management of conflicts of interests that may arise;
- The principles of operation of the BoD and the Audit Committee charter;
- The principles that the Company applies for the recruitment of the management and the performance evaluation procedures for the management and the BoD;
- The rules governing the related party transactions, the monitoring of these transactions and appropriate disclosure thereof to the Company's bodies and shareholders;
- The policies for the induction and ongoing training of the BoD members and the management of the Company;
- The Company's corporate social responsibility policy.

Apart from the IR&R , the Company has established a structured framework of policies, processes, principles and roles which are regularly reviewed and updated as necessary, to ensure that the Company complies with the applicable legal, regulatory and contractual framework and takes preventive measures to timely identify and mitigate possible risks. Furthermore, the Company regularly reviews its Articles of Association, to ensure compliance with applicable laws as in force from time to time.

II. MAIN CHARACTERISTICS OF THE COMPANY'S INTERNAL CONTROLS AND RISK MANAGEMENT SYSTEMS

(a) Internal Controls System

The Board of Directors has overall responsibility to establish a system of internal controls and safeguard the effectiveness of such a system. To this end, the Board of Directors has established an Internal Controls System (or ICS), which is designed to provide reasonable safeguards regarding the Company's effective and efficient operation, the reliability of financial information and financial reporting, as well as the compliance with the legal and regulatory provisions applicable to its operations, including the Concession Agreement and regulations which apply to the operations of Hellenic Lotteries S.A. The BoD has developed processes to identifying potential deficiencies and taking of corrective actions where needed, aiming to achieve the Company's business goals.

The BoD is especially responsible for the fair and accurate presentation of the financial results, as well as the timely publication of the Company's Financial Statements. To this end and in view of the preparation of the Financial Reports, including the Financial Statements, the Finance Team has in place and applies a set of policies, practices and controls, which are designed to ensure the identification and communication of changes in accounting standards and the reconciliation of the main financial systems. The Company's Financial Statements are audited by an internationally recognized audit firm.

The efficiency of the Company's ICS is monitored by an Audit Committee (below under V), which has been established in accordance with the Concession Agreement.

ICS Assessment

The Internal Control System (ICS) of the Company was put under assessment by an external evaluator as of December 31, 2022, with reference period from 17.7.2021 until 31.12.2022, in accordance with Law 4706/2020 and decision 1/891/30.9.2020 of the Hellenic Market Capital Commission as in force, because of the Company's characterization as a 'significant subsidiary (within the meaning of Law 4706/2020) of OPAP Group.

By virtue of a decision of the Company's Board of Directors, PricewaterhouseCoopers SA (PwC) was engaged for the evaluation of the ICS and the Independent Assessor was Mr. Dimitrios Sourbis, a Certified Public Accountant with SOEL reg. number 16891. PwC confirmed their independence per the International Ethics Standards Board for Accountants' Code of Ethics as incorporated into the Greek Legislation, the ethical requirements of the Regulation (EU) No 537/2014 and the provisions of Law 4449/2017. As per the Assessment Report dated 08 March 2023, the evidence obtained was sufficient and appropriate to support the conclusion expressed, which was the following:

" Conclusion: Based on the procedures performed as described in the "Scope of Engagement" paragraph above, and the evidence obtained, about the Company's and its significant subsidiaries ICS adequacy and effectiveness, as at December 31, 2022 reporting date, nothing has come to our attention that causes us to believe that something could be identified as a material weakness in terms of the Company's and its significant subsidiaries ICS in compliance with the Regulatory Framework. "

The foregoing results constitute a further confirmation that the Company is in compliance with the applicable legislative and regulatory framework governing its Internal Control and Corporate Governance System. The next required evaluation will be conducted in 2025, aligning with the requirements of Greek Law 4706/2020.

(b) Internal Audit Function

The Company is supported by an Internal Audit Function (or “Internal Audit”), which reports functionally to the BoD through the Audit Committee and evaluates the efficiency of the Company’s Internal Controls System. The Manager of the Internal Audit is an independent individual, appointed by the BoD based on a proposal by the Audit Committee, and is responsible for the monitoring of the Company’s operations and policies regarding its Internal Controls System. The Internal Audit prepares an annual risk-based audit plan, which is approved by the Audit Committee. The Internal Audit periodically reports to the Board of Directors via the Audit Committee regarding the progress of the audit plan’s implementation status.

(c) Legal, Regulatory and Compliance Team & Compliance Controls

The Legal, Regulatory and Compliance Team (“LRCT”) plays a key role in the development and materialization of HL corporate strategy, vision, and responsible business growth. LRCT protects the Company’s interests, ensures its revenues by providing proactive and strategic advice to Senior Management and all business units. LRCT is also tasked with negotiating, concluding, and monitoring all contractual agreements related to the Company’s operations (e.g., with suppliers, partners etc.).

Moreover, LRCT keeps abreast of the latest developments and trends in the gaming industry and is primarily responsible for OPAP Group’s compliance with the applicable legal, regulatory and Responsible Gaming (RG) framework. Hence, it has established a structured system of policies and processes that apply across the Company and its Retail Network, proactively assessing, handling and, where necessary, mitigating legal and compliance risks. Central to LRCT’s function is the role of the Group’s Chief Legal, Regulatory & Compliance Officer, who is responsible for overseeing and coordinating the effective execution of the Group’s Strategy.

The priority of the Company is to provide its customers with the best products, by adopting the highest integrity and responsibility standards of the World Lottery Association. In this context, the Company is certified by the World Lotteries Association for the Responsible Gaming principles with the Level 4 Certification, which is the highest level.

OPAP Group promotes Responsible Gaming practices, across all areas, where it operates, through its comprehensive policies and codes, while also ensuring that its network adheres to the respective standards. This commitment along with facilitating collaboration within the industry, sharing best practices, and championing standards fosters an enjoyable, fair, and safe gaming experience for all customers, while creating a pathway for the gaming sector to establish world-class standards. Key activities include the implementation of a compliance monitoring process for the OPAP and Hellenic Lotteries networks, regular employee training, regular training of the network agents and their employees, awareness campaigns for Responsible Gaming, enhancement of the role of RG Ambassador. Furthermore, the Company has in place a Policy on Responsible Gaming and an Anti-Money Laundering and Counter Terrorism Financing Policy, which applies to all employees, agents and salesmen of Company's products, while it has appointed an Anti-Money Laundering (AML) Compliance Officer to ensure compliance with applicable AML Policy and legislation.

The Company applies OPAP Group Code of Conduct. Furthermore, in 2023 the Company adopted a new Whistleblowing Policy, in compliance with Law 4990/2022 (the "Whistleblowing Law"), transposing Directive (EU) 2019/1937 of the European Parliament and of the Council on the protection of persons who report breaches of Union law (the "Whistleblowing Directive"). Pursuant to the Whistleblowing Policy, any violation set out in the Whistleblowing Directive, the Whistleblowing Law or the Policy may be reported through alternate channels, i.e. in writing, by e-mail, through a dedicated e-platform or by personal meetings with the persons Responsible for Acceptance and Monitoring of Reports (RAMR) or the Deputy RAMR that have been appointed by the Company's BoD to this end in accordance with applicable legislation.

Artificial Intelligence

OPAP Group is committed to a responsible, lawful and ethical use of Artificial Intelligence (AI) technology, recognizing the potential benefits of AI in enhancing user experience and optimizing the Group's business operations, as well as the importance of protecting all its employees and customers and safeguarding the integrity of its products and services. To that end, OPAP Group has issued an AI Code of Conduct that forms the basis of AI Governance within the Group, which applies to the creation (design, piloting), implementation and use of AI technology at all stages, either by the Group Companies or by any third party acting on their behalf.

The AI Code of Conduct defines the fundamental principles of the use of AI, focusing on transparency which is interpreted to include i) interpretability, that helps users understand the factors that influence a particular outcome and verify the algorithm's fairness and correctness, ii) explainability, that ensures users can grasp the decision-making process and trust the AI's judgements, iii) auditability allowing for retrospective analysis and accountability when outputs have material consequences, iv) data transparency, which provides an understanding of the data sources which are used to train the algorithm, v) openness, that makes external scrutiny possible by disclosing the functioning of algorithms, key parameters and evaluation metrics used and vi) contextual transparency, in the sense of considering the broader environment and potential impact of the algorithm on different user groups.

Fundamental principles also include human oversight and accountability, non-discrimination and bias mitigation, data protection and sustainability. The AI Code of Conduct provides for the implementation of legal obligations in accordance with Law 4961/2022, such as maintaining a Register of AI applications and providing transparent information to data subjects. It should be noted that, the internal procedures exceed the legal requirements providing for the performance of Algorithmic Impact Assessments and the establishment of an AI Ethics Committee (AIEC) to oversee and guide the ethnical development, and use of AI technologies within the organization. The AIEC shall oversee AI-related decision making and ensure adherence with the AI Code of Conduct. Finally, the Code provides for training on AI ethics for employees involved in the development, selection and use of new AI applications.

Overall, the Company has in place the organizational structure, resources, policies, processes and technology that contribute to risk management and compliance enforcement. The Company monitors its compliance as well as the compliance of its retail network with the applicable legal and regulatory framework and takes appropriate corrective measures, if necessary. Further, the Company has in place controls to monitor compliance with the principles of responsible gaming and further conducts annual audits to this respect.

(d) Risks and Risk Management

The Company implements processes for the identification, assessment, and reporting of risks, in accordance with the Company's risk profile and adapted to the significant external and internal factors that affect the Company and the achievement of its objectives (the 'risk management framework'). The Company’s risk management framework describes the fundamental principles applied in risk management, defines the required roles and respective responsibilities regarding risk oversight and ownership, and establishes the appropriate methodologies and processes for the assessment and management of identified risks, while determining the acceptable level of risk assumed by the Company in the pursuit of its corporate objectives.

There is a summary of the most important risk areas for the Company on pages 10-15 of the Annual Financial Report for the financial year 2024 (01/01/2024 to 31/12/2024).

III. INFORMATION REGARDING THE POWERS AND OPERATION OF THE GENERAL MEETING OF THE SHAREHOLDERS, SHAREHOLDERS' RIGHTS AND WAYS TO EXERCISE THEM

In accordance with Law 4548/2018 and the Company's Articles of Association, the General Shareholders' Meeting (or the "General Meeting"), either Annual or Extraordinary, is convened by the Board of Directors. The General Meeting may be held either in a physical place or via teleconference, as per article 15 par. 1 of the Company's Articles of Association, if this is decided by the Board of Directors. The General Meeting shall be obligatorily convened once per financial year, within the specified time limit as of the end of the year of reference, to approve the annual Financial Statements and elect the auditors. The BoD may also convene an Extraordinary General Meeting, when deemed necessary. The General Meeting is in quorum and lawfully convenes on all agenda items, when shareholders representing one fifth (1/5) of the paid-up share capital are present or represented therein. Exceptionally, for certain decisions pertaining to items described in par. 3 of article 16 of the Company's Articles of Association, the General Assembly is in quorum and duly convenes on all items of the agenda, if half (1/2) of the paid-up share capital is represented therein. The resolutions of the General Meeting are reached by absolute majority of the votes, with the exception of the case described in par. 2 of article 17 of the Company's Articles of Association, based on which the decisions of article 132 par. 2 of L. 4548/2018 will be reached by majority of 75% of the votes represented in the General Meeting. The provisions of article 141 of Law 4548/2018, as in effect, shall apply for exercising minority rights.

The BoD ensures the diligent preparation and smooth conduct of the General Meeting of Shareholders, assisted in its work by the Corporate Secretariat. In this context, the Board facilitates the effective exercise of the shareholders' rights, who can easily be informed about the issues related to their participation in the General Meeting, including the issues of the agenda and their rights.

IV. COMPOSITION AND OPERATION OF THE BOARD OF DIRECTORS

(a) The Role of the Board of Directors

The Board of Directors is the administrative body of the Company that primarily shapes the Company's strategy and development policy. It is responsible for making decisions on all matters related to the management of the Company, the management of its assets, and the overall pursuit of its objectives, while also supervising and controlling the Company's management team.

The responsibilities of the Board of Directors include:

- overview of the implementation of the BoD's decisions and General Meeting's resolutions,
- management of the corporate issues to promote the corporate interest,
- ensuring that the financial statements and the Annual BoD Report are drafted and published according to the law and the International Accounting Standards,
- monitoring the effective implementation of corporate governance rules, including the effectiveness of the Company's Internal Controls System,
- determination of the strategy, approval of the business plans and annual budget, as well as monitoring, amending and adjusting the above,
- ensuring the existence and application of an effective risk management system, facilitating risk-based decision making and contributing to prudent management of business risks,
- ensuring transparency in the Company's business activities in general,
- ensuring the Company's compliance with the legal and regulatory framework,
- proposing to the General Meeting the Company's remuneration policy,
- delegation of powers to the CEO and to the Company's management executives as they deem fit,
- facilitation of the work of the Company's internal auditors in all appropriate ways.

In respect of the strategy planning of the Company, the BoD, at the beginning of each financial year, approves the strategic goals of the Company, the business plan and the budget, where the opportunities and risks are identified by the Company's management, and they are further recorded and analyzed. In the course of the year, the Company's strategy and financial plans are re-evaluated, while decisions are made, taking into account the Company's policies and procedures, the requirements of the Concession Agreement and the risks undertaken by the Company, as well as the group culture (Special practices 1.6 and 1.7. of the HCGC).

(b) Diversity

The Company promotes an inclusive and diverse culture and is committed to the promotion of equality through our workforce, players, retailers and society. The Board reiterates its view that facilitating and promoting diversity in its broadest sense has helped propel the Company's success to date. The Company makes decisions regarding recruitment and selection, remuneration, career development and training, transfers, promotion and succession planning based solely on merit – being the skills, experience, qualifications and potential of the individual connected to the job – without regard to gender, age, sexuality, family circumstances, marital status, disability, religion, political preference, trade unionism or any other classification protected by applicable law. Reference to the above Diversity Policy is also made in the Code of Conduct of OPAP Group which is accessible on https://www.hellenic-lotteries.gr/documents/d/hellenic-lotteries/kodikas-deontologias_060924-pdf.

The members of the Company's Board of Directors in particular come from different countries and/or professional career paths, creating an amalgam of different experiences, cultural values and philosophy.

(c) Executive and Non-Executive Members of the Board of Directors

In accordance with article 14 of the Concession Agreement, the members of the Board of Directors are nominated as executive and non-executive, while the appointment of independent non-executive members is not required. The capacity of the Board members as executive or non-executive is determined by the Board of Directors.

The executive members of the Board, among others, are responsible for the implementation of the strategy as collectively determined by the Board and consult with non-executive members of the Board at regular intervals regarding the appropriateness of the strategy implemented.

The non-executive members of the Board monitor and examine the Company's strategy and its implementation, as well as the achievement of its objectives and ensure the effective supervision of the executive members, the system of internal controls, while managing potential conflicts of interest with regards to the transparency and protection of corporate interests.

(d) Tenure and Meetings of the Board of Directors

The members of the Board of Directors are elected by the General Meeting of the Company's Shareholders for a three (3) year term, which starts upon their election and extends ipso jure until the election of a new Board of Directors by the first annual General Meeting which is held after the end of their term, in accordance with the provisions of article 8 par. 2 of the Company's Articles of Association. However under no circumstances may this term exceed four (4) years. The incumbent Board of Directors was elected by virtue of a resolution of the Extraordinary General Shareholders' Meeting of the Company dated 17.12.2024 for a three-year term, which started upon their election by the General Meeting and shall expire on 17.12.2027 (without prejudice to the extension possibility of the term as per the above).

The Board meetings are structured to allow open discussion. The Board meets regularly, in principle, once per month and holds additional meetings (including by videoconference or teleconference) or takes written resolutions without holding a meeting, to consider matters within its competence. In 2024, the Board of Directors held eight (8) regular meetings and approved unanimously per rotation one (1) additional written resolution.

The table below depicts in detail the attendance of every individual BoD member at scheduled meetings of the Board of Directors:

Name of the BoD member	Position	BoD Presence	BoD Representation
Jan Karas	Chairman and Chief Executive	8	-
Odysseas Christoforou	Vice-Chairman – Non-Executive Member	5	3
Kamil Ziegler	Non Executive Member	7	1
Pavel Mucha	Executive Member	8	-
Ilias Katsaros	Executive Member	8	-
Fotios Zisimopoulos	Executive Member	8	1
Matthaios Matthaiou *	Executive Member	1	-
Michael Conforti	Non Executive Member	7	1
Nicholas Antonio Negro	Non Executive Member	8	-

NOTES:

* Mr. Matthaios Matthaiou was first elected by the Extraordinary General Meeting on 17.12.2024

All Board members timely receive reports on the agenda items, to enable them to give due consideration of the items in advance of the Board meetings. Directors unable to attend a particular meeting during the year had the opportunity to review and raise any issues on the relevant briefing papers.

Each Director has access to the advice and services of the Corporate Secretary who ensures that the correct Board procedures are being followed and proper records are maintained. Furthermore, the Corporate Secretary assists and advises, as the case may be, the members of the Board of Directors on matters concerning their capacity (Special practices 3.2.1 and 3.2.2. of the HCGC).

(e) Chairman, Vice-Chairman of the Board of Directors and Chief Executive Officer

According to the Company's Articles of Association, the Board of Directors appoints its Chairman from among its members, who has the responsibilities defined in Article 11 of the

Articles of Association, specifically convening the Board of Directors and directing its meetings, and issuing copies and extracts from the Company's documents and books. Furthermore, the Board of the Company may, by virtue of a decision, appoint a Chief Executive Officer (CEO)from among its members at any time , who will have the powers delegated to them by the same decision (Special Practice 1.11 of the HCGC). The same person may have both capacities, those of the Chairman of the Board and of the CEO of the Company.

According to the aforementioned provisions, the roles of the Chairman of the Board of Directors and the Chief Executive Officer coincided during the fiscal year 2024 and continue to coincide at the time of this Statement in the same person. As such, the competences of the Chairman & CEO are those defined by the Company's Articles of Association, as well those delegated by the Board of Directors, and are indicatively the following:

- Chairing and ensuring that Board meetings constitute a forum where open debate and effective contribution from individual Directors are encouraged, with sufficient time allocated to key issues,
- Determining the items of the agenda, scheduling meetings in a way that ensures that the majority of BoD members are present, and sending members the necessary material to promote debate and enable decision-making in due time,
- Ensuring that the BoD complies with its obligations towards Shareholders, the Company, the supervisory authorities, the law and the Articles of Association of the Company,
- Representing and binding the Company upon, and under the conditions of, a BoD decision,
- Supervising Company business and financial policy,
- Monitoring and assuming responsibility for the Company's financial results and profitability,
- Defining, in cooperation with the BoD and the Management, the strategic targets of the Company,
- In general, the CEO checks the day-to-day operations of the Company and supervises how each Team performs its tasks.

The Company has also appointed a non-executive Board member as Vice-Chairman, in accordance with best corporate governance practices and in conformity with the Company's obligations under the Concession Agreement, in conjunction with applicable legislation.

Furthermore, according to the Company's Articles of Association, the BoD may delegate certain management and representation powers of the Company either to Board members or third parties, by relevant decisions.

(f) Conflicts of Interests & Related Parties Transactions

Conflict of interests is a situation where a Board Member or their family members have or may have a personal or financial interest that compromises or could compromise the Board Member's independence of judgment in exercising their responsibilities towards the Company.

The Company implements a conflict or potential conflict of interest process for the identification, avoidance and handling of conflicts that may arise between the interests of the Company and those of its Board of Directors. Under article 97 of Law 4548/2018, the members of the Board of Directors have the obligation to timely and adequately disclose to the other Directors own interests which may arise from company transactions falling within their duties, as well as any conflict of own interests with the interests of the company or of any company affiliates, as per article 32 of Law 4308/2014, which may arise in the course of exercising their duties. Likewise, the members of the Board of Directors shall also disclose any conflict of the Company interests with the interests of the persons of paragraph 2 of article 99 of Law 4548/2018, if the Board Members are related to those persons. Sufficient disclosure means a clear description of both the transaction and of own interests.

In compliance with the foregoing provisions and pursuant to the Company's IR&R, Board Members submit a Special Declaration, providing information and disclosing any personal and/or business relations (their family members' personal or business relations included) that may compromise the Board Member's independence of judgement, such as any business and/or personal relations with the Company's wholesalers, vendors, advisors etc. Board Members (their family members included) notify the Company of any change in the status declared in the Special Declaration. The Company keeps an updated registry with all cases of conflicts of interests that have been identified and the Special Declarations submitted.

Furthermore, where a conflict of interest has been identified, the Board Member being in such a conflict has to abstain from voting on the respective agenda item of a Board meeting.

Related party transactions are regulated by articles 99 - 101 of Law 4548/2018. Within this context, the Company implements corporate processes which have been established for all OPAP subsidiaries and aim at the identification, assessment, approval, handling and disclosure of such transactions in accordance with applicable legislation.

Specific cases of conflicts of interests that the Company has dealt with in the financial year 2024 are disclosed under section "5. Significant Transactions of the Company with Related parties" of the Board of Directors' Annual Report.

Specific agreements that the Company has entered into, which fall within the scope of articles 99-101 of Law 4548/2018, are disclosed under section "5. Significant Transactions of the Company with Related parties" of the Board of Directors' Annual Report.

(g) Remuneration of the Board of Directors

The Company has in place a Remuneration Policy, in accordance with the relevant provision of the Articles of Association. The Policy was further revised and approved by the Annual General Meeting of Shareholders held on 17.06.2024.

The Remuneration Policy is adapted to the Company's particularities, size and complexity of its activities, and also to the degree and extent of responsibilities and duties assumed by the members of the Board of Directors.

The Board of Directors ensures that, for each financial year, a clear and comprehensive remuneration report is prepared and submitted to the Annual General Meeting, presenting a complete overview of all remunerations and benefits received by the Board members for their services to the Company.

V. THE AUDIT COMMITTEE

(a) Composition & term of office

In accordance with article 14.7(a) of the Concession Agreement, the Corporate Governance Law and best practices, the Company has established an Audit Committee as a Board committee.

It is pointed out that, due to the exception provided for in article 14 of the Concession Agreement (i.e. the Company is explicitly exempted from the obligation to have independent non-executive Board members), the Board of Directors and consequently the Audit Committee are not composed of independent non-executive members.

The incumbent Audit Committee comprises three (3) non-executive members of the BoD. All Committee members have the necessary knowledge to oversee the procedures and issues of concern referred to the Committee and at least one member shall have adequate knowledge of financial statements drafting, risk management and internal audit. One member of the Committee is appointed as its Chair. The Audit Committee's operation is regulated by its Charter, which is incorporated into the Company's IR&R.

Subsequent to the election of a new Board of Directors by the Extraordinary General Meeting of the Shareholders dated 17.12.2024, the Board of Directors appointed three Non-Executive Board Members as Audit Committee Members, with term equal to the three (3) year term of the members of the Board of Directors, i.e., from 17.12.2024 up to 17.12.2027(which term is extended ipso jure in accordance with the provisions of article 8 par. 2 of the Company's Articles of Association). Further, the Audit Committee was formed into a corporate body as appearing in the table below.

The Company's Audit Committee throughout year 2024 comprised the following members:

Audit Committee Member Name	Position
Kamil Ziegler	Chairman of the Audit Committee
Odysseas Christoforou	Member of the Audit Committee
Nicholas Antonio Negro	Member of the Audit Committee

(b) Major Duties of the Audit Committee

According to the Audit Committee's Charter, which is incorporated in the Company's IR&R, the Audit Committee is entrusted with the following responsibilities:

- In cooperation with the management team and external auditors, it reviews the results of the financial audit and any other issues relating to the audit process,
- It reviews financial statements to verify that they are complete, accurate and that they incorporate the appropriate accounting policies,
- It is responsible for reviewing and approving the annual audit plan,
- It oversees the effectiveness of the Internal Audit Function and examines the annual report of such Function on the adequacy of the Internal Controls System of and briefs the BoD accordingly,
- It monitors implementation of the conflict of interests' policy.

7. Dividend policy – Distribution of net profit

As far as the dividend is concerned, for the fiscal year 2024, similarly to 2023, no distribution is proposed by the Board of Directors.

8. Strategy and future perspectives

Strategic Overview

1. Continuous focus on profitable growth with full adherence to boundaries imposed by Responsible Gambling.
2. Further upgrade and enrichment of product portfolio in line with market conditions and customer expectations.
3. Maintaining full compliance with the Legal and Regulatory Framework governing the Company's operation.
4. Leveraging on growth potential through optimal mix of distribution channels, geographical coverage and range of products.

Perspectives

The Company as the holder of the exclusive right of production, operation, circulation, promotion and management of State Lotteries, targets its efforts in the solidification and further enhancement of the traditional as well as instant lottery products in the Greek market. In this context, the vision of the Company focuses on:

1. Continuous improvement of the Company's operating model targeted towards increase of productivity and high security standards.
2. Enhanced penetration and products availability across the country through state of the art in house developed stock and assortment management tools.
3. Constant renewal/update of its product portfolio tailored to market needs and population segments characteristics.

9. ENVIRONMENTAL ISSUES

As HELLENIC LOTTERIES S.A. is located at the same building of the parent company, it applies the Environmental & Energy Management System of OPAP S.A., which is certified by ISO14001 and ISO50001 respectively. Through its Environmental and Energy Policy, OPAP is committed to conducting business operations in an environmentally responsible way, acknowledging that protection of the environment, energy saving and conservation of natural resources, as well as the active contribution against climate change are integral parts of responsible and sustainable business development.

In the context of the Environmental & Energy Management System, OPAP S.A.:

- Systematically evaluates and monitors the Environmental and Energy impact of its operations,
- Monitors and complies with relevant National and European Environmental and Energy Laws and regulations, as well as the requirements of other interested parties which have been accepted,
- Implements appropriate policies and programs to continuously improve its Environmental & Energy performance, reducing its negative Environmental impact and Energy consumption, where possible,
- Prevents any Environmental pollution and promotes the efficient use of Energy by implementing appropriate Environmental practices in its own operations and the operations of its main suppliers.

The Company is in full compliance with current environmental legislation and does not have liabilities which could potentially have negative consequences to the business, the work cycle and or the economic condition of the Company.

10. Labour Issues

The Company recognizes the importance of its employees as a means of achieving its goals and thus it gives a great emphasis on the health and safety and the opportunities of education and development of its workforce.

Health and Safety

As the Company is located at the same building of the parent company, it applies the Occupational Health & Safety Management System of OPAP S.A., which is certified by ISO45001. The purpose of this management system is to effectively identify and manage work-related risks and ensure suitable and safe work conditions for all employees, through appropriate policies and measures.

Learning and Development

In order to support deployment of its Strategic plan and priorities, OPAP attracts highly talented individuals and hires highly esteemed professionals for the companies of the group. In addition, it invests significantly in its personnel development via continuous training programs, aiming to further develop and enhance its talented individuals, so that the strategic goals of the Company are actively achieved.

Human and labour rights

The Company, as part of OPAP group, has adopted all social accountability policies of OPAP S.A., encompassing the principles of the UN Universal Declaration of Human Rights. As a result, there are specific policies against any form of discrimination in employment, forced and child labour, unfair remuneration and opportunities, that cover all employees of the Company.

11. SUBSEQUENT EVENTS

There were no subsequent events that require adjustments to or disclosures in the Financial Statements.

Athens, 26 March 2025

Chairman & Chief Executive Officer	**Member of the Board & Chief Financial Officer**
Jan Karas	**Pavel Mucha**

C. ANNUAL FINANCIAL STATEMENTS

The attached Financial Statements as at 31.12.2024 of the Company were approved by the Board of Directors on 26.03.2025 and have also been posted on the Company's website www.hellenic-lotteries.gr.

The auditors of the Financial Statements of HELLENIC LOTTERIES S.A. for the years ended on 31.12.2024 and 31.12.2023 is the auditing firm PricewaterhouseCoopers S.A..

Attached notes on pages 46 to 91 are an integral part of the Financial Statements.

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This audit report and the financial statements that are referred to herein have been translated for the original documents prepared in the Greek language. The audit report has been issued with respect to the Greek language financial statements and in the event that differences exist between the translated financial statements and audit report and the respective original Greek language documents, the Greek language documents will prevail.

Independent auditor's report

To the Shareholders of "HELLENIC LOTTERIES S.A."

Report on the audit of the financial statements

Our opinion

We have audited the financial statements of HELLENIC LOTTERIES S.A. (Company) which comprise statement of financial position as of 31 December 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, comprising material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects the financial position of the Company as at 31 December 2024, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Law 4548/2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

During our audit we remained independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017, that are relevant to the audit of the financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, and the requirements of the IESBA Code.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information is the Board of Directors Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Board of Directors Report, we considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the Board of Directors Report for the year ended at 31 December 2024 is consistent with the financial statements,
- The Board of Directors Report has been prepared in accordance with the legal requirements of article 150 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors Report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as they have been transposed into Greek Law, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, as they have been transposed into Greek Law, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

With respect to the Board of Directors Report, the procedures we performed are described in the "Other Information" section of our report.

In the Notes 3 and 30 of the Financial Statements, there is the reference to the fact that the Equity of the Company, on 31 December 2024, has become negative and therefore, the conditions of paragraph 4 of article 119 of Law 4548/2018 are met, on the basis of which, the Board of Directors is obliged to convene the General Meeting of Shareholders in order to take the appropriate measures.

Athens, 28 March 2025

The Certified Auditor Accountant

PricewaterhouseCoopers S.A.
Certified Auditors
65, Kifissias Avenue
151 24 Marousi
SOEL Reg. 113

Despina Marinou
SOEL Reg. No 17681

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1. *Statement of Financial Position*

Amounts in thousands of euro	Notes	31.12.2024	31.12.2023
ASSETS			
Non - current assets			
Intangible assets	6	3,898	17,696
Property, plant and equipment	7	18	33
Right-of-use assets	8	51	84
Other non - current assets		8	8
Deferred tax assets	9	10,015	9,874
Total non - current assets		**13,990**	**27,696**
Current assets			
Trade Receivables	11	38,376	38,094
Current Income tax assets		168	224
Other current assets	12	908	364
Cash and cash equivalents	10	64,234	53,023
Total current assets		**103,686**	**91,705**
TOTAL ASSETS		**117,676**	**119,401**
EQUITY & LIABILITIES			
Equity			
Share capital	13	300	204
Share premium	13	44,988	21,084
Reserves	13	24,806	24,806
Retained earnings		(78,124)	(66,929)
Total equity		**(8,030)**	**(20,835)**
Non - current liabilities			
Borrowings	14	40,000	-
Lease liabilities	8	25	52
Employee benefit plans		2	1
Other non-current liabilities	15	1,247	1,374
Total non - current liabilities		**41,274**	**1,427**
Current liabilities			
Borrowings	14	319	40,382
Lease liabilities	8	27	33
Trade payables	16	56,543	60,010
Other current liabilities	17	27,543	38,385
Total current liabilities		**84,432**	**138,810**
Total liabilities		**125,706**	**140,237**
TOTAL EQUITY & LIABILITIES		**117,676**	**119,402**

The attached notes at pages 47 to 91 form an integral part of Annual Financial Statements

2. *INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME*

Amounts in thousands of euro	Notes	01.01.2024-31.12.2024	01.01.2023-31.12.2023
Revenue (GGR)		**105,106**	**115,877**
GGR contribution	18	(50,000)	(50,000)
Net gaming revenue (NGR)		**55,106**	**65,877**
Agents' commissions	19	(30,316)	(32,327)
Other direct costs	20	(10,973)	(11,643)
Other operating income	21	2,600	2,947
Payroll expenses	22	(737)	(699)
Marketing expense	23	(6,284)	(7,198)
Other operating expenses	24	(4,762)	(6,993)
Net impairment losses on financial assets		8	(78)
Profit before interest, tax, depreciation and amortization (EBITDA)		**4,642**	**9,885**
Depreciation and amortization	6,7,8	(6,447)	(10,309)
Impairment of intangible assets	6	(7,400)	(6,274)
Results from operating activities		**(9,205)**	**(6,697)**
Finance income	25	1,159	1,567
Finance cost	25	(3,288)	(15,643)
Loss before tax		**(11,335)**	**(20,772)**
Income tax expense	26	140	(16,730)
Loss after tax		**(11,194)**	**(37,502)**
Other comprehensive income			
Actuarial gain		-	-
Related tax	26	-	-
Other comprehensive income for the period		**-**	**-**
Total comprehensive income for the period		**(11,195)**	**(37,502)**
Basic losses per share in €	**27**	**(1.7769)**	**(9.1469)**

The attached notes at pages 47 to 91 form an integral part of Annual Financial Statements.

3. STATEMENT OF CHANGES IN EQUITY

Amounts in thousands of euro	Share capital	Share premium	Reserves	Retained earnings	Total equity
Balance at 1 January 2023	**124**	**20**	**24,806**	**(28,283)**	**(3,332)**
Loss for the year	-	-	-	(37,502)	**(37,502)**
Share capital increase	80	21,064	-	(1,144)	**20,000**
Balance at 31 December 2023	**204**	**21,084**	**24,806**	**(66,929)**	**(20,835)**
Balance at 1 January 2024	**204**	**21,084**	**24,806**	**(66,929)**	**(20,835)**
Loss for the year	-	-	-	(11,194)	**(11,194)**
Share capital increase (Note 13)	96	23,904	-	-	**24,000**
Balance at 31 December 2024	**300**	**44,988**	**24,806**	**(78,124)**	**(8,030)**

The attached notes at pages 47 to 91 form an integral part of Annual Financial Statements.

4. *Cash Flow Statement*

Amounts in thousands of euro	Notes	31.12.2024	31.12.2023
OPERATING ACTIVITIES			
Loss before tax		(11,335)	(20,772)
Adjustments for:			
Depreciation and amortization	6,7,8	6,447	10,309
Impairment of intangible assets	6	7,400	6,274
Net Finance Costs	25	2,129	14,075
Employee benefit plans		1	-
Loss allowance for trade receivables	11	(8)	78
Total		**4,635**	**9,964**
Changes in Working capital			
(Increase) / decrease in receivables		(819)	761
Decrease in payables		(1,400)	(68,260)
Total		**2,416**	**(57,536)**
Interest paid		(16,329)	(3,469)
Cash outflows from operating activities		**(13,913)**	**(61,004)**
INVESTING ACTIVITIES			
Interest received		1,159	1,567
Cash inflows from investing activities		**1,159**	**1,567**
FINANCING ACTIVITIES			
Payment of lease liabilities	8	(35)	(23)
Share capital increase	13	24,000	20,000
Cash inflows from financing activities		**23,965**	**19,976**
Net increase/(decrease) in cash and cash equivalents		**11,211**	**(39,461)**
Cash and cash equivalents at the beginning of the year	10	53,023	92,484
Cash and cash equivalents at the end of the year	**10**	**64,234**	**53,023**

The attached notes at pages 47 to 91 form an integral part of Annual Financial Statement

NOTES ON THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The company HELLENIC LOTTERIES S.A. (hereinafter the "Company") was established on 15.06.2013 and is based in Athens, Athinon Avenue 112. Its purpose of business is the production, operation, distribution, promotion and the overall management of all state lotteries, under the terms and conditions of the Concession Agreement of 30.07.2013 with Hellenic Republic Asset Development Fund, the general Greek legal and regulatory framework as well as the specific regulations of HELLENIC LOTTERIES S.A..

The Financial Statements for the year ended on 31.12.2024 including the comparatives for the year ended on 31.12.2023 were approved by the Board of Directors on 26.03.2025 and are subject to approval by the General Shareholders Meeting.

2. NATURE OF OPERATIONS - OVERVIEW

The Company is a member of OPAP S.A. Group of companies. The Company, in July 2013, acquired the 12-year exclusive right to produce, operate, circulate and manage the state lotteries games (National, Popular, New Year's Eve, European) and the Instant lottery game (Scratch) in Greece for a consideration of € 190,000 th.. According to the Concession Agreement HELLENIC LOTTERIES S.A. is required to pay the State a contribution of 30% on the Gross Gaming Revenue (GGR) on an annual basis generated from the Greek State Lotteries (with the exception of the New Year's Lottery); Additionally, the Concession Agreement stipulates a minimum annual fee of € 50,000 th., except for the first and last year. Specifically, for the first year, the minimum fee is calculated as € 30,000 th. multiplied by the ratio of operating days to 365 days, and for the last year, it is calculated as € 50,000 th. multiplied by the ratio of operating days to 365 days.

The active products of the Company's portfolio include the Laiko (Popular), Ethniko (National), Protochroniatiko (New Year's Eve) lotteries, as well as the Instant State Lottery – SCRATCH.

Commercial Network

HELLENIC LOTTERIES S.A. operates through a wide sales network of more than 7,946 points of sale in Greece. This network consists mainly of the existing sales network of OPAP S.A, wholesalers, street vendors, retail chains and selected kiosks and mini markets, fully aligned with the corporate strategy of product availability and geographical coverage.

3. BASIS OF PREPARATION

The Financial Statements of HELLENIC LOTTERIES S.A. for the year ended on 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the European Union and interpretations issued by the IFRS Interpretations Committee (IFRS IC), applicable to companies reporting under IFRS and are effective as of 1 January 2024.

HELLENIC LOTTERIES S.A.'s Financial Statements have been prepared under the historical cost and going concern basis of accounting.

The Company's Total Equity is negative and consequently has fallen below the threshold of 50% of its Share Capital, therefore there are reasons for application of paragraph 4 of Article 119 of Law 4548/2018. The Company's shareholders and OPAP S.A. are committed to its capital structure and intent to continue providing financial support and to take all necessary steps to ensure that the Company continues to operate as a going concern for a period of at least 12 months from the approval of the Financial Statements.

The preparation of the Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires that the Company's Management exercise its judgment in the process of applying the appropriate accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant are disclosed in Note 3.2 "Important accounting estimates and judgements".

All amounts presented in the Financial Statements are in thousands of euro unless otherwise stated. Any differences between the amounts included in the Financial Statements and the respective amounts included in the notes are attributed to roundings.

3.1. New Standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1 January 2024. The Company's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IAS 1 'Presentation of Financial Statements' (Amendments) *(effective for annual periods beginning on or after 1 January 2024)*

- **2020 Amendment 'Classification of liabilities as current or non-current'**

  The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.

- **2022 Amendments 'Non-current liabilities with covenants'**

  The new amendments clarify that if the right to defer settlement is subject to the entity complying with specified conditions (covenants), this amendment will only apply to conditions that exist when compliance is measured on or before the reporting date. Additionally, the amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period.

The 2022 amendments changed the effective date of the 2020 amendments. As a result, the 2020 and 2022 amendments are effective for annual reporting periods beginning on or after 1 January 2024 and should be applied retrospectively in accordance with IAS 8. As a result of aligning the effective dates, the 2022 amendments override the 2020 amendments when they both become effective in 2024.

IFRS 16 (Amendment) 'Lease Liability in a Sale and Leaseback' *(effective for annual periods beginning on or after 1 January 2024)*

The amendment clarifies how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. An entity applies the requirements retrospectively back to sale and leaseback transactions that were entered into after the date when the entity initially applied IFRS 16.

IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments' (Amendments) - Disclosures: Supplier Finance Arrangements *(effective for annual periods beginning on or after 1 January 2024)*

The amendments require companies to disclose information about their Supplier Finance Arrangements such as terms and conditions, carrying amount of financial liabilities that are part of such arrangements, ranges of payment due dates and liquidity risk information.

The adoption of these amendments did not have any impact on Company's financial statements.

Standards and Interpretations effective for subsequent periods

IAS 21 'The Effects of Changes in Foreign Exchange Rates' (Amendments) - Lack of exchangeability *(effective for annual periods beginning on or after 1 January 2025)*

These amendments require companies to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide.

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' *(effective for annual periods beginning on or after 1 January 2027)*

IFRS 19 was issued in May 2024. It allows subsidiaries with a parent that applies IFRS in its consolidated financial statements to apply IFRS with reduced disclosure requirements. It applies to eligible subsidiaries that elect to adopt the standard in their consolidated, separate or individual financial statements. Eligible subsidiaries are those which do not have public accountability (as described in a relevant paragraph in IFRS for Small and Medium-sized Entities) and belong to a parent that prepares and publishes consolidated financial statements in accordance with IFRS. These subsidiaries will continue to apply the recognition, measurement and presentation requirements in other IFRS, but they can replace the disclosure requirements in those standards with reduced disclosure requirements. The new standard:

- enables subsidiaries to keep only one set of accounting records—to meet the needs of both their parent company and the users of their financial statements; and
- reduces disclosure requirements—IFRS 19 permits reduced disclosures better suited to the needs of the users of their financial statements.

The new standard has retrospective application. It has not yet been endorsed by the EU.

Narrow scope amendments to IFRS 9 and IFRS 7, 'Financial Instruments: Disclosures' *(effective for annual periods beginning on or after 1 January 2026)*

These amendments issued in May 2024:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows such as some instruments with features linked to the achievement ESG targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

When an entity first applies the amendments, it is not required to restate comparative information, and is only permitted to do so if possible without the use of hindsight.

The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRS Standards Volume 11 *(effective for annual periods beginning on or after 1 January 2026)*

The amendments include clarifications, simplifications, corrections and changes aimed at improving the consistency of 5 IFRS Standards namely IFRS 9 'Financial Instruments', IFRS 1 'First-time Adoption of International Financial Reporting Standards', IFRS 7 'Financial Instruments: Disclosures', IFRS 10 'Consolidated Financial Statements' and IAS 7 'Statement of Cash Flows'. None of these are expected to have a significant impact on the Company's financial statements.

The amendments have not yet been endorsed by the EU.

The adoption of the amendments above is not expected to have a material impact on the Company's Financial Statements.

IFRS 18 'Presentation and Disclosure in Financial Statements' *(effective for annual periods beginning on or after 1 January 2027)*

IFRS 18 was issued in April 2024. It sets out requirements on presentation and disclosures in financial statements and replaces IAS 1. Its objective is to make it easier for investors to compare the performance and future prospects of entities by changing the requirements for presenting information in the primary financial statements, particularly the statement of profit or loss. The new standard:

- presentation of two new defined subtotals in the statement of profit or loss—operating requires profit and profit before financing and income taxes.

- requires disclosure of management-defined performance measures—subtotals of income and expenses not specified by IFRS that are used in public communications to communicate management's view of an aspect of a company's financial performance. To promote transparency, a company will be required to provide a reconciliation between these measures and totals or subtotals specified by IFRS.
- enhances the requirements for aggregation and disaggregation to help a company to provide useful information.
- requires limited changes to the statement of cash flows to improve comparability by specifying a consistent starting point for the indirect method of reporting cash flows from operating activities and eliminating options for the classification of interest and dividend cash flows.

The new standard has retrospective application. It has not yet been endorsed by the EU.

The Company is currently assessing the potential impact of adoption of this new standard on the Financial Statements.

Amendments to IFRS 9 and IFRS 7, 'Contracts Referencing Nature-dependent electricity'
(effective for annual periods beginning on or after 1 January 2026)

These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as weather) and specifically only to the nature-dependent electricity component of these contracts (not to electricity certificates). Contracts in scope include both contracts to buy or sell, physically or virtually, nature-dependent electricity and financial instruments that reference such electricity.

The amendments:

- address how IFRS 9 'own-use' requirements would apply for physical PPAs;
- permit hedge accounting if these contracts are used as hedging instruments; and
- add to IFRS 7 new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

Some of the amendments are subject to prospective application and others to retrospective application. The amendments have not yet been endorsed by the EU.

The adoption of the amendments above is not expected to have a material impact on the Company's Financial Statements.

3.2. Important accounting estimates and judgements

The preparation of the Financial Statements requires the use of accounting estimates and judgements. Although these estimates and judgements are based on Management's best knowledge of current events and actions, as well as historical experience, actual events may ultimately differ from those estimates.

Estimates and judgments 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. The effect of a change in an accounting estimate or judgement shall be recognized prospectively. Certain amounts included in or affecting the Financial Statements and related disclosure must be estimated, requiring management to make assumptions with respect to values or conditions which cannot be known with certainty at the time the Financial Statements are prepared. A ''critical accounting estimate'' is one which is both important to the portrayal of the Company's financial condition and results and requires management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. The Company evaluates such estimates and assumptions on ongoing basis, based upon historical results and experience, consultation with experts, trends and other methods considered reasonable in the particular circumstances, as well as our forecasts as to how these might change in the future.

In the process of applying the Company's accounting policies, judgments and estimates made by the Management that have the most significant effect on the amounts recognized in the Financial Statements are presented below:

Recoverability of trade receivables

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which use a lifetime expected loss allowance for all trade receivables. Management examines at each period of Financial Statements preparation the recoverability of the amounts included in trade receivables using historical trends, statistical information, future expectations, in combination with external information such as creditability databases, lawyers consultation etc.. The credit control department also interacts with management in order to provide a more precise estimation since the latter has the past experience and the daily interaction with the debtors. More detailed information on the impairment assessment for trade receivables is available in Note 4.9.

Impairment testing relating to intangible assets

The impairment test is a complex process requiring significant management judgment and is based on key assumptions about future profitability and cash flows and selecting the appropriate discount and long-term growth rates. The subjectivity involved in the key assumptions used by Management in the impairment review and the inherent uncertainty of those assumptions is high. The accounting treatment of intangible assets impairment is described in more detail in Note 4.7.

Income taxes

Income tax expense consists of current and deferred tax. Current tax includes tax estimates calculated from the taxable income or loss for the current period using tax rates applicable as at the balance sheet date, as well as any adjustments to the current tax relating to prior years. Estimate on deferred tax is identified in the process of recognition of deferred tax assets which is performed to the extent that is probable that future taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. In addition, the tax rates used for both deferred tax assets and liabilities are the ones that are estimated to be enacted in the following years where the differences are expected to reverse. Additional information is provided in Note 4.12.

Contingencies

The Management assesses at each reporting date any contingencies arising from legal disputes and estimates its outcome. Another factor of potential future negative impact is the open tax years and the possible additional taxes or fines. Furthermore, new laws and regulations are examined and their potential impact in the performance of the Company is assessed. All of the aforementioned actions require a great input of judgement and estimate by Management. The recognized contingencies as at 31.12.2024 are analysed in Note 4.13 and 29.

Useful life of depreciated assets

The Company estimates the useful life of depreciated assets including Property Plant and Equipment, Intangible assets and Right-of-Use assets. At least annually, Management reassesses these estimates by taking into account updated conditions. Further details are provided in Notes 4.5, 4.6 and 4.8.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of material accounting policies adopted in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1. Operating segments

Segment information is presented based on the internal management reports and information provided to the chief operating decision makers, as required by IFRS 8. An operating segment represents a separate category of games.

4.2. Revenue recognition, accounting for Payout to the winners and other Operating Income

Revenue is shown net of value-added tax and returns.

Revenue from games

Gaming revenue is reported as the difference between amounts wagered and payout to the winners and net of incentives to the players and is presented as Gross Gaming Revenue ("GGR") in the Income Statement and Other Comprehensive Income.

Amounts wagered do not represent the Company's statutory revenue measure. They comprise the amounts received from the players or that are receivable by the end of the year. Amounts wagered that refer to draws of future accounting periods are considered as deferred revenue classified under "Trade payables" in the Statement of Financial Position.

Payout to the winners is recognized on the date that the draw occurred. Payout (winning) claims at the end of each reporting period are classified as "Trade payables" in the Statement of Financial Position while the unclaimed winnings are attributed to the State when the relevant legal claim period expires.

The Company has the following categories of lottery tickets:

- **Instant lotteries:** This category refers to SCRATCH cards. Revenue represents the amounts wagered less the winners' payout. The winners' payout is adjusted to the level stated in the Concession Agreement and the specifications of each SCRATCH card type with a corresponding payout provision recognized in "Trade payables" in the Statement of Financial Position.
- **Passives lotteries:** There are two types of passives lotteries, the NATIONAL (without Jackpot) and the POPULAR (with Jackpot). In case of no winner in the current draw

(Jackpot) of the POPULAR lottery, the prize is rolled into the next draw. At the end of each reporting period the Company recognizes a relevant payout provision which is included in “Trade payables” in the Statement of Financial Position.

Revenue is recognized in the period when the draws take place, net of the obligation to pay the player winnings on future draws.

Other Operating Income

Other operating income mainly includes the New Year’s Eve Lottery commission**.** New Year’s Eve Lottery is issued once a year and the draw is held on New Year’s Eve. Net Revenues from this Lottery are attributed to the Greek State. Hellenic Lotteries S.A. according to the Concession Agreement produces, operates, distributes, promotes and manages it and receives a 17% management fee on the amounts wagered.

4.3. Finance income and Finance cost

Finance income and finance costs are recognized applying the effective interest method that is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. Finance income mainly comprises interest income on bank deposits and discounting of non-current liabilities.

Finance costs comprise interest expense on borrowings and leases, unwinding of discount of non-current liabilities, default interest on overdue amounts and other finance costs.

4.4. Expenses

Expenses are recognized in the Income Statement on an accrual basis.

4.5. Property, plant and equipment

Property, Plant and Equipment is carried at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent expenditure is added to the carrying value of property, plant and equipment or is booked as a separate fixed asset only if it is probable that future economic benefits will flow to the Company and their cost can be accurately and reliably measured.

Upon sale of property, plant and equipment, any difference between the proceeds and the book value is presented as profit or loss in the Income Statement. Expenditure on repairs and maintenance is presented as an expense in the period they occur.

Property, plant and equipment is depreciated on a straight-line basis (other than land which is not depreciated) over their useful life, as follows:

Plant & Machinery	3-9 years
Vehicles	6.5 years
Furniture and other equipment	3-10 years

The residual values and useful economic life of property, plant and equipment are subject to reassessment at each reporting date. When there are objective indications that the book value of property, plant and equipment exceeds their recoverable amount, the difference (impairment) is immediately presented as expense in the Income Statement.
Assets up to a value of € 1.5 are fully amortized during the year.

4.6. Intangible assets

Intangible assets include software and Right of games.

Software: Software licences are carried at historical cost less accumulated amortisation and impairment losses, if any. Depreciation is calculated using the straight line method during the assets' useful life that range from 1 to 4 years.

Right of games: The exclusive rights of the Company to operate lottery games in Greece that are subject to the Concession Agreement are recognized initially at cost and subsequently at amortized cost decreased by any impairment losses (refer to Note 4.7 for the impairment test procedures). The 12-year concession granted by the Hellenic Republic to the Company to operate lottery games via all appropriate means provided by the current technology, has been stated at cost, and will be depreciated during the twelve (12) year period.

4.7. Impairment of non-financial assets

Assets that are depreciated are also subject to an impairment review when there is evidence that their value will not be recoverable. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value-in-use. An impairment loss is recognized when the carrying amount of these assets (cash generating unit - CGU) is greater than its recoverable amount. Fair value less costs of disposal is the amount received from the sale of an asset at an arm's length transaction in which participating parties have full knowledge and participate voluntarily, after deducting any additional direct cost for the sale of the asset. Value-in-use is the present value of the estimated future cash flows that are expected to flow into the Company from the use of the asset and from its disposal at the end of its estimated useful life.

For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash generating units). As a result, some assets are tested individually for impairment, and some are tested at cash generating unit level.

An impairment loss is recognized in the Income Statement for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. If the book value of a cash generating unit, exceeds its recoverable amount, then impairment loss is recognized.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist and therefore the previously recognized impairment is reversed.

4.8. Leases

The Company as lessee

A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For such contracts, the lessee recognises a right of use asset and a lease liability.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment, with similar terms, security and conditions. Generally, the Company uses its incremental borrowing rate as the discount rate. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. In addition, periods covered by an option to terminate the lease held by the Company are included only if the Company is reasonably certain that these options will not be exercised.

Lease payments are allocated between principal and finance cost. The finance cost is charged to Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liability is remeasured if there is a modification that is not accounted for as a separate lease; when there is a change in future lease payments arising from a change in an index or rate; a change in the estimate of the amount expected to be payable under a residual value guarantee; and changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Right-of-use assets ("RoU") are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

RoU assets are carried at cost less accumulated depreciation and impairment losses, if any, and adjusted for certain remeasurements of the lease liability. They are depreciated over the shorter of the underlying asset's useful life and the lease term on a straight line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

The Company as a lessor

The leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Lease income from operating leases is recognised in Income Statement as revenue from non-gaming activities on a straight-line basis over the lease term.

4.9. Financial assets

Financial assets include cash and other financial instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured at amortised cost,
- those to be measured subsequently at fair value through other comprehensive income (FVOCI), and
- those to be measured subsequently at fair value through profit or loss (FVTPL).

The classification at initial recognition depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in Income Statement.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI criterion and is performed at an instrument level.

Subsequent measurement depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories:

- Amortised cost (debt instruments): Assets held for collection of contractual cash flows, where those cash flows on specific dates that are exclusively consisted of repayment of principal and interest on the outstanding balance of the principal, are measured at amortised cost. Interest income from these financial assets is calculated using the effective interest method and is included in "Finance income". Any gain or loss arising on derecognition of the asset is recognised directly in the Income Statement together with any foreign exchange gains / losses. Impairment losses are presented in line "Net impairment losses on financial assets".
- Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses,

which are recognised in Income Statement. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Income Statement. Interest income from these financial assets is included in "Finance income" using the effective interest rate method. Impairment losses are presented in line "Net impairment losses on financial assets".

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognised in Income Statement and presented in "Revenue from non-gaming activities" or "Other operating expenses" in the period in which it arises.

Impairment

The Company assess at each reporting date, whether a financial asset or group of financial assets is impaired as follows:

The Company recognise an allowance for Expected Credit Losses ("ECLs") for all debt instruments carried at amortised cost and FVOCI. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables from agents, the Company assesses the credit risk under ECL model per agent. For other trade receivables, the Company generally uses the provisioning matrix approach. In the provisioning matrix approach, impairment is calculated as the current amount of receivables in a predetermined Days Past Due bucket, multiplied by the historical loss rate associated with that time bucket and adjusted for forward-looking information. Significant receivables are assessed individually using the expected discounted cash flows method and an expert-based approach.

For all other financial assets, the Company assesses, on a forward-looking basis, the ECL for exposures subject to its standard ECL model. The measurement of ECL reflects:

(i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
(ii) the time value of money; and
(iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The Company applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL). If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Significant increase in credit risk is considered to have occurred if the asset is at least 30 days past due, if the external rating grade or internal rating grade has decreased by two notches since initial recognition, or if asset specific qualitative information or forward-looking information that suggest that a significant increase in credit risk has occurred is available.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, or
- the financial asset is more than 90 days past due.

For purposes of disclosure, the Company has fully aligned the definition of default with the definition of credit impaired assets. The default definition stated above is applied to all types of financial assets of the Company.

The input parameters into the ECL model calculations are based on two approaches:

- external rating-based approach
- internal rating-based approach.

The external rating-based approach is used for borrowings to and bank deposits with counterparties with an external credit rating from one of the major rating agencies. The internal rating approach is used for borrowings to and bank deposits with counterparties without such external credit rating; the credit spread for the individual ratings are calibrated on regular basis.

The forward-looking information considered by the Company in the Standard ECL model has been derived from correlation analysis. The information considered is publicly available information about the expected year to year changes of GDP.

Derecognition

A financial asset (or, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the contractual rights to receive cash flows from the asset expire;
- the Company transfers the rights to receive the contractual cash flows from the asset in a transaction and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but control of the asset is not retained.

Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

4.10. Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits as well as short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value. Cash and cash equivalents also include amounts from electronic payment processors, as Management concluded that the process completed at the time of purchase includes adequate checks to provide evidence that the amount is readily convertible to known amount of cash and that there is an insignificant risk of changes in value.

4.11. Equity

Share capital is determined using the nominal value of shares that have been issued. Ordinary shares are classified as equity.

Any excess of the fair value of the consideration received over the par value of the shares issued is recognized as share premium in shareholders' equity. Share capital issuance costs, net of related tax, are reflected as a deduction from retained earnings.

Treasury shares consist of Company's own equity shares, which are reacquired and not cancelled. Treasury shares do not reduce the number of shares issued but reduce the number of shares in circulation. Treasury shares are recognized at cost as a deduction from equity.

No gain or loss is recognized in the Income Statement on the purchase, sale, issue or cancellation of the Company's own share capital. Expenses related to the issuance of shares for the purchase of companies are included in the acquisition cost of the company acquired.

4.12. Current and deferred tax

Income tax for the year comprises current and deferred tax. Income tax is recognized in the Income Statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current income tax is measured on the taxable income for the year using enacted or substantively enacted tax rates at the reporting date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided on all temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax liabilities are recognized for all taxable temporary differences. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a part of tax expense in the Income Statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity. Deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. The Company recognizes previously unrecognized deferred tax asset are reassessed at each balance sheet date to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

The Company may offset deferred tax assets and deferred tax liabilities if and only if:

(a) The enterprise has a legally enforceable right to offset current tax claims against current tax liabilities, and

(b) Deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Company may offset current tax assets and current tax liabilities if and only if, the enterprise:

(a) Has a legal right to set off the amounts recorded, and

(b) Intends to either repay/ settle the net balance or to recover the claim and pay the obligation at the same time.

4.13. Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. No provisions are recognized for future operating losses.

Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. The discount pre-tax rate reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognized as borrowing cost in the Income Statement and specifically in the line "Finance costs".

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized unless assumed in the course of a business combination. Contingent liabilities are not recognized in the Financial Statements but are disclosed, except if the probability that there will be an outflow of resources that embody economic benefits is remote.

Contingent assets are not recognized in the Financial Statements but are disclosed provided that the inflow of economic benefits is probable.

4.14. Financial liabilities

The Company's financial liabilities include bank loans and overdrafts, trade and other payables and finance lease liabilities.

Initial recognition and subsequent measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The measurement of financial liabilities depends on their classification.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Income Statement.

The loans are divided into long term (mature in more than one year) and short term (mature in one year or less).

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset, and the net amount is presented in the Statement of Financial Position only when the Company has a legally enforceable right to set off the recognized amounts and intends either to settle such asset and liability on a net basis or to realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

4.15. Retirement benefit costs

The Company pays contributions to employee retirement benefit plans in accordance with the applicable laws and its practices.

Defined benefit plans

A defined benefit plan is a benefit plan in which specific benefits become payable to the employee upon retirement, which are determined by certain parameters such as age, years of service or salary. For a defined benefit plan, the value of the liability is equal to the present value of the defined benefit payable at the balance sheet date less the fair value of plan assets and of past service cost. The defined benefit liability and the related expense is estimated annually by independent actuaries using the projected credit unit method. The present value of the liability is determined by discounting the estimated future cash flows to the interest rate of high-quality corporate bonds or government bonds in the same currency as the liability with proportional liability duration, or interest rate that takes into account the risk and duration of the liability, where the market depth for such bonds is weak. The costs of liability are recognized in income during the rendering of insured services. The expenses for defined benefit plans, as estimated, are recognized in the Income Statement and are included in staff costs. Additionally, based on the requirements of IAS 19 (Amendment) the actuarial profits/(losses) are recognized in the Statement of Comprehensive Income.

5. OPERATING SEGMENTS

The following information refers to business segments that the management of the Company has decided to monitor separately for decision-making purposes. The business segments are defined based on the type of the games. Further details relating to the lottery types are given in Note 4.2.

01.01.2024-31.12.2024	INSTANT LOTTERY (SCRATCH)	PASSIVE LOTTERIES	NEW YEAR'S EVE LOTTERY	TOTAL
Revenue (GGR)	**59,848**	**45,258**	**-**	**105,106**
GGR contribution	(29,106)	(20,894)	-	(50,000)
Net gaming revenue (NGR)	**30,742**	**24,364**	**-**	**55,106**
Agents' commissions	(15,622)	(13,186)	(1,507)	(30,316)
Other direct costs	(6,838)	(4,135)	-	(10,973)
Other operating income	40	30	2,530	2,600
Operating expenses (*)	(6,577)	(4,974)	(232)	(11,783)
Net impairment losses on financial assets	4	3	-	8
Depreciation and amortization	(3,671)	(2,776)	-	(6,447)
Impairment of intangible assets	(4,214)	(3,186)	-	(7,400)
Results from operating activities	**(6,136)**	**(3,860)**	**790**	**(9,205)**

01.01.2023-31.12.2023	INSTANT LOTTERY (SCRATCH)	PASSIVE LOTTERIES	NEW YEAR'S EVE LOTTERY	TOTAL
Revenue (GGR)	**65,542**	**50,335**	**-**	**115,877**
GGR contribution	(27,744)	(22,256)	-	(50,000)
Net gaming revenue (NGR)	**37,797**	**28,079**	**-**	**65,877**
Agents' commissions	(15,965)	(14,605)	(1,757)	(32,327)
Other direct costs	(7,108)	(4,534)	-	(11,643)
Other operating income	43	33	2,871	2,947
Operating expenses (*)	(8,232)	(6,322)	(336)	(14,890)
Net impairment losses on financial assets	(44)	(34)	-	(78)
Depreciation and amortization	(5,831)	(4,478)	-	(10,309)
Impairment of intangible assets	(3,548)	(2,725)	-	(6,274)
Results from operating activities	**(2,889)**	**(4,587)**	**779**	**(6,697)**

(*) The "Operating expenses" line item includes the "Payroll expenses", "Marketing expenses", the "Other operating expenses" and the "Net impairment losses on financial assets" as presented in the Income Statement and Statement of Comprehensive Income.

The Assets and Liabilities of the Company are jointly used in the achievement of the Company's business objectives and cannot easily be segregated in Operating Segments.

6. INTANGIBLE ASSETS

Intangible assets comprise of "Software" and the "Right of games" and are analyzed as follows:

	Software	Right of games	Total
For the financial year ended on 31.12.2023			
Opening net book amount (1 January 2023)	**2,511**	**31,728**	**34,240**
Amortization charge	(754)	(9,516)	**(10,270)**
Impairment charge	-	(6,274)	**(6,274)**
Net Book Amount (31 December 2023)	**1,757**	**15,939**	**17,696**
For the financial year ended on 31.12.2024			
Opening net book amount (1 January 2024)	**1,757**	**15,939**	**17,696**
Amortization charge	(754)	(5,645)	**(6,398)**
Impairment charge	-	(7,400)	**(7,400)**
Net Book Amount (31 December 2024)	**1,004**	**2,895**	**3,898**

	Software	Right of games	Total
31/12/2023			
Acquisition cost	5,851	101,137	**106,988**
Accumulated depreciation	(4,094)	(85,198)	**(89,291)**
Net book value (31 December 2023)	**1,757**	**15,939**	**17,696**
31/12/2024			
Acquisition cost	5,851	93,737	**99,588**
Accumulated depreciation	(4,847)	(90,842)	**(95,690)**
Net book value (31 December 2024)	**1,004**	**2,895**	**3,898**

Intangible assets are mainly comprised by the 12-year license to produce, operate, distribute, promote and manage all State Lotteries, costing € 190,000. This is amortised over the life of the concession.

An impairment of "Rights of games" of € 7,400 was recognized in the year ended 31.12.2024 relating to the 12-year license to produce, operate, distribute, promote and manage all State Lotteries of the Company. Following operational challenges, there were indications that the

Company's license carrying value exceeds its recoverable amount. Consequently, the impairment test performed as of 30.09.2024 indicated an impairment of € 7,400, while the impairment test carried out on 31.12.2024 led to no additional impairment.

The corresponding impairment amount for this license in the year ended 31.12.2023 amounted to € 6,274, resulting from the impairment test performed as at 31.12.2023.

The recoverable amount is determined based on the value in use method, consistent with the method used during the previous periods, which required the use of assumptions and estimates. The value in use is calculated based on the projected free cash flows covering the concession agreement period (until April 2026). Subjective estimates and judgements by management about the future results of the Company were included in the above calculation. These estimates and judgements include assumptions surrounding revenue growth rates, EBITDA margins (on NGR) and discount rates.

The key assumptions used for the calculation of the Value in Use were the following:

	31.12.2024	31.12.2023
Compounded annual revenue growth rate (CAGR) on NGR	0.30%	3.50%
EBITDA margin (on NGR)	6.7% - 9.4%	10.7%-11.9%
Discount rate (WACC)	8.42%	9.57%

If the discount rate used in the value-in-use calculation had been either 0.25% lower or 0.25% higher than management's estimates as of 31.12.2024, it would not have shown deviations that would indicate the need to change the impairment recognized by the Company.
The intangible assets of the Company have not been pledged.

7. PROPERTY, PLANT AND EQUIPMENT

The Property, plant and equipment is analyzed as follows:

	Equipment	Total
For the financial year ended on 31.12.2023		
Opening net book amount (1 January 2023)	**49**	**49**
Depreciation charge	(16)	(16)
Net book amount (31 December 2023)	**33**	**33**
For the financial year ended on 31.12.2024		
Opening net book amount (1 January 2024)	**33**	**33**
Depreciation charge	(15)	(15)
Net book amount (31 December 2024)	**18**	**18**

	Equipment	Total
31/12/2023		
Acquisition cost	5,216	5,216
Accumulated depreciation	(5,183)	(5,183)
Net book value (31 December 2023)	**33**	**33**
31/12/2024		
Acquisition cost	5,216	5,216
Accumulated depreciation	(5,199)	(5,199)
Net book value (31 December 2024)	**18**	**18**

Property, plant & equipment of the Company have not been pledged.

8. RIGHT-OF-USE ASSETS & LEASE LIABILITIES

The Right-of-use assets are analyzed as follows:

	Buildings	Vehicles	Total
For the financial year ended on 31.12.2023			
Opening net book amount (1 January 2023)	**52**	**-**	**52**
Additions	-	55	55
Depreciation charge	(19)	(3)	(23)
Net book amount (31 December 2023)	**32**	**52**	**84**
For the financial year ended on 31.12.2024			
Opening net book amount (1 January 2024)	**32**	**52**	**84**
Depreciation charge	(19)	(14)	(33)
Net book amount (31 December 2024)	**13**	**38**	**51**

	Buildings	Vehicles	Total
31/12/2023			
Acquisition cost	68	55	123
Accumulated depreciation	(36)	(3)	(39)
Net book value (31 December 2023)	**32**	**-**	**32**
31/12/2024			
Acquisition cost	61	55	116
Accumulated depreciation	(48)	(17)	(65)
Net book value (31 December 2024)	**13**	**38**	**51**

The Statement of Financial Position of 2024 includes the following amounts related to lease liabilities:

	31.12.2024	31.12.2023
Non-current	25	52
Current	27	33
Total	**52**	**85**

The Company's interest expense on lease liabilities amounts to € 1.6 (2023: € 1.2). The Company's total payments for lease liabilities in 2024 amount to € 35 (2023: € 23).

9. DEFERRED TAX ASSETS

The deferred taxes are calculated in full on temporary differences under the balance sheet method using the principal tax rate i.e., 22%.

The movement of deferred tax assets is as follows:

	31.12.2024	31.12.2023
Opening balance, net deferred asset	**9,875**	**26,605**
Charge recognized in Income Statement (Note 26)	140	(16,730)
Closing balance, net deferred asset	**10,015**	**9,875**

The movement in deferred tax assets and liabilities per category is as follows:

	Balance at 1 January 2024	Recognized in profit or loss (Note 26)	Balance at 31 December 2024
Right-of-use assets	(19)	7	(11)
Property, plant and equipment	14	(6)	8
Intangible assets	4,624	(627)	3,997
Employee benefits	1	-	1
Lease liabilities	19	(7)	11
Other non-current & current liabilities	5,236	773	6,009
Deferred tax assets	**9,875**	**140**	**10,015**

	Balance at 1 January 2023	Recognized in profit or loss (Note 26)	Balance at 31 December 2023
Right-of-use assets	(11)	(7)	(19)
Property, plant and equipment	23	(9)	14
Intangible assets	4,667	(43)	4,624
Other non-current & current assets	(4)	4	-
Employee benefits	-	-	1
Lease liabilities	11	7	19
Other non-current & current liabilities	21,918	(16,682)	5,236
Deferred tax assets	**26,605**	**(16,730)**	**9,875**

The deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxing authority.

10. Cash and cash equivalents

The analysis of cash and cash equivalents is as follows:

	31.12.2024	31.12.2023
Cash on hand	254	278
Short term bank deposits	63,980	52,745
	64,234	**53,023**

"Short-term bank deposits" are comprised by current accounts, short-term time deposits with a maturity of three months or less from the date of the acquisition and amounts from electronic payment processors, which, at the time of purchase, are readily convertible to known amount of cash and that there is an insignificant risk of changes in value. The effective interest rates are based on floating rates and are negotiated on a case-by-case basis.

11. Trade receivables

The analysis of trade receivables is as follows:

	31.12.2024	31.12.2023
Receivables from sales' network	38,751	38,528
Doubtful receivables from agents	4,405	4,351
Other receivables	37	41
Sub total trade receivables	**43,194**	**42,919**
Less loss allowance on trade receivables	(4,817)	(4,825)
Total trade receivables	**38,376**	**38,094**

The Company's exposure to credit risk is mainly concentrated in the doubtful receivables from agents' accounts. According to IFRS 9 requirements, an assessment of the credit risk under ECL model was conducted per agent and the calculated amount was lower than the carrying amount of the loss allowance before the assessment. Consequently, on 31.12.2024 the loss allowance of the Company was decreased by € 8.

12. OTHER CURRENT ASSETS

The analysis of other current assets is as follows:

	31.12.2024	31.12.2023
Accrued income	77	53
Prepaid expenses	831	311
Receivables from taxes (other than corporate income tax)	1	1
Total	**908**	**364**

13. EQUITY

13.1 Share capital

The Company's Share capital amounts to €300, divided into 7,500,000 ordinary registered shares worth € 0.04 (in absolute amount) each. The Company's shareholder structure includes OPAP INVESTMENT LTD, which is the controlling shareholder with 83.50% of its ordinary shares, and SCIENTIFIC GAMES GLOBAL GAMING S.á.r.l. with 16.50% of its ordinary shares. All shares are of equal value concerning the dividend distribution and capital return and represent one vote at the General Meeting of the shareholders of the Company.

There was a change in the share capital structure compared to the year ended 31.12.2023, following the General Meeting of the Shareholders that took place on 17.06.2024, which approved the issuance of 2,400,000 new ordinary shares of € 0.04 (in absolute amount) each at an issue price of € 10.00 (in absolute amount) each (i.e. at a € 9.96 share premium each). Consequently, the Share Capital of the Company increased by € 96 and its Share Premium reserve by € 23,904. As a result, share capital on 31.12.2024 amounts to € 300 divided into 7,500,000 ordinary shares with a nominal value of € 0.04 (in absolute amount) each.

13.2 Reserves

The reserves consist of the mandatory amounts deducted from each years' earnings for the formation of Statutory reserve.

Statutory reserve is not available for distribution and the additional amount added each year is equal to or at least, 5% of the annual net profit. The requirement to increase the statutory reserve ends when the reserve reaches a minimum of 1/3 of the Company's share capital.

The Statutory reserve of the Company as at 31.12.2024 amounts to € 24,806 as no extra reserve was formed during the current year or the prior year, due to the losses incurred.

14. BORROWINGS

The summary of the Company outstanding debt is as follows:

	31.12.2024	31.12.2023
Long term borrowings	40,000	-
Short term borrowings	319	40,382
Total borrowings	**40,319**	**40,382**

The movement in Company's borrowings is as follows:

	Year of maturity	31.12.2023	31.12.2024				
		Book value	Payments of interest of previous year	Provision of Interest	Amortization of expenses	Outstanding nominal value	Book value
Bond Loan € 50,000	2026	40,382	(397)	319	14	40,000	40,319
Total		**40,382**	**(397)**	**319**	**14**	**40,000**	**40,319**

The Company has extended the maturity date of its bond loan from the initial maturity date of 27.10.2024 to 27.10.2026.

OPAP S.A. is guarantor of 83.5% of the loan balance of the aforementioned bond loan for both periods 2024 and 2023.

The above bond loan agreement does not require mortgages or pledges over the assets of the Company.

As at 31.12.2024, the Company was in compliance with the financial covenants relating to its borrowing facility.

15. OTHER NON-CURRENT LIABILITIES

The "Other non-current liabilities" relate to the long term payout to winners of certain scratch codes.

16. TRADE PAYABLES

The analysis of trade payables is as follows:

	31.12.2024	31.12.2023
Suppliers (services, assets, etc.)	5,919	8,236
Payout to the winners	15,176	15,266
Unclaimed winnings	2,732	6,139
Scratch payout provision	27,268	24,022
Other payables (salaries – subsidies)	628	289
Contracts' liabilities	4,819	6,057
Total trade payables	**56,543**	**60,010**

The “Suppliers (services, assets, etc.)” are non-interest bearing and are normally settled within 60 days.

17. OTHER CURRENT LIABILITIES

The analysis of other current liabilities is as follows:

	31.12.2024	31.12.2023
Guarantee deposits from agents	367	383
Wages and salaries	95	69
Accrued expenses	2,779	1,214
Insurance contributions payable	257	145
Liability to the Greek State for the management of New Year's Eve Lottery	3,610	4,453
GGR contribution on the net revenues	19,933	19,008
Default interest related to Minimum Annual Fee 2020-2022	-	12,462
Other taxes	421	572
Other liabilities	81	79
Total	**27,543**	**38,385**

The previous period’s balance of the “Default interest related to Minimum Annual Fee 2020-2022” refers to the additional liability of the Company to the Greek State amounted to € 12,462 and related to the default interest resulting from the overdue payment of the aforementioned Minimum Annual Fee for the years 2020 - 2022. The amount was fully repaid within 2024.

The “GGR contribution on the net revenues” refers to the amounts resulting from a month’s gaming activity which are payable during the next month.

The balance of "Accrued expenses" refers to expenses incurred in the current period, which have not yet been invoiced as at 31.12.2024.
Finally, "Other taxes" include VAT and withholding taxes from games.

18. GGR CONTRIBUTION

As per the Concession Agreement, a 30% contribution is imposed on the Company's Gross Gaming Revenue (revenue minus players' winnings), subject to a € 50,000 annual minimum concession fee with the exception of the first and the last year of the concession, for which this should be calculated on a pro rata basis. For the calculation of this contribution, revenues from the New Year's Eve Lottery are excluded according to the Concession Agreement provision.
For the current year, the "GGR contribution" has been calculated at the minimum amount of € 50,000 per annum stipulated in the Concession Agreement.

19. AGENTS' COMMISSIONS

The sales' network commissions are calculated as a percentage on the amount of wagers, ranging from 6% to 12% depending on the type of lottery sales and the sales' channel (wholesalers, mini markets, OPAP S.A. sales' network etc.). The aforementioned percentages may become even higher in case of the achievement of specific sales targets.

20. OTHER DIRECT COST

The level of the other direct costs is directly connected with the level of the Company's gaming activity.
Specifically, it mainly includes the cost for the provision of services provided from OPAP S.A., INTRALOT S.A. and SCIENTIFIC GAMES INTERNATIONAL INC. regarding the designing, printing and logistics of SCRATCH tickets, operation and maintenance of the central system and the usage of OPAP's sales network.

21. OTHER OPERATING INCOME

The analysis of other operating income is as follows:

	2024	2023
Commission on New Year's Eve Lottery	2,530	2,871
Other Income	70	75
Total	**2,600**	**2,947**

The New Year's Eve Lottery is issued once a year and the draw is held on New Year's Eve. Net Revenues from this Lottery are attributed to the Greek State. HELLENIC LOTTERIES S.A., under the Concession Agreement, produces, operates, distributes, promotes, and manages it and receives a 17% management fee on amounts wagered. The fee includes all company costs related to the operations of the New Year's Eve Lottery. This specific income is recognized once a year, during December (Note 4.2).

22. PAYROLL EXPENSES

The analysis of payroll expenses is as follows:

	2024	2023
Wages and salaries	466	434
Social security costs	244	248
Other staff costs	27	17
Employee benefit plans	1	-
Total	**737**	**699**

As at the end of both reporting periods, the Company employed 7 full-time individuals.

23. MARKETING EXPENSES

The analysis of the marketing expenses is as follows:

	2024	2023
Advertising expenses	6,284	7,198
Total	**6,284**	**7,198**

24. OTHER OPERATING EXPENSES

The analysis of other operating expenses is as follows:

	2024	2023
IT related costs	11	10
Utilities & Telecommunication costs	252	280
Rentals	-	3
Legal fees	110	2,786
Transportation expenses	509	527
Design and printing of lotteries	846	811
Professional fees to third parties	2,359	1,891
Other	675	685
Total	**4,762**	**6,993**

The decrease in "Legal fees" this year compared to 2023 is attributable to the increased legal cost incurred in 2023 related to the Request for Arbitration.

25. FINANCIAL INCOME/(COST)

The analysis of finance income and cost is as follows:

	2024	2023
Interest expense on lease obligations	(2)	(1)
Interest and expenses of bond loan	(2,339)	(2,165)
Default interest related to the Minimum Annual Fee 2020-2022	-	(12,462)
Other financial expenses	(904)	(965)
Discounting interest	(44)	(50)
Finance costs	**(3,288)**	**(15,643)**
Interest income		
Bank deposits	1,128	1,541
Discounting interest	31	27
Finance income	**1,159**	**1,567**
Net finance costs	**(2,130)**	**(14,075)**

The "Other financial expenses" mainly include commission expenses for letters of guarantees.

26. INCOME TAX

The income tax charged to the Income Statement and Other Comprehensive Income for the years ended 31.12.2024 and 31.12.2023 is analysed as follows:

Amounts recognized in Income Statement:

Year that ended on December 31	2024	2023
Deferred tax	140	(16,730)
Income tax expense	**140**	**(16,730)**
Effective tax rate	**1.2%**	**-80.5%**

The corporate income tax rate in Greece is 22%.

The accumulated tax losses of the Company as at 31.12.2024 amount to € 137,869 (2023: € 127,182). Based on the business plan and the management estimations relating to the utilization of the future taxable income, no deferred tax asset was recognized.

Tax losses can be offset against future taxable earnings over the next 5-year period.

A reconciliation between the income tax expense and the accounting loss before tax multiplied by tax rates in force in Greece is as follows:

	2024	2023
Loss before tax	**(11,335)**	**(20,772)**
Tax according to the tax rate	2,494	4,570
Tax effect from expenses/income that are not tax deductible	173	-
Permanent and other differences	2	(17)
Effect of unrecognized deferred tax asset on tax losses	(2,528)	(21,283)
Income tax and deferred tax (expense)/income	**140**	**(16,730)**

27. LOSSES PER SHARE

The basic losses per share are calculated as follows:

(Amounts in thousands of euro)	31.12.2024	31.12.2023
Net loss attributable to the shareholders	(11,194)	(37,502)
Weighted average number of ordinary shares	6,300	4,100
Basic losses per share (in €)	**(1.7769)**	**(9.1469)**

28. RELATED PARTY DISCLOSURES

The term “related parties” include companies that are controlled by the Company’s main shareholders, companies controlled by members of the BoD or key management personnel, as well as close members of their family. The Company’s income and expenses for the fiscal year 2024 as well as the balances of receivables and payables for the same period that have arisen from related party transactions, as defined by IAS 24, are analyzed as follows:

28.1. Transactions with Related Companies

The significant transactions with related parties as defined by IAS 24 are presented below:

Company’s transactions with related companies

2024	Expenses	Income	Payables	Receivables
	(Amounts in thousands of euro)			
SCIENTIFIC GAMES GLOBAL GAMING S.Á.RL	-	-	36	-
OPAP S.A.	5,027	3	4,310	29
SCIENTIFIC GAMES WORLDWIDE LTD	4,255	-	1,119	-
TORA WALLET SINGLE MEMBER S.A	34	13	33	14
TORA DIRECT SINGLE MEMBER S.A	7	-	-	4
HORSE RACES SINGLE MEMBER S.A.	-	-	-	8
Total	**9,322**	**16**	**5,498**	**55**

2023	Expenses	Payables	Receivables
	(Amounts in thousands of euro)		
SCIENTIFIC GAMES GLOBAL GAMING S.Á.RL	-	36	-
OPAP S.A.	4,818	5,297	33
SCIENTIFIC GAMES WORLDWIDE LTD	4,662	943	-
TORA WALLET SINGLE MEMBER S.A	24	7	2
TORA DIRECT SINGLE MEMBER S.A	6		7
HORSE RACES SINGLE MEMBER S.A.	-	-	8
Total	**9,510**	**6,284**	**50**

The Company’s shareholder structure involves OPAP INVESTMENT LTD with an 83.50% stake, and SCIENTIFIC GAMES GLOBAL GAMING S.á.r.l. with a 16.50% stake of the Company’s ordinary shares.

In addition, OPAP S.A. is guarantor of 83.5% of the Company’s bond loan, for both periods 2024 and 2023 and has also granted total corporate guarantees of € 108,550 (2023: € 108,550) in favor of HELLENIC LOTTERIES S.A..

With regards to the transactions with SCIENTIFIC GAMES WORLDWIDE LTD, it is noted that they relate to the production, design, and provision of advisory services for the Instant lottery while, the transactions with OPAP S.A., relate to the provision of services provided under Service Level Agreement (i.e., accounting, legal, marketing, etc.).

28.2 Transactions with Board of Directors

BoD	01.01.2024-31.12.2024	01.01.2023-31.12.2023
BoD transactions and salaries	70	70
Liabilities	1	1

29. OTHER DISCLOSURES

Contingent liabilities

29.1. Unaudited fiscal years

The Company has not been audited by the Tax Authorities since its establishment.
However, it has been subject to tax audit by its statutory auditors, according to the terms of article 82, par. 5 of the L.2238/1994 and the article 78, par. 1 of L. 5104/2024 and received the Tax Compliance Reports without differences. In any case and according to POL. 1006/05.01.2016, Greek companies subject to the Tax Certificate process are not excluded from a tax audit by tax authorities. Consequently, tax assets/liabilities for fiscal years not audited by the tax authorities are not considered to be final. A possible tax audit may impose further taxes and fines, the amount of which is not expected to be material. The right of the Greek State to audit and impose taxes and fines for the years until 2018 has been elapsed.
The work of the Certified Auditors Accountants for the tax compliance report of fiscal year 2024 is currently in progress with no significant tax differences expected.

29.2. Legal matters

According to the Legal Counsel, third party lawsuits against the Company have been filed of a total claim of € 1,019, for which the outcome is estimated as positive for the Company and consequently, no provision was raised.

29.3. Letters of guarantee

According to art. 26.1 of the Concession Agreement with the Hellenic Republic Asset Development Fund for the production, operation, distribution, promotion and overall management of all State Lotteries, the Company should keep one or more letters of guarantee of annual validity, amounting to € 35,000 for the first financial year of the agreement, € 50,000 for each of the next five years and € 75,000 for the remaining duration of the agreement. For this purpose, the Company on 31.12.2024 had in effect two letters of guarantee, totally amounting to € 75,000 (a) one of total amount € 25,000 with issue date 30.07.2013, amended on 28.11.2024, in order to reach a yearly extension, i.e. until 31.12.2025 (b) one of total amount € 50,000 issued on 13.12.2024 with expiration date on 31.12.2025.

In addition, OPAP S.A. is guarantor of 83.5% of the Company's bond loan, for both periods 2024 and 2023 and has also granted total corporate guarantees of € 108,550 (2023: € 108,550) in favor of the Company. From this amount, € 41,750 (2023: € 41,750) is a corporate guarantee for the loan of HELLENIC LOTTERIES S.A. from Alpha bank, the € 62,625 (2023: € 62,625) is a guarantee to HRADF and the € 4,175 (2023: € 4,175) relates to its overdraft bank account.

Finally, the Company has received letters of guarantee, securing receivables, amounting to € 8,456 (2023: € 8,235).

30. FINANCIAL RISK FACTORS

Main risks and uncertainties to which the Company may be exposed are the following:

30.1. Risk related to political and economic conditions, as well as market conditions and developments in Greece

In 2024 the Greek economy continued recording solid GDP growth, above euro area, on the back of high investment levels, further reduction in unemployment and solid private consumption. The economy is projected to maintain its growth momentum in 2025 supported by European funds, prudent fiscal policy, strong private consumption and a thriving tourism sector, while at the same time the forecasted reduction of debt levels alongside primary surpluses that are estimated to exceed 2% of GDP are expected to improve Greece's creditworthiness and positively impact confidence in the economy. On the other hand, existing geopolitical risks arising from conflicts in Ukraine and Middle East and the uncertainty surrounding global trade policies could weigh negatively on euro area projected growth. An early resolution of geopolitical conflicts and an improvement of global trade conditions could, however, improve economic sentiment and the outlook for the year. Furthermore, inflation in Greece is expected to gradually decline throughout the year despite still existing pressures from energy and housing that negatively affect consumer confidence. Notwithstanding, the anticipated deceleration of euro area inflation is possible to allow further interest rate reductions by the European Central Bank in order to boost sluggish economic growth.

The Company's activity is significantly affected by disposable income and private consumption, which in turn are affected by the current economic conditions in Greece, such as the GDP, unemployment, inflation, taxation levels and increased energy costs. As such, a potential deterioration of the aforementioned indicators together with a decline in economic sentiment and/or consumer confidence, could result in a decrease of the gaming related frequency and spending of the Company's customers.

30.2. Market risk

Market risk arises from the possibility that changes in market prices such as exchange rates and interest rates affect the results of the Company, or the value of financial instruments held. The management of market risk consists in the effort of the Company to control their exposure to acceptable limits, mainly through monitoring interest rates on borrowings and restricting investments in volatile financial instruments that are sensitive to market risks.

The main risks that comprise market risk are described below:

i) Currency risk

Currency risk is the risk that the fair values or the cash flows of a financial instrument fluctuate due to changes in foreign currency rates. The Company operates in Greece and there are no agreements with suppliers in place in currencies other than in euro. All revenues from games are in euro, transactions and costs are denominated or based in euro. Consequently, there is no substantial foreign exchange currency risk.

ii) Interest Rate Risk

The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. Fair value interest rate risk is the risk that the value of a financial asset or liability will fluctuate because of changes in market interest rates.

The only existing debt liability as at 31.12.2024 was the Company's Bond Loan which bears a variable interest rate. The Company follows all market developments and acts in a timely manner when needed.

The following table demonstrates the sensitivity to a change by 1.0% in interest rates, with all other variables held constant, on floating rate borrowing to the income statement and statement of comprehensive income:

Impact on losses after tax	31.12.2024	31.12.2023
Increase by 1%	(407)	(406)
Decrease by 1%	407	406

30.3. Capital Management

The primary objective of the Company, relating to capital management is to ensure and maintain strong credit ability and healthy capital ratios to support the business plans and maximize value for the benefit of shareholders.

The Company manages the capital structure and makes the necessary adjustments to conform to changes in business and economic environment in which they operate.

30.4. Credit risk

The Company's exposure to credit risk arises mainly from its operating activities and more specifically, it is linked to the collection process from its sales network. The aforementioned process leaves the Company exposed to the risk of financial loss if one of its counterparties/agents fails to meet its financial obligations.

In order to mitigate the aforementioned risk, the Company established and implements a credit risk management policy. The main characteristics of the policy are:

- The establishment of a Credit Committee responsible to approve and/or to make recommendations to the BoD for credit risk related matters.
- The classification of agents based on a credit risk scoring model which is continuously updated.
- The establishment of credit limits per agent based on their individual credit ratings.
- The immediate suspension of operation in case of overdue amounts.

The carrying value of financial assets at each reporting date is the maximum credit risk to which the Company is exposed.

Impairment of financial assets

The Company hold two types of financial assets that are subject to the expected credit loss model:

- Trade receivables
- Other current assets

While cash and cash equivalents are also subject to impairment under IFRS 9, no impairment loss was identified due to the fact that the cash and cash equivalents of the Company are held at reputable European financial institutions.

The Company applies the IFRS 9 simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables. It is mentioned that the expected credit losses are based on the difference between the cash inflows which are receivable and the actual cash inflows that the Company expects to receive. All cash inflows in delay are discounted.

The remaining financial assets are considered to have low credit risk, therefore the Company applies the IFRS 9 general approach, and the loss allowance was limited to 12 months expected losses.

Assets subject to credit risk as at the reporting date are analyzed as follows:

	2024	2023
Financial Assets Categories		
Cash and cash equivalents	64,234	53,023
Trade receivables	38,376	38,094
Guarantees	8	8
Total	**102,618**	**91,125**

Net impairment losses on financial assets	2024	2023
Impairment losses	8	(78)
Total	**8**	**(78)**

Trade receivables bad debt allowance	31.12.2024	31.12.2023
Opening balance	**4,825**	**4,747**
Additions for the period	-	78
Unused amounts	(8)	-
Closing balance	**4,817**	**4,825**

30.5. Liquidity risk

The liquidity risk consists of the Company's potential inability to meet its financial obligations. The Company manages liquidity risk by performing a detailed forecasting analysis of the inflows and outflows of the Company on a yearly basis.

The aforementioned exercise takes into account:

- Revenues forecast based on expected payout ratios of the games
- Tax obligations and other financial commitment towards the government
- Financial obligations arising from the Company’s loan portfolio
- Operating Expenses
- Capital Expenditure

- Extraordinary inflows and outflows

The Company's liquidity position is monitored on a daily basis from the Treasury Department and if needed makes recommendations to the CFO and the Board of Directors to assure no cash shortfalls.

The maturity of the financial liabilities of the Company is analyzed as follows:

	Short Term		Long Term	Total of undiscounted liabilities
For the year ending on 31 December 2024	**Within 6 months**	**6 till 12 months**	**1 till 5 years**	
Other non-current liabilities	-	-	1,247	1,247
Borrowings	319	-	40,000	40,319
Trade payables	29,274	27,268	-	56,543
Other current liabilities	27,543	-	-	27,543
Total	**57,136**	**27,268**	**41,247**	**125,652**

	Short Term		Long Term	Total of undiscounted liabilities
For the year ending on 31 December 2023	**Within 6 months**	**6 till 12 months**	**1 till 5 years**	
Other non-current liabilities	-	-	1,374	1,374
Borrowings	40,382	-	-	40,382
Trade payables	35,988	24,022	-	60,010
Other current liabilities	38,385	-	-	38,385
Total	**114,755**	**24,022**	**1,374**	**140,151**

30.6. Climate change risk

The Company is conscious of global climate change and environmental issues. Climate risks pose potential challenges for our operations, including increased energy cost and vulnerability in non-renewable energy pricing and resources availability due to dependency on non-renewable resources in conjunction with energy and fuel price volatility, energy supply interruptions, financial and/ or litigation risks due to non-compliance with relevant climate related and environmental legislation and regulations (existing and coming into force). In addition, climate risks include potential business disruption in retail operations (i.e. inability to offer services in specific areas due to extreme weather incidents) along with potential damage to our facilities due to extreme weather events, resulting in potential operational disruptions or even possible reputational issues.

However, in our effort to contribute to the mitigation of such challenges, we systematically work towards minimizing our potential negative impact and proactively address risks throughout our operations. We comply with current environmental legislation and relevant provisions, incorporate sustainable practices and procedures, as well as conduct the necessary environmental impact assessments. Additionally, through our Environmental and Energy Policy and relevant management systems (ISO14001, ISO50001), we are committed to conducting business in an environmentally responsible way, acknowledging that the protection of the environment, energy saving and the conservation of natural resources are integral parts of responsible and sustainable business development.

30.7. Going Concern risk

The Company has had losses for five consecutive years, of an accumulated amount of € 142,685. The Company's Total Equity is negative and consequently has fallen below the threshold of 50% of its Share Capital, therefore there are reasons for application of paragraph 4 of Article 119 of Law 4548/2018. As reflected in the Statement of Financial Position, the Company has positive working capital. The working capital, calculated by subtracting current liabilities from current assets, amounts to € 19,254. In contrast, for 2023, it was negative € 47,105. This change is attributed to the restructuring of borrowings, which included a two-year extension of the maturity date. The Company's shareholders and OPAP S.A. are committed to improve its capital structure and intend to continue providing financial support and take all necessary steps to ensure that the Company continues to operate as a going concern for a period of at least 12 months from the approval of the Financial Statements. The Management concludes by taking into account the future expected cash flows and all other available information for the foreseeable future that the Company will continue to operate on a going concern basis.

30.8. Fair value and fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuing technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

During the year there were no transfers between level 1 and level 2 fair value measurement, and no transfers into and out of level 3 fair value measurement.

The following tables compare the carrying amount of the Company’s financial instruments that are carried at amortized cost to their fair value:

	31.12.2024			
	Carrying value	Level 1	Level 2	Level 3
Financial assets				
Trade receivables	38,376	-	-	38,376
Cash and cash equivalents	64,234	-	-	64,234
Guarantee deposits	8	-	-	8
Financial liabilities				
Long term borrowings	40,000	-	-	41,335
Short term loans borrowings	319	-	-	319
Trade payables (excluding contracts' liabilities)	51,724	-	-	51,724
Lease liabilities	52	-	-	52
Other financial liabilities	4,393	-	-	4,393

	31.12.2023			
	Carrying value	Level 1	Level 2	Level 3
Financial assets				
Trade receivables	38,094	-	-	38,094
Cash and cash equivalents	53,023	-	-	53,023
Guarantee deposits	8	-	-	8
Financial liabilities				
Short term loans borrowings	40,382	-	-	41,463
Trade payables (excluding contracts' liabilities)	53,953	-	-	53,953
Lease liabilities	85	-	-	85
Other financial liabilities	2,971	-	-	2,971

The fair value of long-term and short-term loans is based on their discounted future cash flows. The fair value of other financial assets and financial liabilities equals their carrying amounts.

31. SUBSEQUENT EVENTS

There were no subsequent events that require adjustments to or disclosures in the Financial Statements.

Athens, 26 March 2025

Chairman & Chief Executive Officer	Member of the Board & Chief Financial Officer	Operational Finance Director
Jan Karas	**Pavel Mucha**	**Petros Xarchakos**